

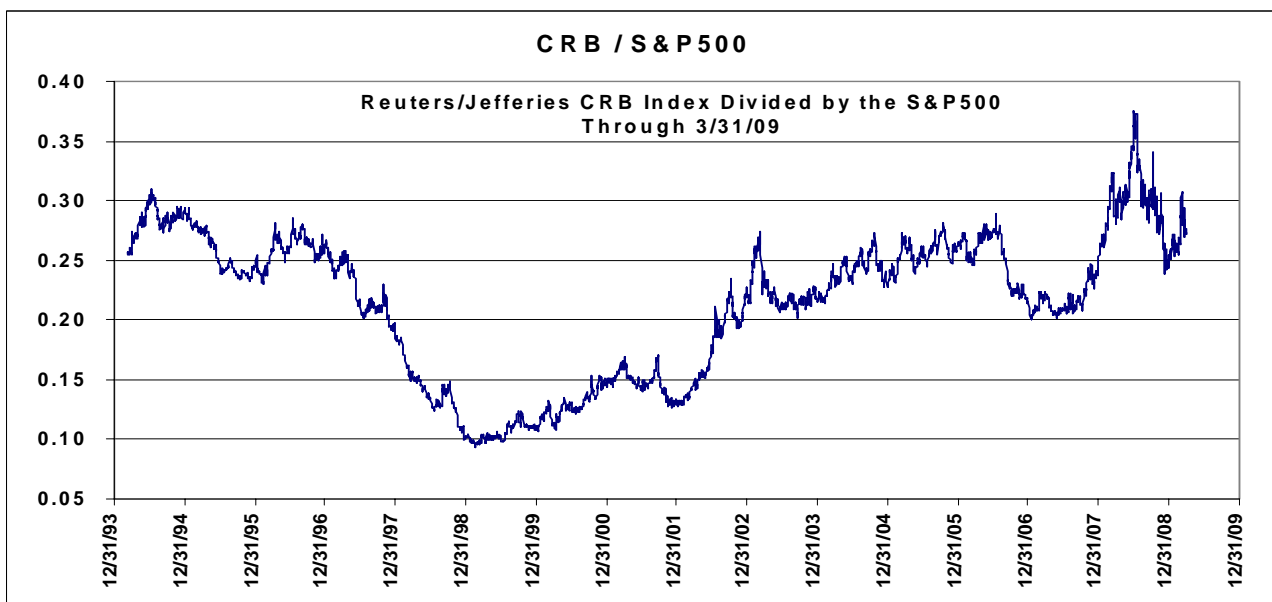
## MAAP March Review

April 1, 2009

MAAP experienced positive returns in March as all four asset classes, currently held in the portfolio, delivered positive results. Grains contributed the largest portion of the portfolio gains, followed by currencies, energy, and metals.

While we seriously underestimated the extent of the recent correction, caused by the financial strains, the supply/demand fundamentals in commodities will tighten very quickly in the next economic expansion. Although the correction in the second half of 2008 was extreme, we believe history will show that it was a temporary interruption in a long-term bull market for commodities. This view is based on the recent relative strength of commodities, favorable long-term supply/demand fundamentals, and their low valuations relative to historical inflation adjusted prices.

Broad commodity indexes, like the CRB Index, have been in a solid base building formation for 18 weeks. Furthermore, commodities have demonstrated strong relative performance versus the equity markets since early December. Following is a ratio chart that illustrates the relative performance of the CRB commodities index versus the S&P 500.



As this chart illustrates, although commodities had a serious correction in the second half of 2008, they have produced superior performance when compared to the S&P 500 throughout this decade. In addition, commodities have shown relative strength versus the S&P 500 since early December. This information is particularly valuable during a bear market and subsequent base building period. Often the asset class or sector that demonstrates relative strength, in the late stages of a bear market and during a base building period, provides superior performance as markets turn up and economic growth resumes.

We believe that this relative strength in commodities is evidence that the aggressive Federal Reserve quantitative easing since last fall will succeed in turning the economy around, and that commodities will be the best performing asset class in the next up cycle. The world, led by the U.S., is in the midst of the most aggressive monetary and fiscal stimulus in modern times. There is a massive transfer of debt and spending from the private sector to the public sector. As it succeeds in restarting the economy, unintended inflationary consequences may accompany the expansion. A sufficient supply of labor exists domestically and globally but basic commodities will be the first sector of restraint on growth, once it resumes. When an insufficient supply of commodities develops, significant price

increases will occur. It is our contention that in the next up cycle commodity prices will exceed the previous peaks by substantial amounts.

Evidence is accumulating that the fourth quarter of 2008 was the worst quarter for final demand in the U.S. recession. Although the first quarter of 2009 experienced serious weakness, production appears to have been cut more than final sales, leading to inventory declines. Likewise, in the housing sector, while still experiencing serious weakness, the Federal Reserve's efforts to push mortgage rates down are having a positive impact on refinancings. Refinancings have a very positive impact on consumer cash flows. Likewise, inventory drawdowns will lead to increased levels of production to restock depleted shelves. The massive stimulus package should begin to impact economic activity by the third quarter. In China, while export demand is quite weak, evidence continues to accumulate that domestic infrastructure spending, government stockpiling of raw materials at depressed prices, and domestic spending are having a positive effect on the Chinese economy and on certain commodities.

Our analysis indicates that within a year of economic recovery, oil will again see serious supply tightness develop. In the current environment where OPEC has made significant supply cutbacks, that may be hard to understand. However, demand has been temporarily depressed by the recession and non-OPEC supplies are limited. Most of the non-OPEC supply growth in this decade resulted from Russian production increases. In 2008 Russian production was down one percent and exports were down approximately 5.5 percent. This year the official Russian production estimate is for no increase from 2008, but some private forecasts suggest production could decline as much as 7 percent. Mexican production is declining, as their major field, Canterell, has peaked and production is falling rapidly. The IEA which has consistently over estimated production from non-OPEC countries is forecasting flat production for 2009. Given their past history, this may indicate a significant drop in non-OPEC production in 2009 and subsequent years. As the world economy resumes growth, OPEC's excess production capacity will disappear quickly. In the next phase of this commodity cycle oil prices have the potential to exceed the previous mid-2008 peak by a substantial margin.

Another area of critical global supply is fresh water. Both China and India are chronically water short. Since agriculture uses 70 percent of fresh water supplies, grains are a direct play on the water shortage problem. As water short economies industrialize they will give up agriculture to save scarce water. In addition, as affluence spreads throughout the developing world, meat consumption will rise. Meat production requires from two to seven times as much grain versus direct consumption of grains. Therefore both the water and affluence factors will put significant upward pressure on grain prices.

Because the U.S. is pursuing the most aggressive monetary and fiscal stimulus, other currencies should demonstrate relative strength as economic recovery takes hold. However, gold and silver should increase in price versus all currencies as the world's aggressive monetary policies increase inflationary expectations. Furthermore, countries such as Russia and China are becoming more vocal in their criticism of the dollar reserve system. We would never expect governments to return to a gold standard, but private investors may increasingly view gold and silver as stores of value. Because financial assets and liabilities are increasing much faster than newly mined precious metals, simple supply and demand factors argue for much higher prices for these metals if they are increasingly thought of as a substitute store of value, as they were throughout much of history.

In summary, we believe another leg of the commodity bull market will unfold as the world economy improves. MAAP is particularly well positioned to benefit from these unfolding trends. While we view this time as particularly positive for MAAP, we continue to research ways in which to improve our risk management.

Past results are not necessarily indicative of future performance. Actual trading for 3X-6X commenced on 7/8/92 and 2X-4X commenced on 10/15/92. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. For a complete disclosure document of AIS Futures Management LLC's MAAP Program, contact AIS Futures Management LLC, 187 Danbury Rd. Wilton, CT 06897 (203) 563-1180.



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**TAAP Investment Strategy  
(The Asset Allocation Portfolio)**

**Current Portfolio Weighting**

Stocks	15.0%
Bonds	0.0%
Gold	80.0%
Cash	5.0 %

**Portfolio Review**

The TAAP strategy continued to produce above average returns with a positive 1.50% for the first quarter of 2009 vs. -11.01% for the S&P500. For the past twelve months it returned -9.72% vs. -38.09% for the S&P500. For three years, five years and, since inception, TAAP's compound annual return was 9.58%, 12.79%, and 9.45% vs. the S&P500 return of -13.05%, -4.77%, and 6.16% percent. As discussed in the Investment Outlook below, we continue to believe that gold and selected equities will provide the highest absolute and relative returns for investors.

**Investment Outlook: Investing in the New Monetary Era**

As discussed in last quarter's Investment Strategy, we are now operating in a new investment environment. This new environment is the result of government's response to the financial crisis. We are witnessing both a massive transfer of debt from the private sector to the public sector and the most aggressive monetary reflationary efforts in modern times. The amount of stimulus and intervention necessary to stabilize the financial sector is likely to be extremely excessive, in terms of its impact on the transaction sector of the economy. The result should be both economic recovery and much higher inflation.

The Federal Reserve's balance sheet has expanded to approximately \$2 trillion, from under \$1 trillion, and is likely to grow to approximately \$4 trillion based on announced programs. Nothing of this magnitude has ever been undertaken previously. In the past six months, M2 money supply has expanded at over 18 percent on an annualized basis (See Chart I). This growth rate exceeds the previous peak in the early 1980s. In real or inflation adjusted terms, the current growth rate is even more excessive. Rapid monetary growth has always led to economic recovery within approximately six to nine months. Although we have serious banking issues, in many respects this recession is not as serious as those in 1973-74 or 1980-82. Since aggressive monetary policy succeeded in those prior periods, we expect that it will this time as well. It has now been approximately six months since this aggressive stimulus commenced. Recent economic indicators have begun to indicate a bottoming process in the economy.

In addition to aggressive monetary policy, new government financial guarantees, designed to stave off chain reaction corporate failures, now total approximately \$12.8 trillion. To what extent these guarantees will be called on remains to be seen, and depends upon future economic conditions. Finally, two stimulus bills have now been enacted, the first under the Bush administration, and the more recent \$800 billion one, under the new Obama administration. This second stimulus bill should begin to impact the economy by the second half of 2009 and be even more stimulative in 2010, based on forecasts of spending rates. In addition, the new budget is forecast to be larger than the previous year's budget. Taken together these monetary and fiscal actions are unprecedented. Regardless of how negative private sector psychology currently is, these programs will overwhelm current weakness, and lead to a recovery accompanied by rising inflation.



While the U.S. has initiated the most aggressive policies, many other countries have initiated monetary and fiscal stimulus policies, including China, the U.K., Japan, the European Union, Russia, and other Asian countries. Although China's exports have declined due to weak economies elsewhere, domestic infrastructure and consumer spending are showing renewed signs of economic growth.

During the past two decades, as U.S. budget deficits ballooned, the U.S. current account deficit also increased dramatically. The net effect was that foreigners financed our domestic deficits. This had the effect of keeping inflation and interest rates lower than they might otherwise have been. The current account deficit is now shrinking, as it often does in a recession, while the budget deficit is ballooning. Even though we would expect the current account deficit to expand somewhat when the economy begins to grow once again, budget deficits are likely to remain much higher than the current account deficit. This means that our debt will have to be financed domestically. Either the private sector will suffer from "crowding out", whereby private financing will lose out to government debt issuance, or the Federal Reserve will be forced to finance government debt issuance. The tenuous state of the housing/mortgage sector will also keep pressure on the Federal Reserve to maintain artificially low interest rates. Through 2010, a significant number of variable rate mortgages (e.g. Alt-A) will be facing interest rate resets. Therefore the Federal Reserve will be pressured to keep interest rates artificially low, in order not to kill off the recovery.

Major foreign holders of U.S. debt, such as the Chinese, are keenly aware that current U.S. policy could create dollar weakness, thereby devaluing the value of their U.S. debt holdings. As a result, the Chinese are now calling for guarantees or a new currency system to replace the dollar as the world's reserve currency. The U.S. is unlikely to concede its privileged position. Therefore the Chinese and other debt holders will be forced to alter their past policy of blindly accumulating dollars. The Chinese position is a result of following a mercantilist trade policy of undervaluing their yuan and encouraging a positive trade balance. In the future, the Chinese are likely to diversify away from U.S. debt holdings by increasing the percentage held in other key foreign currencies and also possibly increase their gold holdings, which currently are only around one percent of total reserves. One would also expect that the Chinese will also diversify away from U.S. debt by making equity and infrastructure investments in the U.S., or in multinational corporations, make investments in global natural resource investments, and in larger stockpiles of key commodity imports.

Since U.S. interest rates are being held too low to attract private foreign buyers, the only buyer of last resort of U.S. Treasury and agency debt will be the Federal Reserve, once more normal financial market conditions prevail. If this occurs, it will fuel excessive monetary growth and quickly reignite inflation. As Chart II indicates, since the advent of the Federal Reserve and the increasing size of government expenditures, the U.S. has not experienced deflation, only varying rates of inflation. Federal Reserve and Treasury people are very bright and we suspect are fully aware of this problem. However, inflation is next year's problem. The immediate problem is stabilizing the financial sector and restarting the economy.

As stated earlier, it is our conclusion that policy now in place will be successful in restarting the economy, but that it will be politically difficult to take excess liquidity out of the system in a timely manner. Based on this assumption, gold should continue to provide the highest absolute and relative return for the next several years. Beginning in late October 2008 and continuing through most of the first quarter of 2009, gold was the strongest performing asset class. In Chart III, one can observe the relative strength of gold versus the S&P 500. This relative strength has persisted throughout the past decade, with only minor pauses. Currently the gold market may be in another one of those temporary pauses, as greater confidence returns to more traditional financial assets. However, gold's price strength should continue based on the relative difference in supply growth of gold versus debt and other financial assets (see Chart IV). Whereas gold's supply only increases by one and a half to two percent per year, global debt has been increasing by eight to ten percent

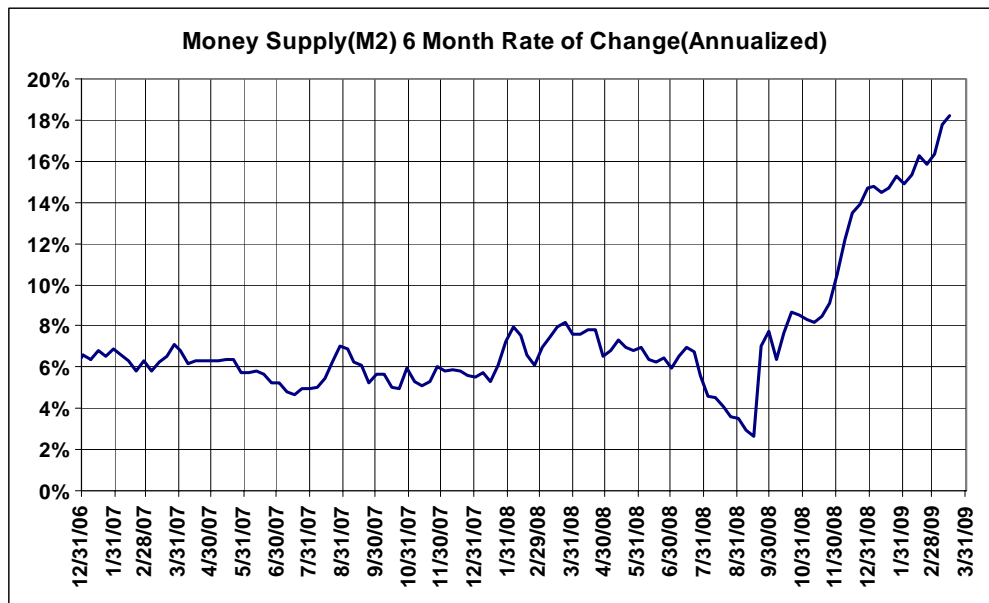


per year. Under this scenario, gold's role as an alternative store of value should continue to grow, leading to continued price strength both in absolute and relative terms.

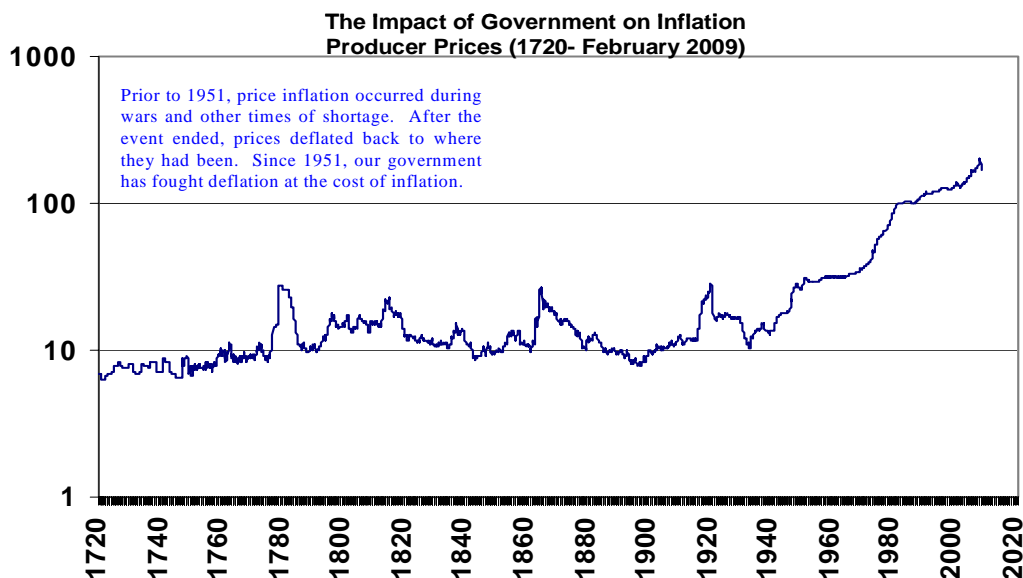
We also assume that the stock market is completing a cyclical base. Because we will be living with excessive monetary and fiscal stimulus, and because key commodities are likely to quickly return to an environment of scarcity, energy, energy service, alternative energy, basic materials, agriculture and selected technology should provide the best equity returns.

The TAAP, tactical asset allocation portfolio, which includes gold as well as financial assets, has demonstrated its ability to produce superior returns versus traditional portfolios only invested in equities and fixed income. This advantage should continue in the economic environment we anticipate.

**I.**

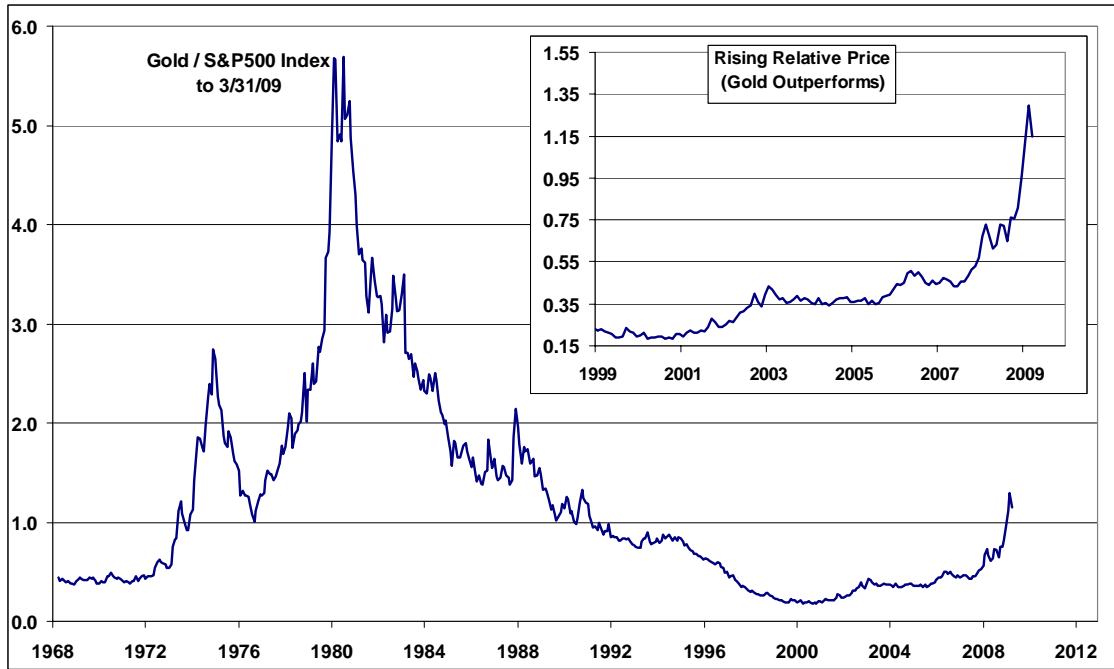


**II.**

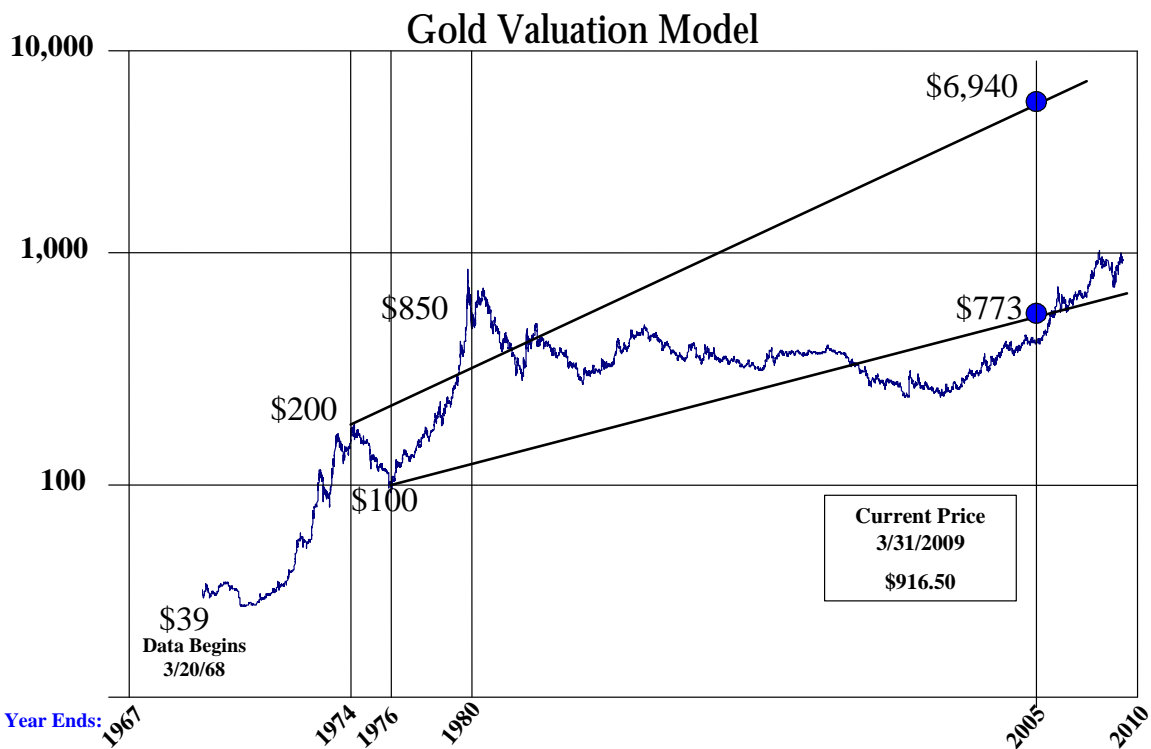




**III.**



**IV.**



This gold valuation model compares the historical relationship of the market price of gold versus the growth in various monetary aggregates and debt statistics. In constructing the band December 1974 and December 1976 were selected since they represented key high and low points after U.S. citizens were once again permitted to own gold. The monetary/debt valuation model is not used in the TAAP investment decision process which relies on absolute and relative price movements for key buy and sell decisions.



## AIS Capital Growth Fund Quarterly Review

April 6, 2009

During the first quarter of 2009 we continued to add additional names to our portfolio of individual companies while also maintaining a partial hedge on the portfolio through the short sale of NASDAQ 100 Index futures contracts. It is our view that the stock market is in the process of building a cyclical base after the severe bear market of 2007-09.

Although there are severe problems within the financial sector, monetary and fiscal policies are extremely aggressive. Policies necessary to stabilize the banking sector are likely to be excessive for the transaction economy. Therefore we anticipate that an economic recovery will commence by the second half of 2009. Furthermore we anticipate that this cyclical recovery will be accompanied by accelerating inflation by 2010.

The broad themes apparent in our portfolio selections reflect stepped up government spending, an emphasis on the capital goods side of the economy over the consumer sectors, selected technology, and a resumption of shortages in basic materials and energy, once the global economy resumes a growth path. Our lone retail investment, Tractor Supply, is an indirect play on anticipation of improved economics in the farm economy. Although our portfolio emphasis has always been on growth, the severity of the recent market decline allowed us to acquire three companies selling at or near the cash on their balance sheets, as well as having future growth potential. We believe this type of opportunity is a further reflection that the market is in a basing process. Although market valuations were lower in 1974 and 1982, it is our belief that the aggressive reflation policies of the Federal Reserve will begin to cause investors to view equities as a potential inflation hedge. If this view gains traction, equities are unlikely to reach the extreme valuations of those earlier periods.

At the present time the portfolio holds 33 companies. Four names are in what we would describe as infrastructure related, four in basic materials, five in technology and commercial services, nine in energy, four in energy service, three in alternative energy, three in precious metals, and the previously mentioned one in consumer/retail.

Our research efforts will continue to focus on these broad themes, using both our technical screens for identifying positive relative strength leadership along with further fundamental research of the individual companies. In spite of the economic and financial clouds that hang over the current environment, it is our belief that these issues have been discounted by the 2007-09 bear market. After precious metals, selected equities may offer the investor the other way in which to preserve savings in this turbulent environment.

Past results are not necessarily indicative of future performance. Actual trading for the AIS Capital Growth Fund L.P. commenced in January 1997. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. For a complete offering memorandum of AIS Capital Growth Fund L.P., contact AIS Capital Management LLC, Wilton, CT 06897 (203) 563-1180.

## AIS Gold Fund Quarterly Review

April 6, 2009

The AIS Gold Fund experienced strong returns for the first quarter of 2009. The Fund's leverage has been maintained at approximately two times equity with positions in both gold and silver futures and individual mining companies. Our individual mining company holdings consist of a mix of several of the major mining companies, two royalty companies, and an expanding list of junior mining companies. We believe that the best values and greatest upside potential exist in the junior mining companies. Therefore, with minor exceptions, we continue to seek out smaller companies with properties in politically secure areas, such as Canada, the U.S., and Australia.

Our largest individual investments at the present time are in two royalty companies. Royalty companies do not operate any mine. They typically make cash investments in individual mine projects that are often two or three years from production. In return, they receive a royalty based on a percentage of revenues. During the cash starved, financial turmoil of the past year, their cash positions placed them in a unique position to make attractive investments.

As the financial environment returns to more normal conditions, junior mining companies with attractive properties will either be in a better position to raise additional capital or will be attractive takeover candidates. One of the major challenges facing the major mining companies is the lack of development projects of sufficient size to impact their future earnings streams. Therefore we anticipate an increase in acquisition activity. With this expectation, we have been adding to our junior mining positions in the portfolio and will continue to focus in this direction.

Since late October 2008 precious metals were the strongest performing asset class. Typically an asset class or market sector, that develops relative strength in the late stages of a financial bear market or in the subsequent basing process, tends to provide the greatest returns in the next bull market. Given the massive reflationary policies of the Federal Reserve and unprecedented fiscal stimulus, combined with this relative strength, suggest that precious metals may well be the investment of choice for the next several years. New above ground supplies of gold are only increasing by one and a half to two percent a year, while financial liabilities have been increasing by a much faster rate for the past two decades. With the new stimulus programs, financial liabilities are likely to increase at an even faster rate. Therefore we anticipate that gold and silver will be increasingly viewed as an alternative store of value. Based on historical relationships of the ratio of gold's value to financial aggregates, such as money supply and debt levels, gold's price could advance to several thousand dollars an ounce. This potential is increasingly likely if financial uncertainty and inflation remain problems for investors. Should that occur, mining companies offer the upside potential of an option position while delivering current and rising cash flow through dividends.

Past results are not necessarily indicative of future performance. Actual trading for the AIS Gold Fund L.P. commenced in December 2002. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. For a complete offering memorandum of AIS Gold Fund L.P., contact AIS Capital Management LLC, Wilton, CT 06897-0806 (203) 563-1180.