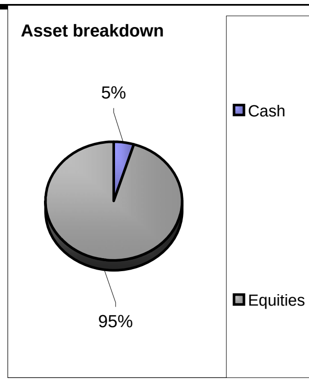
KUYLENSTIERNA & SKOG S.A. ASSETMANAGEMENT

May 2009 | **NAV** **69.55** | **31/05/2009**

Monthly market comment

One would expect a sizable corrective action in equities when fragile sentiment gets pounded by new worries. Instead, the pull-back in shares has been rather timid during the month of May. Could it be that the close to zero interest rate policy are compelling people to hold onto stocks? After all, the world economy is still very sick, the financial system remains in shambles and markets have been in ruin for quite some time. Financials will most probably be the most vulnerable sector in the corrective phase, while emerging markets and commodity plays could be the most resilient. It is likely that the equity prices could trade sideways for a while longer. The next upward trend will only develop when the riot in the bond market dies down. In the interim, commodities should benefit from a weak dollar and a stabilizing world economy. The U.S equity market has underperformed most of the equity markets around the world since the beginning of the year.

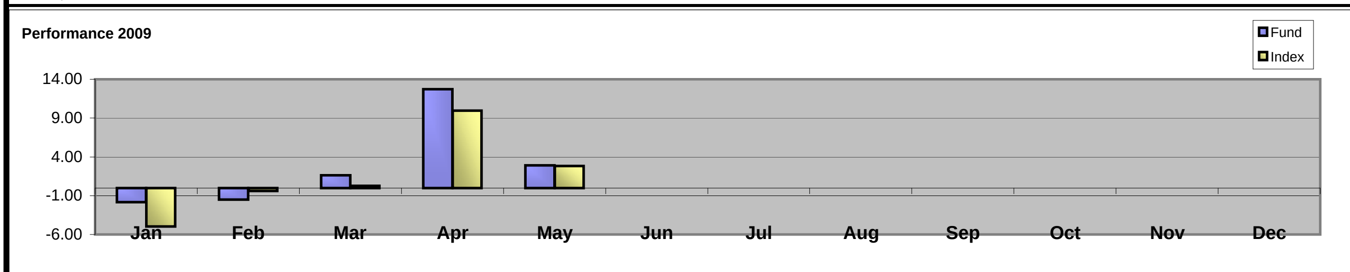
New positions in the fund: None

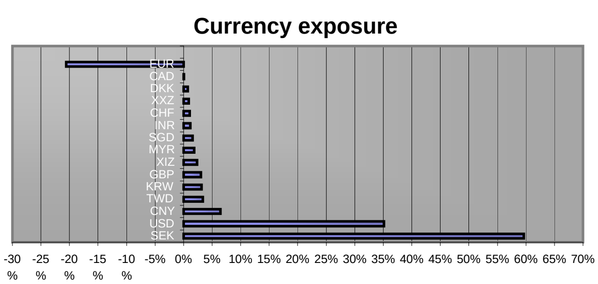


Monthly performance (%)

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Tot
Fund	2009	-1.84	-1.52	1.63	12.71	2.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.96
Index	2009	-4.98	-0.39	0.26	9.97	2.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.32

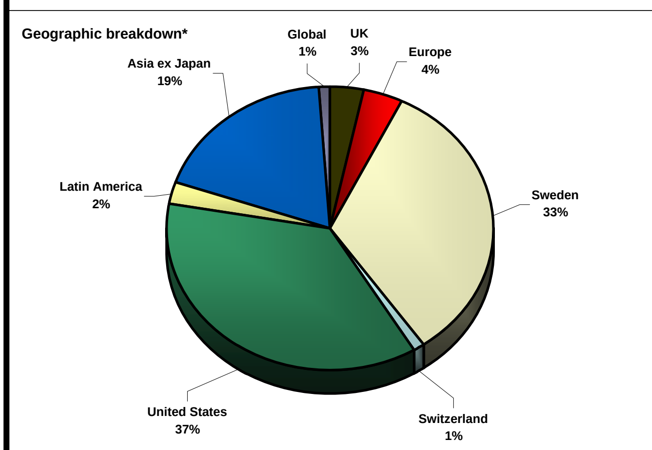
The comparison index consist of: 70% MSCI World Free Index and 30% MSCI Sweden Index

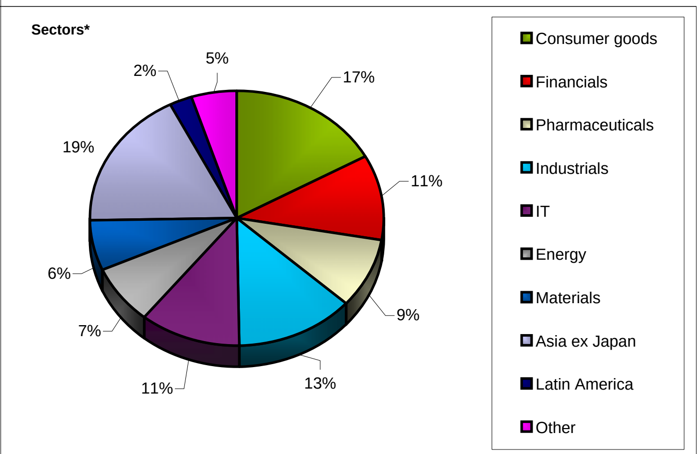




Five biggest holdings

Ishares Ftse/Xinhua China	5.96%
Ishares MSCI Taiwan Index Fund	3.34%
Ishares MSCI South Korea Ind Fd	3.14%
Ishares DJ US Index Fund	3.13%
Quality Systems	2.52%





*This breakdown reflects the equity allocation

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