



ASTOR
CAPITAL
MANAGEMENT

An Alternative Investment Company

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Astor Capital Management's Monthly Update – April 2012

Written by Astor Capital Management



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Summary of Indices

Index	Apr-12	YTD
S&P 500	-0.7%	11.2%
DJIA	0.0%	8.2%
Nasdaq Composite	-1.5%	16.9%
FTSE 100	-0.5%	3.0%
MSCI EAFE	-2.4%	7.3%
10 yr US Treasury	-14.0%	2.1%
Barclay Hedge CTA*	-0.07%*	-0.59%*

**=as of 5/15/12 (data is self-reporting. 80.56% of the CTAs reporting have reported)*

Past performance is not necessarily indicative of future results. An investment in alternative investments, including Managed Forex and Futures is subject to a substantial risk of loss and may not be suitable for all investors. This CTA is prohibited by law from accepting funds in the trading advisor's name from a client for trading. You must place all funds for trading in this trading program directly with a FCM or retail Forex dealer, as applicable. The material contained herein is for informational purposes only and is not a solicitation for investing. Investors should consult financial advisors and carefully review the information contained in the risk disclosure statement of the FCM or retail Forex dealer that you select to carry your account and in the CTA's disclosure document before investing.

Astor Capital's Managed Programs

Astor Capital offers investors two professionally Managed Programs. Both of the Programs allow for one day liquidity and redemption and do not have lock-ups, gates or other requirements or penalties.

The ***Knox FX Program*** is actively involved in trading off-exchange traded currencies (“Forex”) as an asset class with the goal of capital appreciation. The focus is on G-10 currencies, which are more actively traded.

The ***Martello Program*** is actively involved in trading exchange-traded asset classes that may include futures contracts of U.S. equity indexes, U.S. interest rates and currencies (G-10). Astor Capital is excited about both of our investment offerings. If you would like more details on the Programs, including a Program Disclosure Document, please contact us at clientservices@astorcm.com or [click here](#) to receive more information.

The Graduate

No, there will not be a discussion about Mrs. Robinson’s intensions, and no, the topic isn’t “plastics” – it’s the season for commencement ceremonies. The time honored traditions of giving speeches at the podium and hitting beach balls around among the graduates (with some graduates posting “Job Needed” signs on their mortarboards) can cause listeners to pause and reflect on the speech or on the famous quotes recited. High school graduates are being told to push the limits and to explore. The college graduates are additionally being told it’s a tough market to land a job and to “think outside the box” while looking for that job. Equally sobering is information is being provided by the College Board in its “Trends in Student Aid Study”. The study notes that many students borrowed in excess of \$50,000. The median debt for bachelor’s degree recipients who borrowed while attending private, nonprofit colleges was \$22,380. One member of our team heard his first commencement speech of the season listening to Sanjay Gupta speak at his alma mater, the University of Michigan. The three hours of windy, cloudy 40 degree weather was worth being there to hear what he had to say. If you weren’t one of the 60,000+ in the “Big House” listening to him, we encourage you to listen to it on YouTube. Below are a few quotes our team enjoyed:

“Twenty years from now you will be more disappointed by the things you didn’t do than the ones you did.” – *Mark Twain*

“Imagination is more important than knowledge. Knowledge is limited. Imagination encircles the world.” - *Albert Einstein*

"In the end, it's not the years in your life that count. It's the life in your years." - *Abraham Lincoln*

Given that it’s the season of graduations, it may be a good time to ask yourself when you want to graduate to a disciplined approach of creating and maintaining an appropriately well diversified investment portfolio. At Astor Capital, we are working with investors and their advisors on diversifying their investment portfolio.

Market Activity

April kicked off Quarter Two. In Q1, U.S. stocks turned in a good performance. In early April, the Dow hit its highest level since December 2007 and by the end of the month had continued the string of positive monthly performances. U.S. interest rates of UST 10 year notes rose 35bp in the first seven days of April, however rates settled down across the yield curve, except for the short end, which ended the month higher after hitting historic lows mid-month (UST 5 year note at 0.705% and the UST 10 year note breaching 1.80%). Crude oil prices finished the month lower, gold prices finished lower, market volatility (VIX Index) finished higher and the U.S. dollar (USD) was stronger against the Euro (EUR), the British pound (GBP) and the Japanese yen (JPY). The month ended with the S&P 500's return to 1,400 and crude oil prices at one month highs. Solid corporate earnings in the U.S. for Q1 may have helped elevate the stock market as 75% of the companies in the S&P 500 Index reported profits and beat expectations.

Looking forward from a markets perspective, we continue to witness signs of economic strength and stability in the U.S., a slight slowdown in Asia and economic and political indigestion in the Eurozone. It is our opinion that early May election results in France and Greece have provided a barometer on how the voters feel about Eurozone austerity. This is a true concern and if the political parties in Greece can't form a coalition government to move forward and honor Greece's agreed to austerity measures, we believe the IMF will not give Greece its next payment tranche in June which it needs to survive. Contagion is a real threat for others in the 17 nation Eurozone.

Below are some of the events that shaped the month of April.

Some market related events from **The Americas** included the following:

- **U.S.** Employment Report and Non-Farm Payroll Report for March were released on the first Friday of the month. The unemployment rate fell to 8.2%. Non-farm payrolls were up 120,000 new jobs vs. the market expectations of 205,000 new jobs. Following the announcement, U.S. equity futures fell and U.S. interests rates fell 10bps;
- **U.S.** GDP for Q1 rose 2.2%, which was less than market expectations of 2.5%;
- **U.S.** Retail Sales in March rose 0.8%, vs. market expectations of up 0.3% and up 1.0% in February;
- **U.S.** Housing Starts for March fell unexpectedly, slipping 5.8% to a seasonally adjusted annual rate of 654K units. Housing Permits for future construction however, rose to their highest level in 3.5 years to 747K vs. market expectations of 710K;
- **U.S.** CPI for March rose 0.3%. The slowdown in prices is largely due to a slowdown in the increase in energy prices;
- **U.S.** Durable Goods Orders for March fell 4.2%, vs. market expectations of a fall of 1.7%. February was revised up to a 1.9% gain. The March Orders were the biggest drop in three years;
- **U.S.** FOMC announced that they embraced expectations that growth will "pick up gradually" in the future;

- **U.S.** 30 year fixed rate mortgage dipped to 3.88%. The lowest long term mortgage rate since rates began in the 1950s is 3.85%;
- **Canada** announced that it will stop distributing the Canadian penny beginning this fall, with the gradual goal of removing it from circulation. The government said it expects that it can save about CAD 11 Million each year by not supplying the penny, as the cost to produce a Canadian penny is more than the face value (For comparison, it costs the U.S. about 2.4 cents to make a U.S. penny and 11.18 cents to make a U.S. nickel – really). Canada joins the ranks of Australia, Norway, Switzerland and the United Kingdom as countries that have removed their lowest denomination coin from circulation;
- **Brazil's** currency, the real (BRL) weakened nearly 2% against the USD following Brazil's central bank rate cut 75bp to 9.0%;

Some market related events from **Europe** included the following:

- **Eurozone:**
 - o The European Central Bank (ECB) held its benchmark interest rate at 1.0%. ECB President Draghi stated that policy makers have the tools available to tackle inflation risks if needed;
 - o The International Monetary Fund (IMF) for the first time publically accepted the prospect of the EUR breaking up, acknowledging that fundamental “flaws” in the design of the single currency and said that one potential tail risk is a “disorderly default and exit by a Euro area member”;
 - o The IMF Current Policies Scenario stated that 58 large banks based in the European Union could shrink their balance sheets by as much as EUR 2 Trillion by the end of 2013, almost 7% of total assets;
- **United Kingdom:**
 - o UK Construction PMI rose to 56.7 in March from 54.3 in February. This is the fastest pace in two years;
 - o UK Housing Prices increased in March. Following the announcement, the British pound (GBP) strengthened;
 - o UK Retail Sales in March rose, with total sales rising 3.6%. This is the fastest pace in over a year. Following the announcement, the GBP strengthened;
 - o UK Inflation rose in March. This was the first rise in six months. Following the announcement, the GBP strengthened;
 - o UK Q1 GDP fell 0.2%, vs. a fall of 0.3% in Q4 '11. This technically puts the UK back into a recession for the first time since 2009. Following the announcement, the GBP weakened to the lowest level in two months;
 - o The Bank of England (BoE), the nation's central bank, left its benchmark interest rate unchanged at 1.0%. Following the announcement, the GBP strengthened against the EUR;

- **Germany:**
 - o German investor confidence in April rose to 40.7, vs. market expectations of 35.0. This was a two year high in confidence. Following the announcement, the EUR strengthened;
 - o German business sentiment for April rose to 109.9, vs. market expectations of 109.5. This is the sixth consecutive monthly gain. Following the announcement, the European stocks rose and the EUR strengthened;
- **The Netherlands:**
 - o Moody's rating agency commented that while the government's collapse is viewed as a credit negative, it did not warrant a formal revision to a stable outlook;
- **Switzerland:**
 - o The Swiss National Bank, the nation's central bank, was active in the currency markets, intervening after the Swiss franc (CHF) strengthened significantly against the Euro (EUR). The market believes that the CHF is a "safe haven" currency;
 - o Swiss sovereign debt auctions on six month debt produced yield of -0.251%. That's correct, negative interest rates – give the bank money, at the end of the deposit, get less money back. Some market participants believe that this signals that European investors are struggling to find anything resembling a "safe haven" to stow short term money;
- **Portugal:**
 - o European Economic and Financial Affairs Commissioner Rehn said that Portugal, which has received EUR 78 Billion in a rescue package, is likely to need more public support before it can return to the bond markets next year;
 - o Portuguese banks' ECB borrowings hit a record EUR 56 Billion in March vs. EUR 47 Billion in February;
- **Italy:**
 - o Italian banks' ECB borrowings hit a record EUR 270 Billion in March vs. EUR 195 Billion in February;
- **Spain:**
 - o Spain's Unemployment Rate rose to 22.9% in March. This was the eighth consecutive increase. Following the announcement, the EUR weakened;
 - o Spain's sovereign debt on an absolute basis rose, with the 10 year note pushing as high as 5.89%- up 100bp in early March, while the spread to German sovereign debt (bunds) reached its widest point since January 2012;
 - o Spain's Economic Minister stated that he will start the process to sell two of their bailed-out savings banks after Easter. He expects that all Spanish entities will meet European Union rules on capital requirements;
 - o Spain's Prime Minister warned that the Eurozone is ill-equipped to save his country;
 - o Spain's banks' borrowings from the ECB surged 50% to EUR 228 Billion;

- S&P downgraded Spanish sovereign debt ratings by two notches (from A to BBB+) and placed the country on negative outlook. S&P also revised its GDP growth outlook of Spain for 2012 and 2013 to -1.5% and -0.5% respectively (from +0.3% and +1.0%);

Some market related events from **Middle East** included:

- **Saudi Arabia's** Oil Minister stated that the Kingdom is determined to see lower crude oil prices;

Some market related events from **China** included:

- China's non-manufacturing PMI increased to 58.0 in March, from 57.3 in February. Following the better than expected PMI announcement, Asian currencies rallied against their non-Asian trading partners;
- China's Premier Wen Jiabao called his nation's big banks a monopoly which need to be separated in order to get money flowing into smaller private firms;
- China's imports of crude oil jumped to near-record high levels in March;
- China's growth forecast by the World Bank was trimmed to 8.2% from 8.4%;
- China's Q1 real GDP was 8.1% YoY, vs. market expectations of 8.4% YoY. This is the weakest expansion in the last 11 quarters;
- China's 13 year old PetroChina, created by the Chinese government to secure more oil for the nation's economy, now pumps 2.4 Million barrels per day (in 2011), exceeding the previous global top producer Exxon Mobil, by 100,000 barrels per day;
- China's food and grocery retail market size has overtaken that of the U.S. Ongoing rises in wages and a developing middle class are two of the reasons some give as an explanation;

Some market related events from the **Pacific Rim / Asia Region (ex-China)** included:

- **Japan:**
 - The Bank of Japan (BoJ), the nation's central bank, left the target interest rate unchanged at 0.1%, in line with market expectations. The BoJ asset purchase fund and credit easing programs were also left unchanged at JPY 30 Trillion and JPY 35 Trillion respectively;
 - Later in the month, the BoJ boosted its asset program fund by JPY 10 Trillion to JPY 40 Trillion. The BoJ also extended the maturity of bonds it purchases to 3 years from a 2 year limit;

Please note: all known news has already been factored in the price of underlying asset price valuations.

Differences make a Difference. According to ...

According to a recent Pew Research Center study, young women are now more likely than young men to say that a successful, high-paying career is one of the most important things in life. Additionally, the percentage of young women saying marriage is one of the most important things in life also has increased from 28% in 1997 to 37% in 2010/2011. Young men who find marriage to be important has decreased from 35% in 1997 to 29% in 2010/2011.

According to the Center for Retirement Research at Boston College, Baby Boomers appear to be on track for a solid retirement. Additionally, recent research indicates that about 50% of the Boomers will inherit money from parents, with the median amount of \$40,000. Finally, recent research indicates that a substantial fraction of persons at the time of their death have virtually no financial assets – 46.1% with less than \$10,000.

According to an Insured Retirement Institute finding on Generation X (those born from 1965 to 1981), only one-third of those polled are “very confident” about having enough money to live comfortably during retirement to cover their medical expenses and to pay for their children’s higher education.

According to Gallup’s new poll, the Annual Economy and Personal Finance survey, the average age at which Americans expect to retire has been creeping up since the mid-1990s and is now 67 years old (vs. 1996, when people expected to retire at age 60). Additionally, those polled currently under age 40 expect to retire at age 65, while those 40 and over, and not yet retired, expect to retire at age 68. As another factoid, the average life expectancy in the U.S. is 78 years.

According to the Bureau of Labor Statistics’ analysis of median weekly earnings data, in 2010, women in their late teens and early 20’s earned about 95 cents for every dollar a man earned. Additionally, women ages 55 to 64 earned just 75 cents for every dollar a man earned. The potentially more important trend is that the wage gap between men’s and women’s weekly earnings has narrowed since record-keeping began in 1979.

According to a 2009 University of Chicago research study headed by Professor Bertrand on gender differences of earnings for those earning U of C MBAs between 1990 and 2006, found that the men and women MBA grads started out earning roughly the same: \$115,000 on average for women and \$130,000 on average for men. The gap however, widened substantially over time: the women were earning \$250,000 on average, while the men were earning \$400,000 on average.

It’s a lot of data. We aren’t planning to address the reasons behind the numbers. Our interest is that these statistics paint a current reality that all of us need to look at and think about how they may affect your investment revenue stream. Whether your situation is good or bad today, demographics are changing. One thing for sure is that you must take control of your future plans. It is our opinion that starts now and it’s a long disciplined endeavor, whether a lot of nuts are getting squirreled away or a few. The power of compounding and the rigor of a well diversified investment portfolio make a difference. Research by Nobel Prize winner Dr. Harry Markowitz demonstrates that building a diversified investment portfolio may reduce risk and

may enhance returns. Research by Harvard University professor Dr. John Litner demonstrates that adding managed futures to a stock and bond portfolio reduces risk at every possible level of expected return.

At Astor Capital, it is our opinion that a diversified portfolio means having investments that are not all highly correlated. Astor Capital offers suitable investors Managed Programs to assist in investment portfolio construction. Isn't time to review your investment portfolio and plan how to rebalance it? We welcome the opportunity to be a part of those conversations.

If you are considering reviewing a Managed Forex or Managed Futures program or simply wish to discuss the markets, we welcome the opportunity to speak with all potential investors.

RISK DISCLOSURE STATEMENT

THE RISK OF LOSS IN TRADING COMMODITY INTERESTS CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. IN CONSIDERING WHETHER TO TRADE OR TO AUTHORIZE SOMEONE ELSE TO TRADE FOR YOU, YOU SHOULD BE AWARE OF THE FOLLOWING:

IF YOU PURCHASE A COMMODITY OPTION YOU MAY SUSTAIN A TOTAL LOSS OF THE PREMIUM AND OF ALL TRANSACTION COSTS.

IF YOU PURCHASE OR SELL A COMMODITY FUTURES CONTRACT OR SELL A COMMODITY OPTION OR ENGAGE IN OFF-EXCHANGE FOREIGN CURRENCY TRADING YOU MAY SUSTAIN A TOTAL LOSS OF THE INITIAL MARGIN FUNDS OR SECURITY DEPOSIT AND ANY ADDITIONAL FUNDS THAT YOU DEPOSIT WITH YOUR BROKER TO ESTABLISH OR MAINTAIN YOUR POSITION. IF THE MARKET MOVES AGAINST YOUR POSITION, YOU MAY BE CALLED UPON BY YOUR BROKER TO DEPOSIT A SUBSTANTIAL AMOUNT OF ADDITIONAL MARGIN FUNDS, ON SHORT NOTICE, IN ORDER TO MAINTAIN YOUR POSITION. IF YOU DO NOT PROVIDE THE REQUESTED FUNDS WITHIN THE PRESCRIBED TIME, YOUR POSITION MAY BE LIQUIDATED AT A LOSS, AND YOU WILL BE LIABLE FOR ANY RESULTING DEFICIT IN YOUR ACCOUNT.

UNDER CERTAIN MARKET CONDITIONS, YOU MAY FIND IT DIFFICULT OR IMPOSSIBLE TO LIQUIDATE A POSITION. THIS CAN OCCUR, FOR EXAMPLE, WHEN THE MARKET MAKES A "LIMIT MOVE."

THE PLACEMENT OF CONTINGENT ORDERS BY YOU OR YOUR TRADING ADVISOR, SUCH AS A "STOP-LOSS" OR "STOP-LIMIT" ORDER, WILL NOT NECESSARILY LIMIT YOUR LOSSES TO THE INTENDED AMOUNTS, SINCE MARKET CONDITIONS MAY MAKE IT IMPOSSIBLE TO EXECUTE SUCH ORDERS.

A "SPREAD" POSITION MAY NOT BE LESS RISKY THAN A SIMPLE "LONG" OR "SHORT" POSITION.

THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN COMMODITY INTEREST TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS.

IN SOME CASES, MANAGED COMMODITY ACCOUNTS ARE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT AND ADVISORY FEES. IT MAY BE NECESSARY FOR THOSE ACCOUNTS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS. A DISCLOSURE DOCUMENT CONTAINS A COMPLETE DESCRIPTION OF EACH FEE TO BE CHARGED TO YOUR ACCOUNT BY THE COMMODITY TRADING ADVISOR.

THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ASPECTS OF THE COMMODITY INTEREST MARKETS. YOU SHOULD THEREFORE CAREFULLY STUDY A PROGRAM'S DISCLOSURE DOCUMENT AND COMMODITY INTEREST TRADING BEFORE YOU TRADE, INCLUDING THE DESCRIPTION OF THE PRINCIPAL RISK FACTORS OF THIS INVESTMENT.

YOU SHOULD ALSO BE AWARE THAT THIS COMMODITY TRADING ADVISOR MAY ENGAGE IN OFF-EXCHANGE FOREIGN CURRENCY TRADING. SUCH TRADING IS NOT CONDUCTED IN THE INTERBANK MARKET. THE FUNDS DEPOSITED WITH A COUNTERPARTY FOR SUCH TRANSACTIONS WILL NOT RECEIVE THE SAME PROTECTIONS AS FUNDS USED TO MARGIN OR GUARANTEE EXCHANGE-TRADED FUTURES AND OPTION CONTRACTS. IF THE COUNTERPARTY BECOMES INSOLVENT AND YOU HAVE A CLAIM FOR AMOUNTS DEPOSITED OR PROFITS EARNED ON TRANSACTIONS WITH THE COUNTERPARTY, YOUR CLAIM MAY NOT BE TREATED AS A COMMODITY CUSTOMER CLAIM FOR PURPOSES OF SUBCHAPTER IV OF CHAPTER 7 OF THE BANKRUPTCY CODE AND REGULATIONS THEREUNDER. YOU MAY BE A GENERAL CREDITOR AND YOUR CLAIM MAY BE PAID, ALONG WITH THE CLAIMS OF OTHER GENERAL CREDITORS, FROM ANY MONIES STILL AVAILABLE AFTER PRIORITY CLAIMS ARE PAID. EVEN FUNDS THAT THE COUNTERPARTY KEEPS SEPARATE FROM ITS OWN FUNDS MAY NOT BE SAFE FROM THE CLAIMS OF PRIORITY AND OTHER GENERAL CREDITORS.

FURTHER, YOU SHOULD CAREFULLY REVIEW THE INFORMATION CONTAINED IN THE RISK DISCLOSURE STATEMENT OF THE FUTURES COMMISSION MERCHANT OR RETAIL FOREIGN EXCHANGE DEALER THAT YOU SELECT TO CARRY YOUR ACCOUNT.

COMMODITY TRADING ADVISORS ARE PROHIBITED BY LAW FROM ACCEPTING FUNDS IN THE TRADING ADVISOR'S NAME FROM A CLIENT FOR TRADING COMMODITY INTERESTS. YOU MUST PLACE ALL FUNDS FOR TRADING IN A TRADING PROGRAM DIRECTLY WITH A FUTURES COMMISSION MERCHANT OR RETAIL FOREIGN EXCHANGE DEALER, AS APPLICABLE.

Index Definitions

S&P 500 Index - A stock market index containing the stocks of 500 Large-Cap corporations, most of which are American U.S. domiciled. The Index is owned and maintained by Standard & Poor's, a division of McGraw-Hill.

DJIA Index - The Dow Jones Industrial Average is a stock market index, to gauge the performance of the industrial sector of the U.S. stock market. The average consists of 30 of the largest and most widely held public companies in the U.S. The average is price-weighted, which gives higher priced stocks more influence over the value of the index.

Nasdaq Composite Index - A stock market index of all of the common stocks and similar securities (e.g. ADRs, tracking stocks, limited partnership interests) listed on the NASDAQ stock market, meaning that it has over 3,000 components. It is highly followed in the U.S. as an indicator of the performance of stocks of technology companies and growth companies. Since both U.S. and non-U.S. companies are listed on the NASDAQ stock market, the index is not an exclusively U.S. index. It is a broad based index which is calculated under a market capitalization weighted methodology.

FTSE 100 Index - The Financial Times Stock Exchange Index is a share index of the 100 most highly capitalized companies listed on the London Stock Exchange. FTSE 100 companies represent about 80% of the market capitalization of the whole London Stock Exchange. Even though the FTSE All-Share Index is more comprehensive, the FTSE 100 is the most widely used UK stock market indicator.

Goldman Sachs Commodity Index - The GSCI is a world-production weighted index composed of 24 commodity futures contracts. The index is a composite index of commodity sector returns and represents an unleveraged investment through broadly diversified long positions in commodity futures. The GSCI primarily serves as a benchmark for investment in the commodity markets and as a measure of commodity performance over time.

MSCI EAFE Index - A stock market index of foreign stocks, from the perspective of a North American investor. The index is market capitalization weighted (meaning that the weight of securities is determined based on their respective market capitalizations.) It first ranks each stock in the investable universe from largest to smallest by market capitalization. It is maintained by Morgan Stanley Capital International; the EAFE acronym stands for "Europe, Australasia, and Far East". The index includes a selection of stocks from 21 developed markets, but excludes those from the U.S. and Canada.

The 10 year US Treasury Constant Maturity Treasury Index ("CMT") - An index published by the Federal Reserve Board based on the average yield of a range of US Treasury securities, all adjusted to the equivalent of a 10-year maturity. Yields on US Treasury securities at constant maturity are determined by the US Treasury from the daily yield curve. That is based on the closing market-bid yields on actively traded US Treasury securities in the over-the-counter market. This figure is used as a reference point to establish the price of other securities such as corporate bonds. US Treasury securities are considered risk-free since they are backed by the US government. This figure, and an added margin based upon the risk involved, is used in pricing various debt securities.

BarclayHedge CTA Index - A measure of the average return of CTA's providing BarclayHedge with their unaudited returns. There are currently over 400 CTA's reporting. It is unweighted and rebalanced at the end of the year.