

May 2005 Monthly Performance Update

Blackstar Fund, LP as of month end May 2005				
<i>Style</i>	<i>Estimated Month to date Return</i>	<i>Estimated Year to date Return</i>	<i>Estimated Return Since Inception*</i>	<i>Average Portfolio Allocation</i>
Currency	1.82%	-0.59%	-0.48%	15.10%
Hedged Equity	0.96%	2.20%	10.62%	9.88%
High Yield	1.27%	-1.95%	2.66%	8.36%
Managed Futures	4.63%	-12.53%	-7.48%	39.07%
Short-term Trading	2.44%	5.72%	7.52%	16.96%
Estimated Net Return	2.39%	-4.45%	-3.00%	
* The Blackstar Fund, LP launched December 1, 2003				

Commentary

Blackstar Fund, LP estimated return for May 2005 is +2.39%.

May was a successful month for all investment strategies in the portfolio. Performance was lead by the managed futures allocation. Most of the profits in this sector were generated from long bond positions as intermediate and long term global interest rates significantly declined during the month. The French vote against the EU constitution had a negative effect on the Euro currencies vs. the US Dollar and this generated profits for the fund's long dollar positions. Short term traders generated healthy gains with most of the performance coming from long global bond and short Euro currency trades. Global equity & high yield markets rallied back from the YTD lows set in April and this move benefited our hedged equity and high yield positions. The fund's hedged equity allocation was able to make a new all time high.

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