

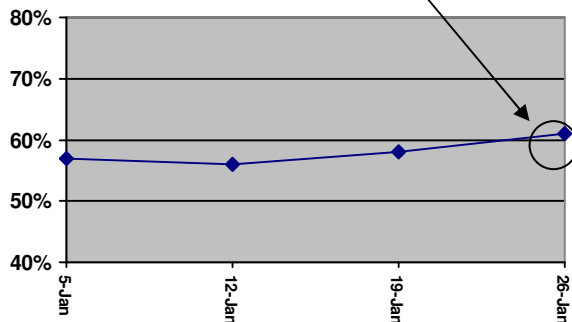
SQ/BULLISH PROBABILITY of
61%
over the next 2 weeks to 4 months

26th January 2007:
NO ACTION

Swing Trading Bulletin

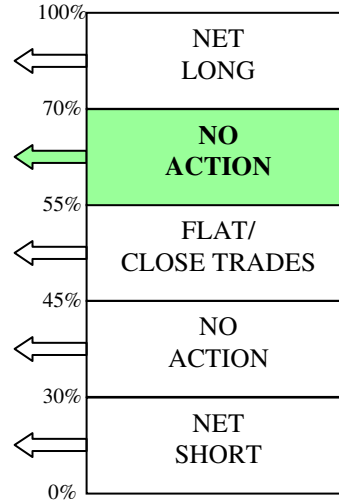
Week 141,
Market Close,
26th Jan. 2007

SQ
Bullish Probability



26th Jan. '07:
SQ = 61%

SQ
Bullish Probability



TRADING
MODEL

NASDAQ Composite
CLOSING LEVEL

26th Jan. 2007,
Closing Level:

2435

SQ INPUTS

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

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.

Commentary

Although the NASDAQ continued to drop slightly, we feel the probability of the rally picking up further steam is high. This is reflected in the model reading edging up to 61% and a further build-up of bearish sentiment. We thus feel comfortable keeping our LONG open with a trailing stop at 2400 continuing to offer protection.

Current Trades and Open Positions

Trades Executed Last Week:
NONE.

Current Open Positions:

\$US 1,240,024 LONG at average level of 2171 (filled on 22nd May at 2176 and 2178, 24th May at 2154 and 6th June at 2164).

Current Pending Orders/New Trades:

Stop Order to Close all positions at 2400.

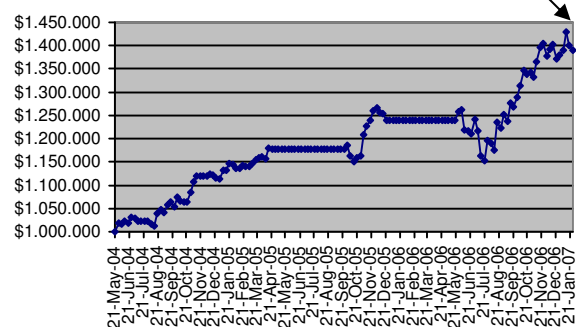
Weekly Performance Track (26th Jan.'07)

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

5 Winning Closed Trades, 0 Losing Closed Trades.

Change in NAV since 1 week ago: - 0.7%

Change in NAV since inception: **+39.1%**



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).

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