



FTSE Option Value Strategy (OVS)

Monthly Performance Figures (net of fees)

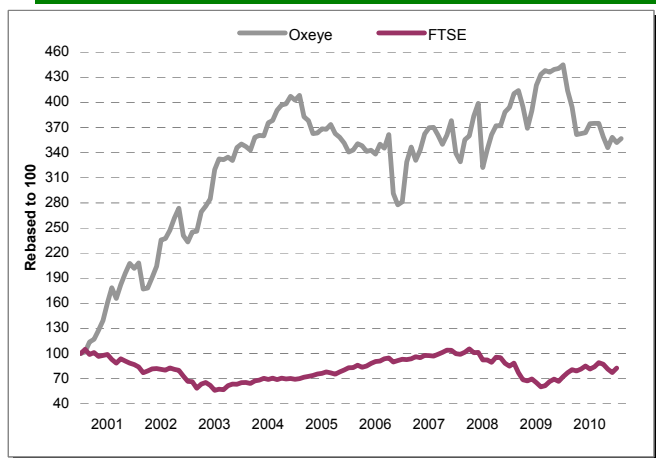
31st July 2010

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y/YTD
2000								2.03	11.55	2.87	9.06	9.13	39.33%
2001	15.26	11.22	-7.12	9.85	7.44	6.05	-2.85	3.26	-14.98	0.65	7.11	6.98	46.58%
2002	15.48	0.61	4.20	5.83	4.59	-11.96	-3.18	5.05	0.44	9.34	2.57	3.11	39.39%
2003	12.29	4.02	-0.30	0.93	-1.22	4.68	1.26	-0.90	-1.27	4.50	0.69	-0.18	26.46%
2004	4.35	0.70	3.24	1.62	0.34	2.29	-1.15	1.41	-6.26	-1.20	-4.10	0.18	0.93%
2005	1.37	-0.15	1.56	-2.92	-1.21	-1.93	-3.04	0.66	2.27	-0.73	-1.91	0.36	-5.68%
2006	-1.33	3.54	-1.37	4.66	-19.46	-4.66	1.30	16.94	5.44	-4.58	3.70	5.63	5.73%
2007	2.06	0.10	-2.51	-3.04	3.19	4.78	-10.31	-3.03	8.07	1.28	6.56	3.94	10.05%
2008	-19.21	6.62	5.18	2.95	4.45	1.42	4.17	0.89	-4.68	-6.53	5.75	7.73	5.41%
2009	3.11	1.07	-0.43	0.72	0.25	1.02	-6.94	-4.75	-8.31	0.32	0.29	2.97	-10.89%
2010	0.10	0.01	-4.31	-3.61	3.58	-1.73	1.35						-4.74%

At the end of October 2009 we changed the strategy's risk management. See note 'Oxeye OVS Strategy - Stop Loss Explanation October 2009' on our website under Articles www.oxeye.co.uk

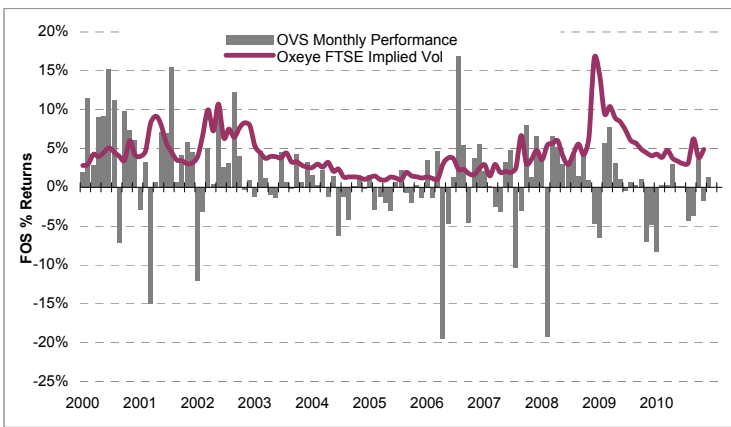
Performance	Oxeye	FTSE
Total Cumulative Return	256.84%	-17.39%
Annualised Return	13.57%	-1.89%
Percentage up months	67.23%	27.05%
Percentage down months	32.77%	45.00%
Best month	16.94%	8.66%
Worst month	-19.46%	-13.02%

Cumulative Performance

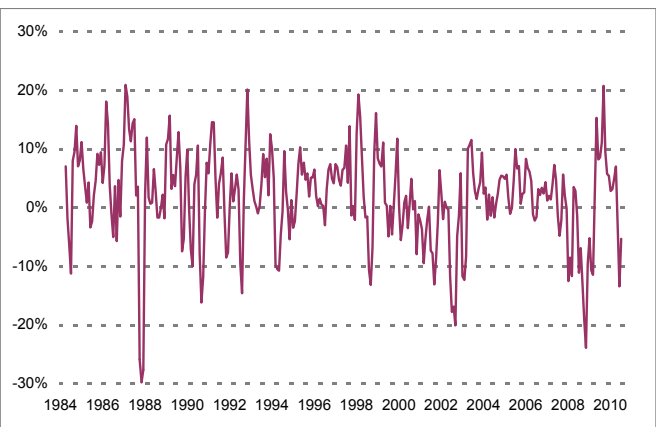


Risk Analysis	Oxeye	FTSE
Annual Standard Deviation	20.1%	15.2%
Worst Consecutive Drawdown	-32.0%	-46.5%
Sharpe Ratio (Annualised)	0.5	-0.4

Monthly Performance vs Implied Volatility



FTSE 100 - Quarterly % Change



All Charts Source: Oxeye Capital Management Limited

Investment Approach

The OVS strategy employs Oxeye's proprietary valuation analysis to buy and sell option contracts on the FTSE 100 index.

The aims are threefold:

To take advantage of range trading on the index by writing out-of-the-money Call and Put spreads in order to profit from time erosion (theta).

To take advantage of trending markets and rising implied volatility by buying longer dated options (vega).

To provide a strict risk management profile to control risk. This is achieved by monitoring the strategy's sensitivity to the underlying market and by controlling the net gearing ratio (delta and gamma).

Oxeye's valuation approach employs statistical and technical analysis to identify options as being either highly priced, in which case they may be sold, or cheaply priced, in which case they would be purchased, adhering always to the principle 'buy low, sell high'.

The strategy employs leverage up to a maximum net exposure of 5 times the original amount invested

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The Oxeye OVS involves trading on margin in options & futures and carries a very high degree of risk with the potential to lose the original amount invested.

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