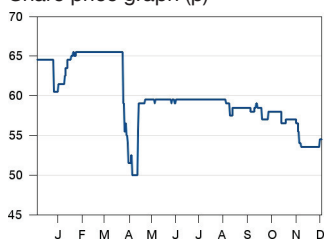


Sector: Financials

Price: 54.5p
 Market cap: £5m
 Forecast net cash (£m) 3.6
 Forecast gearing ratio (%) N/A
 Market AIM

Share price graph (p)



Company description

Alpha Strategic plans to pool a portion of the revenue streams from several single strategy hedge funds.

Price performance

%	1m	3m	12m
Actual	(3.5)	(6.8)	(15.5)
Relative*	(4.6)	(10.3)	(11.7)

* % Relative to local index

Analyst

Neil Shah

Alpha Strategic (APS)

INVESTMENT SUMMARY

Since Alpha Strategic reported its full-year results for the 12 months to 31 March 2011, there has been little newsflow. It was profiled in Hedge Funds Review, highlighting its model as an alternative to the fund-of-funds and UCITs models. The group is looking for more deals. With the Northhill investment in place, the smallest deal it would now compete for is \$1m of fee revenue.

INDUSTRY OUTLOOK

Having struggled through most of the summer, hedge funds saw improved performance in absolute terms in October 2011. The HFN Hedge Fund Aggregate Index was +2.37% in October but has remained in negative territory at -3.61% YTD 2011. By contrast the S&P 500 Total Return Index was +10.93% during the month and +1.30% YTD.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2010A	0.4	(0.5)	(0.5)	(9.4)	N/A	N/A
2011A	0.6	(0.1)	(0.1)	(2.0)	N/A	N/A
2012E	0.9	0.2	0.1	2.0	27.3	32.8
2013E	1.0	0.3	0.2	2.9	18.8	20.3