

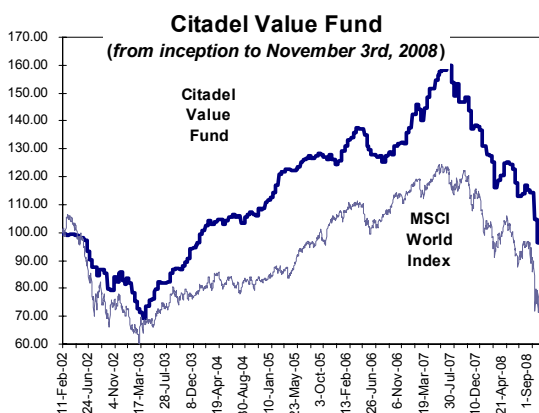


November 2008 Update

NAV/share (03/11/08): EUR 96.49

ISIN code: LU0141953439

website: www.citadelfund.com



Citadel Value Fund Performance
(as of November 3rd, 2008)

	Since inception (11/02/02)	2008 YTD	2007	2006	2005	2004	2003	2002
Citadel Value Fund	-3.5%	-29.4%	-0.5%	9.7%	12.0%	17.2%	17.0%	-18.4%
MSCI World Index	-19.8%	-28.9%	-1.2%	7.9%	26.8%	6.9%	11.3%	-29.9%

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

Top 10 holdings

Village Supermarket Inc, A	6.6%
SK Telecom, ADR	6.0%
Ozeki Corp. Ltd.	5.6%
Cia Paranaense de Energia, ADR	4.5%
Bristol-Myers Squibb Co.	4.5%
Grupo Continental SA	4.4%
Nongshim Co. Ltd.	4.1%
Batenburg Beheer NV	3.9%
Signaux Girod SA	3.8%
Zwack Unicum	3.8%

COMMENTARY

After plunging to new depths in the past month stocks recovered somewhat in the past week. Nevertheless this was one of the worst months in stock market history falling by 16.3% - only October 1987's 19.6% fall was worse in the past 40 years. Since the last update, the Fund's NAV fell by 7.7%. YTD Citadel's performance is -29.4%. This is slightly behind the MSCI World in Euro's - solely due to currencies, in local currencies global markets are down 34.8% - but ahead of every major index save Switzerland, the UK and Mexico. Since inception the Fund's NAV is -3.5% vs. -19.8% for the MSCI World.

At its lowest point on October 27th global markets were down by an astonishing 45.9%. Only two other periods in the past 40 years come close to matching the current bear market; 1973-74 when stocks fell 41.5% and 2000-03 when they fell 45.3%. Despite the recent rally it is anybody's guess (and we would stress it is a *guess*) whether markets will now see a durable recovery. However several facts are clear. Stocks when they do recover climb quickly. Within 12 months from the bottom in 1973-74 and in 2000-03 stocks soared by 32.3% and 36.5% respectively. And, importantly, a recovery in stock prices would be warranted based on valuations. A recent article in the *Wall Street Journal* highlighted that valuations were at levels not seen since the '70s. Certainly when we look at Citadel we think the odds of excellent returns in coming years are better than they have ever been. On current prices the implied earnings yield of the portfolio companies is more than 17% (more on this in the next semi-annual letter). Compared to interest rates of 3-4%, or less, this is absurdly rich. Irregardless of the ST performance this gives a sound rationale why stocks should do well in the next few years.

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.