



## **December 2009 Market Commentary**

December was an uneventful month for the S&P 500. The trading range for the market was approximately 3.6%, a range that might have been witnessed any given day earlier in the year. This lack of volatility did not hamper Warrington's ability to capture profits, because there were two separate and declines of 2.5% to 3.0% during the month. Even with this moderate amount of movement in the S&P 500 futures, Warrington was able to realize profits when the market turned lower, especially because one of the declines occurred during the week of options expiration.

Warrington's performance has been very positive for 2009, even though market conditions were less than optimal when compared to the ideal trading environment for the fund's strategy. Despite the S&P 500 rallying almost continuously from the lows experienced in March, Warrington was able to produce significant positive returns while staying within its traditional trading methodology and maintaining a strict focus on risk management.