



# Creststreet Global Energy Opportunities Fund Inc.

May 2009 Newsletter

## Net Asset Value Per Share

**May 31, 2009:**

**Series 2005 - \$8.6517 CAD**

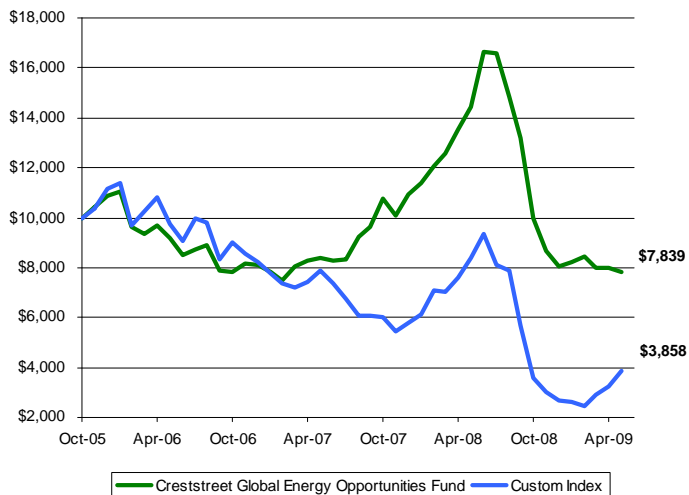
## Fund Description

Creststreet Global Energy Opportunities Fund Inc. ("CGEOF" or the "Fund") seeks to provide shareholders with long-term capital growth by employing fundamental securities selection by taking both long and short investment positions in equity, debt and derivative securities and through strategic investment. CGEOF's portfolio will consist primarily of securities of issuers engaged in the global energy sector.

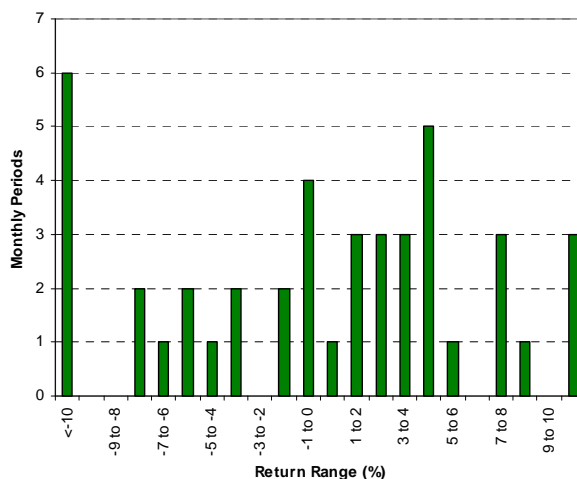
## Historical Performance <sup>(1)(2)</sup>

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2005</b>											4.3%	4.2%	8.6%
<b>2006</b>	1.8%	-12.7%	-3.3%	3.9%	-5.6%	-7.4%	3.1%	1.6%	-11.4%	-0.6%	4.1%	-0.5%	-25.4%
<b>2007</b>	-3.4%	-4.6%	7.8%	2.9%	1.1%	-1.1%	0.4%	11.2%	3.9%	11.7%	-6.2%	8.6%	34.8%
<b>2008</b>	4.3%	5.8%	4.3%	7.4%	7.1%	14.9%	-0.2%	-10.5%	-11.0%	-24.6%	-12.8%	-7.2%	-26.2%
<b>2009</b>	2.2%	2.4%	-5.1%	-0.4%	-1.8%								-2.8%

## Performance <sup>(1)(2)</sup>



## Distribution of Returns <sup>(1)(2)</sup>



<sup>(1)</sup> Effective September 1, 2006 the Fund changed from being denominated in US\$ to CAD\$. <sup>(2)</sup> The performance statistics contained in this document are to provide historical information from inception of the Fund. The performance and other statistics presented in this document may not be indicative of the performance or statistics of the specific series of shares held by a particular investor. <sup>(3)</sup> See "Use of Benchmarks" on page 2.

## Statistics <sup>(1)(2)(3)</sup>

	CGEOF	Creststreet Custom Index	S&P/TSX Capped Energy Index	S&P/TSX Composite Index
Compounded Annual Return (since inception)	-6.6%	-23.3%	-1.3%	0.0%
1 Year Return	-45.8%	-54.1%	-37.2%	-29.5%
Since Inception (simple return)	-21.6%	-61.4%	-4.6%	-0.1%
Standard Deviation	7.6%	11.4%	8.3%	5.3%
R-Squared		0.41	0.26	0.25
Correlation		0.64	0.51	0.50
Beta		0.43	0.47	0.71
Monthly Alpha		0.4%	-0.4%	-0.4%
Largest Month Gain	14.9%	19.9%	16.7%	11.2%
Largest Month Loss	-24.6%	-36.6%	-21.4%	-16.9%

## Top Holdings as at May 31, 2009 <sup>long positions only</sup>

None

## Terms

Fund AUM	\$6.6 M	Minimum Initial Subscription	\$ 500,000
Performance Fee	20% of the increase in NAV of each month	Year End	December 31
Management Fee	2%	Redemption	Monthly with 30 days notice
Administrator	Royal Bank of Canada Trust Company (Cayman) Limited	Contributions	Monthly
Lock Up	None	Auditors	KPMG LLP
		Prime Broker	Scotia Capital Inc.

## Sub-Sector Allocation as at May 31, 2009

N/A

### Fund Commentary

Creststreet Global Energy Opportunities Fund Inc. (the "Fund") was down 1.8 percent for the month of May 2009. The Creststreet Custom Index was up 19.9 percent for the month.

### Outlook

In May, for the third consecutive month, North American equity Markets continued to rally, with the S&P 500 up over 5%, the Dow Jones Industrial Average up over 4%, and the S&P/TSX Composite Index up over 11%. All three of these indices began June up greater than 40% from their March lows. In spite of the power, breadth, and length of the market appreciation experienced over the past three months, we remain cautious about the growth prospects of the world economy in the short and medium term and the likely impact this will have on corporate earnings.

In particular, the debt levels of the U.S. consumer, responsible for over 70% of current United States GDP and 80% of U.S. GDP growth over the past three decades, will make it difficult for the economy to return to a stable growth path. Analysis of the detail underlying recent reports on Personal Consumption show that the majority of government tax cuts are being saved as consumers seek to repair their balance sheets and adapt to a world of shrinking credit.

As this structural adjustment occurs, we are seeing a reorientation in the global economy. Expenditures from both the Chinese and American governments are attempting to fill the growth void while the U.S. consumer adjusts. The coming focus on infrastructure building by both nations will have a positive impact on demand for commodities for the coming 6 to 9 months and has helped propel the price of crude oil to more than double its February lows.

### Commodities Review

NYMEX crude oil closed the month of May at US\$66.31, an increase of 29.7 percent month-over-month. The price of oil strengthened throughout the month in response to a declining U.S. dollar and as the market began to look past the current supply overhang in the form of increased OPEC spare capacity and record storage levels to a period of renewed tightness in supply.

NYMEX natural gas prices continued to remain soft closing the month at US\$3.84 per million British thermal units (mmbtu), up from US\$3.37 in the previous month. The continued weakness was largely the result of demand declines in the industrial and power generation sectors combined with record levels of supply as production has yet to fall significantly in response to the rapid decline in the rig count. We expect soft natural gas prices to persist for most of the next year.

### Fund Performance and Strategy

During May, 2009, the Fund liquidated its remaining positions in anticipation of the wind-up of the Investor Class of the Fund. As of May 31, 2009 all shareholders of the Investor Class were redeemed out for cash at the Net Asset Value of the Investor Class on that date.

**Use of Benchmarks:** The Creststreet Custom Index is comprised of 50 widely-followed conventional North American listed energy exploration and development companies. The Creststreet Custom Index is used to provide investors with a relevant benchmark to the Fund. The Index is reset to an equal-value weight on a monthly basis. The S&P/TSX Capped Energy Index is comprised of shares of Canadian companies involved in exploration and/or production of energy resources and is designed to track the performance of the entire energy sector and is used as a benchmark to show how the Fund is performing in relation to the Canadian conventional energy resource sector on a relative basis. The S&P/TSX Composite Index covers approximately 95% of the Canadian-based Toronto Stock Exchange-listed companies and is designed to track the performance of the Canadian equities market as a whole and is used as a benchmark to show how the Fund is performing in relation to the broader Canadian equity market on a relative basis.

### About Creststreet

Creststreet is a performance-driven investment management firm focused exclusively on the energy sector. Founded in 2000, our mission is to achieve **excellence in energy investing** through strong and consistent investment performance for all of our Canadian and international institutional and high net worth investors.

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