

MAAP March Review

April 5, 2011

The MAAP portfolio had another profitable month in March as all five asset sectors, in which MAAP had positions, were profitable. The profit in order of asset sector contribution was long positions in energy, long positions in the metals, the long positions in the grains, long positions in the Australian and Canadian dollars, and the short position in the U.S. Treasury bonds.

From Surplus to Scarcity—Aligning our Thinking with Reality

Sell What the Governments Can Make (i.e. Paper Currencies)

The Federal Reserve is trapped by the excess private debt and speculation they allowed to develop from the late 1990s up through the present. If they don't continue their unprecedented easing policies, the high levels of unemployment and the weak housing market could cause economic weakness to return. Therefore in spite of rising inflation pressures, they are likely to continue stimulative monetary policies. In this environment gold is becoming an important and growing alternative store of value as both central banks and private investors seek an alternative to fiat currencies being debased by governments. Journalists like to talk about bubbles in gold and commodities, but the only real bubble is government financial excess.

Own What the Developing World Wants and Needs

The world is in the midst of the greatest expansion of people entering what economists define as middle class. History shows that regardless of the culture they come from, they develop similar spending patterns. This is placing unprecedented demand pressures on all types of basic industrial and food commodities. Supplies of these items will be strained by this demand and prices will rise to substantially higher levels.

The above comments are excerpted from a longer paper called "From Surplus to Scarcity" that will be available after April 12th, at our web site: <http://www.aisgroup.com/>. Alternatively, if you would like a printed copy mailed to you please e-mail us at: info@aisgroup.com or call at the number above.

As you will learn from reading the longer commentary, we continue to believe that the industrial and food commodities and precious metals markets are in the midst of a powerful long-term advance. At the same time we instituted a systematic risk management in mid-2009 to automatically reduce leverage of long commodity positions when significant declines are in process. Therefore the MAAP portfolio offers ideal diversification for investors with traditional financial portfolios.

AIS 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.