



ZENIT **MULTIS**TRATEGY SICAV
SOCIÉTÉ D'INVESTISSEMENT À CAPITAL VARIABLE
LUXEMBOURG

S T O C K P I C K I N G

ASSET ALLOCATION MONTHLY REPORT

OCTOBER 2010

This document was written in respect of the point n° 5 of the INVESTMENT MANAGEMENT AGREEMENT signed between Degroof Gestion Institutionnelle – Luxembourg (Management Company) and Zenit SGR SpA (Investment Manager).

Risk Measures, Geographical & Currency Breakdown.

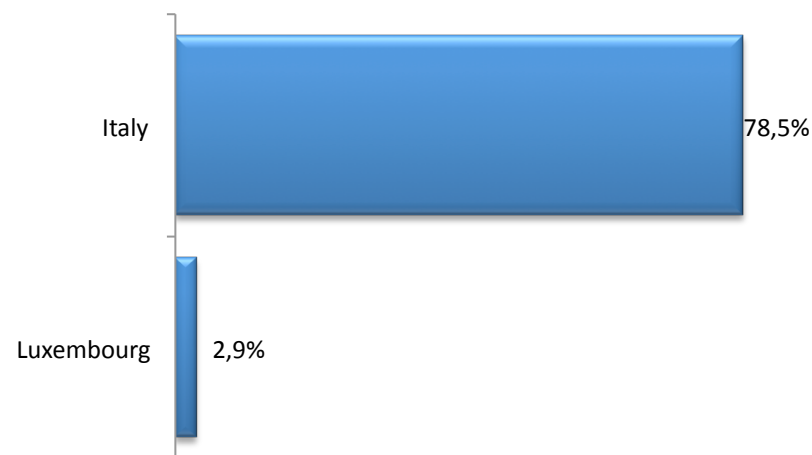
ZENIT MULTISTRATEGY - Stock Picking - EQUITY PORTFOLIO - 29/10/2010	
% Equity in Portfolio	83,0%
Stock's Number in Portfolio	44
Stock Average BETA	0,69
V.A.R. on WHOLE PORTFOLIO at 95% 1 Month Horizon	6,01%
Bloomberg Recommendation Consensus	2,50
Volatility 30 Day	20,68
Volatility 90 Day	22,03
Volatility 360 Day	30,27
BE Estimate P/E Current Year	18,35
BE Estimate P/E Next Year	10,37
Price/Book Value	1,18

Bloomberg Recommendation Consensus: Media dei rating delle azioni delle Società in portafoglio: 5 = BUY; 4 = OUTPERFORM; 3 = HOLD; 2 = UNDERPERFORM; 1 = SELL. Il rating è basato sui consigli degli analisti raccolti da Bloomberg.

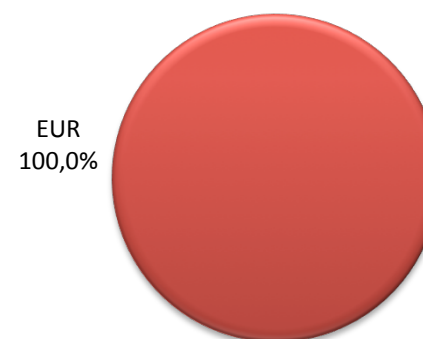
ZENIT MULTISTRATEGY - Stock Picking - BOND PORTF. & CASH - 29/10/2010	
% Cash in Portfolio	13,7%
% Government Bond in Portfolio	0,0%
% Corporate Bond in Portfolio	3,4%
Bond's Number in Portfolio	5
Modify Duration	0,51
Maturity	4,99
Volatility 90 Day	0,98
Moody's Rating	A2
Yield	1,29%
Coupon	1,67%
Mid Government Spread (bp)	89

[1] Cash position is valued with AAA rating and 1,50% yearly yield

ZENIT MULTISTRATEGY SICAV - Stock Picking
Country Diversification (Equity Portfolio)



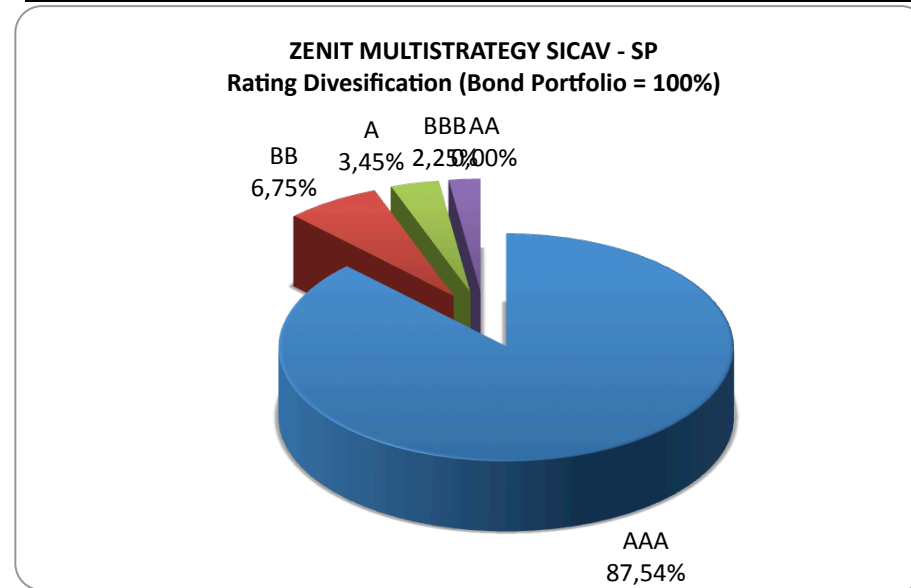
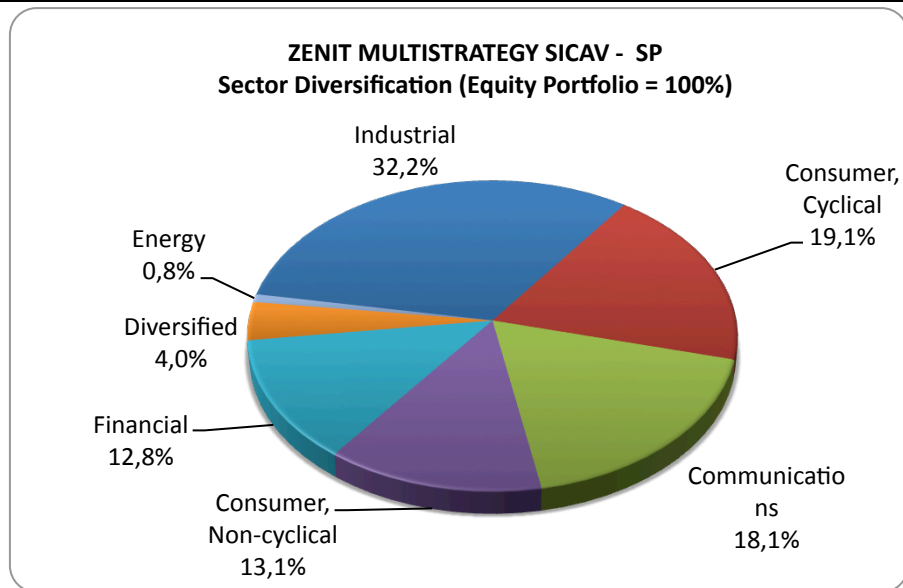
ZENIT MULTISTRATEGY SICAV - Stock Picking
Currency Diversification (Whole Portfolio)



Top 10 Holdings, Sector & Rating Breakdown.

ZENIT MULTISTRATEGY SICAV - Stock Picking - Top 10 Stocks in portfolio 29/10/20010		
Company Name	Sector	%
SCREEN SERVICE BROADCASTING	Communications	4,7%
SIAS SPA	Consumer, Non-cyclical	3,6%
EXOR SPA	Diversified	3,2%
ASTALDI SPA	Industrial	3,1%
TENARIS SA	Industrial	2,9%
BRIOSCHI SVILUPPO IMMOBILIAR	Financial	2,7%
CAIRO COMMUNICATIONS SPA	Communications	2,6%
MEDIASET SPA	Communications	2,6%
IMPREGILO SPA	Industrial	2,6%
GEMINA SPA	Industrial	2,5%
Total Weight Top 10 Stocks		30,6%

ZENIT MULTISTRATEGY SICAV - Stock Picking - Top 10 Bonds in Portfolio 29/10/20010		
Bond Description	Rating	%
TUIGR 6 5/8 05/16/11	A-	1,0%
LTOIM 8 1/4 03/31/66	BB	1,1%
WINDIM 11 12/01/15	A	0,5%
ALVGR 4 5/8 06/29/49	BBB+	0,5%
BPIM 0 06/29/49	BBB	0,4%
0	0	0,0%
0	0	0,0%
0	0	0,0%
0	0	0,0%
0	0	0,0%
0	0	0,0%
Total Weight Top 10 Bonds		4,50%



Changes on Top 10 Holdings.

E Q U I T Y	
IN	OUT
* Exor	* Generali
* Cairo	* Parmalat
* Tenaris	* Intesa san paolo
* Mediaset	

B O N D	
IN	OUT

- ✓ Exor: very cheap compared to Fiat: stock traded at more than 40% discount to its market NAV - implying that the market cap of Exor is below the market value of the stake in Fiat
- ✓ Cairo : player of advertising recovery in Tv (la 7), cheap valuation.
- ✓ Tenaris: appealing in valuation, expect a strong margin rebound in 2011
- ✓ Mediaset: short term trading idea

Comments and explanations about the performance.

During the month of October 2010 the main contributor to the performance were (the contribution to fund's performance is into brackets): Screen service (0.35), Telecom Italia media (0,32%), Pirelli &C (0.31%) , Gemina (0.31%).

The worst were: Banco popolare (-0,14%), Trevi (-0,13%), Cogeme (-0,12%), Granitifiandre (0.11%)

In term of asset allocation the equity exposure was on average 95%.

Name	1 Month	YtD	From last Qtr
Zenit MultiStrategy SICAV – SP	4.38%	-4.78%	4.38%
FTSE all share	4.50%	-6.78%	4.50%
MSCI World in €	1.45%	7.72%	1.45%
S&P 500 in €	1.48%	8.24%	1.48%
DJ Stoxx 50 €	2.44%	-1.65%	2.44%

- The fund's 30 days Historical Volatility was **24.40%** at the 29th of October 2010 (HVG Bloomberg's Function) compared with **28.86%** in the month of September 2010.