AIS CAPITAL MANAGEMENT, LLC
FUTURES MANAGEMENT, LLC

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MAAP March Review April 5, 2010

MAAP had a positive return in March as five of the six asset sectors contributed to the gain. The most significant gain came from the stock index futures. Early in March we added a long position in the Japanese Nikkei to the long position in the S&P 500. This was an important contributor to portfolio gains. In addition to the position in stock index futures, MAAP also profited from its long position in currencies (positions: Australian and Canadian dollars and euro), short position in U.S. Treasury bonds, long positions in metals and energy. The one sector with a loss was the long position in grains. Our systematic risk process which has limited leverage in the commodity sectors since late January remains in effect. Given that the primary contributor to gains in March was from the three financial sectors, the lower leverage did not inhibit the funds gains. The systematic risk process showed improvement in March but has not returned to a level which will allow full positions in the commodities. Since we believe that commodity markets are in an intermediate pause in an ongoing, multi-year bull market, we fully expect a bullish reading in the next couple of months.

March financial news was dominated by continued turmoil in the euro area, and, in particular, the Greek financial condition, and in a continued pick-up in manufacturing activity throughout the world. After significant hassling, the Germans and French reached a compromise that would involve IMF support for any bailout of Greece. While skeptics have argued that the recent financial crisis in Europe would spell the death knell for the euro, we remain in the camp that believes the benefits of a single currency block are too powerful to allow it to dissolve. Nonetheless the recent turmoil points out the limitation to all paper currencies which are subject to politicians whims. Throughout the euro crisis, currencies such as the Australian and Canadian dollars continued to strengthen against the U.S. dollar. When the euro crisis subsides the U.S. dollar should resume its long-term bear market against all major currencies. In addition, recent news developments suggest the Chinese are closer to allowing their currency, the yuan, to once again appreciate against the dollar. This should have the effect of restraining inflation pressures in China, but will put upward pressure on commodity prices that are traded in dollars.

One of our themes for this current business cycle is the role of economic engine that developing countries would play in assisting the developed countries to pull out of their deep recessions. The latest purchasing managers' reports for the U.S., U.K., and Europe, as well as for China and India all came in at stronger readings than expected. This manufacturing strength is contributing to the large price advances in iron ore and coal and is likely to spread to other key commodities as the year progresses. This strength contrasts with the continued sluggishness in real estate and employment in the developed world. Therefore it is unlikely that central banks will move very quickly to tighten credit. In summary, the credit easing necessary to repair the weakest parts of the economy will prove excessive for areas such as commodities which are already experiencing pricing strength.

The other side effect of this unprecedented credit easing will be rising long-term interest rates. Interest rates on long-term U.S. Treasuries appear to be close to a major upside breakout (breakdown in bond prices). One of the challenges facing the Federal Reserve and other central banks will be maintaining economic growth as long-term interest rates rise. It may require further acquisition of long-term bonds. Should this occur it will add to the upward price pressure on key commodities and precious metals. MAAP's ability to trade in the six financial and commodity sectors should provide significant potential profit opportunities in this current business cycle.

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April 6, 2010

TAAP Investment Strategy
(The Asset Allocation Portfolio)

Target Portfolio Weighting

Stocks	[redacted]%
Bonds	[redacted]%
Gold	[redacted]%
Cash	[redacted]%

Portfolio Review

As the above weightings indicate the TAAP strategy continues to emphasize gold as the most attractive investment asset given its current price, value, and momentum. Stocks have the second highest weighting, with no allocation to long-term bonds. Our tactical strategy has served investors well by protecting assets during market declines, and participating in advances when they occur. For the first quarter of 2010 TAAP gained 2.36% vs. 5.39% for the S&P500. For the last 12 months TAAP had a gain of 26.67% vs. 49.77% for the S&P500. For three years TAAP's compound annual return was positive 15.22% vs. a negative (-4.16%) for the S&P500, for five years TAAP's compound annual return was 17.77% vs. 1.92% for the S&P500, and since inception TAAP's compound annual return has been 10.35% vs. 8.21% for the S&P500. In summary, through full market cycles and since inception TAAP has proven its value to investors.

Investment Outlook: The Clash of the Excess with the Scarce

From the Great Depression of the 1930s until the middle part of the current decade, the world economic system assumed unlimited natural resources and the ability of government/central banks to increase paper money and debt in order to overwhelm periodic recessions. This equation was highly successful for decades, and reached its zenith under the Greenspan led Federal Reserve. As asset prices were inflated, consumers spent more than their incomes permitted, by borrowing against inflated asset values, and a government policy of "too big to fail" gave financial institutions the green light to engage in excessively speculative activities. Coincident with this was the unprecedented unleashing of capitalism in the developing world. This vastly expanded the pool of cheap labor, kept consumer prices low in the developed world, vastly expanded the demand for consumer and capital goods in the developing world, and placed unprecedented demand on a long list of basic raw materials and food. This goldilocks environment began to unravel in the 2006-2008 period as excessive housing speculation, high private debt levels, and higher prices for increasingly scarce resources began to impede the expansion.

Governments' response to the ensuing financial crisis was more of what has always worked in the past: Aggressive monetary easing and deficit spending but in new, more creative and excessive ways (e.g. quantitative easing and massive deficit spending). Global economic expansion has resumed, and with each successive quarter exhibits a firmer footing, led by the developing world and by manufacturing worldwide. Strength in the developing world is the engine of growth in this new cycle, while the developed world is more of the caboose, pulled along by the developing world's infrastructure and middle class spending. However the risk in this cycle is the increasing lack of confidence in excessive levels of government debt, and evidence that the supply of raw materials and the resulting rise in their prices will constrain economic

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growth. While excess capacity of labor and factories is readily apparent, raw materials are no longer in excess supply (at least not once a recovery is under way), and the belief that we can service the growing government debt is finally called into question by the rest of the world.

A debate continues over whether central bank policy should begin to tighten. Gold prices have been rising since October 2008, and key commodity prices have been very strong for the past 12 months. In past cycles commodity prices have been one of the last areas to exhibit price strength. Meanwhile, housing and commercial real estate prices and sales remain very weak, the default rate is extremely high, and unemployment is a serious problem. Depending upon whether ones worries about inflation or deflation, there is a sector of the economy one can point to in order to support one's position. Herein lies the central bank's dilemma. Unlike all other recoveries in the post depression era, raw material prices are extremely strong early in this recovery. They are strong both because of strength of demand in the developing world and because supply is relatively tight compared to past global business cycles. There is increasing evidence that world supplies of many raw materials will be restrained by the lack of new deposits available for development. This would be a major change from the past when the world assumed unlimited supplies at reasonable prices. End stage producers, on the other hand, (e.g. auto and appliance manufactures) are being impacted by strong steel and other raw material prices but are unable to pass on price increases. Likewise, consumers are being impacted by rising gasoline prices. Faced with the dilemma of unemployment and mortgage defaults, central banks will likely keep monetary policy easy in order to avoid a new round of bankruptcies and higher joblessness. This is an eventual prescription for serious inflation. Inflation will first be apparent in the raw materials component of the producer price index and only much later in the consumer price index, again because the economy has both sectors of relative scarcity and excess. Therefore buyers of inflation protected Treasuries will be under paid while holders of gold and commodities are likely to be handsomely compensated.

The U.S. may be faced with an extended period of slow economic and employment growth, a weak currency, continued high deficits, and at the same time rising energy and other raw material and food costs. The developed countries (U.S., Europe, and Japan) have created social legislation their economies cannot support in the future. As the populations of these countries age, and the number of workers relative to those retired continues to shrink, the inability to meet these financial burdens will become a reality. While the U.S. demographic problem is not as severe as in Europe or Japan, the U.S. has the added risk of the dollar losing its role as the world's reserve currency. In the past this has allowed the U.S. special privileges of running a large trade deficit and enabling it to borrow massive amounts of debt in its own currency. However as the dollar's reserve currency role is increasingly called into question, it will create a potential new challenge for financing our deficits. As a result of this uncertainty the financial and economic environment is likely to remain less stable than in the past. The Federal Reserve probably believes it would be too socially and financially chaotic at this point, due to the level of debt, for the U.S. to experience deflation, so policy will probably error on the side of excess easing. We will probably experience slower growth and bouts of inflation similar to the stagflationary environment in the late 1970s. Government policy will likely be more interventionist, with higher taxes and regulations, to deal with the economic issues. Short-term patchwork solutions will dominate rather than a resolve to accept more painful long-term solutions. Shortages and surplus problems will continue due to a political unwillingness to allow malinvestment and bad debt to be liquidated. Federal deficits will continue to be a problem because the bulk of the spending problems are social safety nets such as Social Security, Medicare/Medicaid and public employee pensions. If long-term interest rates rise and the dollar weakens the Federal Reserve may be forced to be the bond buyer of last resort. This would ultimately be very inflationary.

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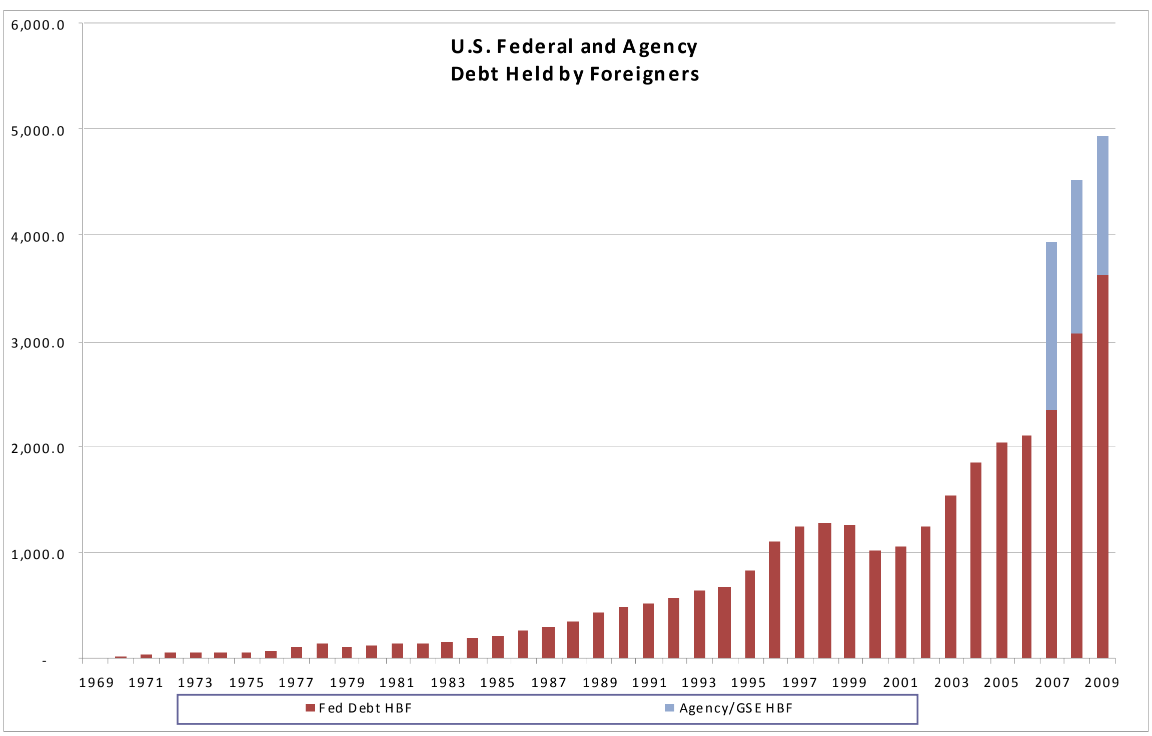
In this bifurcated environment of surplus and scarcity, investors need to be invested in the areas of scarcity and avoid the areas of surplus. The dollar and long-term bonds are likely to be very poor investments as will stocks of companies that are end stage producers, especially those unable to pass on costs. On the other hand, significant opportunities exist in precious metals, commodity producers, or companies benefiting from growth of demand in the developing world. If inflation becomes a more serious problem, investors may begin to look at the underlying asset values of companies more than they look to current earnings.

In a world that allows governments to run increasing deficits and print paper currencies to finance these deficits, an asset like gold, whose total above ground supply has only increased at approximately two percent a year, is an attractive investment and remains significantly undervalued relative to alternatives. As Chart I below illustrates, the amount of U.S. Treasury, and Agency debt now guaranteed by the U.S. Treasury, that is owned by foreigners has increased significantly. During the last 40 years this debt held by foreigners has increased at a 15.6% compound rate. If owners of this debt were confident that it would be paid back, collateral would not matter. However if that becomes an issue, U.S. gold holdings may become important. In the mid-1970s, after gold was allowed to trade freely, the value of U.S. gold holdings represented between approximately 37% and 124% of foreign held debt. Today it is only approximately 5% of foreign held debt. Chart II shows the price level gold would have to rise to in order to reach the 1970s relationship. Whether that happens depends on future events. If the U.S. continues to run large deficits and economic growth remains anemic, the odds will increase that the gold price will rise dramatically. With our TAAP strategy we continue to monitor a variety of factors looking at both absolute and relative asset returns. At the present time it continues to favor an overweighting of gold.

I.



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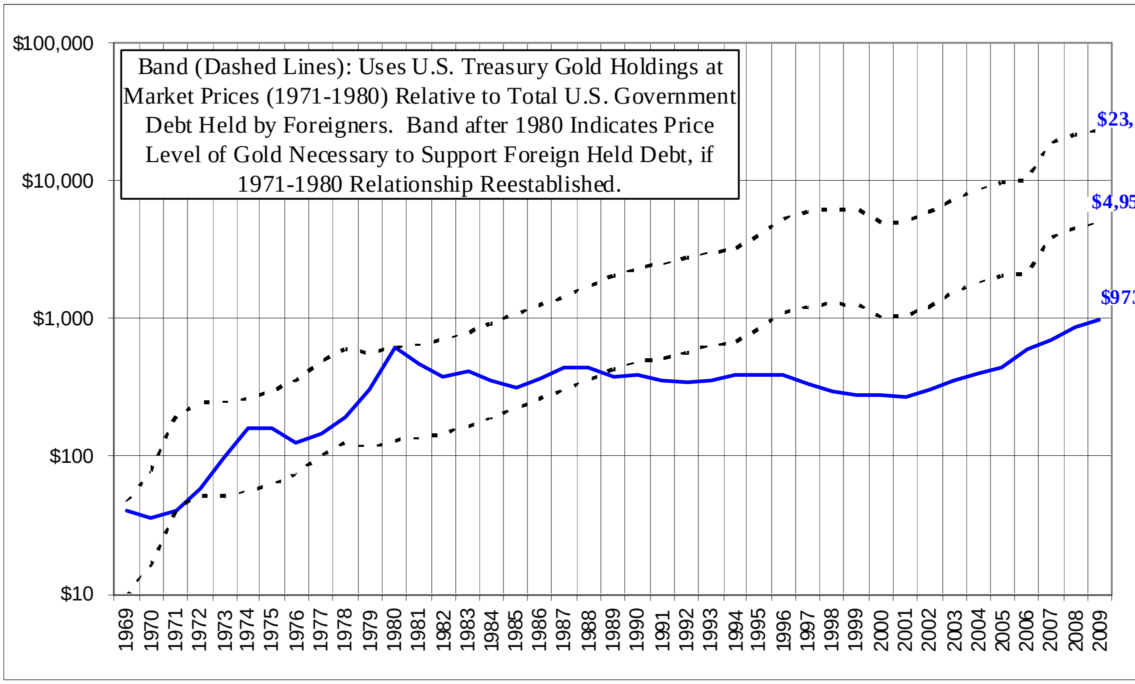
II.

U.S. Treasury Gold Value Relative to Foreign Held U.S. Government Debt



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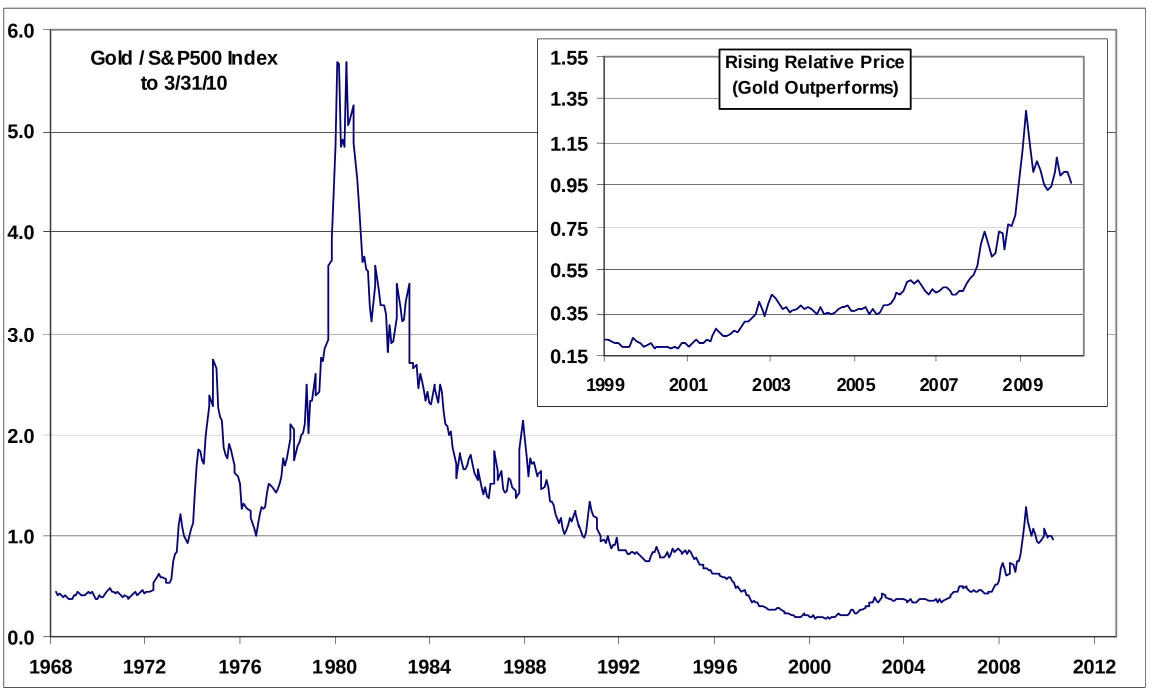

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AIS Capital Growth Fund Quarterly Review April 9, 2010

The AIS Capital Growth Fund continued to achieve strong performance in the 1st. quarter of 2010 with a gain of 6.62% vs. 5.39% for the S&P 500. For the latest 12 months the Fund was up 64.79% vs. 49.77% for the S&P 500. For the last three years the Fund's compound annual return was 8.55% vs. a negative (-4.16%) for the S&P 500, and for five years the Fund's compound annual return was 11.62% vs. 1.92% for the S&P 500.

During the quarter the Fund added four companies to the portfolio. All of these were Canadian based industrial mining companies: [redacted], [redacted]., [redacted]., and [redacted]. As discussed in previous quarterly commentaries, the fund investments are heavily concentrated in sectors that we believe offer above average potential in the type of global economic environment most likely to develop in the next few years. The sectors are infrastructure/energy service, energy, basic materials, agriculture, and niche technology.

Several stocks were eliminated from the portfolio, including [redacted], [redacted], [redacted], [redacted], [redacted], [redacted], [redacted], and [redacted].

The fund's goal is to identify companies which have the potential to outperform the market on a 12 to 18 month time frame. Our global macro economic analysis is employed to identify sectors which could benefit from strong economic tailwinds. Favorable demand and pricing trends are significant factors, since no business operates in a vacuum. Next our weekly technical screens of over 2000 companies assist in identifying emerging market leadership. Finally, individual company fundamental analysis can identify important management, product and balance sheet issues that will impact a company's performance.

Within the next year, global economic growth should eliminate the temporary surpluses of energy and other key commodities. This should lead to sharp price increases for energy, basic metals, agricultural products, fertilizers, and precious metals. Therefore companies producing these products, or engaged in infrastructure/engineering projects designed to modernize or expand production of these key factors of production, should be major beneficiaries.

As stated at the begin of 2010, an increasing market challenge could develop between pressures of rising long-term interest rates, and their negative impact on price/earnings ratios of equities generally, versus profit opportunities in companies whose earnings are beneficiaries of rising raw materials prices. This could lead to a bifurcated stock market where the value of stock selection becomes increasingly important. Therefore the Fund will continue to concentrate on sectors that we believe will benefit from this environment, while also being cognizant of opportunities to use its hedging strategies to protect against general market risk.

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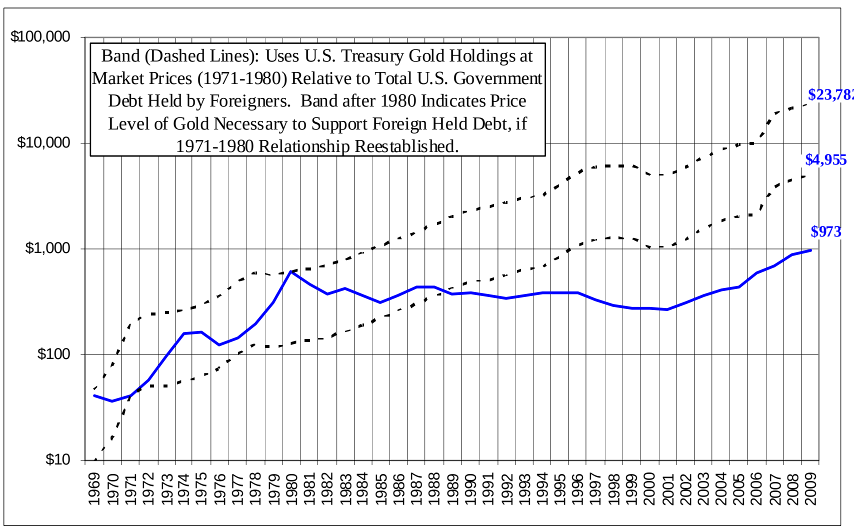
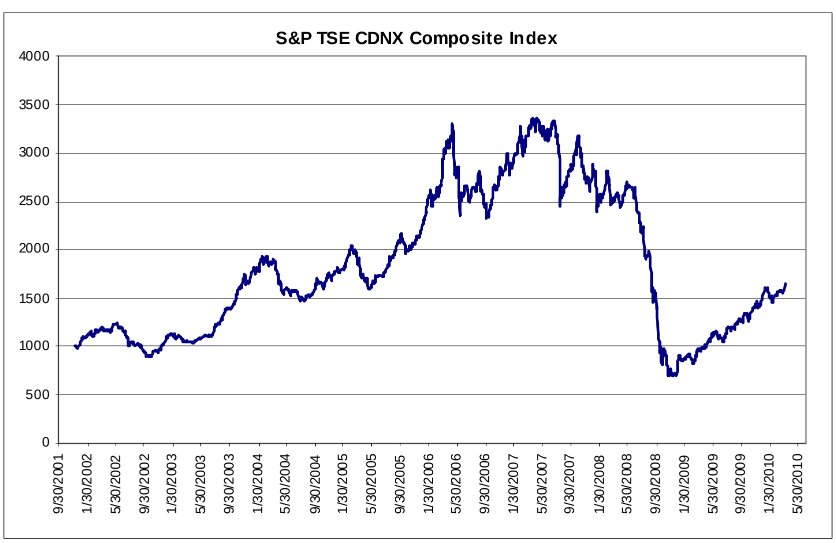
AIS Gold Fund Quarterly Review April 8, 2010

Below are two charts which we believe build a compelling case for both higher gold prices and even higher gold mining share prices. Over the last 40 years U.S. Treasury and Agency debt guaranteed by the Treasury that is owned by foreigners has grown at a compounded 15.6% annual rate. If lenders are confident that the U.S. will be capable of paying back the debt, collateral is not an issue. However if this is called into question, which we believe is increasingly likely, than the value of U.S. gold holdings becomes important. Chart I indicates a range of values that gold would have to rise to, in order to be equal to the relationship that existed in the 1970s. At that time gold rose to price levels so that U.S. Treasury gold holdings were worth between approximately 37% and 124% of total foreign debt holdings. Finally Chart II shows the Toronto Venture Exchange Index of primarily junior mining stocks. This index clearly demonstrates that smaller mining stocks remain severely depressed after the collapse of markets in 2008. These companies are not reflecting the rising gold and other metals prices of the past year. In summary, while gold's price is undervalued, mining shares are more undervalued. It is our view that gold and gold mining shares are in the early stages of a major advance.

U.S. Treasury Gold Value Relative to Foreign Held U.S. Government Debt





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.