



SITUATION AS AT:	29/01/2010
AUM in EURO	53,018,080
NAV EURO SHARE :	9,038.46
NAV DOLLAR SHARE:	9,122.36

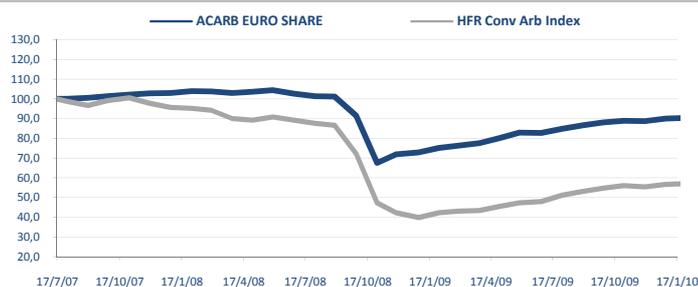
MONTHLY PERFORMANCE				
	1 month	3 month	YTD	Since Inception
EURO SHARE:	0.41%	1.71%	0.41%	-9.62%
DOLLAR SHARE:	0.60%	1.67%	0.60%	-8.78%

INVESTMENT PHILOSOPHY

The fund's approach is that of active management of global convertibles bonds, aiming to obtain an absolute performance. The strategy of the Acropole Convertibles Arbitrage fund consists of extracting the value of the option contingent to the convertible bonds by systematically covering the equity, the credit and interest rate risks. The currency risk is covered.

SHARE TYPE	ISIN CODE	BLOOMBERG CODE
EURO SHARE	FR 00 104 869 28	AAMCVAE FP
DOLLAR SHARE	FR 00 104 958 46	AAMCVAU FP

PERFORMANCE (Since Inception)



HISTORIC MONTHLY PERFORMANCE

Year 2010	January	February	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.	TOTAL
Euro Share	0.41%												0.41%
Dollar Share :	0.60%												0.60%
Year 2009	January	February	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.	TOTAL
Euro Share	3.16%	1.49%	1.60%	3.40%	3.44%	-0.15%	2.55%	1.97%	1.72%	0.95%	-0.25%	1.55%	23.54%
Dollar Share :	2.74%	1.42%	1.71%	3.40%	3.73%	-0.20%	2.61%	1.99%	1.84%	0.98%	-0.17%	1.24%	23.40%

STATISTICAL DATA

Average Delta	57.45%
Average Vega	0.43%
Average Gamma	0.65%
Average Implied Volatility	31.34%
90 days Volatility	45.16%
Average Premium	29.00%
Gross Leverage	171.61%
Net Leverage	83.55%
Number of Strategies	65

REGIONAL GROSS EXPOSURE

	Gross Expo	Vega	Delta	Premium
EUROPE	45.43%	44.39%	55.19%	32.30%
USA	25.98%	28.01%	71.79%	26.14%
JAPAN	3.11%	4.79%	61.08%	22.46%
ASIA ex-Japan	25.48%	22.81%	46.42%	26.83%

N.B. The non-AAA credit exposures are minimal.

MAIN ARBITRAGES	Gross Exposure	Spread	Net Exposure	Sector	Country	Delta	Premium	Vega
News Corp / BskyB 144A 0.75% 15/03/2023	10.92%	1000.0	-4.22%	Media	BRITAIN	0.00%	52.37%	0.00%
SWATCH 2.625% 2010	8.81%	50.0	3.50%	Personal Goods	SWITZERLAND	68.60%	3.38%	0.31%
ALCATEL 5% 2015	7.69%	610.0	3.89%	Technology Hardware & Equipment	FRANCE	67.81%	39.41%	0.55%
GOME ELECTRICAL 3% 2014	7.01%	700.0	3.35%	General Retailers	HONG KONG	58.88%	24.64%	0.57%
SOHO CHINA 3.75% 2014	6.70%	820.0	4.87%	Real Estate Investment & Services	CHINA	39.73%	47.79%	0.38%

COMMENTS

PERFORMANCE ANALYSIS

The early part of the month was marked by rising markets, falling volatility and healthy new issue flow (more than \$5bn in 2 weeks) the trend reversed mid-month.

This sharp correction was due to several factors : Obama's speech outlining plans to limit the scope of business for investment banks, Greece and the risk of contagion and finally, persistent worries of an eventual rate rise and a tightening in credit conditions in China.

The stock markets dropped, credit spreads widened and volatility rose (the VIX rising to 24.6%). Despite these factors, the fund did not suffer unduly – less expensive convertibles held up considerably better than the less attractive names which fit with our selection process which prefers technically « undervalued » names.

In this context, the fund closed the month +0.41% vs (for information purposes only) +0.30% for the HFR Index. As in the past few months, the gamma trading positions which make up the majority of the fund were again the main source of performance.

Europe and Asia were the best performing regions, but the USA was expensive in performance terms. The best performers in Europe were TUI AG, REC, Sol Melia and Soitec. In Asia, Lonking, Soho China and Shanghai Real Estate. In Japan, Orix. In the USA, First Quantum.

We took profits early in the month in Klöckner, Actelion, Clariant, Anglogold, Aquarius and Anglo American. Towards the end of the month we initiated new positions in Petropavlovsk and Hochschild (both miners).

OUTLOOK

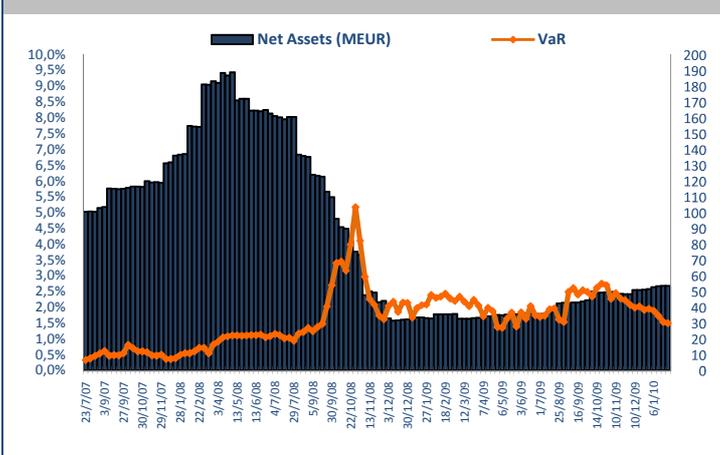
Whilst remaining conservative with leverage still under 2x, we are still highly selective and continue to believe that the outlook for convertible bond arbitrage in 2010 is good.

Past performance is not a guarantee of future returns.

ACROPOLE CONVERTIBLES ARBITRAGE



AUM & VAR PROGRESSION (since inception)



CREDIT SENSITIVITY ANALYSIS

	Positions in % of NAV	
	Gross Exposure	Net Exposure Including Credit Hedge
Spread < 50	8.81%	3.50%
50 < Spread < 150	1.35%	1.25%
150 < Spread < 300	26.75%	15.04%
300 < Spread < 500	29.38%	16.99%
500 < Spread	105.31%	46.76%

VEGA ANALYSIS

	Positions in % of NAV
Vega < 0.15	12.27%
0.15 < Vega < 0.30	15.96%
0.30 < Vega < 0.50	79.72%
0.50 < Vega < 0.75	63.66%
0.75 < Vega	0.00%

DELTA ANALYSIS

	Positions in % of NAV
Delta < 25%	22.22%
25% < Delta < 45%	35.56%
45% < Delta < 65%	37.62%
65% < Delta < 75%	45.19%
Delta > 75%	31.03%

SECTOR ALLOCATION

	Positions in % of Portfolio
Travel & Leisure	14.95%
Mining	7.86%
Technology Hardware & Equipment	6.75%
Personal Goods	6.39%
Media	6.37%
General Retailers	5.40%
Oil Equipment, Services & Dist	5.13%
Oil & Gas Producers	4.47%
Construction & Materials	3.19%
Support Services	2.45%
Automobiles & Parts	2.34%
Industrial Engineering	1.70%
Industrial Transportation	0.80%

VAR CALCULATION METHODOLOGY

The VaR is calculated on a weekly horizon with a 95% confidence interval.

The parametric method is used. The risk level has increased progressively in line with the portfolio, from 0.7 leverage at the launch of the fund to 1.7x at the end of January.

As of 29/01/2010, the VAR is of 1.5%, and it corresponds to an annualized volatility of approximately 7.01%.

CREDIT STRESS ANALYSIS

Ratings	Stress (bps)	Impact	Part Portfolio (%AN)
AAA	7	0.1%	-41.8%
AA	30	0.0%	0.0%
A	40	0.0%	6.6%
BBB	55	-0.1%	30.7%
BB	75	-0.1%	8.6%
B	100	-0.4%	26.6%
C	100	0.0%	0.0%
NR	100	-1.5%	94.2%
		-2.1%	125.0%

NB: This approach is prudent as it does not take into account CDS.

FUND CHARACTERISTICS

Fund Classification :	FCP ARIA EL
Launch Date :	17/07/2007
Geographical Focus :	Global
Recommended investment period :	Minimum 3 years
Benchmark (1) :	Absolute Performance
Currency :	EURO / DOLLAR
Initial NAV at launch :	€10 000 / \$10 000
Dividend Frequency :	Dividends reinvested
Management Fees Euro Share :	1.5% (all taxes included)
Management Fees Dollar Share :	1.5% (all taxes included)
Performance Fees :	20% (from 1st euro)
Subscription/Redemption Fees (2):	2% / none
NAV Frequency :	Monthly
Settlement Day (Subsc./Redemp.):	T +2
Custodian / Fund Administrator:	BPSS / BPFS
Prime Broker :	Citigroup
Subscription Notice :	5 days prior to trade day (orders to be given to BPSS before 11am)
Redemption Notice :	1 month prior to trade day (order to be given to BPSS before 11 am)

This is an absolute return fund with no benchmark index
(2) Subscription Fees negotiable

FUND MANAGEMENT TEAM

EUROPE :	Emmanuel MARTIN
ASIA/JAPAN :	Xavier LINSSENMAIER
USA :	Damien VERMONET

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INVESTORS INFORMATION

Past performance is not a guarantee of future returns.

THE ACROPOLE CONVERTIBLES ARBITRAGE fund is a UCIT with reduced investment restrictions and increased leverage. It is not subject to the same rules as UCIT for "all subscribers" and may therefore be more risky. Only investors referred to under the section "subscribers concerned" may purchase parts in the ACROPOLE CONVERTIBLES ARBITRAGE UCIT.