



March 2004 Update

NAV/share (01/03/04): EUR 104.18

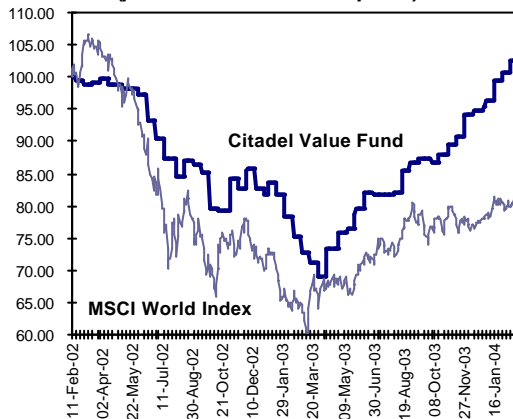
ISIN code: LU0141953439

website: www.citadelfund.com

COMMENTARY

Once again the Fund had a good month and rose by 3.4% in the period from Feb. 2nd to March 1st. Versus the MSCI World, the Fund is up by 4.2% since inception compared to a fall of 17.3% for the index.

**Citadel Value Fund
(performance since inception)**



**Citadel Value Fund Performance
(as of March 1st, 2004)**

	Since inception (11/02/02)	1 year	2003*	2004* YTD
Citadel Value Fund	4.2%	43.2%	17.0%	9.2%
MSCI World Index	-17.3%	27.9%	11.3%	6.0%

note: MSCI World Index is based on total returns in Euro's
* annual returns are based on estimated NAV as of Dec. 31, 2002 & 2003
source: European Fund Administration, Datastream

Top/bottom Performers in February

Wegener NV	+24.1%
Southern Energy Homes	+18.9%
Syms Corp.	+13.1%
Colruyt NV	+11.9%
Richemont (co. fin.) AG	+8.4%
Havas SA	-11.3%
VLT AB	-2.9%
API Group PLC	-1.9%
Grolsch (Kon.) NV	-1.9%
Aventis SA	-1.8%

IMPORTANT: An investment in the Fund carries with it a degree of risk. The value of your investment may go down as well as up, and you could lose money on your investment. Past performance provides no guarantee for the future. Investors should read the Fund's prospectus before deciding whether to invest.

As can be seen in the accompanying table several of the Fund's holding's rose sharply. The most notable was **Wegener** (4.7% stake) which has more than doubled since its lows last March. Although the company just released 2003 results, there was little fundamental news to support this rise. Rather, it appears as if investors are now anticipating a recovery in advertising volumes. While we are more cautious in predicting the timing of such a recovery, it is abundantly clear to us that both profits and cash flow will soar as ad volumes rise. Despite the share' excellent performance in recent months, our estimate of intrinsic value still show the shares to be incredibly cheap. Fortunately, we added to the position prior to the most recent run-up.

Although the steady upwards progression in the Fund's NAV is pleasing, it has to be said that markets generally are fairly or even over-priced. The search for deeply undervalued shares is far more challenging than it was only a year ago. All the same rising markets are not lifting all boats, and we are having some success finding companies which meet our demanding value criteria. The Fund's portfolio remains very undervalued although a couple of stakes are beginning to approach our estimate of their intrinsic value. If the Fund continues to rise as it has done, several long-standing stakes are apt to be replaced by new holdings in the coming months.