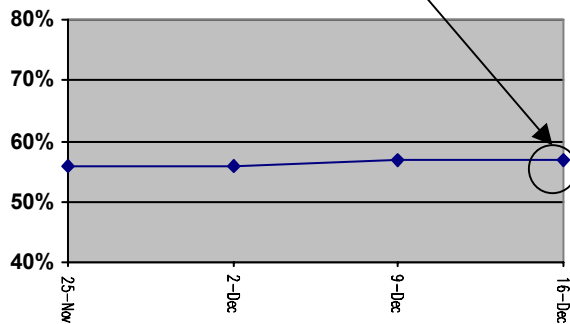


Swing Trading Bulletin

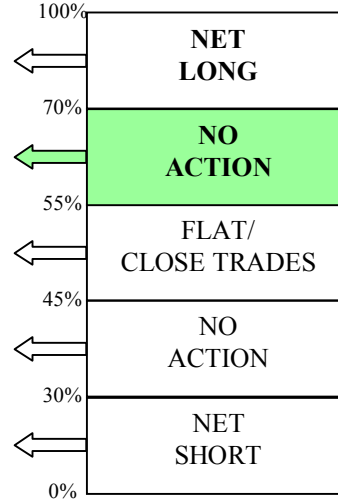
Week 83,
Market Close,
16th Dec. 2005

SQ
Bullish Probability



NOTE: "SQ" is a market timing system for contrarian "swing traders" (2 weeks to 4 months). It is 100% sentiment and probability based. A unique process of "scoring" various sentiment input indicators derives a bullish probability for the market - SQ. This activates the trading model (above right) at certain trigger points.

SQ
Bullish Probability



TRADING
MODEL

NASDAQ Composite
CLOSING LEVEL

16th Dec. 2005,
Closing Level:
2252

SQ INPUTS

The sentiment inputs come from the options market, market surveys, asset allocation and proprietary indicators.

Commentary

There was again only a relatively small drop in the NASDAQ Composite last week. Our LONG position remained open and our model reading was unchanged. As we approach Christmas there are few catalysts to move the market either way. Since we are protected by our trailing Stop Order we feel comfortable keeping our position open for the moment.

Current Trades and Open Positions

Trades Executed Last Week:
NONE.

Current Open Positions:

\$US 1,176,547 LONG on Nasdaq Composite at average level of 2113 (entered September 26th, October 5th, October 6th, October 10th, October 12th)

Current Pending Orders/New Trades:

Stop Order to close all LONG positions at 2227.

Limit Order to close all LONG positions at 2335.

Trading Model Rules

All trades are against the NASDAQ Composite and executed either:

- Against the coming week's opening level of the Composite index.
- Via limit/stop orders at a specified level as described in the prior week's report.

Zero transaction/trading costs assumed and no spread. No interest on cash balances. All stop and limit orders entered at the next market open on a "good until cancelled" basis; specified order levels correspond to the NASDAQ Composite. Cancellation can take place only within a report such as this. All trades executed at closest exact level (no fractions).

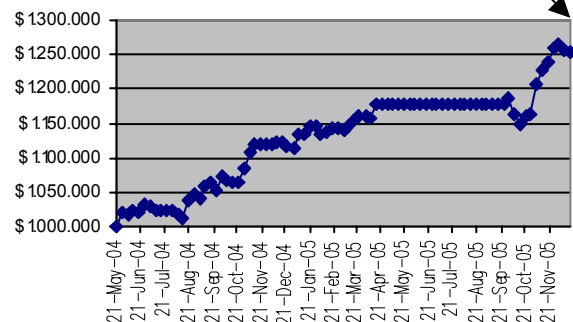
Weekly Performance Track (16th Dec. '05)

Starting Capital: US\$1,000,000 (21st May 2004).

4 Winning Closed Trades, 0 Losing Closed Trades.

Change in NAV since 1 week ago: - 0.2%

Change in NAV since inception: **+25.4%**



Disclaimer: The timing signals and comments provided by ContraQuant Limited are for research and information purposes only, and should not be considered as investment advice. Descriptions of trading posture and trades simulate our own investment activity, and do not in any way infer that such actions are likely to be profitable. Reliance upon information provided by ContraQuant Limited is at your own risk, and we shall not be held liable for any loss due to posted timing signals and comments. Further, ContraQuant Limited is not registered with any association in any capacity to give investment advice. This document may not be reproduced nor copies circulated without prior authority.