

Ardour Global

Alternative Energy Indexes

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Information about the index, including rule book, company description and historic data, can be found at:
www.ardourglobalindexes.com

TICKERS:

Ardour Global Alternative Energy IndexSM – Composite (USD):

AGIXL

Ardour Global Alternative Energy IndexSM – Composite (EUR):

AGIGLE

Ardour Global Alternative Energy IndexSM – Extra Liquid (USD):

AGIXL

Ardour Global Alternative Energy IndexSM – Extra Liquid (EUR):

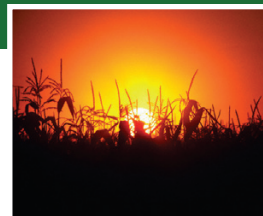
AGIXLE

March 2010

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Q1 2010 Review: AGIXL

Index Performance. The Ardour Global Alternative Energy IndexSM – Extra Liquid (AGIXL) (TICKER: AGIXL) declined -8.62% from 1698.24 to 1551.80 in the first quarter of 2010. This compares to a rise in the MSCI World Index (TICKER: MXWO) of +2.74% and a rise in the S&P 500 (TICKER: SPX) of 4.87%.

The best performing stocks were Veeco Instruments Inc (TICKER: VECO US), which rose +31.60%; Cree Inc (TICKER: CREE US), which rose +24.57%; and Enersys (TICKER: ENS US), which rose +12.76%. The worst performing stocks were Renewable Energy Corp (TICKER: REC NO), which declined -39.27%; Q-Cells SE (TICKER: QCE GR), which declined -38.68%; and SolarWorld AG (TICKER: SWV GR), which declined -31.11%.

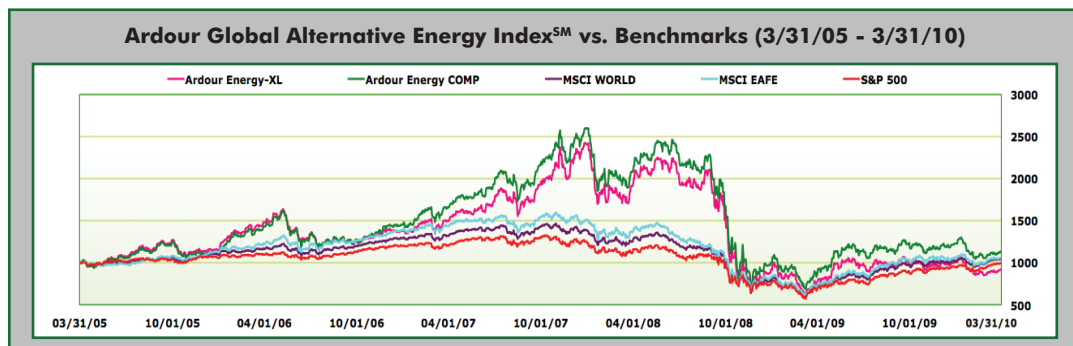
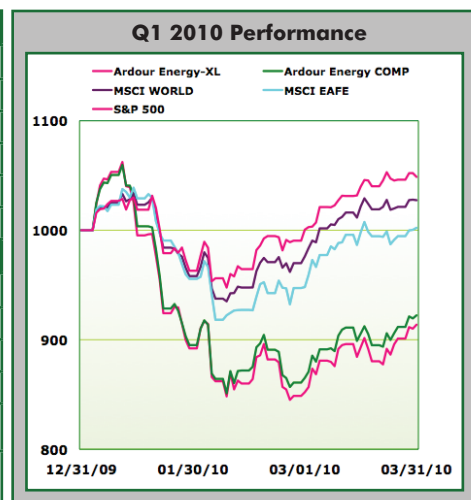
The Ardour Global Alternative Energy IndexSM - Extra Liquid is down -8.62% year-to-date and up +25.15% over the past 12 months.

Industry Performance. During February, most US and Chinese solar players issued strong 4Q09 earnings reports on healthy volume growth and moderating ASPs. However, visibility into 2Q10 was clouded by uncertainty in Germany and as a result, stocks sold off. In March, positive data points from Germany and Italy began to alleviate some concerns about 2Q10 volumes, and stocks accordingly began to recover. Some companies in the group (Trina Solar Inc. and Sunpower Corp.) took advantage of the positive momentum and raised capital to support future expansion. We continue to expect modest ASP declines in 1Q10, but resume a faster rate of decline in 2Q10 as the German subsidy cut takes effect. We anticipate nearly 50% volume growth in 2010, driven by healthy subsidy programs and a pull-in market ahead of subsidy digressions in Europe.

On the European Solar front, last year's fear of an aggressive German FIT cut materialized in January, when the German regulator presented a draft for a one time mid-year slash. Consequently, European solar stocks tumbled into February. Solar stocks recovered from lows during March, once the German FIT shock was digested and industry observers realized IRRs are still attractive.

We published our 2010 demand forecasts on March 11 in our European Solar update targeting 8.7 GW in global PV demand equal to 36% y-o-y growth. This is at the upper end of consensus (8GW—9GW). Recent checks imply demand could be accelerating even faster. In particular, non-German demand in countries, such as Italy and the Czech Republic, is picking up. Pull forward effects to beat likely FIT cuts are currently driving strong order volumes in these countries. Strong project economics in Italy should absorb some of the ground-based power plant drop off in Germany traced to the FIT cut.

Leading Movers				
Company Name	Ticker	Opening	Closing	Change
VEECO INSTRUMENTS INC	VECO US	33.040	43.480	31.60%
CREE INC	CREE US	56.370	70.220	24.57%
BYD CO LTD-H	1211 HK	8.828	9.962	12.84%
ENERSYS	ENS US	21.870	24.660	12.76%
MEMC ELECTRONIC MATERIALS	WFR US	13.620	15.330	12.56%
Lagging Movers				
Company Name	Ticker	Opening	Closing	Change
RENEWABLE ENERGY CORP ASA	REC NO	7.716	4.685	-39.27%
Q-CELLS SE	QCE GR	16.346	10.024	-38.68%
SOLARWORLD AG	SWV GR	21.982	15.143	-31.11%
AMERICAN SUPERCONDUCTOR CORP	AMSC US	40.900	28.900	-29.34%
NORDEX SE	NDX1 GR	15.027	11.462	-23.72%



*Note: This chart is a normalized historical graph
Data Source: Bloomberg Data as of March 31, 2010.

This chart is for illustrative purposes only. Historical information is not indicative of future results; current data may differ from data quoted. Investors cannot invest directly in index. Index returns do not reflect any management fees or brokerage expenses.

We will update our global outlook again after the German Parliament ratifies the new FIT framework, expected to occur in April. A move towards the 10 GW in demand would narrow the module oversupply gap this year and support a more stable ASP development in 2Q10. Panel prices should be stable in 1Q10 but drop more sharply in 2Q10 as producers adjust prices to protect project economics on the back of the German market developments. We still expect a year end ASP in Europe of ~€ .10/W for commoditized panels used in ground-mounted power plants.

Next, the wind turbine producer stocks were volatile during the first 3 months of 2010. The stocks traded down on mixed 2009 results and weak 2010 guidance. With investors perceiving that a bottom was reached and incoming orders would act as catalyst, the stocks recovered at the end of March.

Looking forward, we believe the competitive landscape looks more challenging in the midterm. Three Korean conglomerates are now in the wind sector and Siemens and GE continue to expand. These companies are positioning themselves for a future market recovery.

In terms of new growth markets, China seems less likely to be a driver of earnings expansion for European independents. The last Government tenders were awarded to Chinese manufacturers and the new feed-in-tariff is set at a level which will allow for profitable sales, but below that of what is seen in Europe and North America.

The US market proved resilient in 2009, but 2010 looks challenging. Installations in 2009 at 9.9 GW topped expectations, but sales were buoyed by order backlogs and long lead times. Order rates have dropped and the US is set to lose momentum. Management at Florida Power and Light stated, "The combination of lower power prices primarily as a result of the economic downturn coupled with continued uncertainty regarding federal climate or renewal portfolio standards is clearly adding to the industry's developing challenges." We continue to take a cautious stance on the turbine producers and prefer the wind farm owner/operators. Any potential tremor felt at the large wind farm owners would escalate into a full blown shockwave for the turbine producers.

Interest in the fuel cell sector received a shot in the arm recently as Bloom Energy unveiled its highly secretive solid-oxide fuel cell (SOFC) system. Bloom allowed a reporter and camera crew (60 Minutes) into its California facilities for the first time in its ten-year history, and confirmed that its first customers Google, Ebay, Wal-Mart, etc have been operating "Bloom Boxes" for several months. As a high-temp fuel cell system, Bloom Boxes are fuel flexible and can run on several hydrocarbon fuels, including natural gas, waste gas, and diesel. Bloom is initially targeting the industrial market with plans to one day enter the residential market. Bloom is certainly not the only fuel cell company developing SOFC technology or trying to gain traction in the decentralized power market. UK-based Ceres Power and Ceramic Fuel Cells have developed SOFC systems for the residential combined heat and power (CHP) market, while industry veteran FuelCell Energy has been selling large-scale systems (300kW+) for several years using its molten-carbonate fuel cell (MCFC) technology, which is also high temperature and fuel flexible.

Next, build-out in the U.S. geothermal sector remains slowed as smaller project developers continue to face adverse project financing conditions and/or await approval for DOE loan guarantees. Although we expect financing conditions to improve over 2010, slowed build-out will negatively impact downstream players, including Ormat Technologies (ORA). Demand for ORA's geothermal turbines and systems is expected to drop significantly in 2010 vis-à-vis 2009 levels. In spite of slowed project realization, pipeline expansion appears robust, as geothermal developers continue to seek-out potential new resources. Exploration and land leasing remains intense in Nevada and California and has intensified internationally, particularly in South America, as internationally-focused developers like Magma Energy and Ram Power seek to expand their international operating portfolios.

Furthermore, earnings results in the energy storage sector during 1Q10 indicate that battery markets are experiencing recovery. The automotive sector experienced strong seasonal upswing in sales during the winter months, particularly in Europe. Sales are returning for batteries in the motive power markets and we look for that recovery to continue along with U.S. and European GDP growth. Network power spending remains sluggish and we expect only slight growth this year as IT spending moves slowly.

Finally, as for the smart grid, The U.S. Treasury Department ruled this quarter that stimulus funds from the \$3.4 billion Smart Grid Investment Grant (SGIG) program will not be taxable. Many in the smart grid and utility industries had been awaiting clarification on this issue before finalizing project funding. 100 projects were awarded stimulus dollars under the program last fall, but very little of that money has been distributed. The ruling assures the industry that the full \$3.4 billion will be available to vendors. We believe that the clarification of the tax treatment of SGIG funding will now allow award recipients to finalize arrangements with the government and begin receiving grants. Looking ahead, we anticipate a 2Q10 pickup in stimulus spending as vendor contracts are finalized and project deployment begins.

The Regulatory Environment. The first quarter of 2010 was filled with a great deal of regulatory activity in the clean technology/alternative energy space.

President Obama announced a plan to expand offshore drilling along parts of the U.S. coast. The plan calls for lifting a ban on drilling off the coast of Virginia and conducting seismic tests along the mid-Atlantic and South to determine oil and gas potential in those regions. Areas such as Bristol Bay in Alaska will be off limits while other parts of Alaska are eligible.

"I want to emphasize that this announcement is part of a broader strategy that will move us from an economy that runs on fossil fuels and foreign oil to one that relies on homegrown fuels and clean energy. And the only way this transition will succeed is if it strengthens our economy in the short term and the long term. To fail to recognize this reality would be a mistake," said President Obama.

In a recent interview, Shi Lishan, an official with China's National Energy Bureau, says the feed-in tariff for photovoltaic (PV) power is unlikely to be introduced this year due to the high cost of PV power. According to Shi, currently the government cannot afford to fill the difference in the investment costs between PV and conventional thermal power. Chinese solar manufacturers, Shi says, will continue to rely heavily on exporting their products. Many PV companies, including Suntech Power and First Solar, plan to build large scale PV projects in China once the feed-in tariff is introduced there.

China's Ministry of Industry and Information Technology has released a draft for wind turbine manufacturing industry entrance standards to gather public opinion. According to the draft any wind turbine producer should have the ability to produce turbines of 2.5MW and above and should be able to manufacture 1GW of turbines each year. Equity investment for any wind turbine company should be higher than 30% and any new turbine producer should have more than 5 years of large power electronics experience. There would be a prohibition on the purchase of technologies for turbines smaller than 2.5MW. Turbine producers should prioritize production of >2.5 MW turbines with their own IP and development of offshore wind. The National Development and Reform Commission (NDRC) will publish a list of wind turbine producers meeting these standards. The current wind turbine producers which do not meet these standards should take measures to meet them within 6 months. If they do not meet this deadline they will lose government support on investment, taxation, land usage, environmental protection and bank loans.

A new bill has been introduced in the U.S. House of Representatives that will extend the tax credit for ethanol blending. The Volumetric Ethanol Excise Tax Credit (VEETC) or "blender's credit" is currently \$0.45 per gallon and is set to expire on December 31, 2010. The bill would extend the VEETC for five years at its current level. The credit is viewed as essential to the adoption of biofuels in the U.S. The U.S. manufactured 10.8 billion gallons of ethanol in 2009. The U.S. government mandates 12 billion gallons of corn ethanol be consumed in 2010.

The International Maritime Organization has given its approval to a new "emissions control area" (ECA) around the coasts of the United States and Canada. Beginning in 2012, a 200-nautical mile area will be subject to environmental regulation aimed at reducing sulfur and nitrogen oxide emissions. The U.S. Environmental Protection Agency (EPA) proposed the plan in March of 2009 and estimates that by 2020 as many as 8,300 lives a year could be saved by the ECA.

Index Statistical Profile

Capitalization Profile	
Number of Constituents	32
TOTAL MARKET CAPITALIZATION	152.75 Billion USD
LARGEST MARKET CAPITALIZATION	22.66 Billion USD
SMALLEST MARKET CAPITALIZATION	420.21 Million USD
AVERAGE MARKET CAPITALIZATION	4.77 Billion USD
MEDIAN MARKET CAPITALIZATION	2.75 Billion USD

Simple Price Appreciation					
	AGI COMP	AGIXL	MSCI WORLD	MSCI EAFE	S&P 500
5 Year	-8.853%	12.065%	4.287%	5.348%	-0.945%
3 Year	-38.561%	-31.610%	-20.714%	-26.227%	-17.696%
1 Year	25.153%	33.834%	49.093%	49.994%	46.569%

Compound Annual Growth Rate (CAGR)					
	AGI COMP	AGIXL	MSCI WORLD	MSCI EAFE	S&P 500
5 Year	-1.837%	2.304%	0.843%	1.047%	-0.190%
3 Year	-14.988%	-11.896%	-7.445%	-9.642%	-6.285%
1 Year	25.153%	33.834%	49.093%	49.994%	46.569%

Annualized Standard Deviation (Monthly)					
	AGI COMP	AGIXL	MSCI WORLD	MSCI EAFE	S&P 500
5 Year	36.828%	36.042%	17.688%	19.610%	16.315%
3 Year	43.422%	42.221%	21.969%	23.968%	20.365%
1 Year	34.670%	34.042%	15.634%	18.221%	13.246%

Sharpe Ratio					
	AGI COMP	AGIXL	MSCI WORLD	MSCI EAFE	S&P 500
5 Year	-0.053	0.060	0.040	0.047	-0.020
3 Year	-0.348	-0.285	-0.345	-0.408	-0.315
1 Year	0.722	0.990	3.132	2.737	3.506

*Annualized average 3M T-Bill return of 0.129% used for Sharpe Ratio calculation

*All data as of March 31, 2010.

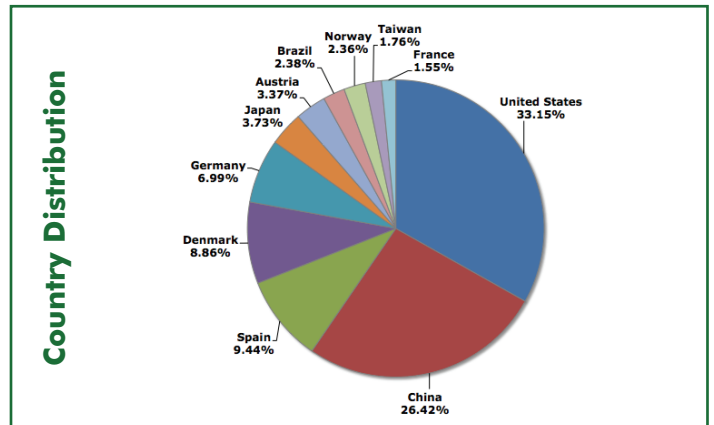
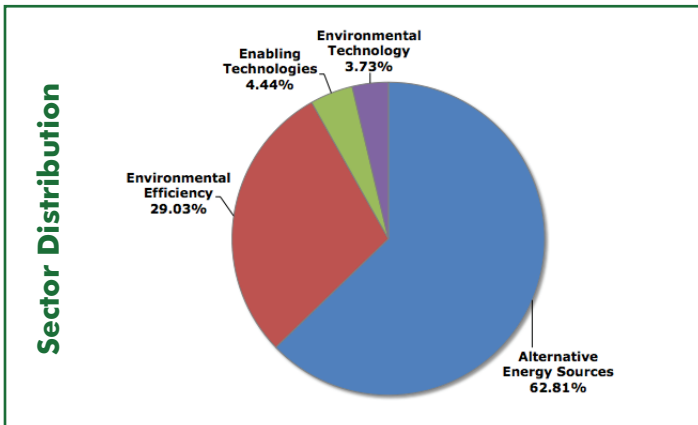
Top Ten Constituents			
Company	Ticker	Country	Weight
BYD CO LTD-H	1211 HK	CHINA	14.52%
VESTAS WIND SYSTEMS A/S	VWS DC	DENMARK	8.86%
CREE INC	CREE US	UNITED STATES	6.18%
FIRST SOLAR INC	FSLR US	UNITED STATES	5.73%
MEMC ELECTRONIC MATERIALS	WFR US	UNITED STATES	4.03%
IBERDROLA RENOVABLES SA	IBR SM	SPAIN	3.96%
KURITA WATER INDUSTRIES LTD	6370 JP	JAPAN	3.73%
CHINA LONGYUAN POWER GROUP-H	916 HK	CHINA	3.71%
ITRON INC	ITRI US	UNITED STATES	3.53%
OEST ELEKTRIZITATSWIRTS-A	VER AV	AUSTRIA	3.37%

Correlation Matrix (5 Year / Daily)					
	AGI COMP	AGIXL	MSCI WORLD	MSCI EAFE	S&P 500
AGI COMP	1.0000				
AGI XL	0.9915	1.0000			
MSCI WORLD	0.8358	0.8462	1.0000		
MSCI EAFE	0.7337	0.7635	0.8292	1.0000	
S&P 500	0.6800	0.6706	0.8702	0.4494	1.0000

Beta Matrix (5 Year / Daily)					
	AGI COMP	AGIXL	MSCI WORLD	MSCI EAFE	S&P 500
AGI COMP	1.0000				
AGI XL	1.0603	1.0000			
MSCI WORLD	1.5635	1.4801	1.0000		
MSCI EAFE	1.2313	1.1982	0.7439	1.0000	
S&P 500	1.0556	0.9735	0.7222	0.4157	1.0000

R-Square (5 Year / Daily)					
	AGI COMP	AGIXL	MSCI WORLD	MSCI EAFE	S&P 500
AGI COMP	1.0000				
AGI XL	0.9830	1.0000			
MSCI WORLD	0.6986	0.7160	1.0000		
MSCI EAFE	0.5384	0.5830	0.6876	1.0000	
S&P 500	0.4624	0.4497	0.7573	0.2019	1.0000

Index Composition



Licensed ETF

Market Vectors Global Alternative Energy ETF: US

Ticker: GEX

This is not an offer to purchase or sell shares of the above listed funds. All purchases or sales of shares must be pursuant to a current private offering memorandum for the relevant fund or funds.

Index Description. The Ardour Global Alternative Energy IndexSM - Extra Liquid (TICKER: AGIXL) is a compilation of global alternative energy stocks that are principally engaged in the business of alternative energy. The AGIXL comprises public companies engaged in five primary sectors: a) Enabling Technologies, b) Environmental Technologies, c) Environmental Efficiency, d) Alternative Energy Sources, and e) Distributed Generation. Constituents include the thirty largest and most actively traded stocks in the Ardour Global IndexSM (Composite).

Inclusion Criteria. All companies contained in the AGIXL are categorized as being “principally” engaged in the global alternative energy industry. For the purposes of the AGIXL, a principally engaged company must derive 50% or more of its annual revenues from its participation in the alternative energy sector. AGIXL contains stocks selected from a universe of equity securities traded on recognized stock exchanges in a) the Americas, b) Europe, Middle East & Africa (EMEA), and c) Asia/Pacific, based on a set of objective screening criteria. The selection criteria include requirements for industry participation, primary exchange listing, minimum capitalization, minimum free float, minimum price, and minimum average daily trading volume.

Weighting Methodology. The AGIXL includes a fixed number of 30 stocks. Stocks are capitalization weighted, adjusted for free float. Weights are adjusted so that no stock’s weight exceeds 20% and the aggregate weight of stocks exceeding 5% does not exceed 45%.

Rebalancing. A new AGIXL is rebalanced quarterly and company weights are adjusted with each quarterly issuance back to the aforementioned weights. S-Network Global Indexes maintains a qualified reserve list, so that companies may be immediately replaced in the index in the event of an acquisition or de-listing.

Index Data. The AGIXL is calculated daily by S&P Custom Indexes. Daily values from January 1, 2000 are available on the Ardour Global Alternative Energy Indexes website and through various data vendors.

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