ASTOR CAPITAL MANAGEMENT
An Alternative Investment Company
233 S. Wacker Drive #9450, Chicago, Il, 60606 • Toll-Free: 877-ASTOR 10 • clientservices@astorcm.com

Astor Capital Management's Monthly Update – January 2012

Written by Astor Capital Management

If you are unable to view graphics in this email, simply right click with your mouse on the red "x" in the box and select "Download Pictures".

Summary of Indices

Index	Jan-12	YTD
S&P 500	4.4%	4.4%
DJIA	3.4%	3.4%
Nasdaq Composite	8.0%	8.0%
FTSE 100	2.0%	2.0%
MSCI EAFE	5.3%	5.3%
10 yr US Treasury	-3.7%	-3.7%
Barclay Hedge CTA*	-0.04%*	-0.04%*

**=as of 2/03/12 (data is self-reporting. 35.38% 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 its 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.

Super

As is the tradition in the U.S., the Super Bowl is set for the first Sunday in February. Aside from the game itself, for many of the viewers (over 111 million Americans alone watched last year's game) it is about the commercials and the entertainment. According to the Associated Press, the price for a 30 second time slot is in the area of $3.5-4.0 million – and the ad slots have all sold out already. Those companies sponsoring the ads must believe that there is value for the price, or they wouldn't be airing their slick ads. This year adds another twist to the biggest mass media event of the year: social media. According to Tim Calkins, a marketing professor at Northwestern University, "This year, we're really seeing it go to a totally new level where marketers are making social networking a core part of their Super Bowl efforts".

This year's Super Bowl will not include any ads from Astor Capital. We are however, involved in using some of the social media tools available, including "tweeting" market updates, as well as having a corporate page on Facebook and LinkedIn, in addition to our Astor Capital website. In January, we were invited as subject matter experts to speak on a panel at a recent Chartered Financial Analyst (CFA) event on Social Media and Compliance. Social media is growing and even growing up. We have clients that are "old school" in the way they receive information and we have clients that make use of today's technologies. At Astor Capital, we are working toward best-serving those interested in what we do. Feel free to access us how you feel most comfortable.

Market Activity

For the first month of 2012, January brought investors an impressive showing in U.S. stocks. The Dow Index was up and the broader market indexes were up even more. The Nasdaq Composite Index did well, thanks in part, in our opinion, to sector rotation into technology stocks. The utilities and consumer staples sectors, which enjoyed strong performance in 2011, are now down in 2012. The S&P 500 Index traded in a 1% range for eight straight days last month. In addition to the tight trading range, low average daily volume has also been part of the trading landscape. The average daily volume on the NYSE last year was 4.3 billion shares traded, which was lower than the previous year. The average daily volume on the NYSE for January was 3.9 billion shares traded. The currency markets have a similar theme. The Swiss National Bank and the Bank of Japan, their nation's central banks effectively pegged their currencies, and in our opinion, reduced actively traded currencies and thus reduced volume in the global currency market.

Continued activity in, by and on the Eurozone countries created a number of headlines throughout the month. The Federal Reserve Bank, the U.S. central bank, caught the market off-guard announcing that it plans to keep the Fed Funds Rate exceptionally low through at least late 2014. By the end of the month, most stock index valuations were higher than when January started. U.S. interest rates across the yield curve ended the month lower. Crude oil prices finished the month mixed (WTI flat and Brent higher), gold prices finished much higher, market volatility (VIX index) finished lower and the U.S. dollar (USD) was weaker against most major currencies.

Looking forward from a markets perspective, we continue to watch for signs of economic strength in the U.S., while paying attention to continued issues in Euroland. China's growth has moderated a bit and may allow for a cooling off of inflationary concerns from its torrid GDP growth pace.

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

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

- **U.S.** Employment Report and Non-Farm Payroll Report for December were released on the first Friday of the month. The unemployment rate fell to 8.5%, its lowest rate since March 2009. Non-farm payrolls were up 200,000 new jobs. Private employers added 212,000 jobs. The non-farm and private new jobs were about 40,000 more than market expectations;
- **U.S.** FOMC minutes for the December meeting stated that the Fed, in its most recent efforts to show transparency will include explicit Fed Funds Rate forecasts broken down by individual FOMC members beginning at the January 24-25 meeting;
- **U.S.** FOMC announcement at the January 24-25 meeting left the benchmark Fed Funds interest rate unchanged at 0 to .25%. The market was surprised at the FOMC announcement that the Fed is to extend the exceptionally low rate stance to at least "late 2014". Additionally, the FOMC for the first time ever in its 94 year history set an explicit target for inflation of 2% instead of the to-date used implied target. Immediately following the announcement, U.S. interest rates fell with five year swap rates falling over 15 bps at one point, U.S. equity prices rose, the USD weakened to a five week low and gold rose to a seven week high. Only six of seventeen FOMC officials see any chance of a Fed movement prior to 2014. Eleven officials see the target rate remaining below 1% through 2014, six of which are expecting to hold current 0.25% levels throughout that period. Specific comments from the official FOMC release included:

- Information received since the FOMC met in December suggests that the economy has been expanding moderately, notwithstanding some slowing in global growth;
- Inflation has been subdued in recent months and longer-term inflation expectations have remained stable;
- The FOMC expects economic growth over the coming quarters to be modest and consequently anticipates that the unemployment rate will decline only gradually;
- Strains in global financial markets continue to pose significant downside risks to the economic outlook;
- The FOMC expects to maintain a highly accommodative stance toward monetary policy. Exceptionally low levels for the Federal Funds Rate at least through late 2014 are likely warranted;

- **U.S.** regulators including the Federal Reserve Bank, the FDIC, the CFTC, and the SEC held a reported 1,720 meetings with the public on Dodd-Frank issues in 2011 alone, according to Davis Polk, a major law firm;
- **U.S.** Congressional Budget Office (CBO) released a report that predicted the U.S. government will run a $1.1 Trillion budget deficit in the fiscal year that ends in September. If the CBO forecast plays out, fiscal year 2012 would be the fourth consecutive year of federal budget deficits topping $1 Trillion;
- **U.S.** Trade Deficit in December widened to $47.8 Billion, which was wider than market expectations. The December deficit was the widest since June. Imports of crude oil and autos topped the list of U.S. purchases;
- **U.S.** GDP for Q3 was revised down to 1.8%, from 2.0%. Additionally, Personal Consumption fell to 1.7%;
- **U.S.** GDP for initial Q4 was 2.8%, which was less than market expectations of 3.0%: it was however, the strongest since Q2 2010. Following the announcement, U.S. equity futures fell;
- **U.S.** Personal Income for December grew 0.5%, which was greater than market expectations of 0.4%;
- **U.S.** Personal Spending for December was 0.0%, which was less than market expectations of 0.1%;
- **U.S**. PPI for December unexpectedly fell 0.1%, which was the second decrease in the past three months;
- **U.S.** Industrial Production in December rose 0.4%, which was less than market expectations of 0.5%;
- **U.S.** Capacity Utilization for December was 78.1%, which was in line with market expectations;
- **U.S.** Durable Goods for December was 3.0%, which was stronger than market expectations of 2.0%. Additionally, November’s growth was revised up to 4.3% from 3.8%;

- **Brazil's** currency, the real (BRL) strengthened against the USD to the strongest level in a month, with several market participants seeing a boost in China's domestic demand, which is thought to benefit Brazil's exports to China;

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

- **Eurozone**:
    - The European Monetary Union (EMU) has over EUR 200 Billion in debt redemptions and coupon payments scheduled in the first quarter. Italy alone has roughly a $100 Billion funding requirement;
    - The European Union (EU) Inflation Rate in December fell to 2.8% year-on-year (YoY), from November's 3.0% YoY measurement;
    - *The European Financial Stability Facility* (EFSF) sold three year notes at a spread of 40 bps over mid-interest rate swap rates, which was a much wider price than the mid-swaps plus 6 bps notes it issued only one year ago;
    - Standard & Poor's downgraded the EFSF's credit rating to AA+, from AAA;
    - Fitch Ratings stated the European Central Bank (ECB) has to do more to prevent the financial crisis from spreading. Following the announcement, European stocks fell and the EUR weakened;
    - By mid-month, the euro (EUR) hit a 15 month low against several of its trading partners;
    - The ECB stated that it remains firmly opposed to any restructuring of its Greek bond holdings;
    - Eurozone Unemployment Rate in December rose to 10.4%, which is its highest level since the EUR was introduced in 1999;
    - Standard & Poor's cut the long-term sovereign credit ratings of nine Eurozone nations and affirmed the credit ratings on seven nations. The ratings outlook is negative for the 17 nations of the Eurozone, with the exception of Germany and Slovakia;
        - The downgraded countries include:
            - Cyprus, Italy, Portugal and Spain – by Two credit notches;
            - Austria, France, Malta, Slovakia and Slovenia – by One credit notch;
        - The affirmed countries include:
            - Belgium, Estonia, Finland, Germany, Ireland, Luxembourg and The Netherlands;
- **United Kingdom**:
    - UK Trade Deficit increased more than market expectations. Following the release, the British pound (GBP) weakened;
    - UK Retail Sales in December rose. Following the announcement, the GBP strengthened;
    - UK Unemployment Rate for December rose to 8.4%, from the prior month of 8.3%;

- The Bank of England (BoE), the nation's central bank left its benchmark interest rate unchanged;

- **France:**
  - Fitch Rating Agency announced France's AAA rating should be secure through at least 2012. This announcement comes a month after Fitch revised its ratings outlook on French long-term sovereign credit rating to negative;
  - Standard & Poor's downgraded France's long-term sovereign credit rating one notch to AA+ from AAA;
  - Standard & Poor's downgraded the credit ratings of two major French banks, Societe Generale and Credit Agricole one credit notch to A from A+. Last month, Moody's downgraded the credit ratings of the two above listed banks and BNP Paribas;
  - France auctioned EUR 7.97 Billion in medium-term notes, which was at the top end of a targeted EUR 6.5-8.0 Billion program;
- **Germany:**
  - German unemployment rate for December fell to 6.8% from November's 6.9%. The 6.8% reading is the lowest unemployment rate since 1991;
  - German GDP for Q4 '11 fell 0.25%, ending two years of growth, making 2011 GDP 3.0%. Following the announcement, the EUR hit another recent low, trading below $1.27/EUR, which is the first time since September 2010 it has traded there;
  - German Inflation Rate for 2011 rose to 2.3%, which is the highest annual figure since 2008, when inflation was 2.6%;
  - German Investor Sentiment (ZEW Index) rose in January to -21.6, which was stronger than market expectations of -49.4 and December's actual of -53.8. The 32+ point gain is the largest in two decades;
- **Hungary:**
  - Hungary is negotiating with the IMF for some form of standby loan;
- **Portugal:**
  - Market concerns during the month mounted concerning a second bailout for the country;
- **Italy:**
  - Fitch Rating Agency announced that Italy will require a "credible firewall" around it and that Italy's sovereign debt is vulnerable to imminent ratings cuts;
  - Italy's largest bank, according to a report by Reuters, is the Mafia. With EUR 65 Billion in liquidity and annual turnover of roughly EUR 140 Billion, the Mafia has profits equivalent to roughly 7% of Italy's national output;
  - Italy auctioned its full target of EUR 8.5 Billion in one year bills at a yield of 2.73%, which is lower than the 5.96% required by purchasers in December. Later in the month, Italy auctioned its targeted EUR 4.7 Billion in three year notes at a yield of 4.83%, which is lower than the 5.62% yield required by note purchasers two weeks ago;

- **Greece:**
  - Fitch Rating Agency announced that it believes Greece will likely default on its debt in an orderly fashion;
  - Standard & Poor's announced that it will likely downgrade Greece's long-term sovereign credit rating to "selective default";
- **Spain:**
  - Fitch Rating Agency, revised down its forecast of Spain's GDP to 0.0%;
  - Spanish officials told banks that the government expects the banks to set aside up to EUR 50 Billion in further provisions on their bad property assets. This was done as part of a new round of reforms for the country's financial sector;
  - Spain successfully auctioned three year notes at yields lower than last month's auction. The auction proceeds will meet 10% of Spain's 2012 funding requirements;
  - Spain later (post-S&P downgrade) successfully auctioned EUR 6.61 Billion notes, which was larger than the EUR 3.5-4.5 Billion targeted auction size;
  - Spain's Unemployment Rate in Q4 2011 reached 22.85%, vs. 21.5% in Q3. This is the highest level in 17 years;

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

- China's Trade Surplus decreased to $155 Billion in 2011 from $183.1 Billion in 2010;
- China's Exports grew 13.4% in December (year-on-year);
- China's Retail Sales for December grew at 18.1%, which was above market expectations;
- China's GDP in Q4 2011 grew at 8.9%, which was above market expectations of 8.7% growth. The Q4 actual growth was however, the lowest growth in 2 ½ years. For all of 2011, GDP was 9.2%;
- People's Bank of China (PBOC), the nation's central bank, unexpectedly held off a reduction in the bank required reserve ratio (RRR) that was expected to occur ahead of the Lunar New Year festival. Instead, the PBOC used reverse repurchase contracts to add money to the financial system;
- China's Purchasing Managers' Index (PMI) for January was 48.8, which was less the 49 in the previous month;

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

- **Australia:**
  - Australian Unemployment Rate in December unexpectedly rose. Following the announcement, the Australian dollar (AUD) weakened;
- **Korea:**
  - South Korea's central bank kept its key benchmark interest rate unchanged at 3.25%. Following the announcement, the South Korean won (KRW) strengthened against several currencies.

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

Stressing Out … or not

According to a new study published recently in Biological Psychiatry authored by Yale neurobiologist Sinha, stress can cause more than headaches and sleepless nights; it can actually shrink your brain. Additionally, Sinha adds, there is extensive evidence that stress has contributed to the rise in chronic diseases. The study suggests that stress was linked to markedly less gray matter than expected in a part of the prefrontal cortex that regulates emotion and self-control.

According to the U.S. Commerce Department, the amount of money that Americans are saving has fallen back to its lowest level since December 2007 when the recession began. The personal saving rate dipped in November to 3.5%, down from 5.1% a year earlier. According to the director of retirement research at consulting firm Aon Hewitt, a survey that they are to publish in March says that loans taken from retirement accounts jumped 20% last year across all demographics. Among low earners, that number jumped by as much as 60%. According to Financial Research Corporation, college savings funds known as 529's dipped more than 10% in Q3 '11. According to the College Board, college students are borrowing twice as much as they did a decade ago (when adjusted for inflation) and Americans now owe more on student loans than on credit cards.

According to a new study by Millennial Branding and Identifed.com, "Generation Y" workers, those aged 18 to 29, have on average 16 coworker friends on Facebook. A poll conducted and recently released by the Society for Human Resource Management found that 39% of surveyed employers monitor the social media activities of employees while they are using company-owned computers or handheld devices. Of the surveyed employers, 33% indicated they had taken disciplinary action against employees in the last 12 months who violated their corporate policy. Currently there are roughly four million Gen-Y'ers in the workforce, but by 2025 Gen-Y'ers are expected to comprise roughly 75% of the total workforce.

According to a just released study by the U.S. Congressional Budget Office, the average federal worker earns roughly 2% more than a private sector worker in a comparable profession. When pension and health benefits are factored in, the average federal worker reaps roughly 16% more in total compensation than do private sector workers. The average benefits package for federal workers costs the government roughly 48% more than private sector workers in comparable jobs. The U.S. federal government employs roughly 2.3 million civilian workers, or roughly 1.7% of the workforce. Total compensation for civilian federal workers costs roughly $200 billion a year.

According to the International Monetary Fund, the U.S.'s GDP is over $15.2 trillion, making it the top ranked nation for output, while China's GDP is roughly $6.5 trillion, making it the second ranked nation for output. Interestingly, according to 24/7 Wall St. news service, China produces more than the U.S. in eight sectors. The sectors where China is a bigger producer include: steel, cotton, initial public offerings, tobacco, autos, beer, high-technology exports and coal.

According to the IRS, 2011 federal tax returns will not be due until Tuesday, April 17, 2012. April 15 falls on a Sunday and April 16 is Emancipation Day, a holiday in the District of Columbia. Additionally, the IRS is raising the maximum contribution to $17,000 that workers can make to their 401(k) pension plans for 2012 taxes without having to pay upfront taxes. So, that's actually a de-stressor.

Stressed-out running through those factoids? Whether you are a Gen-Yer, a parent or even a grandparent of one, dreams about the future are important to you. It has been said that you need to have a strategy, so how can the youngsters and oldsters alike develop a financial game plan that allows for the possibility of a successful tomorrow?

At Astor Capital, it is our hope that tomorrow holds great financial flexibility, and in our opinion that requires taking control and developing a diversified investment portfolio today. A diversified portfolio in our opinion means having investments that are not all highly correlated. 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. Astor Capital offers suitable investors a managed futures program to assist in investment portfolio construction. It's that time of year to review your investment portfolio, consider how you plan to rebalance it and decide what new investments may be used going forward.

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

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.Astor Capital has been registered with the CFTC and a member of the NFA for three and a half years. Astor Capital is registered as a Forex firm and our client facing team that speaks with investors about Forex are registered as Associated Persons and are also approved as Forex AP's (in addition to futuresAstor Capital has been registered with the CFTC and a member of the NFA for three and a half years. Astor Capital is registered as a Forex firm and our client facing team that speaks with investors about Forex are registered as Associated Persons and are also approved as Forex AP's (in addition to futuresAstor Capital has been registered with the CFTC and a member of the NFA for three and a half years. Astor Capital is registered as a Forex firm and our client facing team that speaks with investors about Forex are registered as Associated Persons and are also approved as Forex AP's (in addition to futures business) having taken the additional required exam. We have NFA reviewed disclosure documents for all of our programs for interested investors to review. We offer performance returns that have been compiled by an external, third party accounting firm. Investors can see all of the executed trades real time in their account at their FCM (clearing broker). Also noted by the NFA Member Newsletter Fall 2010, "Beginning on October 18, previously unregistered Forex IBs, CPOs and CTAs will be subject to a host of rules and regulations covering every aspect of their business, including promotional material, sales practice, supervision, recordkeeping, ethics training, privacy policy and disaster recovery procedures." As a membered CTA, we have been doing this. If you are considering reviewing other Forex program providers, or simply wish to discuss the markets, we welcome the opportunity to speak with all potential investors. You can contact us by calling **888-ASTOR 10** (877-278-6710), emailing us at **info@astorcm.com** or **clicking here** to request more information.Astor Capital has been registered with the CFTC and a member of the NFA for three and a half years. Astor Capital is registered as a Forex firm and our client facing team that speaks with investors about Forex are registered as Associated Persons and are also approved as Forex AP's (in addition to futures business) having taken the additional required exam. We have NFA reviewed disclosure documents for all of our programs for interested investors to review. We offer performance returns that have been compiled by an external, third party accounting firm. Investors can see all of the executed trades real time in their account at their FCM (clearing broker). Also noted by the NFA Member Newsletter Fall 2010, "Beginning on October 18, previously unregistered Forex IBs, CPOs and CTAs will be subject to a host of rules and regulations covering every aspect of their business, including promotional material, sales practice, supervision, recordkeeping, ethics training, privacy policy and disaster recovery procedures." As a membered CTA, we have been doing this. If you are considering reviewing other Forex program providers, or simply wish to discuss the markets, we welcome the opportunity to speak with all potential investors. You can contact us by calling **888-ASTOR 10** (877-278-6710), emailing us at **info@astorcm.com** or **clicking here** to request more information.

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.