



November 2006 Update

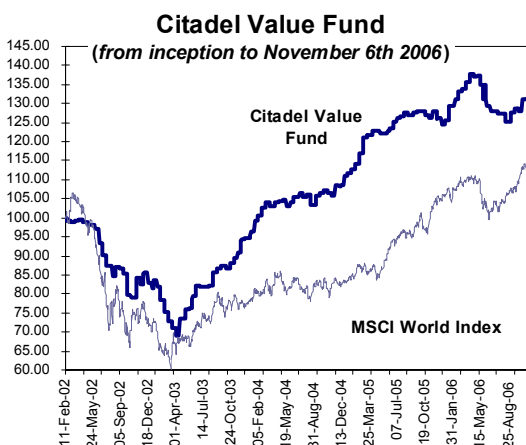
NAV/share (06/11/06): EUR 131.85

ISIN code: LU0141953439

website: www.citadelfund.com

COMMENTARY

Citadel had a decent month and the NAV rose by 3.1%. Since inception the Fund's return stands at +31.9% while that of the MSCI World Index (Euro) is +13.6%.



Citadel Value Fund Performance
(as of November 6th, 2006)

	Since inception (11/02/02)	3 year	1 year	2006* YTD
Citadel Value Fund	31.9%	47.5%	4.4%	5.3%
MSCI World Index	13.6%	42.2%	12.0%	7.4%

note: MSCI World Index based on total returns (gross dividends) in Euro's
* annual returns are based on estimated NAV as of Dec. 31, 2002/03/04 & 05
source: European Fund Administration, MSCI

Top 10 holdings

Telegraaf Media Groep NV	6.1%
Heineken Holding NV	5.9%
Village Super Market Inc.	4.5%
Nedschroef Holding NV	4.5%
Bristol-Myers Squibb Co.	4.3%
Grupo Continental SA	4.3%
Wegener NV	4.2%
Signaux Girod SA	4.0%
Wolters Kluwer NV	3.9%
Carclo PLC	3.7%

There were two noteworthy changes made to the portfolio. The holding in **Havas** was sold for a small gain. Despite a series of management and other changes in the past few years, the firm is not realising its potential. Sadly, this is not likely to change for some years yet. Given better opportunities elsewhere we thought it wise to redeploy the funds. By chance the proceeds were used to add to the Fund's position in another French company, **Signaux Girod**, the traffic signs producer. Selling pressure from a major shareholder had led the shares to plummet. After speaking with management and revisiting the investment case, we were convinced that the stock was extremely undervalued. We therefore gladly took advantage of the chance to add to what had become a fairly modest stake in the portfolio.

The portfolio companies are performing well. Annual results from **Village Super Market**, one of the larger holdings, were very solid with same-store sales ahead by 3.3% and operating profits by almost 8%. The stock has done well but due to an excellent business performance valuation levels are only modestly higher than when the Fund first bought. Another large stake, **Grupo Continental**, the Fund's Mexican *Coca-Cola* bottler, reconfirmed its return to growth after a couple of difficult years. 9M volumes rose by 5.7%, leading EBIT to jump by more than 12%. We are pleased that almost all the companies held are showing good, and generally improving results. And, ultimately, this will be reflected in their share prices.

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. The opinions and commentary expressed herein should in no way be construed as personal investment advice, they are intended solely to illustrate the Fund's investment strategy and performance.