

Fund Overview

Premier Hedge, Ltd. is a multi-strategy, multi-manager fund seeking to achieve *long term equity like returns* with *bond like volatility*.

Fund Information

Assets Under Management	\$386 million
Number of Managers	35
Minimum Investment	1,000,000 USD
Contribution	Monthly
Withdrawals	Monthly with 60 days' notice
Management Fee	1% per annum
Incentive Fee	10% per annum

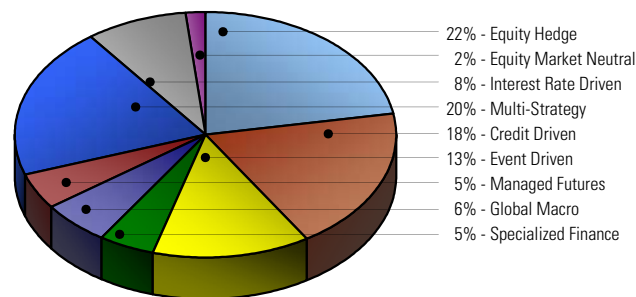
Monthly Net Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2002	<i>0.26</i>	<i>(0.56)</i>	<i>1.30</i>	<i>0.34</i>	0.28	(1.33)	(1.47)	0.50	(3.86)	0.05	0.86	1.51	(2.22)
2003	0.94	0.73	0.28	1.60	2.40	0.30	0.68	0.97	1.40	1.81	0.57	1.46	13.94
2004	1.99	1.19	0.45	(1.16)	(0.87)	0.10	(0.57)	(0.30)	0.98	0.92	2.71	1.67	7.26
2005	(0.21)	1.49	(0.88)	(1.43)	(0.66)	1.62	1.83	0.65	1.37	(1.85)	1.80	1.56	5.32
2006	2.74	0.02	1.89	1.17	(1.75)	(0.82)	0.15	0.42	0.50	1.57	1.19	1.04	8.34
2007	0.77	1.18	0.91	0.46	1.60	0.79	0.08	(3.38)	1.27	1.63	(2.40)	(0.03)	2.77
2008	<i>(1.44)</i>												(1.44)

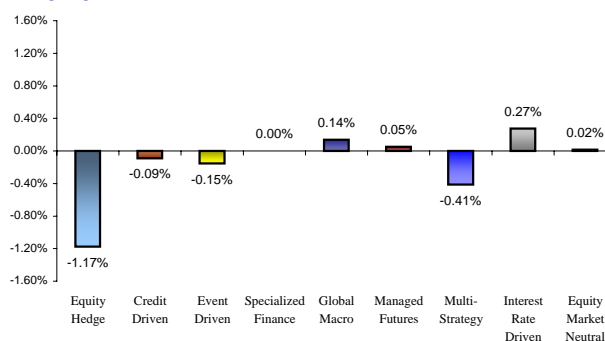
* Italicized returns are proforma.

Current Allocation (at 1/1/2008)

(Portfolio holdings and characteristics are as of the date shown and may change without notice)



January Style Attribution



January Commentary

- Despite a surprise 75 bps rate cut from the Federal Reserve and a subsequent 50 bps cut, global markets suffered a prolonged slump as prior concerns about a slowdown morphed into wide-spread acceptance of a U.S. recession. Because of several strong manager performances, Premier Hedge was able to limit losses to approximately 1.5% despite substantial declines in equity indices, with the S&P 500 and the MSCI World falling by 6.12% and 7.64%, respectively.
- Premier Hedge's emerging market credit allocations each gained more than 5% on the month with gains on credit protection in Mexico, Hungary, Turkey and Asian countries. One manager's long positions in Latin America significantly outperformed its shorts in Asia. However, U.S. and European credit managers experienced difficulties because of recession fears.
- Our equity hedge managers detracted from performance as many underlying markets experienced their worst month since 2002. Positive performance from two managers, which maintain low net exposure, was more than offset by larger losses from a global stock-picker, a manager focused on BRIC countries and a manager predominantly invested in the Master Limited Partnership sector.
- Our multi-strategy and interest rate driven managers had mixed results for the month. The interest rate driven manager focused on long-term Treasury bonds had strong gains as a flight to quality drove down yields. The yield curve trader continues to perform well as does the convertible arbitrage/hedged high yield focused multi-strategy manager. However, the commodity relative value manager had its largest monthly decline as investors concerns about a demand slowdown hurt its relative value positions in aluminum and copper.
- The global macro and managed futures allocations added net gains for the month. The directional commodity manager was the portfolio's strongest performer as its positions in soft commodities added significant gains. Each managed futures allocation gained as the higher volatility environment and rally in fixed income provided a favorable backdrop.

Portfolio Statistics

Returns

Year to Date	-1.44%
1 Year	0.52%
2 Year (annualized)	3.35%
3 Year (annualized)	5.02%
Since Inception (annualized)	5.45%

Standard Deviation

1 Year	5.63%
2 Year (annualized)	4.67%
3 Year (annualized)	4.82%
Since Inception (annualized)	4.52%

Sharpe Ratios

1 Year	-0.81
2 Year (annualized)	-0.36
3 Year (annualized)	0.12
Since Inception (annualized)	0.56

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Premier Hedge, Ltd. Class AAA began investing on May 1, 2002. Performance of Class AAA is calculated based on a 1% per annum management fee and 10% performance fee. The performance data for Class AAA for the period from January 2, 2002 to April 30, 2002 are calculated based on the actual performance of another share class of the Fund, which began investing on January 2, 2002. The fee structure is the only difference between such other share class and Class AAA. The pro forma performance is calculated based on the assumption that the expenses incurred on the Fund level for Class AAA is the same as the expenses on the Fund level incurred for Class AA of the Fund for the relevant pro forma period. The pro forma performance data is being provided solely as an illustration of how Class AAA could have performed had Class AAA began investing on January 2, 2002.

The performance data of Class AAA is unaudited, net of all fees (assumed or actual) and expenses (assumed or actual) charged on the Fund level and on the underlying funds level (other than the style attribution chart) and represent reinvestment of all income. All performance data included herein in respect of the most recent month indicated represents estimated returns of Class AAA for such month. PRO FORMA AND ACTUAL PERFORMANCE OF THE FUND IS NOT INDICATIVE OF FUTURE RESULTS.

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The numbers set forth in the YTD column of the Monthly Net Returns table and Current Allocation Chart (i) are calculated based on the rounding of numbers to two decimal points and (ii) do not include any cash of the Fund.

Style attribution chart for a particular month measures the amount of gross return (gross of all fees and expenses on the Fund level) that is attributable to the underlying fund managers of each investment style.

Sharpe Ratio – A performance measure which indicates the amount of excess return per unit of risk taken. It is calculated as the difference between the annualized return and the annualized return of the 3-Month U.S. Treasury Bill Index (the "ML 3-month T-Bill", which is used as a measure the risk-free rate of return), divided by the annualized standard deviation of return. The more positive the Sharpe ratio, the better the risk-adjusted returns.

The ML 3-Month T-Bill sets forth a reference point for short term fixed income investments' performance. The ML 3-Month T-Bill is comprised of a single issue purchased at the beginning of the month and held for a full month. The statistical data regarding ML 3-Month T-Bill has been obtained from Bloomberg®.

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