



PARDO CAPITAL REPORTS 37% YTD RETURN FROM FLAGSHIP XT99 DIVERSIFIED MANAGED FUTURES PRODUCT

Chicago, IL, September 27, 2011 – In a year when volatility and low returns have characterized global investment markets, Pardo Capital Limited (www.pardocapital.com), a commodity trading advisor (CTA) providing managed futures products to qualified eligible persons (QEPs), reported returns of 37.16% from its XT99 Diversified managed futures product. Pardo Capital Limited was established in 1996 and has a long and successful track record in the managed futures sector.

“The XT99 Diversified CTA program was up 16.79% in August – a month that delivered unpredictable and generally disappointing results for most investors,” said Robert Pardo, President and Founder. “The XT99 Diversified program has out-performed the market because it is opportunistic, taking both long and short positions. It is able to deliver truly uncorrelated alpha because it doesn’t correlate to stocks or to other alternative strategies. XT99 Diversified has a -0.24 correlation to the S&P 500 and a 0.25 correlation to the JPM World Government Bond Index. During XT99’s 12 years, this strategy has profitably weathered almost every market condition imaginable.”

Truly Uncorrelated Alpha

XT99 Diversified has significantly out-performed compared with benchmark indices. The Barclay CTA index, for instance, has yielded -0.50% in 2011 through August 31, 2011, while the Barclay Hedge Fund Index yielded a -2.03% return. Along with the dramatically poor showing for the stock markets in August (S&P -5.43%), nearly every hedge fund alternative strategy tracked by Hedge Fund Research, Inc. was negative as well.

XT99 Diversified is a systematic trend-anticipatory and pattern recognition approach applied to 45 global futures markets. Utilizing an advanced algorithmic trading program, XT99 Diversified takes long and short positions across 7 market sectors globally, exploiting short-, mid- and long-term trends. When a trend weakens, the program’s adaptive strategy exits the investment.

The strategy models price movements directly, and particularly thrives in unpredictable markets when traditional valuation models and relative value strategies do not accurately assess market moves. Volatility in the markets has provided that environment where Pardo’s disciplined, systematic approach tends to produce outsized returns. The latest term for profitability in this environment is “Crisis Alpha.”

Crisis Alpha Performance:

Gulf War	S&P: -6.25%	XT99: +13.56%
Tech Bubble	S&P: -41.63%	XT99: +184.75%
9/11 Tragedy	S&P: -8.07%	XT99: +9.07%
Sub-Prime Crisis Begins	S&P: -13.81%	XT99: +20.91%
Lehman Bros. Collapse	S&P: -46.40%	XT99: +31.80%
Flash Crash	S&P: -12.79%	XT99: +20.46%
Moody’s Downgrade of US	S&P: -7.35%	XT99: +20.84%

Jeffrey Roy, Portfolio Manager, commented: “We have every indication markets will continue to be volatile and, in this environment, XT99’s systematic diversified strategy offers qualified investors an opportunity to benefit significantly from this market turbulence. Consequently, an investment into the managed futures asset class through the time-tested XT99 Diversified can serve to boost returns and lower the volatility of an existing portfolio of stocks, bonds and alternatives.

“Also, our exchange-traded futures trading vehicle allows us to offer exchange-settled position valuations at the end of each trading day. That, along with our managed account structure, allows us to offer exceptional daily liquidity to investors with one day notice and no lock-ups or gates.”

Annualized Portfolio Return Comparison over the last 12 years (06/1999 through 08/2011):*

100% Stocks:	+1.28%
60% Stocks / 40% Bonds:	+3.67%
60% Stocks / 20% XT99 / 20% Bonds:	+8.97%
50% Stocks / 40% XT99 / 10% Bonds:	+13.61%

The product has been repeatedly ranked in the Top 20 in a number of CTA performance categories by BarclayHedge. Its proprietary models and research methodology include technical and pattern analysis, advanced numeric and statistical methods, optimization methodology and Walk-Forward Analysis™. For more information about the product, QEPs investors are invited to contact Jeff Roy at 312-788-9000 or through the website www.pardocapital.com.

*Stock returns are from the S&P 500 Total Growth Index. Bond returns are from the JP Morgan World Government Bond Index.

THE RISK OF LOSS IN FUTURES TRADING IS SUBSTANTIAL AND IS NOT SUITABLE FOR EVERYONE. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

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Contact:

Jeff Roy
312-788-9000