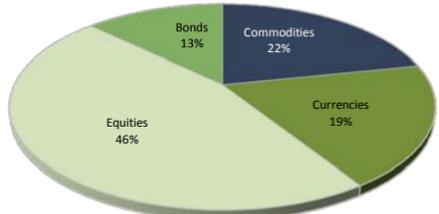
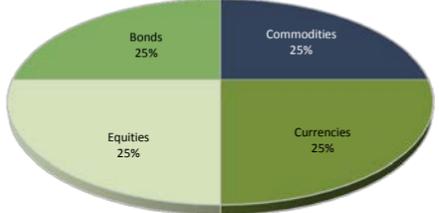


**Moliner Global Markets Program:** We employ quantitative algorithms derived from mathematics and physics such as digital signal processing and noise reduction techniques. The algorithms decompose market price series into a complex sum of individual linear and non-linear components representing both market "signal" and "noise". After extracting noise, models statistically project the highest probability directional move. Trade duration is adaptive and reflects the market's estimated frequency. A variety of risk management techniques are imbedded in the models including active stop losses which attempt to mitigate downside risk. The strategy's diversified portfolio comprises futures and forwards in currencies, interest rates, equities and commodities.

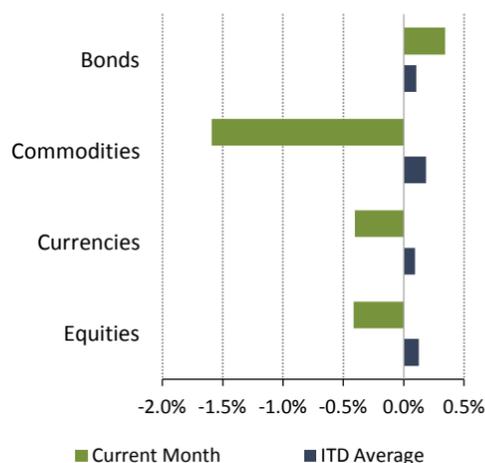
**This month Average Risk Sector Allocation**



**Long-term Risk Sector Allocation**



**Performance Attribution**



**Comments:** August ended down **-2.07%**. Our portfolio was well positioned early in August and models increased our risk exposure slowly. However, markets started to move against us while our exposure was fairly high. Our risk management stopped out some positions fast thereby limiting our losses. Core models originated most of the losses while our Short-term model provided some relief. Energy and Metals sectors rallied and impacted our short positions, and were among our worst contributors. Currencies and Equities returns were negative while Bonds were profitable. **Commodities: -1.6%**. Disruption of supply and Middle-east increasing tensions over Syria prompted Metals and Energies to rally. Our core models were mainly short and were stopped out. Gold and Nat Gaz were our worst contributors. Ags were profitable and helped mitigate the sector's loss. **Currencies: -0.4%**. Our position diversification in Currencies helped during the month; however the Euro correction at the end of the month penalized us. MCM1 gains in this sector were not sufficient to offset losses from the other models. **Equities: -0.4%**. Despite the majority of Equity markets correcting in August, our portfolio managed to capture gains in European Equities but these profits did not offset losses in US markets. Asian markets' contribution was flat. **Bonds: +0.3%**. While our risk allocation to this sector reduced, all our models managed to capture opportunities and contributed positively to the P&L thanks to their short bond positions. Among them, MCM3 (short term model) was the best contributor in this sector. All maturities were profitable.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	2.06%	1.62%	-1.36%	5.28%	-3.48%	-0.42%	-2.16%	-2.07%					-0.81%
2012	-1.58%	-6.30%	-1.92%	-1.45%	8.59%	-6.45%	2.05%	-2.94%	4.06%	-3.26%	2.12%	4.11%	-4.01%
2011	-0.65%	3.41%	-0.84%	4.73%	-3.61%	-3.09%	2.71%	-1.11%	-2.41%	-4.67%	-2.53%	0.34%	-7.89%
2010	-2.91%	-1.58%	4.86%	1.36%	-2.69%	-3.08%	1.65%	1.97%	3.80%	2.87%	-1.42%	4.47%	9.18%
2009	1.02%	4.11%	-1.67%	-6.18%	-3.30%	-0.55%	-1.11%	1.08%	0.67%	-0.88%	2.33%	-2.22%	-6.89%
2008	0.14%	6.31%	-0.97%	-4.53%	0.05%	3.94%	0.24%	-1.90%	0.51%	4.70%	4.23%	-0.23%	12.63%
2007	5.07%	-2.11%	-0.45%	5.00%	5.48%	1.94%	-2.85%	-2.91%	5.30%	5.01%	-1.78%	-0.10%	18.28%
2006	3.86%	-0.25%	3.57%	4.86%	-3.36%	0.30%	-2.89%	2.64%	0.03%	4.03%	1.14%	6.28%	21.58%
2005							2.37%	-0.58%	5.26%	-3.68%	3.00%	1.34%	7.70%

\* Performance from July 2005 to mid November 2007 reflects actual trading performance of the program while Mr. Molinero was a proprietary portfolio manager at Rotella Capital Management. During this period 2/20 fees were imputed. From November 2007, the track record represents the composite net performance of all our accounts with interest income imputed to reflect fully funded accounts. The track record has been fully continuous since July 2005.

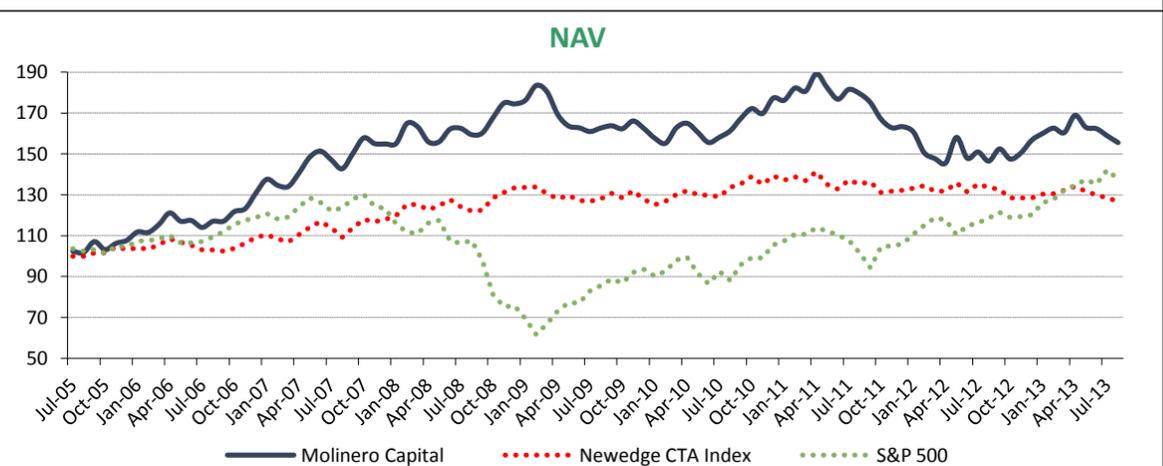
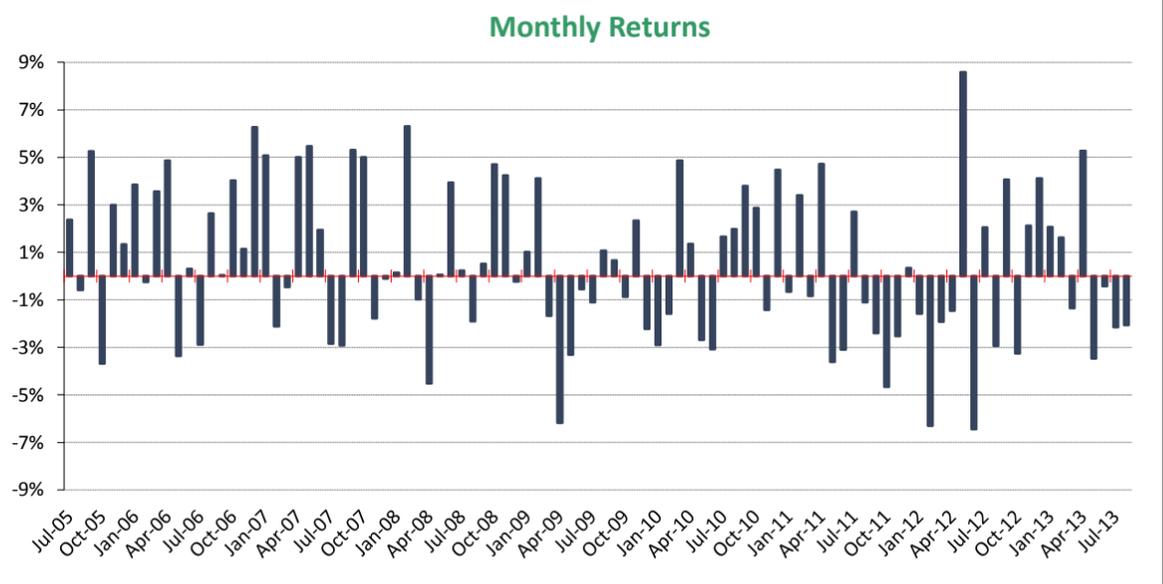
Performance Statistics	
Annualized Return	5.6%
Annualized Volatility	11.2%
Annualized Downside Deviation	5.4%
Maximum Drawdown (MaxDD)	-23.0%
Return/Volatility Ratio	0.49
Sortino Ratio (R/Downs. Dev.)	1.03
Calmar or Sterling Ratio (R/ MaxDD )	0.24
Omega Ratio (0%)	1.46

Benchmark Analysis				
From July 2005 to present	Moliner Capital	S&P Index	HFRI Composite	Newedge CTA
Return	5.6%	4.0%	4.7%	2.9%
Volatility	11.2%	15.8%	6.8%	7.3%
Max DD	-23.0%	-52.6%	-21.4%	-9.1%
Omega (0%)	1.46	1.60	1.80	1.35

Linear Regression of MCM vs Benchmark				
	Moliner Capital	S&P Index	HFRI Composite	Newedge CTA
Alpha (Y)	-	6.5%	5.2%	2.4%
Beta	-	-0.06	0.24	1.15

Performance vs Time Horizon Analysis			
Time Horizon	Average	Worst	Best
3 Months	1.6%	-10.8%	12.9%
6 Months	3.3%	-16.1%	20.6%
12 Months	6.1%	-23.0%	29.6%
24 Months	28.1%	-6.6%	66.9%

Program Information		
Fee structure :	Mgt 2%	Incentive 20%
Managed Account:	Yes	Fund : Yes
High water mark:	Yes	Liquidity : Weekly
Margin/Equity (incl Fx Forwards):	11.2% (avg fr incept)	
17 Wigmore Street, First Floor, London, W1U 1PQ, UK		
+44 (0) 207 078 7637 InvestorRelations@MolinerCapital.com		

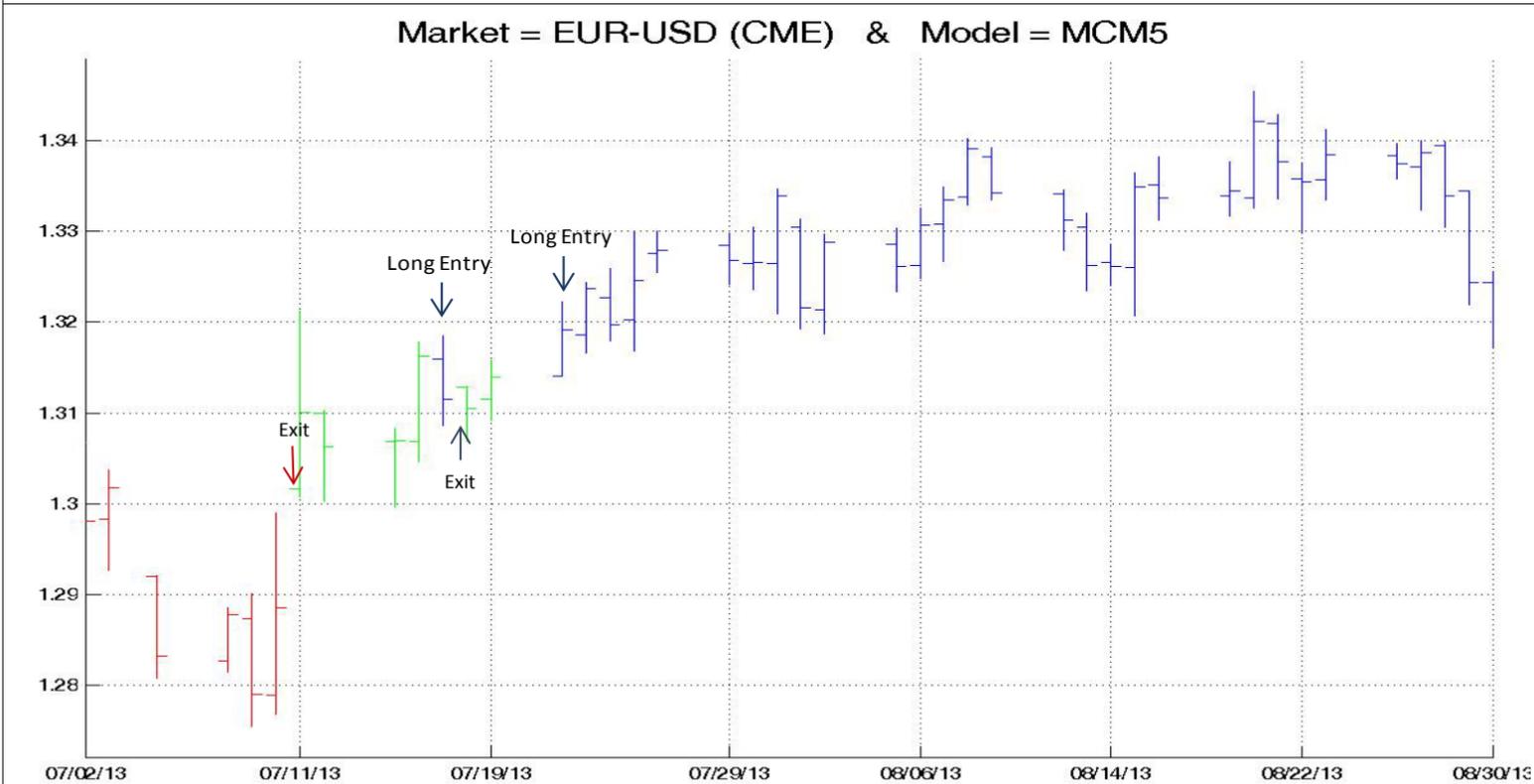


**Out of the box trades, the good and the bad:** With this new section of our reporting, we are aiming to provide insights on how our models behave. We genuinely believe that our strategies are different and we hope to demonstrate this with examples of executed trades. They will help to better illustrate what makes our approach so unique. The trades below have the same color code - **Blue = Long, Red = Short, Green = No Position**.



**Comments:**  
MCM2 (Digital Signal Processing) - Gold:

- Our model was out of the market during the rally of July and projected a downward move early August. This losing position was stopped out 5 days later.
- While Gold was rallying, the model projected again the downward move. Our model was proven wrong for the second time. This position was then closed rapidly.



**Comments:**  
MCM5 (Fractal filtering momentum) - Euro:

- Our model was short Euro at the beginning of July and the position was closed as the market rebounded.
- This model then switched a few days later to long and captured the upward move of the Euro until mid-August.
- While the Euro was in an upward trading range for the most part of August it eventually corrected at the end of the month.
- While this trade was still making money at the month end the Euro sudden move impacted negatively this position.



**Comments:**  
MCM1 (Digital Signal Processing) - 10Y T-note:

- MCM1 was out of the market for most of June as model ramped down risk when projections were unclear. The model then identified the upward correction at the end of June as a good entry point for a short entry. The move was captured but the market rebounded and the position was promptly closed.
- Within this downward trading range, MCM1 went back short T-Note for a while and closed the position for one day before shorting again and thus capturing the continuation of the correction.
- These trades are a good example of the added value of using information from non-linear components such as cycles.