



BELLWETHER PARTNERS

Offshore Strategies Fund

Portfolio Strategy	Australian Long/Short Equities
Investor Profile	Non-Australian resident investors only
Objective	To achieve a positive return over a rolling one-year period, primarily from taking long and short positions in listed Australian companies.
Inception	12 July 2005
Domicile	Grand Cayman, Cayman Islands
Investment Advisor	Bellwether Partners Limited ASFL: 238460
Prime Broker/Custodian	Deutsche Bank AG, London Branch
Administrator	HSBC Institutional Trust Services (Asia) Limited
Investment Advisor Contact	Level 9, 63 Exhibition Street Melbourne Victoria 3000 Phone: (+613) 9661 0888 Fax: (+613) 9661 0898 Email: mail@bellwether.com.au Web: www.bellwether.com.au
Registered Office	P.O. Box 908 GT George Town Grand Cayman Cayman Islands

Australian Equities Long/Short Portfolio

Performance Report January 2006

PORTFOLIO PERFORMANCE* period ending 31 January 2006

January 2006	3.88%
Since Inception**	15.36%

*Performance is quoted net of management and performance fees. Performance presented is for AA Class Units. Performance for other classes may differ from those shown here.

**Fund inception date 12 July 2005

PORTFOLIO SUMMARY as at 31 January 2006

Total Net Asset Value (NAV)	\$4,417,206.59
Total Cash	\$ 239,837.39
Total Long Positions	41
Total Short Positions	12
Gross Long Exposure	164%
Gross Short Exposure	-34%
Futures Exposure	-121%
Net Exposure	9%

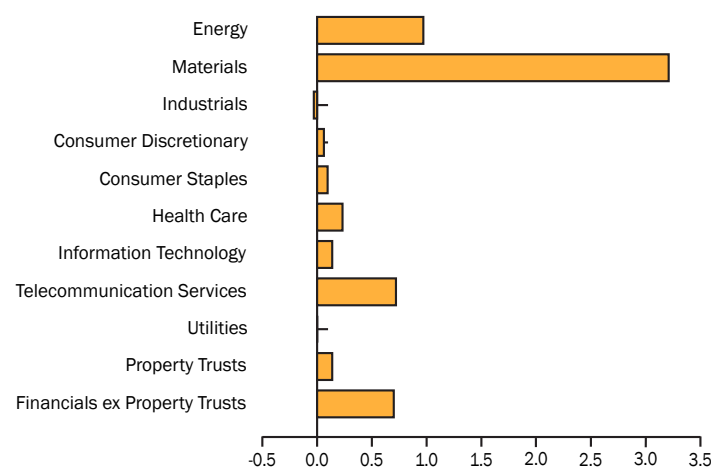
OVERVIEW

The Australian Equities market started 2006 strongly, with sharply rising prices for a broad range of commodities ensuring that the Energy and Materials sectors were the dominant performers during the month while Property Trusts, Consumer Discretionary, Healthcare and Telecoms underperformed. Pressure on oil prices continued given concern over Iran's nuclear capabilities.

Key long holdings in BHP Billiton (BHP, +1.87%) and Woodside Petroleum (WPL, 1.26%) contributed to a strong portfolio return in January, while a short position in Harvey Norman (HVN, -0.47%) posted a loss in line with the retail sector.

With little surprise expected on the domestic macroeconomic front, the market will be influenced by global trends and the close of the reporting season in the coming month. Recent US volatility has centered around inflationary fears, and therefore the risk of further interest rate rises is high. Both oil and gold may also experience strong swings, being influenced both by US inflation as well as continuing geo-political issues.

CONTRIBUTION TO TOTAL RETURN by Sector (GICS)



PERFORMANCE CONTRIBUTIONS

Top 5	Contribution (%)	Position
BHP	1.87%	Long
WPL	1.26%	Long
RIO	0.95%	Long
EQN	0.84%	Long
SEK	0.72%	Long

Bottom 5	Contribution (%)	Position
HVN	-0.47%	Short
CAB	-0.28%	Long
CBA	-0.22%	Short
NAB	-0.15%	Short
JST	-0.14%	Long

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