

## UBS Global Alpha Strategies (DKK) Limited

### Performance Statistics as of 30 November 2006

#### Feeder performance summary for Class B-DKK

Net asset value	DKK 1,180.96	Master fund assets as at 1 Dec '06:	USD 5,585 million
Month to date return	1.61%	Feeder fund assets as at 1 Dec '06:	DKK 268 million
Year to date net return	5.48%		
Annualised return	5.87%		

#### Feeder fund performance

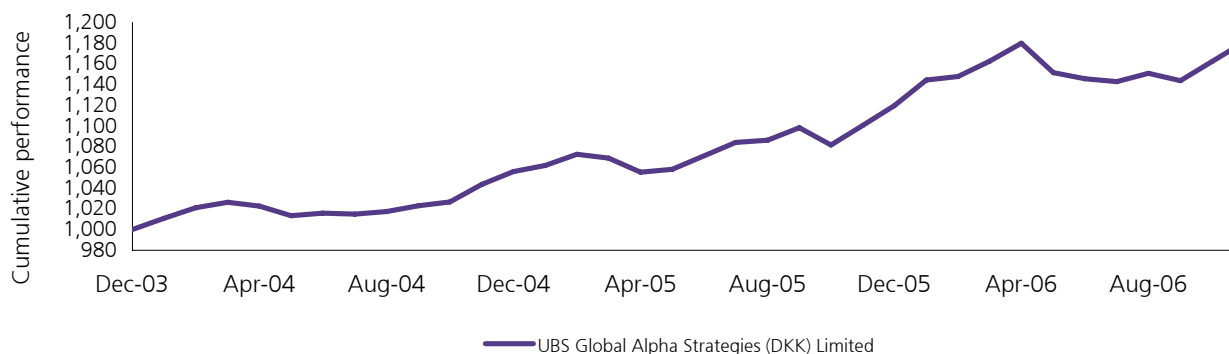
##### Feeder historical monthly performance for Class B-DKK

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2006</b>	2.20	0.31	1.30	1.47	-2.41	-0.52	-0.23	0.71	-0.62	1.61	1.61		5.48
<b>2005</b>	0.55	1.01	-0.33	-1.28	0.27	1.23	1.20	0.20	1.10	-1.52	1.76	1.73	6.01
<b>2004</b>	1.10	1.00	0.52	-0.37	-0.89	0.24	-0.10	0.24	0.54	0.36	1.68	1.19	5.61

UBS Global Alpha Strategies (DKK) Limited returns represent the profits and losses of the Fund's class B shares net: (i) a 1.00% annualised management fee, (ii) a 10% performance fee deducted from monthly profits, and (iii) expenses charged to the Fund in the month shown. The returns are based on calculations and information provided to the Fund's Investment Manager, UBS Alternative and Quantitative Investments LLC, by the Fund's Administrator, UBS Fund Services (Cayman) Ltd. In addition to being unaudited, the returns have not been reviewed by an independent third party. Therefore, the returns are subject to change without notification to the recipient based on, amongst other things, an annual audit of the Fund.

#### Feeder performance analysis for Class B-DKK

The chart below illustrates the performance of UBS Global Alpha Strategies (DKK) Limited indexed to 1,000 at the Fund's inception in January 2004.



#### Feeder performance statistics for Class B-DKK

UBS Global Alpha Strategies (DKK) Limited

Annualised return	5.87%
12 month rolling return	7.31%
Annualised volatility	3.60%
12 month rolling volatility	4.64%
Sharpe ratio	0.92
Sortino ratio	1.34
Correlation coefficient	1.00
Highest 1 month loss	-2.41%
Maximum draw-down	-3.14%
% Positive months	71.43%

Source: Alternative and Quantitative Investments

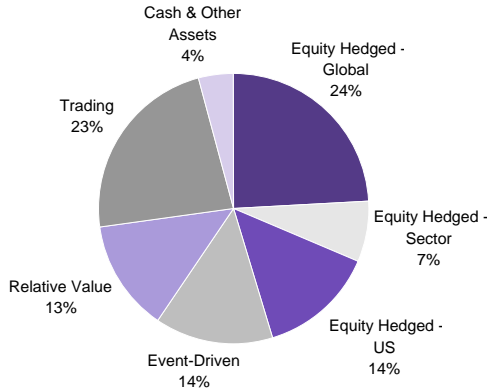
**PAST PERFORMANCE IS NOT A GUIDE TO FUTURE PERFORMANCE.**

Please see endnotes for selected statistics definitions

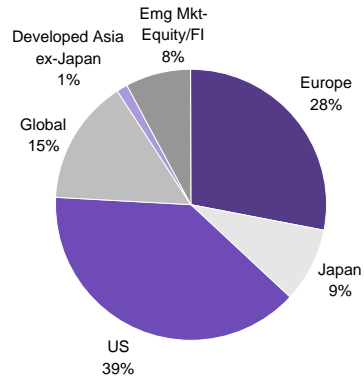
# Master Fund Portfolio Profile for November 2006

## UBS Global Alpha Strategies Limited Class C-USD

### Strategy allocation



### Geographic allocation



Source: Alternative and Quantitative Investments

### Master fund strategy attribution

Strategy	Allocation	Monthly Contribution	YTD Contribution
Equity Hedged - Global	24.30%	0.58%	2.72%
Equity Hedged - Sector	7.21%	0.19%	1.00%
Equity Hedged - US	13.79%	0.36%	0.60%
Event-Driven	14.18%	0.18%	1.66%
Relative Value	13.19%	0.04%	-0.08%
Trading	23.17%	0.47%	1.53%
Cash & Other Assets	4.16%	0.02%	0.38%
	100.00%	1.83%	7.81%

PAST PERFORMANCE IS NOT A GUIDE TO FUTURE PERFORMANCE.

### Ten largest holdings across UBS Global Alpha Strategies Limited (ranked by % allocation)

#	Fund Name	% Allocation	Strategy
1	Children's Investment Fund	3.1%	Equity Hedged - Global
2	Ospraie	2.9%	Trading
3	HealthCor	2.8%	Equity Hedged - Sector
4	Impala Fund	2.3%	Equity Hedged - Global
5	Cheyne Special Situations Fund	2.2%	Event-Driven
6	Blenheim Fund	2.2%	Trading
7	OZ Europe	2.1%	Event-Driven
8	Alson Signature Fund	2.0%	Equity Hedged - US
9	MBAM Jandakot Fund	1.9%	Equity Hedged - Global
10	D. E. Shaw Oculus	1.9%	Trading
<b>Total allocation to ten largest holdings</b>		<b>23.3%</b>	

Source: Alternative and Quantitative Investments

UBS Global Alpha Strategies Limited returns represent the profits and losses of the Fund's class C shares net: (i) a 1.00% annualised management fee, (ii) a 10% performance fee deducted from monthly profits, and (iii) expenses charged to the Fund in the month shown. The returns are based on calculations and information provided to the Fund's Investment Manager, UBS Alternative and Quantitative Investments LLC, by the Fund's Administrator, UBS Fund Services (Cayman) Ltd. In addition to being unaudited, the returns have not been reviewed by an independent third party. Therefore, the returns are subject to change without notification to the recipient based on, amongst other things, an annual audit of the Fund.

## Market and Portfolio Commentary for November 2006

### General market overview

Global equity markets ended the month positive on average, with the best performance occurring in the emerging markets, Asia (ex-Japan) and the U.S. in descending order. In the U.S., economic data was mixed, as the declining housing market may have begun to produce a negative impact on the consumer and certain business sectors. However, most corporate earnings reports continued to be positive; oil prices remained somewhat stable, and employment and rising incomes remain attractive for the economy. Bearish concerns about the U.S. economy negatively impacted European markets but corporate activity continued to provide numerous opportunities and corporate earnings were mostly favorable. The MSCI Europe Index finished in modest negative territory at -0.36%, while the DAX was up 0.64%. The FTSE 100 was down 1.31%. Asia ex Japan indices were moderately positive, led by China SE Shanghai Composite, which was up 14.22% and the MSCI Asia-Pacific, which finished 4.89% higher. The Nikkei 225 finished down 0.76%, but this result masked significant negative moves during the month, followed by a strong rally the last week of the month. The MSCI World Total Return Index ended up 2.27%, bringing the year-to-date to 15.69%. In emerging markets, the S&P/IFC Emerging Markets Total Return Index ended higher by 5.61%. Most global fixed income markets continued the rally that began at the end of October. In particular, mid-month U.S. economic data releases of weak retail sales, housing starts and inflation contributed to the upward move in bonds. The U.S. yield curve remained inverted with the two-year yields decreasing by 9 basis points and the ten-year by 14 basis points. At the end of the month, yields increased in the long end of the Euro curve, subsequent to the decline of the U.S. dollar and the realization that the carry trades between the Euro and the U.S. would be diminishing sooner rather than later. JGB yields also slipped during the month due to weakening economic data, providing less justification for a rate hike there in December. Corporate credit spreads were tighter across the credit spectrum and emerging bond markets finished mildly higher. In currencies, the U.S. dollar weakened against most major currencies, such as the Euro and Yen, the Australian dollar, the Norwegian krone, the Swedish krona and the Swiss franc. The Euro showed strength against other currencies, namely the Japanese yen. In commodities, the CRB Futures Composite Index ended the month higher at 321.53. Crude oil rebounded, as did precious metals. Agricultural continued to rally, namely corn and wheat. Meanwhile, equity index volatility, as measured by the VIX, continued to decrease from 11.10% to 10.91%. However, implied convertible bond volatilities ended the month higher in Europe and in the U.S.

### Portfolio commentary (by strategy)

The portfolio produced positive returns for the month. Equity Hedged managers were the strongest contributors to the portfolio's gains. Equity markets finished the month mostly higher in a mixed environment. For the most part, the positive sentiment prevailed, benefiting the long side of most portfolios. Fundamental stock-picking strategies performed well. Some hedge funds in Japan incurred losses due to extreme intra-month volatility as the markets declined sharply during the first three weeks and rallied sharply in the last week of the month. Among equity styles in the U.S., small capitalization companies outperformed large capitalization companies, and value companies outperformed growth companies in all sizes except for mid capitalization. One manager specializing in small capitalization value benefited significantly. In Asia ex-Japan, many managers benefited from the general rise in equity markets, most notably in China, Korea, and Hong Kong. Some managers benefited from the large demand for infrastructure assets that was driving corporate activity. On a sector basis, energy and technology generated strong performance, helping some key long positions for funds. Some rotation occurred into defensive sectors as investors became concerned about the impact of slowing growth in the U.S. Takeover activity and speculation in the exchanges, utility, cyclical and airline sectors also benefited several managers in the U.S. and Europe.

Event-Driven strategies also generated mostly positive returns across directional credit, hedged credit, and merger arbitrage strategies. Corporate credit spreads were tighter across the credit spectrum, particularly at the lower end. Overall credit markets continued to benefit from strong earnings releases and the high yield indices finished in positive territory. According to Lehman Brothers Corporate High Yield Update, total November issuance of \$29 billion exceeded the previous month's record of \$19 billion, set in April 1998. Surprisingly, the heavy supply did not dampen secondary levels during the month. Corporate events continued to create opportunities within the capital structures of certain companies. In credit strategies, most sectors performed well. In particular, secured and unsecured bonds and bank debt in the airlines, auto, cable, and power sectors generated gains for managers from strong earnings announcements by several firms. Some losses occurred in hedged credit from interest rate hedges. In merger arbitrage, returns were modestly positive. Although deal breaks were minimal, some spread widening occurred in a few situations.

In Relative Value, convertible arbitrage generated slightly positive results as the financial market environment in November was similar to that in October. Strong equity markets, stable interest rates, and credit spreads were beneficial; however, dampened index volatility negatively impacted performance as the VIX declined to a 13-year low. Unlike October, the new issue market rebounded, buoyed by large issues, including EMC Corp. The new issues are attracting interest across various segments of the convertible universe. Managers mentioned that they are taking advantage of flow-related opportunities in the secondary market as various investors arrange their portfolios for new issuance. In quantitative equity strategies, some of the longer term models incurred losses, primarily due to the upward momentum in names on the short side, especially with regard to takeover announcements and speculation. Fixed income arbitrage strategies generated mostly positive results. Some managers profited from various supply and demand imbalances across G-7 markets. During November, the short positions in the long end of the U.S. and UK were profitable for some funds as the demand decreased from pension funds. Gains also occurred from short positions in long-dated Japanese swap spreads.

In Trading, systematic and discretionary strategies produced generally positive results as some managers benefited from trends developing in the markets. Short U.S. dollar positions versus various currencies proved profitable. Other funds benefited from long positions in the Euro versus both the U.S. dollar and the Japanese yen. The Euro 3-month volatility rose significantly during the month, benefiting some traders. Precious metals rallied during the month, and base metals declined, benefiting some managers. Agricultural prices, such as grains and corn, continued to rise, also benefiting a few managers. Overall, the GSCI Total Return Index was up 5.53%, supported by the rise in oil, precious metals and agriculture prices. Long equity exposure was generally beneficial for most managers. Long positions in emerging market equities, currencies and rates were profitable for most managers. For example, two managers reported gains long rates in Poland. Managers reported mixed results from positions in various Latin American countries.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Equity Hedged - Global/ Asia	1.2%	0.4%	The fund produced positive returns for the month. Positive performance was achieved in the Asia ex-Japan portfolio, while positions in Japan detracted from the fund's performance. At the end of the month, the fund had 99 long positions and 28 positions, with the largest sector exposures being to the consumer, industrial and financial sectors. The largest geographic exposures continued to be to Japan, Hong Kong, Malaysia and India. The fund ended the month with a gross exposure of 172% and a net long exposure of 68%.
Equity Hedged - Global/ Asia	1.8%	0.9%	The fund produced positive returns for the month. Positions in Chinese A shares, India, Taiwan and Korea contributed to positive performance. Most of the attribution stemmed from the long portfolio and was offset somewhat by the short portfolio. The largest gross sector exposures at month-end were to basic technology, followed by basic materials and industrials. The top ten long positions represent 49.5% of the portfolio. At month-end, the fund held 79 long positions and 31 short positions with a net long equity exposure of 83% and a total gross equity exposure of 234.6%.
Equity Hedged - Global/ Asia	6.9%	1.0%	The fund generated very strongly positive performance in November. Most of the returns resulted from positions in Hong Kong/China. The top holding of the manager, a shipping company listed in HK, was taken over by a pension plan in the U.S. at a price much higher than market expectations. Singapore, Taiwan and Korea were other major contributors to positive performance during the month. With corporate profitability continuing to improve, the manager removed much of their put protection and added some index calls to the portfolio. The fund ended the month with a gross exposure of 130% and a net long exposure of 98%. Geographically, the manager expects Japan, Korea and Taiwan are the places where opportunity will reside in the coming year.
Equity Hedged - Global/ Europe	0.8%	1.3%	The fund produced positive performance for the month. In the long portfolio, sectors which contributed most to positive performance included insurance, food, banking and utilities and sectors which negated from positive performance included banking, steel and pharmaceuticals. The large index short position acted as a drag to performance. The fund ended the month with a gross exposure around 60% and a net long exposure of 73%.
Equity Hedged - Global/ Europe	3.0%	1.5%	The fund generated strongly positive returns for the month. The fund generated strong performance from its larger long positions, thereby overcoming a weaker month on the short portfolio. The manager has continued to find interesting smaller companies in which to invest. The impact of finding a number of new positions, both long and short, in the small capitalization segment has left the portfolio more evenly spread between the different market capitalization segments. The manager believes that, with reasonable valuation parameters and the continuing presence of M&A, any market jitters are likely to be short lived. The fund ended the month with gross exposure of 186% and net long exposure of 61%.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Equity Hedged - Global/ Europe	-2.1%	0.4%	The fund produced negative returns for the month. The gains achieved on the long side of the portfolio were greatly offset by losses on the short side. The largest net country exposures for the month were to the United States (short), United Kingdom, Germany and France. The largest net sector exposures for the month were to real estate (short), semiconductors and capital goods. The fund ended the month with a gross exposure of 236.5% and a net long exposure of 53.4%, which on a beta-adjusted basis corresponded to 12% net long.
Equity Hedged - Global/ Europe	3.1%	3.1%	The fund produced significantly positive performance for the month. Profits were generated mostly in Europe, followed by Asia and Latin America. The manager has taken the most risk in Europe, followed by Asia and Latin America. The position in European exchanges has continued to produce positive returns, buoyed by strong European equity markets. Overall, the gross and net long exposure of the portfolio has remained stable over the last few months.
Equity Hedged - Global/ Europe	1.1%	1.0%	The fund delivered a positive return for the month against the backdrop of a decline in European equity markets. A reasonable intra-month decline resulted in an increase in the value of the fund's put option protection. Thus, the fund was able to buy aggressively, resulting in the long exposure increasing by 14% over the month. At the end of the month, the top long holdings remained unchanged with a focus on the financial sector. The manager expects to see strong earnings growth in 2007 and has thus positioned the book to profit accordingly.
Equity Hedged - Global/ Europe	3.9%	1.3%	The fund delivered a strongly positive return for November – the majority being attributable to the 'relatives' segment of the fund. Exposure levels remained static at 284% gross and 74% net (62% delta adjusted). The positive performers within the 'relatives' came from a number of positions across different sectors and included three of the fund's largest short positions in the retail and financials sectors. The overall flat position in directional strategies concealed some sharp moves in both directions. A dollar put option benefited the fund; while there was a small loss from an equity index put position. The manager's base macroeconomic outlook remains in place going forward.
Equity Hedged - Global/ Europe	1.7%	1.9%	The fund generated positive returns for the month. The signals generated by the proprietary trading tool generated the strongest performance for the month. The discretionary trading portfolio and the manager's own discretionary portfolio both generated positive returns. The fund ended the month with gross exposure of 94% and net long exposure of 50%.
Equity Hedged - Global/ Europe	2.0%	0.6%	The fund generated positive returns for the month. The strongest contributors to positive performance included the movers, post results and new issues signals. We are transferring this investment into another fund with the same manager, which is a long/short equity fund investing in predominately large and larger mid capitalization Western European stocks. The manager employs an approach that leverages his own discretionary ideas, the ideas of traders around him and ideas generated by the firm's proprietary trading tool. The fund ended the month with gross exposure of 89% and net long exposure of 27%.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Equity Hedged - Global/ International	-0.3%	0.8%	The fund produced slightly negative returns for the month. The U.K., EuroZone, and Japan portfolios ended the month strongly and contributed positively to performance. This positive performance was more than offset by positions in the U.S. region. From a long / short perspective, the continuation of the broad-based rally in the U.S. equity markets has had a negative impact on the region's short portfolio.
Equity Hedged - Global/ International	0.3%	0.7%	The fund produced positive returns for the month. Gains from the long side of the portfolio were offset by losses on the short side. The largest net country exposures for the month were to the United States, Japan and the. The largest net sector exposures for the month were to short semiconductors and semiconductor equipment, short hardware & equipment, and long telecommunications services. The fund ended the month with a gross exposure of 172% and a net long exposure of 15%, which on a beta-adjusted basis corresponded to 46% net short.
Equity Hedged - Global/ International	-0.5%	0.5%	The fund produced negative returns for the month. All of the returns gained on the long side of the portfolio were offset by losses on the short side. The largest net country exposures for the month were invested in the United States, UK and France. The largest net sector exposures for the month were to real estate, technology, hardware & equipment , semiconductors and semiconductor equipment. The fund ended the month with a gross exposure of 239% and a net long exposure of 77%, which on a beta-adjusted basis corresponded to 6% net short.
Equity Hedged - Global/ International	4.8%	1.7%	The fund produced strongly positive performance for the month. All of the positive performance was generated by the long portfolio as the short portfolio produced negative returns. Almost half of the positive performance resulted from positions in the U.S., with the rest spread evenly between Japan, Asia and Europe. The top performing positions were invested in the financial and energy sectors. The fund ended the month with a gross exposure of 209% and a delta adjusted net exposure of 43%.
Equity Hedged - Global/ International	3.7%	0.9%	The fund produced strongly positive returns for the month. The fund had 66 long positions and 65 short positions. The top ten positions accounted for approximately 32% of NAV. The top five positions were invested in the media and technology, retail, and consumer sectors. The majority of the portfolio continued to be invested in mid and large capitalization names. The fund ended the month with a gross exposure of 189% and a net long exposure of 44%.
Equity Hedged - Global/ International	5.3%	2.3%	The fund produced strongly positive returns for the month. The fund continued to benefit from a few names in the airline industry, as well as a few cyclical and retail positions. The fund ended the month with a gross exposure of 165% and a net long exposure of 75%.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Equity Hedged - Global/ International	0.5%	0.8%	The fund delivered positive performance for the month, despite a slight decline in the Topix. Net exposure was reduced from 46% to 42% during the month with gross short positions rising to 43%. The long portfolio is evenly split across the market cap spectrum whilst the short portfolio is focused at the larger end. On a sector basis, the manager's largest positive exposures are to the industrials and consumer staples / discretionary sectors. On the negative side, the manager held exposure to the financials and consumer discretionary sectors.
Equity Hedged - Global/ International	5.2%	1.6%	The fund produced strongly positive returns for the month, benefiting from strong global equity markets. The fund's performance was across the board. Despite its having performed well, the fund sold a large position right before the announcement of the sale of the company. The fund's investments in non-life insurance companies, metals, short retail and agricultural-related companies all performed well. The fund ended the month with a gross exposure of 323% and a net long exposure of 46%.
Equity Hedged - Global/ Japan	-0.3%	0.8%	The fund produced a negative return in November. Performance was dragged down by a couple of the larger long positions in the portfolio. The short portfolio generated gains, but these were simply due to price moves, rather than a reaction to any specific news. During the month, the gross exposure rose from 122% to 133% and the net exposure rose from net long 34% to 48%. The manager took advantage of the intra-month sell-off to add to number of existing positions. The number of holdings decreased from 40 to 38, with 23 on the long portfolio and 15 on the short portfolio.
Equity Hedged - Global/ Japan	-2.3%	0.6%	The fund produced negative returns for the month. The month was very volatile in Japan, and although the broad markets closed only slightly negative at the end of the month, intra-month they were down considerably, negatively affecting the portfolio. The fund had 86 long positions and 32 short positions, and the top ten positions represented 31% of NAV. The fund ended the month with a gross exposure of 182% and a net long exposure of 29%.
Equity Hedged - Sector/ Financials	6.6%	1.5%	The fund produced very strongly positive performance for the month. The major gains in the long positions came from a core position in the Support Services sector, in the Korean construction holding, and in the supportive response to the agreed merger between holdings of two banks in the South Eastern Mediterranean. The fund is a significant shareholder in both banking groups. The best short contribution was the result of a position in the retail sector. The fund ended the month with a gross exposure of 240%, a cash net long exposure of 80% and net long 39% on a delta adjusted basis.
Equity Hedged - Sector/ Health/Biotech	1.9%	2.8%	The fund produced positive returns for the month. The fund had 74 long and 50 short positions, with the largest long being 7.2% and the largest short being 5.0%. The top ten positions accounted for 49% of NAV. The largest sector exposures were invested in medical technology and biotech, with the majority of the portfolio invested in U.S. large and mid capitalization companies, and the remainder invested in Europe. The fund ended the month with a gross exposure of 166% and a net long exposure of 41%.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Equity Hedged - Sector/ Technology	2.0%	0.5%	The fund generated positive performance for the month. The long side of the portfolio contributed to positive performance while the short side detracted slightly for the month. The largest net sector exposures at month-end were to semiconductors, telecommunications and electronics and services. The fund ended the month with a gross exposure of 171.5% and a net exposure of 49.9%.
Equity Hedged - Sector/ Technology	1.2%	0.9%	The fund generated positive performance for the month. The long side of the portfolio contributed to positive performance while the short side detracted from returns for the month. The largest net sector exposures at month-end were to semiconductors, telecommunications, electronics and services, and semiconductors. The fund ended the month with a gross exposure of 88.7% and a net exposure of 26.2%.
Equity Hedged - Sector/ Technology	3.4%	1.5%	The fund produced positive returns for the month. The largest sector exposures during the month were to technology, telecommunications, media and utilities. The best performing sectors were telecommunications and media, while no sectors detracted from the fund's performance. The fund ended the month with a gross exposure of 173% and a net long exposure of 45%.
Equity Hedged - US/ Diversified	-1.5%	1.5%	The fund produced negative returns for the month. The fund continued to experience pressure in some of its healthcare positions. The fund's average gross exposure was 244% and the average net exposure was 58% during the month.
Equity Hedged - US/ Diversified	2.9%	1.7%	The fund produced strongly positive performance for the month. The top performing sectors for the month were hotels and motels, gambling (non-hotel), discount retail, regional department stores, and internet content. The largest net sector exposures were in consumer electronics retail and casino services. The top short positions were in the retail restaurants and hotels and motels sub-sectors. The fund ended the month with a gross exposure of 198% and a net long exposure of 57%, dollar adjusted, and 236% gross and 74% net, beta adjusted.
Equity Hedged - US/ Generalist	2.3%	2.0%	The fund produced positive returns for the month. There were 56 long positions and 78 short positions, with the top ten positions representing 49% of the portfolio. The largest positions continued to be invested in consumer discretionary, industrials and telecommunications. The fund ended the month with a gross exposure of 165.2% and a net long exposure of 52.1%.
Equity Hedged - US/ Generalist	8.1%	1.5%	The fund produced very strongly positive returns for the month. The fund's top positions in exchanges and financial services generated positive performance for the month, but the gains were offset by losses on some of the large capitalization index hedges. The fund ended the month with a gross exposure of 216% and a net long exposure of 66%.



## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Equity Hedged - US/ Generalist	1.2%	1.0%	The fund produced positive returns for the month. All of the gains achieved on the long side of the portfolio were offset slightly by losses on the short portfolio. The largest net sector exposures were to technology and energy and basic materials. Technology and basic materials have been the largest contributors to returns. The fund ended the month with a gross exposure of 116.5% and a net long exposure of 52.3%, 37.7% delta and beta adjusted.
Equity Hedged - US/ Generalist	2.3%	0.7%	The fund produced positive returns for the month. Positive performance resulted from the long, event and relative value positions, while the short positions detracted slightly again. The largest net sector exposures for the month were to business services, healthcare and consumer. The fund ended the month with a gross exposure of 167% and a net long exposure of 55%.
Equity Hedged - US/ Generalist	4.1%	1.3%	The fund produced strongly positive performance for the month. The portfolio manager continued to maintain conviction in his top positions and is now being rewarded for it. All of the positive performance came from the long side of the portfolio, while shorts detracted slightly. The fund ended the month with a gross exposure of 188.9% and a net long exposure of 53.5%.
Equity Hedged - US/ Generalist	7.8%	0.5%	The fund produced positive performance for the month. The portfolio manager continued to maintain conviction in his top positions and is now being rewarded for it. All of the positive performance came from the long side of the portfolio, while shorts detracted slightly. The fund ended the month with a gross exposure of 238.5% and a net long exposure of 77%.
Equity Hedged - US/ Growth	-0.2%	0.2%	The fund produced slightly negative returns for the month. At month-end, the gross exposure increased to 139% while the net long exposure decreased to 28%. On a beta-adjusted basis, these exposures corresponded to a 156% gross exposure and a 50% net long exposure.
Equity Hedged - US/ Market Neutral	2.7%	0.5%	The fund produced strongly positive performance for the month. The fund held 42 long positions and 79 short positions, with the largest long position representing 5.0% and the largest short position representing 1.8% of NAV, on a delta-adjusted basis. The largest gross delta-adjusted sector exposures at month-end were to information technology, industrials and consumer discretionary. The fund ended the month with a gross exposure of 131.5% and a net long exposure of 27.6%.
Equity Hedged - US/ Small Cap	2.2%	0.4%	The fund produced positive returns for the month. The fund held 60 long positions and 89 short positions with the largest long position at 5.2% and the largest short position at 1.8% of NAV on a delta-adjusted basis. The largest gross delta-adjusted sector exposures at month end were to the information technology, industrials and consumer discretionary sectors. The fund ended the month with a gross exposure of 153.8% and a net long exposure of 25.7%.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Equity Hedged - US/ Value	7.3%	0.8%	The fund generated very strongly positive returns for the month. Slight losses were sustained on the short side in line with the general market movement. These positions were offset by significant gains in the long portfolio. Nine of the top ten positions contributed to positive performance. The top ten long positions represented 70.5% of the total portfolio while the top ten short positions represented 32.44%. Basic materials continued to be the largest sector on the long side while consumer non-cyclicals was the largest sector portfolio on the short side. The fund ended the month with a gross exposure of 190% and a net long exposure of 30%.
Equity Hedged - US/ Value	1.6%	0.3%	The fund produced positive returns for the month. Positive attribution derived from all of the equity strategies, while the credit strategies and portfolio hedges detracted slightly. Net exposure to the U.S. is 58%, with the remainder invested in Latin America, UK/Western Europe, and Canada. In the credit portfolio, there were no senior secured positions, and the remainder was split between stressed high yield and distressed. The top ten equity positions represented 50.9% of the portfolio. The fund ended the month with a gross exposure of 132.3% and a net long exposure of 56.9%.
Equity Hedged - US/ Value	0.8%	1.6%	The fund produced positive returns for the month. Positive performance was primarily generated from the portfolio's core holdings in a consumer products company. Additional positions in a restaurant franchise, an additional restaurant chain and a media and entertainment company were flat or moderately positive for the month.
Event-Driven/ Distressed/Credit	1.3%	1.1%	The fund produced positive performance for the month. The manager started the month with a bearish bias in the fund, having increased the size of their CDS basket by buying credit protection in more companies in October. The tightening in spreads in November subsequently detracted from performance, but this was more than compensated by positive issuer selection. Long positions that performed well in November were invested in the retail and insurance sectors. Short positions in an auto company and a telecom firm also helped performance, as both issuers widened on the back of M&A risk. Going forward, the manager is maintaining a bearish stance in the fund. Fundamentally, they still feel that spreads do not fairly compensate investors for the rise in event risk and the slow but increasingly apparent deterioration in companies' credit profiles across many sectors.
Event-Driven/ Distressed/Credit	2.1%	1.1%	The fund produced positive performance for the month. The composition of the fund remained relatively constant over the course of the month as the manager focused on unlocking value from the special situations investments. In this segment, the manager observed significant activity as restructuring steps progressed in a number of cases and various value-driving events drew closer. The construction of the fund remains approximately 30% core income and 70% event-driven special situations. There were no significant changes in the core income portfolio during the month.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Event-Driven/ Distressed/Credit	1.0%	1.8%	The fund produced positive returns for the month. All strategies contributed to positive performance except the distressed strategy. In the distressed strategy, the detractor from performance was a distressed position in the energy sector in a late stage bankruptcy that is in the process of liquidating. The largest profit generators in the credit arbitrage and special situations arena included a long equity position in a U.S.-based software company, and a special situations position in Europe invested in the common stock of a floating production storage and offloading company. The distressed strategy comprises 13% of the portfolio, with credit arbitrage and special situations at 83%, and direct lending at 6%.
Event-Driven/ Distressed/Credit	0.2%	0.9%	The fund produced slightly positive performance for the month. Contributors to positive performance included investments in two airline companies, a European infrastructure company, and a European truck manufacturing plant. Positive performance was offset by losses from a short position in the unsecured debt of an airline company, a wireless communications company, a Bulgarian steel company, and a position in a power company. Portfolio hedges, including the Russell 2000, detracted from positive performance.
Event-Driven/ Distressed/Credit	2.7%	1.7%	The fund generated strongly positive results for the month. Gains resulted from positions in the convertible bonds of U.S. airline companies as the shares rose on consolidation rumors in the market. Currently, 74% of the fund's assets are invested in the U.S. and 26% are allocated to Asia. U.S. convertibles account for 34% of allocated capital, high yield/distressed equity accounts for 40%, and Asian convertibles account for 26%.
Event-Driven/ Distressed/Credit	4.3%	0.4%	The fund produced significantly positive performance for the month. The fund remains concentrated in large capitalization U.S. equity positions within the semiconductor and technology industries. U.S. and European equities contributed to positive performance. The manager continues to establish long-term, contrarian sector exposures in the portfolio. The firm has a large position with a global supplier of automotive parts.
Event-Driven/ Distressed/Credit	1.0%	1.8%	The fund produced positive performance for the month. The event-driven strategies contributed to performance during November. Monthly attribution centered around consolidation themes, with contributions coming from OEM suppliers, and travel and leisure. Company specific concerns with positions in cable/media were detractors. Other sectors in the portfolio were flat to slightly negative. Optimism surrounding the potential consolidation of the travel and leisure sector was the biggest contributor to monthly performance. Delays in the consolidation of one of the fund's cable/media positions detracted from performance. The portfolio ended the month 77.6% net long, consisting of a gross long exposure of 100.6% and a gross short exposure of 23.0%.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Event-Driven/ Multi-Strategy	1.7%	1.0%	The fund generated positive performance for the month. The largest positive contributors to overall performance were the long/short strategy, credit strategy, commodities strategy, and Asia-focused strategy. The largest detractors from overall performance were the fixed income, convertible bond and derivatives strategy, and Latin America-focused strategy. The global macro strategy, the municipal strategy, the quantitative strategies, and the global equity strategy were all relatively flat on the month.
Event-Driven/ Multi-Strategy	1.6%	2.2%	November proved to be a busy month for European M&A activity, resulting in positive performance for the fund. The credit markets were very buoyant throughout the month as a large number of companies in the high yield space reported results that were in line with, or better than, expectations.
Event-Driven/ Multi-Strategy	1.8%	2.1%	The fund generated positive returns for the month. Equity restructurings comprised 57% of the portfolio. Larger positions included a steel company, a mining company and a reinsurance company. Merger arbitrage comprised 28% of the portfolio. Larger positions included an exchange, and an electricity and gas services company. Convertible/capital structure arbitrage comprised 4% of the portfolio and distressed credits comprised 5% of the portfolio. Special investment comprised 6% of the portfolio, and the manager believes that the pipeline continues to be robust.
Relative Value/ Convertible Bond Arbitrage	0.7%	1.5%	The fund generated positive returns for the month. The fund generated moderate profits from the convertible strategy as volatility continued to fall over the course of the month. Two convertible positions in particular contributed to profits. In the first instance, the fund had a position in a convertible that was repaid at par as a result of a technical default. In the second instance, the fund received a favorable allocation of a new issue that traded well in the secondary market. The fund also generated profits in the bank loan portion of the portfolio as a result of interest and profits from some extremely attractive new issues. The fund currently had 73% of assets invested in the convertible strategy, 20% in the bank loan strategy and 7% in the high yield strategy. Regionally, the allocation was unchanged from last month with 76% of assets invested in the U.S., 16% invested in Europe and 8% invested in Asia.
Relative Value/ Fixed Income Arbitrage	0.5%	0.7%	The fund produced positive performance for the month. The fund's macro relative value strategy was the key contributor to the fund's performance. The inflation products, micro relative value strategy, and macro strategy each contributed flat performance. Portfolio insurance detracted from the fund's performance. Geographically, the fund's top performing positions were invested in Europe and Japan. Positions in the US. were flat.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Relative Value/ Fixed Income Arbitrage	1.0%	1.0%	The fund generated a positive return for the month with the U.S. dollar portfolio delivering most of the positive performance. The primary drivers were fixed income relative value positions. In Europe, the fund benefited from swap spread widening and basis positions. The Japan portfolio's performance was negative for the month as a result of the bearish position on the relative value fixed income portion. Going forward, the manager is less positive about the path of U.S. growth while expecting Japan to bounce back from a weak third quarter.
Relative Value/ Fixed Income Arbitrage	0.0%	1.7%	The fund had flat performance for the month. Equity strategies continued to be profitable during the period. Volatility and merger related strategies contributed to performance during the month. Deal activity during the month was robust and spreads narrowed. Quantitative strategies were flat during the period. In fixed income, strategies in Asia continue to perform well as spreads moved wider. Curve trades in the U.S. also contributed to performance. Relative value positions in the long end of Europe offset the gains in the other areas of the portfolio.
Relative Value/ Multi-Strategy	-0.3%	0.3%	The fund produced negative performance for the month. The fund has continued to reduce its investments and has closed out the agricultural commodity portion of the portfolio. The fund has suspended redemptions. The fund made a partial capital distribution of approximately 20% in November and expects to make another capital distribution in December. We continue to monitor the situation closely.
Relative Value/ Multi-Strategy	0.5%	0.9%	The fund generated positive performance for the month. Asian volatility was generally unchanged across the region except for China and HK, where volatility rose quite dramatically in a few stocks. As a result, the volatility strategies were profitable in November even amid the strong bullish environment. This result is indicative of how cheap Asian volatility has now become. The upside for volatility can be substantial. The fund's extensive portfolio of credit default swaps was also profitable in November despite the slight tightening of spreads to new all-time lows causing broadly based losses. Profits from one credit position in the portfolio, for which the spread widened due to LBO rumours, outweighed the losses. The fund's volatility exposure edged higher as the manager believed the extremely low levels of implied volatility to be an exceptionally attractive risk/reward opportunity.
Relative Value/ Multi-Strategy	1.9%	1.5%	The fund produced positive performance for the month. The fund produced positive performance in the equity, equity linked, currency, and rates strategies. The fund produced positive performance in both the short and longer term models.
Relative Value/ Multi-Strategy	-0.5%	0.8%	The fund generated negative returns for the month. The fund continues to be invested in two sub-funds with approximately 75% allocated to one and 25% allocated to the other, as well as a very small direct investment component. The sub-fund with the larger allocation produced negative returns, which were only partially offset by positive returns in the other subfund. On a regional basis, the fund is invested 65% in North America, 24% in Europe and 11% in Asia. By sector, the fund's largest absolute net exposures were to financials, industrial and technology sectors.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Relative Value/ Multi-Strategy	1.9%	1.5%	The fund produced positive returns for the month. Positive returns were generated in equities and convertibles in non-Japan Asia, while equities and convertible bonds in Japan produced negative returns. Positions in Chinese bank equities and convertible bonds in Chinese and Indian small capitalization names generated profits on the month. Japanese convertible names sustained premium contraction as volatility remained low. 55% of capital was allocated to equity long/short strategies, 34% of capital was allocated to convertible and credit strategies and 11% of capital was allocated to event driven strategies. Geographically 48% of capital was allocated in Japan while 52% of capital was allocated to Asia ex-Japan.
Relative Value/ Multi-Strategy	0.3%	1.4%	The fund generated slightly positive performance for the month. The strategies that outperformed relative to risk consumed were distressed and all three sub-strategies within the relative value portfolio (credit, convertible/cap structure, equity). The portfolio that relatively underperformed was the macro volatility portfolio, mostly due to positions invested in foreign exchange. The special situations portfolio also performed well across a number of different themes and trades. The risk based allocations were 55% to event driven, 14% to relative value and 31% to macro volatility.
Relative Value/ Multi-Strategy	-0.7%	1.5%	The fund generated negative returns for the month. Positive performance was driven by positions in the shares of a copper producer, a bank holding company and a grocery wholesaler. The fund's assets were allocated 34% to special situations, 32% to relative value, 14% to merger arbitrage and 20% to convertible bond arbitrage. Geographically, 75% of assets were allocated to the U.S., 18% in Europe, 3% in Canada and 4% in Australia.
Relative Value/ Quantitative Arbitrage	1.0%	0.4%	The fund produced positive performance for the month. The equity and equity linked strategies both produced positive performance. Both the shorter and longer term models were positive contributors.
Trading/ Discretionary	0.6%	1.6%	The fund produced positive performance for the month. Positive returns were generated in fixed income directional trading positions that were long the front end of Europe, short the back end of the curve in Japan and long the front end in the US. Positive performance also resulted from Foreign Exchange trading positions that were long the Euro against the USD and short a basket of other currencies against the Euro, such as various Eastern Europe currencies and the UK. Smaller gains were also generated in the Fixed Income Relative Value strategy via positive returns in the UK and Europe. Positive returns were generated from equities via long indices positions in Europe and the U.S. The Emerging Markets strategy produced flat returns. Negative returns were produced in the U.S. and in the volatility trading portfolio.
Trading/ Discretionary	4.6%	2.9%	The fund produced gains for the month. Performance was driven by a variety of positions, with metals and grains being the primary drivers. Grains rallied steadily through the month on supply concerns for the coming harvest. Metal markets selectively rallied, and the manager was able to capitalize on these opportunities. The manager is positive on the trading environment and risk reward opportunities.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Trading/ Discretionary	-0.8%	1.5%	The fund incurred a loss for the month. Losses were centered around calendar spread positions across the energy complex. Geographical spreads also incurred a loss for the month. Cross commodity spreads produced a profit for the fund. By energy sector, natural gas and crude oil positions comprised a majority of the loss. The manager noted some shifts in the market by large participants, as well the effect of mild weather conditions on the market. The manager expects these positions to reverse in the short term.
Trading/ Emerging Markets Balanced	2.9%	1.4%	The fund produced strongly positive performance for the month. Performance was driven by positions across the equity and currency strategies. The equity strategy benefited from positions in Asian equities, including a position in an Indonesian telecom company. A relative value trade in Chinese financial institutions and a long equity position in a Nigerian energy company also benefited the fund's performance. The manager's view on the renminbi as well as other Asian currencies contributed positively to the fund's performance. A long rates position in Poland added to gains as well. The fund's performance was offset by portfolio hedges, a long position in Indonesian recap bonds, and a short position in a Chinese steel company. Regionally, the majority of the fund's gains were from Asia and EMEA.
Trading/ Emerging Markets Debt	2.2%	1.6%	The fund produced positive performance for the month as emerging markets continued to generate positive returns. Country performance was generally tightly bunched this month, with Uruguay as the best performing country. Performance there was driven by a successful exchange of external debt and stronger than expected growth numbers. Positions in Serbia also performed well as the reform-oriented parties gained in the opinion polls ahead of January's election. The worst performing countries were Ecuador and Lebanon, where political tensions rose. Local markets generally performed well with Eastern European markets boosted by the weakness of the U.S. dollar against the Euro. Slovakia and Hungary were the best performing local markets. Latin local currency markets performed less well due to concerns about the slowdown of the U.S. economy becoming more dramatic than initially expected.
Trading/ Emerging Markets Debt	1.4%	1.4%	The fund produced positive performance for the month. The fund benefited from the following positions: long Argentine inflation-linked bonds; long Korean won, Indian rupee, and Singapore dollar versus short U.S. dollar, Japanese yen, and Taiwan dollar; long Brazil domestic rates; long Argentina GDP warrants; and long Hungary and Poland interest rates versus short Euro interest rates. Offsetting the fund's positive performance were long positions in the Brazilian real and Mexican peso; short Turkish lira; and a long Brazilian real straddle. During the month, 25% of the fund's positions, on a gross basis, were invested in Brazil. Also on a gross basis, the fund was 60% invested in currencies and 40% invested in local fixed income instruments.

## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Trading/ Global Macro	7.2%	2.2%	The fund generated significantly positive performance for the month as select commodity sectors performed well. Grain positions continue to benefit the fund and the manager was able to realize gains on several grain positions. Metals positions also performed well for the manager, who has been selectively long several metals within the industrial and precious metal complex. Equity positions in several commodity based firms have performed well for the manager, and risk allocation to this sub component of the portfolio has begun to increase and will continue to increase going forward.
Trading/ Global Macro	2.8%	1.9%	The fund produced strongly positive performance for the month. The fund generated positive returns in the currency and rates strategies in both longer term and intermediate models. The equity strategy also contributed the positive performance.
Trading/ Global Macro	4.2%	0.7%	The fund generated strongly positive returns for the month. In currencies, performance was particularly strong, and the portfolio has recovered most of this year's losses. Profits in November were made both from relative value and directional trading strategies predominantly, but not wholly, due to U.S. dollar weakness as the fund built on its short U.S. dollar position at the beginning of the month. Fixed income strategies were relatively quiet for the month. Profits were generated from directional trading as the fund gradually moved to an overall long position in bond markets.
Trading/ Global Macro	1.2%	0.9%	The fund produced positive performance for the month. The profits in November resulted mainly from yield curve strategies in the U.S. and Europe as well as from positions in commodities and credit. The only significant losses came from directional and relative value trading in the U.S.
Trading/ Global Macro	0.5%	1.3%	The fund produced positive performance for the month. The fund benefited from long positions in U.S. equities. Exposure to international stocks was also a positive for the fund during the month. Long positions in commodities were beneficial to performance for the month as these markets rallied strongly. Foreign exchange positions were a net detractor to performance for the month as the U.S. dollar lost ground against most major currencies.
Trading/ Global Macro	0.5%	0.9%	The fund posted positive performance for the period. Within fixed income, gains to the portfolio were registered in emerging markets while developed markets were flat. Currency attribution was slightly negative as allocations to emerging markets resulted in losses during general USD weakness. Equities overall posted slightly positive results for the month with gains in emerging markets outweighing negative performance in the developed markets. The allocation is a reflection of the manager's view of the global opportunity set.
Trading/ Global Macro	1.2%	0.8%	The fund produced positive performance for the month. The foreign exchange strategy produced the largest return via a short USD position. Other strategies which produced positive performance included commodities, emerging markets and the quantitative strategy. The equities strategy produced negative returns, as did the fixed income strategy, where the primary risk was taken in a short position in Japanese Government Bonds.



## Manager Commentary (by strategy) for November 2006

Strategy	MTD %	Alloc %	Monthly Commentary
Trading/ Systematic	2.9%	0.7%	The fund produced strongly positive returns for the month. The fund generated positive performance in both the currency and rates strategies. Both the longer and shorter term models produced positive performance.
Trading/ Systematic	0.1%	1.7%	The fund finished slightly positive for the month. Foreign Exchange trading had a strong month, but losses in stock indices detracted from performance. Trend following and medium term macro signals performed well. However, that performance was offset by the poor performance of the intra-day models.
Trading/ Systematic	0.4%	1.7%	The fund generated positive returns for the month. The majority of fund returns were generated in the final week of the month. By sector risk, the fund is 33% allocated to equity, 23% to bonds, 19% to energy, 15% to foreign exchange, and with smaller allocations to metals and crops. Positive performance was driven largely by the equity sector, offsetting losses elsewhere in the portfolio.

Note that as component funds typically offer multiple classes of shares with similar performance attributes, the Investment Manager has selected a single class to represent the general return characteristics for the component funds for the period referenced in the Report.

**PAST PERFORMANCE IS NOT A GUIDE TO FUTURE PERFORMANCE**

## End Notes

### Statistics definitions

#### Volatility

Volatility is measured using the standard deviation. The standard deviation is a statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. The greater the degree of dispersion, the greater the risk.

#### Sharpe ratio

The Sharpe ratio measures the relationship of reward to risk in an investment strategy. It is generally interpreted that a higher ratio implies lower risk. The ratio is calculated as the average relevant annualised return less the risk free return divided by the standard deviation of the return. The risk-free return is calculated as the average annualised return of a relevant short-term interest rate product corresponding to the currency of the share class presented.

#### Sortino ratio

The Sortino ratio is a variation of the Sharpe ratio, which differentiates downside risk from general volatility to help measure the return relative to "harmful" volatility. The ratio is calculated as the relevant annualized return less the risk free rate divided by the loss deviation. The loss deviation focuses on negative values in a distribution and is calculated as the annualized standard deviation of negative returns.

This document is prepared by UBS Alternative and Quantitative Investments LLC (the "Investment Manager") and is based in large part on information provided to the Investment Manager by the component funds and their managers. Opinions and commentary expressed herein are based on the Investment Manager's analysis of the information obtained.

The returns are unaudited and have not been reviewed by an independent third party. As such, the returns displayed are subject to change based on, among other things, an audit of the fund. The program described above is suitable only for sophisticated investors as the program by its nature involves a substantial degree of risk. Investors should seek professional advice (including tax) as to the suitability of the program in relation to the investor's own status.

This document does not constitute an offer of securities. Such an offer will only be made by means of a confidential offering memorandum. If conflicts exist between this document and the applicable offering memorandum, the offering memorandum takes precedence. These materials are confidential and intended solely for the information of the person to whom it has been delivered. Recipients may not reproduce or transmit this information, in whole or in part, to third parties.

This document may not be distributed in any jurisdiction where such distribution would constitute a violation of applicable laws or regulations. The program described above is suitable only for sophisticated investors as the program by its nature involves a substantial degree of risk. Investors should seek professional advice (including tax) as to the suitability of the program in relation to the investor's own status. This document has been issued through UBS O'Connor Limited/UBS Alternative and Quantitative Investments Limited for distribution to intermediate or market counterparty customers and through UBS Global Asset Management (US) Inc. UBS O'Connor Limited/UBS Alternative and Quantitative Investments Limited (authorized and regulated by the Financial Services Authority in the UK) and UBS Global Asset Management (US) Inc. (a member of NASD and SIPC) are subsidiaries of UBS AG.