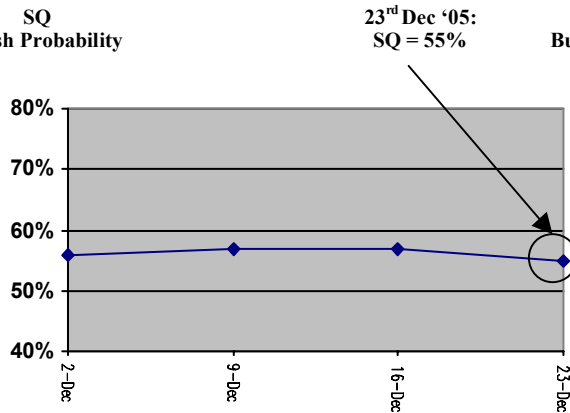


Swing Trading Bulletin

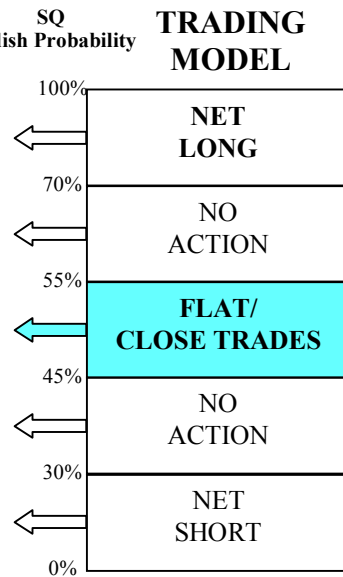
Week 84,
Market Close,
23rd Dec. 2005

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



NASDAQ Composite
CLOSING LEVEL

23rd Dec. 2005,
Closing Level:

2249

SQ INPUTS

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

Commentary

The NASDAQ Composite experienced a little dip last week which was enough to close out our entire LONG position through our trailing Stop. This was closed at a 5.4% profit for our 5th consecutive winning trade. It was also the first position where we deployed all of our capital. We are not unhappy being out of the market since our model has also turned more neutral at 55%. We will look forward to launching fresh positions in the New Year.

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).

Current Trades and Open Positions

Trades Executed Last Week:

\$US 1,176,547 LONG position (opened at average of 2113) closed at level of 2227 on Monday December 19th (Stop Activated)

Current Open Positions:

\$US 1,240,024 in cash.

Current Pending Orders/New Trades:

NONE.

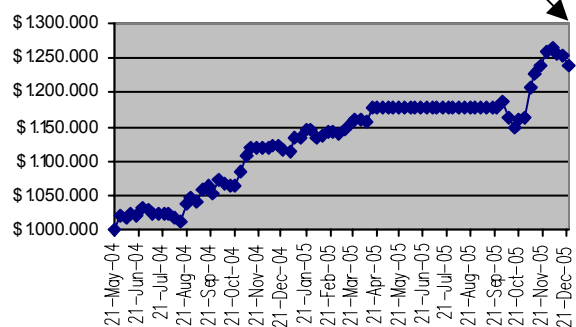
Weekly Performance Track (23rd Dec. '05)

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

5 Winning Closed Trades, 0 Losing Closed Trades.

Change in NAV since 1 week ago: - 1.1%

Change in NAV since inception: **+24.0%**



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.