

Key Facts

Portfolio Strategy	Australian Long/Short Equities
Fund Objective	To achieve a positive return over a rolling one year period, from taking long and short positions in listed Australian companies.
Investor Profile	Non Australian resident investors only
Inception	12 July 2005
Domicile	Grand Cayman, Cayman Islands
Investment Advisor	Bellwether Partners Limited AFSL: 238460
Prime Broker/Custodian	Deutsche Bank AG, London
Administrator	Kingsway Taitz Fund Administration Pty Ltd
Investment Advisor Contact	Level 9, 63 Exhibition Street Melbourne Vic 3000 Australia Phone: 61 3 96610888 Fax: 61 3 96610898 Email: mail@bellwether.com.au Website: www.bellwether.com.au
Registered Office	P.O. Box 908 GT, George Town, Grand Cayman, Cayman Islands

BELLWETHER PARTNERS LIMITED
Offshore Strategies Fund

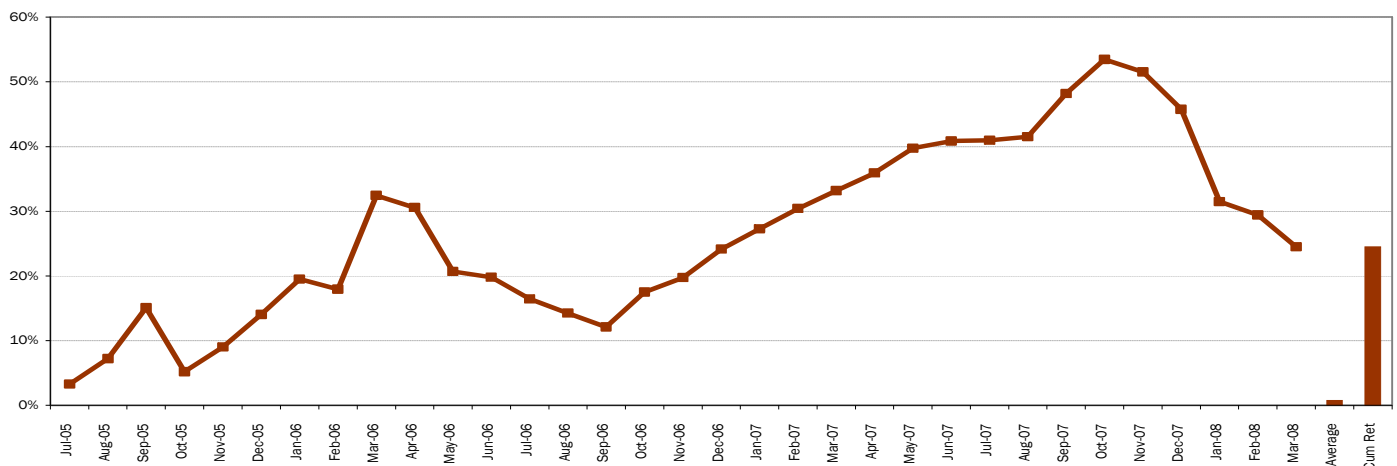
Australian Equities Long/Short Portfolio

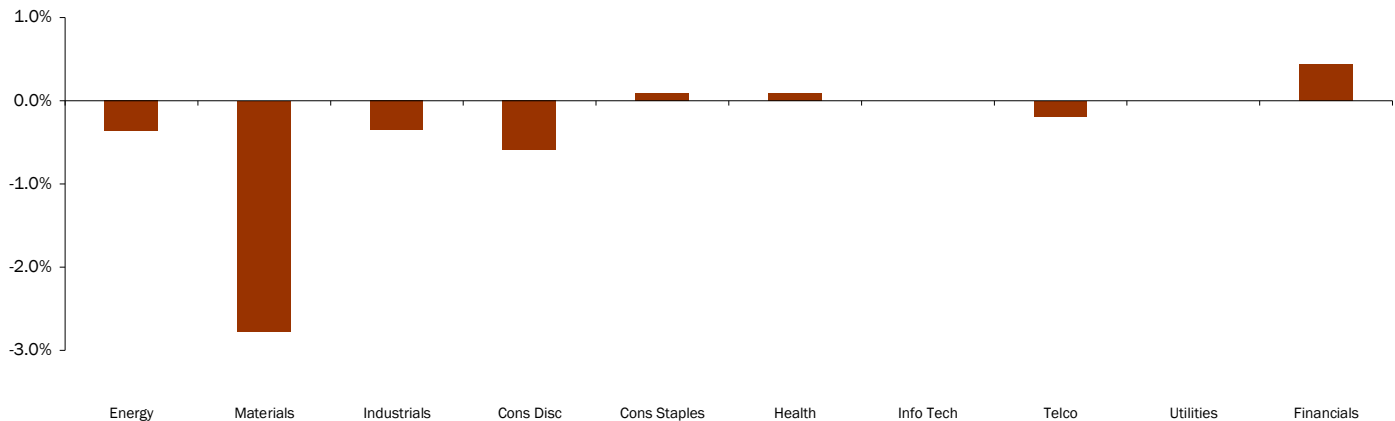
Performance Report: March 2008
Portfolio Summary: 31 March 2008

Gross NAV Unit Price	123.87
Monthly Return	-3.80%
Return from Inception	24.29%
Total Cash as % of NAV	7.55%
Total Long Positions	29
Total Short Positions	-
Gross Long Exposure	92.46%
Gross Short Exposure	-
Futures Exposure	-
Net Exposure	92.46%

Monthly Performance (After Fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2008	-9.78%	-1.56%	-3.80%									
2007	2.53%	2.48%	2.11%	2.05%	2.80%	0.80%	0.09%	0.39%	4.70%	3.58%	-1.26%	-3.83%
2006	4.79%	-1.31%	12.30%	-1.42%	-7.58%	-0.72%	-2.79%	-1.89%	-1.88%	4.80%	1.90%	3.67%
2005							3.29%	3.80%	7.35%	-8.60%	3.66%	4.59%

Monthly Returns (After Fees)


**Contribution to Total Return by GICS Sector: March 2008****Overview**

March continued the bleak trend of the past few months with the Australian market falling yet again. The S&P/ASX300 Accumulation Index fell 3.42% in March. This is now the fifth month in a row where the market has had a negative return. The four previous falls were -2.89% in November, -2.64% in December, -11.00% in January and -0.67% in February. The cumulative fall in the index since its month end October 2007 closing value is now -19.27%. Recent market sentiment of risk aversion was again the dominant theme for the month, with the market relentlessly moving into better value territory by the day and the market price earnings ratio getting ever closer to single figures. The use of leverage in equities investment was also under the spotlight as part of this mood of risk awareness and risk minimisation.

On the economic front, the RBA increased interest rates by another 0.25% bringing the overnight cash rate to 7.25%. This is now the fourth rate increase since August 2007 and the twelfth in the current tightening cycle. It is a reflection of the current tightness of the credit markets that all four of the major banks increased their standard variable mortgage rates by more than the 0.25% rise. Other economic news included a well known index of consumer confidence falling 9.1% to 88.6 index points, bringing it to a near five year low. The unemployment rate fell to a new 33 year low of just 4.0%. The Australian dollar finished the month at 91.6 US cents, down 1.4 US cents over the month.

In regards to specific sectors, the banking sector initially took a dive in the first part of the month, but later recovered after the announcement of the JP Morgan

acquisition of Wall Street bank Bear Stearns and initiatives by the US Federal Reserve to improve liquidity in credit markets. The Resources sector moved lower despite high commodity prices. Oil and gold actually hit record highs during the month of \$US110.21 a barrel and \$US1004.30 an ounce, respectively.

The Bellwether Offshore Strategies Fund (OSF) fell by 3.80% in March, underperforming the broader market by 0.38%, as measured by the S&P/ASX300 Accumulation Index. Month by month volatility is unavoidable, especially in the current market and the longer term performance of the OSF remains solid over a two year period. The true skill of an investment manager only reveals itself in the longer term when short term volatility and noise is removed from performance.

Outlook

The conundrum facing investors is the increasingly attractive valuations for equities versus the possibility of more price falls. Clouds forming over the outlook for the US economy are also casting a shadow over Australian equity returns for the first half of the year. The economic data that was released for the US during March mostly came in weaker than expected, adding to the argument that the US is heading for a recession. The Australian dollar increasing in value, limited access to credit and more skeletons being brought out of the subprime closet are negative factors that should not be forgotten. At Bellwether, however, we are optimistic about the Australian market and we are confident that the stocks in our portfolio will weather the global financial storm.

Top 5 Performance Contributors

	Contribution (%)	Position
NAB	0.26%	Long
SGB	0.26%	Long
WBC	0.14%	Long
SGT	0.12%	Long
NUF	0.11%	Long

Top 5 Performance Detractors

	Contribution (%)	Position
BHP	-1.27	Long
RIO	-0.73	Long
LGL	-0.59	Long
WOR	-0.37	Long
OXR	-0.35	Long

Positive Contributors
National Australia Bank Limited (NAB)

Portfolio Contribution +0.26%

National Australia Bank had a good March with its share price rising by 4.51% during the month. NAB took possession of approximately 34 million shares in Allco Finance Group Limited in March by exercising its right under a margin loan agreement. NAB now owns approximately 9% of Allco.

St George Bank Limited (SGB)

Portfolio Contribution +0.26%

Despite the negative sentiment surrounding the financial stocks at the moment, the St George share price gained 8.0% in March. On the news front, St George announced that the bank would gain a \$75m pre tax windfall from the Visa IPO in the US. St George also increased their standard variable home loan rate not once during the month, but twice. Early in March there was an increase of 0.35%, followed by another 0.10% on the last day of the month.

Westpac Banking Corporation (WBC)

Portfolio Contribution +0.14%

The Westpac share price rose by 1.84% during March. Like St George, Westpac raised their standard variable home loan rate twice in March; the first rise in the month being 0.30% and the second, later in the month, being 0.10%. Westpac received \$270m from the Visa IPO in the US.

Negative Contributors
BHP Billiton Limited (BHP)

Portfolio Contribution -1.27%

BHP Billiton had a fairly ordinary March with its share price falling by 9.53%. In stock specific news, management's assessment of power disruptions in South Africa led it to downgrade its production forecasts of aluminium. The BHP share price fall was also largely due to weak commodity prices experienced during the month.

RIO Tinto Limited (RIO)

Portfolio Contribution -0.73%

RIO had an even tougher month than BHP, with its share price falling 10.58% in March. Like BHP, RIO was also driven down by weak commodity prices. In addition, RIO continued with its \$US15b divestment plan due to the sale of its interest in the Cortez gold mine in Nevada.

Lihir Gold Limited (LGL)

Portfolio Contribution -0.59%

While the gold price hit record highs in March, up above the \$US1000 an ounce mark, it did fall later in the month and this was reflected in the Lihir Gold share price suffering a 17.47% fall by the end of the month. Lihir also announced an agreed merger with fellow gold producer, Equigold, during the month. Given the weak performance of the stock, it would seem the market did not take this news very well.