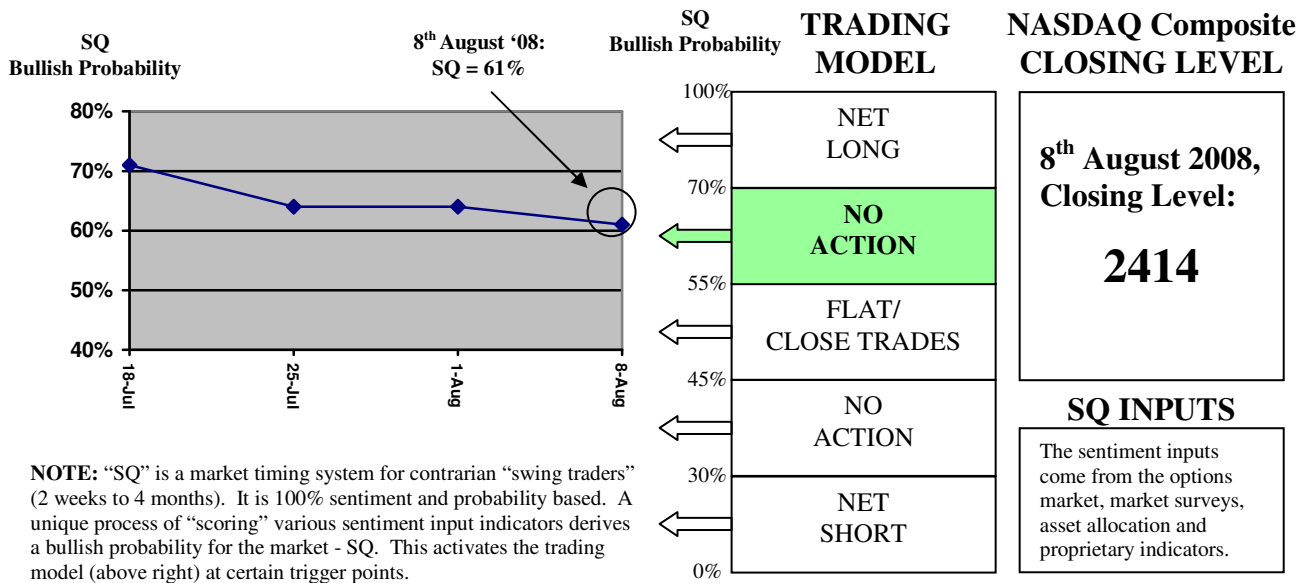


Swing Trading Bulletin

Week 221,
Market Close,
8th August 2008



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

Last week saw strong gains and an increase in the open profit on our LONG position. Although the model suggests that it is still too early to close, we'll move our stops up to just above the average trade entry level at 2240 (at the same time cancelling our one unfilled LONG Limit Order). This effectively guarantees that this will be our 10th consecutive profitable trade. Our 2008 year-to-date live performance is now +19.0% and return since inception is also at an all-time high. We remain LONG.

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 1,400,000 LONG at average level of 2237 (filled on 14th July at 2263 and 15th July at 2197 and 2182). \$US 439,937 in cash.

Current Pending Orders/New Trades:

Cancel Limit Order to Open \$US 439,937 LONG at 2200. Move Stop Order to Close all LONGs from 1910 to 2240.

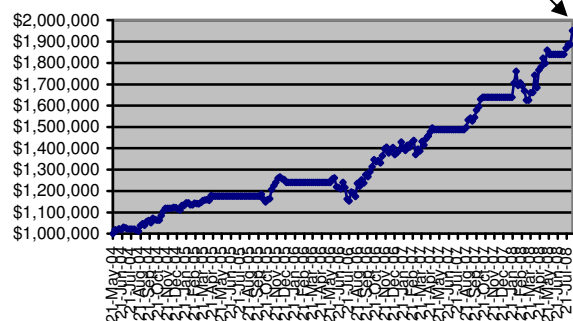
Weekly Performance Track (8th Aug. '08)

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

9 Winning Closed Trades, 0 Losing Closed Trades.

Change in NAV since 1 week ago: + 3.4%

Change in NAV since inception: **+95.1%**



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.