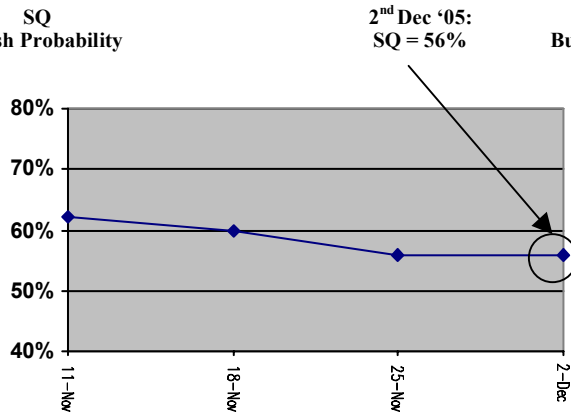


Swing Trading Bulletin

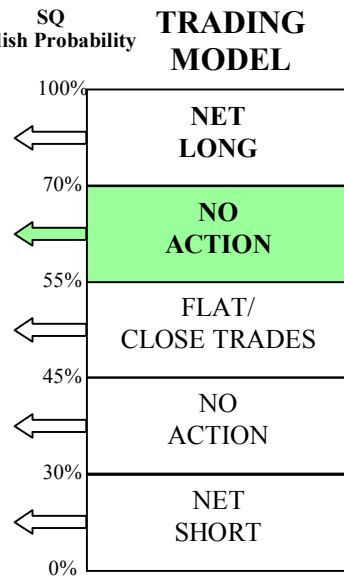
Week 81,
Market Close,
2nd Dec. 2005

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

2nd Dec. 2005,
Closing Level:
2273

SQ INPUTS

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

Commentary

Our NAV forged ahead for the 7th consecutive week and our 100% LONG trade remains open. This shows the unusual versatility of our model in being capable of riding a trend even though it is "contrarian" in conception. We were fortunate that the market danced briefly just above our Stop Order placed at 2227 but didn't hit and later recovered even more than the lost ground. Our SQ measure remains static at 56% and therefore we see no reason to change our posture. Options activity shows investors to be well-protected on the downside as we enter a traditionally bullish season. Hence we will continue to ride the momentum while remaining protected by our Stop Order.

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:

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.

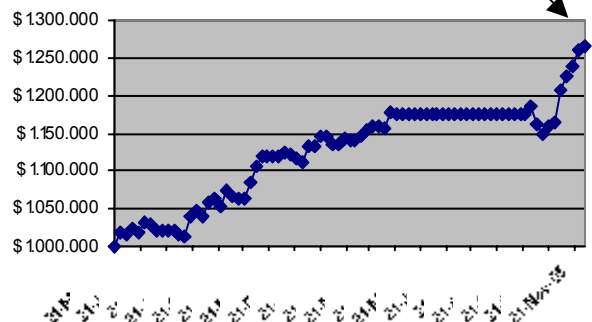
Weekly Performance Track (2nd Dec. '05)

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

4 Winning Closed Trades, 0 Losing Closed Trades.

Change in NAV since 1 week ago: +0.4%

Change in NAV since inception: **+26.6%**



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.