



27th October 2008

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Dear Sirs

**Nexus4 Topaz Notes (ASX code NXBHD)
Portfolio Commentary and Composition Report from Portfolio Manager**

Attached is a Portfolio Commentary and Composition Report for the quarter ended 30 September 2008 prepared by the Portfolio Manager, Société Générale Asset Management Alternative Investments SA (**SGAM AI**).

The attached does not take into account any events or circumstances occurring in the period between 30 September 2008 and the date of publication.

Since 30 September 2008, a Credit Event in relation to Kaupping Banki hf (**Kaupthing**) was announced for Nexus4 Topaz Notes. This Credit Event resulted in a reduction of the Income Factor to 6.386. Because the Income factor has fallen below 20.00, as a result of the Kaupthing Credit Event, no further substitutions are permitted in the Nexus4 Topaz Notes portfolio, and the portfolio has now become static (meaning it is no longer managed by Société Générale Asset Management Alternative Investments SA (**SGAM AI**)).

Neither Deutsche Bank nor Nexus is liable for any error or omission in the information contained in the report.

Please note this report is in relation to Nexus4 Topaz Notes only and does not relate to Nexus2 Notes (NXBHB) nor Nexus3 Notes (NXBHC).

Yours faithfully

Deutsche Bank AG, Sydney Branch
(as Operating Agent for Nexus Bonds Limited)



Nexus 4

Topaz Notes

Quarterly report

Third Quarter 2008
30/09/2008

Alternative Investments



SOCIETE GENERALE
Asset Management

NEXUS4 Topaz Note

30/09/2008

TABLE OF CONTENTS

	<i>Page</i>
Transaction Summary	3
Management Philosophy	3
Market Overview	4
Credit events	5
Constraints	5
Portfolio	6
Transaction Performances	7
Credit migration	8
Rating Split / Industry Breakdown	9
Substitutions during the period	10
Name Focus	10
Contacts	11

NEXUS4 Topaz Note

30/09/2008

TRANSACTION SUMMARY

Issuer	Nexus Bonds Limited
Manager	SGAM Alternative Investments
Arranger	Deutsche Bank
Ticker Bloomberg	NXBHD Corp <Go>
5yr Initial Average Spread	67.47 bp
Initial Average Rating	BBB
Next Reset Date	November 2008
6 th Coupon Reset Spread	153.35 bps (May, 2008)
5 th Coupon Reset Spread	110.72 bps (November, 2007)
4 th Coupon Reset Spread	48.08 bps (May, 2007)
3 rd Coupon Reset Spread	48.68 bps (November, 2006)
2 nd Coupon Reset Spread	53.78 bps (May, 2006)
1 st Coupon Reset Spread	72.06 bps (November, 2005)

LIABILITIES CHARACTERISTICS

Class	Rate	Participation	Maturity	Previous Income Factor	New Income factor *	Difference in Income Factor
Nexus4	BBSW 6m	4	10Y	76.38%	29.38%	-47.00%

* Potential new income factor given the Lehman Brothers Holdings Inc and Washington Mutual Inc credit events with a fixed recovery of 30%

MANAGEMENT PHILOSOPHY

- © NEXUS4 are Capital Guaranteed Notes with coupon linked to the performance of CDO equity tranche.
- © 119 Companies with an average rating of BBB, diversified through 28 sectors
- © Floating Credit Spread: The coupons are fixed every six-month period to reflect the average 5 year credit margin of the portfolio

NEXUS4 Topaz Note

30/09/2008

MARKET OVERVIEW

Economic and financial conditions worsened dramatically during the last quarter. September has been marked by a flurry of scaring news relating to the health of major banks. Since the beginning of the credit turmoil, banks and financial institutions have had to write off a large series of structured assets. This situation accelerated the de-leverage process into a vicious circle prompting a greater sell-off at any price in order to create capital to keep their loan-to-capital ratios within the regulatory limits.

This context did not allow a normalization of the short term money market and the basis between day-to-day cash offer and 3 months offered rate has been constantly widening despite a massive injection of liquidity by all central banks. Moreover banks impossibility of long term financing, lead to a greater imbalance between long term liabilities and short uncertain funding.

As confidence vanished, fragile financing sources dried up and defaults occurred.

First, the US government announced a takeover of Fannie Mae and Freddie Mac, the two biggest backers of US mortgage loans, after mounting fears of bankruptcy. Secondly, credit turmoil pushed Lehman Brothers into bankruptcy, while AIG was "saved" by US authorities. European banks were also hit, with especially the first bailout of Fortis and the concerted support of Dexia.

Finally, increasing tensions on the financial conditions were followed by US authority's announcements, with a bail out plan of \$ 700 billion to buy back "bad" assets from banks. However, mounting concerns related to the financing of this program prompted politics to express restriction on the plan and to delay its final approval.

The world's economy is now in recession. The slowing of the activity has accelerated, triggered by decelerating consumption across the world. Consumers have been hit by a higher unemployment rate and the tightening of the credit conditions. On the other hand, inflation began to decelerate, driven by the recent fall of commodity prices. US economy relapsed after encouraging second quarter. Key business leading indicator slumped to levels consistent with recession periods.

The Fed maintained official rates unchanged at 2 %, but announced accommodative measures in order to facilitate the short term financing of banks. Overseas, European economies saw new signs of weakness, with especially slowing consumption and deteriorating employment figures. The European Central bank maintained rates at 4.25%, but underscored worsening economic conditions. Japanese economy also saw signs of deterioration, with especially negative impact of falling Asian demand on Japanese exports. Lastly, emerging economies also have been hit by a severe slowing of their activity.

In that context the management of structured credit has been very painful. Liquidity on the market has decreased sharply and bid/offers charged on the portfolio rebalancing have been so important that it has dramatically reduced our management capabilities.

NEXUS4 Topaz Note

30/09/2008

CREDIT EVENTS

LEHMAN BROTHERS HOLDINGS Inc

Lehman Brothers Holdings Inc. announced that it intends to file a petition under Chapter 11 of the U.S. Bankruptcy Code with the United States Bankruptcy Court for the Southern District of New York.

The 158-year-old firm, had survived railroad bankruptcies of the 1800s, the Great Depression in the 1930s and the collapse of Long-Term Capital Management a decade ago but the fourth-largest U.S. investment bank, succumbed to the sub prime mortgage in the biggest bankruptcy filing in history.

Lehman was forced into bankruptcy after Barclays Plc and Bank of America Corp. abandoned takeover talks and the company lost 94 percent of its market value this year. The filing is by Lehman's holding company and won't include any of its subsidiaries. Lehman owes its 10 largest unsecured creditors more than \$157 billion, including debts to bondholders totalling \$155 billion.

WASHINGTON MUTUAL Inc

The Office of Thrift Supervision (OTS) has announced that it has closed Washington Mutual Inc and placed its bank subsidiaries under receivership by the Federal Deposit Insurance Corporation. The OTS concluded that Washington Mutual did not have sufficient liquidity to meet its obligation because there had been a \$16.7 billion outflow of deposits since September 15.

Following this news, JP Morgan announced that it was buying the deposits assets and some liabilities of Washington Mutual's banking operations.

Washington Mutual Inc filed for bankruptcy protection on Sep, 26. The petition filed in U.S. Bankruptcy Court in Delaware listed assets of \$32.9 billion against debt of \$8.2 billion. Liabilities include \$5.2 billion in debt securities. The assets and operation of the banking business were transferred to JP Morgan Chase for \$1.9 billion. JP Morgan did not assume obligations to shareholder nor to senior and subordinated debt holder of the holding company.

CONSTRAINTS

Criteria	Target	Current	Validation
Maximum exposure to Portfolio Companies rated BB+/Ba1 or below	10%	7.56%*	Comply
Maximum Average 7 years Portfolio Credit Spread	3%	3.93%**	No Comply
Maximum Exposure to a single industry	15%	12.61%	Comply
Maximum exposure to Portfolio Companies with no public rating	5%	4.20%	Comply
Maximum exposure to country rated below A-/A3	5%	2.52%	Comply

* According to Moody's rating breakdown

** This portfolio contains distressed names which have contributed to a significant increase of the average spread during the period

NEXUS4 Topaz Note

30/09/2008

PORTFOLIO

Reference Entity	Reference Obligation	Industry classification group Moody's	Industry classification group S&P	5 yr Spreads*	LT Debt Rating Moody's	LT Debt Rating S&P	Category	Region of incorporation
AIR FRANCE	FR0010185975	Personal Transportation	Air transport	283	NR	NR	Senior	FRANCE
ALTRIA GROUP Inc	US022095AA15	Beverage, Food & Tobacco	Beverage & Tobacco	89	Baa1	BBB+	Senior	USA
AMCOR Ltd	XS0188426372	Containers, Packaging & Glass	Containers & glass products	111	Baa2	BBB	Senior	AUSTRALIA
AOL TIME WARNER	US00184AAG04	Broadcasting & Entertainment	Leisure goods/activities/movies	138	Baa2	BBB+	Senior	USA
ARCELOR MITTAL FIN	XS0176671732	Mining, Steel, Iron & Non Precious Metals	Steel	287	Baa2	BBB+	Senior	LUXEMBOURG
ARROW ELECTRONICS Inc	US042735AL41	Electronics	Electronics/electrical	66	Baa3	BBB-	Senior	USA
AUTOZONE Inc	US053332AC61	Retail Stores	Retailers (except food & drug)	94	Baa2	BBB	Senior	USA
BANCA POPOLARE DI LODI Spa	XS0211167936	Banking	Financial intermediaries	255	WR	A	Sub	ITALY
BANK OF SCOTLAND Plc	XS0156924051	Banking	Financial intermediaries	483	Aa2	A+	Sub	UNITED KINGDOM
BOMBARDIER Inc	USC10602AG20	Aerospace & Defense	Aerospace & Defense	220	Ba2	BB+	Senior	CANADA
BRITISH AMERICAN TOBACCO Plc	XS0189727869	Beverage, Food & Tobacco	Beverage & Tobacco	90	Baa1	BBB+	Senior	UNITED KINGDOM
BRITISH SKY BROADCASTING Plc	US11013AC22	Broadcasting & Entertainment	Cable & satellite television	122	Baa2	BBB	Senior	UNITED KINGDOM
CALTEX AUSTRALIA Ltd	-	Oil & Gas	Oil & gas	137	WR	BBB+	Senior	AUSTRALIA
CAPITAL ONE FINANCIAL Corp	US14040HAJ41	Banking	Financial intermediaries	445	A3	BBB+	Senior	USA
CARNIVAL Corp	US143658AH53	Leisure, Amusement, Entertainment	Food/drug retailers	127	A3	A-	Senior	USA
CARREFOUR Sa	FR0000480691	Retail Stores	Food/drug retailers	63	A2	A	Senior	FRANCE
CENTEX Corp	US152312AQ77	Buildings & Real Estate	Building & Development	437	Ba2	BB	Senior	USA
CENTURY TEL Inc	US156700AG13	Telecommunications	Telecommunications	158	Baa2	BBB-	Senior	USA
CIBA SPECIALTY CHEMICALS Inc	XS0085895935	Chemicals, Plastics & Rubber	Chemicals & plastics	214	Baa2	BBB-	Senior	SWITZERLAND
CIT GROUP Inc	US125581AB41	Banking	Financial intermediaries	1823	Baa1	A-	Senior	USA
COMCAST Corp	US20029PAN96	Broadcasting & Entertainment	Cable & satellite television	125	Baa2	BBB+	Senior	USA
COMPAGNIE DE SAINT-GOBAIN	XS0109134113	Containers, Packaging & Glass	Building & Development	246	Baa1	BBB+	Senior	FRANCE
CONTINENTAL Ag	XS0139722069	Automobile	Automotive	298	Baa2	BBB-	Senior	GERMANY
COUNTRYWIDE HOME LOAN Inc	US22237LNG31	Finance	Financial intermediaries	343	Aa2	AA	Senior	USA
COX COMMUNICATIONS Inc	US224044AN72	Telecommunications	Telecommunications	79	Baa3	BBB-	Senior	USA
DAILY MAIL & GENERAL TRUST Plc	XS0109428705	Broadcasting & Entertainment	Leisure goods/activities/movies	358	NR	BBB	Senior	UNITED KINGDOM
DAIMLER Ag	US233835AW75	Automobile	Automotive	119	A3	A-	Senior	GERMANY
DEUTSCHE LUFTHANSA Ag	XS0140276618	Personal Transportation	Air transport	168	Baa3	BBB	Senior	GERMANY
DEUTSCHE TELEKOM Ag	XS0148956559	Telecommunications	Telecommunications	115	Baa1	BBB+	Senior	GERMANY
DOMINION RESOURCES Inc	US25746UAJ88	Utilities	Utilities	66	Baa2	A-	Senior	USA
DSG INTERNATIONAL Plc	XS0157632562	Retail Stores	Retailers (except food & drug)	424	Ba1	NR	Senior	UNITED KINGDOM
EASTMAN CHEMICAL Co	US277432AD23	Chemicals, Plastics & Rubber	Chemicals & plastics	56	Baa2	BBB	Senior	USA
ELECTROLUX AB-SER B	XS0126231199	Home & Office Furnishings, Housewares, & Durable Consumer Products	Home furnishings	125	WR	BBB+	Senior	SWEDEN
ELISA COMMUNICATIONS OYJ	XS0201780516	Telecommunications	Telecommunications	261	Baa2	BBB	Senior	FINLAND
EMBARQ Corp	US29078EAB11	Telecommunications	Telecommunications	354	Baa3	BBB-	Senior	USA
EXPORT IMPORT BANK OF KOREA	US30215EAA55	Banking	Financial intermediaries	303	Aa3	A	Senior	SOUTH KOREA
FKI Plc	XS0107657222	Diversified/Conglomerate Manufacturing	Conglomerates	165	Ba3	BB	Senior	UNITED KINGDOM
FLEXTRONICS INTERNATIONAL Ltd	US33938EAJ64	Electronics	Electronics/electrical	360	WR	BB+	Senior	USA
FOSTERS GROUP Ltd	USU34574AA89	Beverage, Food & Tobacco	Beverage & Tobacco	113	Baa2	BBB	Senior	AUSTRALIA
FRESENIUS Se	XS0240918218	Chemicals, Plastics & Rubber	Chemicals & plastics	366	WR	BB	Senior	GERMANY
GECINA Sa	FR0010095422	Buildings & Real Estate	Building & Development	525	NR	BB+	Senior	FRANCE
GENERAL ELECTRIC CAPITAL Corp	US36962GY42	Banking	Conglomerates	551	Aaa	AAA	Senior	USA
GKN Plc	XS0147740335	Automobile	Automotive	270	NR	BBB	Senior	UNITED KINGDOM
GMAC LLC	US370425SE16	Banking	Financial intermediaries	4832	B3	B-	Senior	USA
GUS Plc (EXPERIAN Fin Plc)	XS0162820228	Retail Stores	Retailers (except food & drug)	71	Baa1	BBB+	Senior	UNITED KINGDOM
HALLIBURTON Co	US406216AR24	Oil & Gas	Oil & gas	48	A2	A	Senior	USA
HAMMERSON Plc	XS0130216947	Buildings & Real Estate	Building & Development	411	Baa2	NR	Senior	UNITED KINGDOM
HANNOVER RUECKVERSICHERUNG Ag	XS0187043079	Insurance	Insurance	137	WR	AA-	Sub	GERMANY
HAVAS Sa	FR0000188476	Broadcasting & Entertainment	Radio & Television	323	NR	NR	Senior	FRANCE
HEIDELBERGCEMENT Ag	DE0002966850	Buildings & Real Estate	Building & Development	432	Baa3	BBB-	Senior	GERMANY
HELLENIC TELECOM ORGANIZATION Sa	XS0173549659	Telecommunications	Telecommunications	89	Baa2	BBB+	Senior	GREECE
HJ HEINZ Co	US423074AG80	Beverage, Food & Tobacco	Food products	51	Baa2	BBB	Senior	USA
HUTCHISON WHAMPOA INTL Ltd	XS0223429084	Diversified/Conglomerate Service	Conglomerates	219	A3	A-	Senior	HONG KONG
IMPERIAL TOBACCO GROUP Plc	XS0180407602	Beverage, Food & Tobacco	Beverage & Tobacco	184	Baa3	BBB	Senior	UNITED KINGDOM
INTERNATIONAL PAPER Co	US460146BM46	Printing & Publishing	Publishing	172	Baa3	BBB	Senior	USA
KAUPTHING BANK	XS0206352824	Banking	Financial intermediaries	1445	A1	NR	Senior	ICELAND
KINGFISHER Plc	XS0178322474	Retail Stores	Retailers (except food & drug)	312	Baa3	BBB-	Senior	UNITED KINGDOM
LAFARGE Sa	FR0010032730	Buildings & Real Estate	Building & Development	300	Baa2	BBB	Senior	FRANCE
LANXESS Ag	XS0222550880	Chemicals, Plastics & Rubber	Chemicals & plastics	154	Baa2	BBB	Senior	GERMANY
LEGRAND	US524671AA21	Electronics	Electronics/electrical	280	Baa3	BBB	Senior	FRANCE
LEHMAN BROTHERS HOLDINGS Inc	US52517PSC67	Finance	Brokers, Dealers & Investment houses	703	B3	D	Senior	USA
LENNAR CORPORATION	US526057AG99	Diversified/Conglomerate Manufacturing	Conglomerates	749	Ba3	BB	Senior	USA
LTD BRANDS Inc	US532716AA08	Retail Stores	Retailers (except food & drug)	304	Baa3	BBB-	Senior	USA
MARATHON OIL Corp	US565849AA47	Oil & Gas	Oil & gas	148	Baa1	BBB+	Senior	USA
MASCO Corp	US574599AX44	Buildings & Real Estate	Building & Development	274	Baa2	BBB+	Senior	USA
METRO Ag	DE0002017217	Retail Stores	Retailers (except food & drug)	88	Baa2	BBB+	Senior	GERMANY
METSO CORPORATION	XS0205081911	Machinery (Non-Agriculture, Non-Construction, Non-Electronic)	Industrial equipment	190	Baa2	BBB	Senior	FINLAND
MICHELIN (CIE GENERALE DES ETABLISSEMENTS)	FR0010034298	Automobile	Automotive	213	Baa2	BBB	Senior	FRANCE
MUENCHENER RUECKVERSICHERUNG Ag	DE0002452547	Insurance	Insurance	131	Aa3	AA-	Sub	GERMANY
NEWELL RUBBERMAID Inc	US651229AB28	Home & Office Furnishings, Housewares, & Durable Consumer Products	Home furnishings	92	Baa2	BBB+	Senior	USA
NEXT Plc	XS0169287124	Retail Stores	Retailers (except food & drug)	271	Baa2	BBB	Senior	UNITED KINGDOM
PCCW-HKT TELEPHONE Ltd	US69319CAA27	Telecommunications	Telecommunications	257	Baa2	BBB	Senior	HONG KONG
PEARSON Plc	XS0106750655	Printing & Publishing	Publishing	72	Baa1	BBB+	Senior	UNITED KINGDOM

NEXUS4 Topaz Note

30/09/2008

Reference Entity	Reference Obligation	Industry classification group Moody's	Industry classification group S&P	5 yr Spreads*	LT Debt Rating Moody's	LT Debt Rating S&P	Category	Region of incorporation
PEARSON Plc	XS0106750655	Printing & Publishing	Publishing	72	Baa1	BBB+	Senior	UNITED KINGDOM
PETROLEOS MEXICANOS	US71654QAM42	Oil & Gas	Oil & gas	169	Baa1	BBB+	Senior	MEXICO
PINAULT-PRINTEMPS-REDOUTE	FR0010068486	Retail Stores	Retailers (except food & drug)	280	NR	BBB-	Senior	FRANCE
PORSCHE AUTOMOBIL HOLDING Se	DE0008579004	Automobile	Automotive	210	NR	NR	Senior	GERMANY
PROLOGIS TRUST	US743410AE29	Buildings & Real Estate	Industrial equipment	474	Baa1	BBB+	Senior	USA
PROSIEBEN SAT.1 MEDIA Ag	XS0192644911	Broadcasting & Entertainment	Radio & Television	897	WR	NR	Senior	GERMANY
PUBLICIS GROUPE Sa	FR0010157354	Broadcasting & Entertainment	Publishing	135	Baa2	BBB+	Senior	FRANCE
QANTAS AIRWAYS Ltd	USQ77974AW52	Personal Transportation	Air transport	169	Baa1	BBB+	Senior	AUSTRALIA
RADIAN GROUP Inc	US750236AB78	Insurance	Insurance	2311	Ba1	BB+	Senior	USA
RALLYE	FR0010117325	Retail Stores	Food/drug retailers	754	NR	NR	Senior	FRANCE
RANK GROUP Plc	XS0182099183	Hotels, Motels, Inns & Gaming	Lodging & casinos	580	WR	B+	Senior	UNITED KINGDOM
RENAULT Sa	FR0000474843	Automobile	Automotive	210	Baa1	BBB+	Senior	FRANCE
REPSOL YPF Sa	XS0110487062	Oil & Gas	Oil & gas	96	Baa1	BBB	Senior	SPAIN
RHEINMETALL Ag	DE0006776826	Automobile	Automotive	131	Baa2	BBB-	Senior	GERMANY
ROYAL & SUN ALLIANCE INSURANCE Plc	XS0102735528	Insurance	Insurance	186	A3	A	Sub	UNITED KINGDOM
SAFEWAY Inc	US786514BF54	Grocery	Food/drug retailers	67	Baa2	BBB	Senior	USA
SARA LEE Corp	US803111AM56	Beverage, Food & Tobacco	Food products	59	Baa1	BBB+	Senior	USA
SBC COMMUNICATIONS Inc	US78387GAK94	Telecommunications	Telecommunications	87	A2	A	Senior	USA
SCOR Se	FR0000489619	Insurance	Insurance	188	A3	A-	Sub	FRANCE
SCOTTISH & NEWCASTLE Ltd	XS0145156070	Beverage, Food & Tobacco	Beverage & Tobacco	62	NR	NR	Senior	UNITED KINGDOM
SES GLOBAL Sa	XS0180191164	Broadcasting & Entertainment	Cable & satellite television	121	Baa2	BBB	Senior	LUXEMBOURG
SPRINT NEXTEL Corp	US852060AD48	Telecommunications	Telecommunications	387	Baa3	BB	Senior	USA
STARWOOD HOTEL & RESORTS WORLDWIDE Inc	US85590AAD63	Hotels, Motels, Inns & Gaming	Lodging & casinos	282	Baa3	BBB-	Senior	USA
TAKEFUJI Corp	USJ81335AH45	Finance	Financial intermediaries	904	Baa1	BBB-	Senior	JAPAN
TATE & LYLE Plc	XS0150130879	Beverage, Food & Tobacco	Food products	219	Baa2	BBB	Senior	UNITED KINGDOM
TDC A/S	XS0146556385	Telecommunications	Telecommunications	194	B1	BB-	Senior	DENMARK
TECHNIP Sa	FR0010085795	Oil & Gas	Oil & gas	96	NR	BBB	Senior	FRANCE
TELECOM ITALIA SPA	XS0142531903	Telecommunications	Telecommunications	219	Baa2	BBB	Senior	ITALY
TELEFONICA Sa	ES0278430931	Telecommunications	Telecommunications	133	Baa1	BBB+	Senior	SPAIN
TELEFONOS DE MEXICO SA BURSATIL DE CV	USP9048DDD86	Telecommunications	Telecommunications	172	A3	BBB+	Senior	MEXICO
TELEKOM AUSTRIA Ag	XS0172844283	Telecommunications	Telecommunications	89	A3	BBB+	Senior	AUSTRIA
TELEKOMUNIKACJA POLSKA S.A.	USN31209AA26	Telecommunications	Telecommunications	106	A3	BBB+	Senior	POLAND
THE PMI GROUP Inc	US69344MAH43	Insurance	Insurance	1334	Baa3	BBB-	Senior	USA
THOMSON (EX-TMM)	FR0000188369	Electronics	Electronics/electrical	601	WR	B+	Senior	FRANCE
THYSSENKRUPP Ag	XS0214238239	Mining, Steel, Iron & Non Precious Metals	Steel	242	Baa2	BBB	Senior	GERMANY
UBS Ag	CH0009367886	Banking	Brokers, Dealers & Investment houses	488	Aa2	AA-	Sub	SWITZERLAND
VALEO	FR0010007468	Automobile	Automotive	270	Baa2	NR	Senior	FRANCE
VINCI Sa	XS0151548616	Buildings & Real Estate	Building & Development	177	Baa1	BBB+	Senior	FRANCE
VNU N.V. (Nielsen Co)	XS0137852793	Printing & Publishing	Publishing	667	Caa1	B	Senior	NETHERLANDS
VOLKSWAGEN Ag	XS0140535229	Automobile	Automotive	143	A3	A-	Senior	GERMANY
WASHINGTON MUTUAL Inc	US939322AV52	Finance	Financial intermediaries	8583	Caa2	D	Senior	USA
WENDEL	XS0185010401	Utilities	Utilities	469	NR	BBB-	Senior	FRANCE
WOLTERS KLUWER Nv	XS0181273342	Printing & Publishing	Publishing	87	Baa1	BBB+	Senior	NETHERLANDS
WOORI BANK	XS0155783276	Finance	Financial intermediaries	608	A1	A-	Sub	SOUTH KOREA
WPP GROUP Plc	XS0131030032	Broadcasting & Entertainment	Business equipment & services	186	Baa2	BBB+	Senior	UNITED KINGDOM
XL CAPITAL Ltd	US98372PAF53	Insurance	Insurance	412	Baa1	A-	Senior	USA
ZURICH INSURANCE COMPANY	XS0201168894	Insurance	Insurance	135	A2	AA-	Sub	SWITZERLAND

Weighted average 5Y spread : 409.94bps **

*Source: Markit

** WAS 5 Y with a cap spread of 800 bps = 277.76 bps

5 YEAR MARKET SPREADS

		Current spread 30/09/2008	Spread as of 30/06/2008	Variation
5 Tightest Market Spreads* (5 years CDS)	HALLIBURTON Co	48	52	-4
	HJ HEINZ Co	51	47	4
	EASTMAN CHEMICAL Co	56	72	-16
	SARA LEE Corp	59	67	-8
	SCOTTISH & NEWCASTLE Ltd	62	41	21
5 Widest Market Spreads* (5 years CDS)	KAUPTHING BANK	8583	588	7995
	CIT GROUP Inc	4832	1688	3144
	RADIAN GROUP Inc	2311	2595	-284
	GMAC LLC	1823	737	1086
	WASHINGTON MUTUAL Inc	1445	798	647

*Source: Markit

NEXUS4 Topaz Note

30/09/2008

NAMES PERFORMANCE

		Current spread 30/09/2008	Spread as of 30/06/2008	Variation
5 Best names* (5 years CDS)	RADIAN GROUP Inc	2311	2595	-284
	INTERNATIONAL PAPER Co	172	253	-81
	FKI Plc	165	199	-34
	CENTURY TEL Inc	158	182	-24
	THOMSON (EX-TMM)	601	622	-21
5 Worst names* (5 years CDS)	LEHMAN BROTHERS HOLDINGS Inc	8583	588	7995
	KAUPTHING BANK	4832	1688	3144
	CIT GROUP Inc	1823	737	1086
	GMAC LLC	1445	798	647
	WASHINGTON MUTUAL Inc	703	278	425

*Source: Markit

CREDIT MIGRATION DURING THE PERIOD

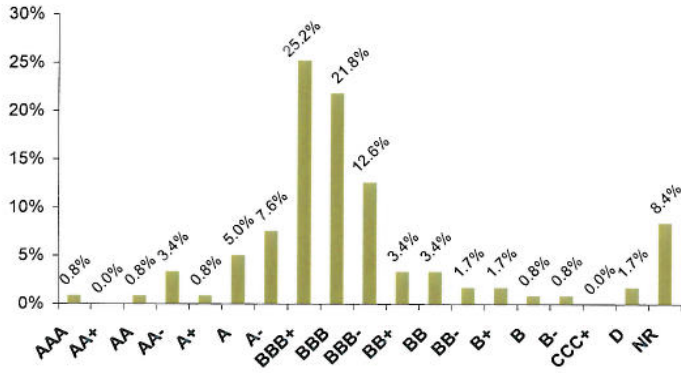
Date	Name	Agency	From	To	Action
02/07/2008	COUNTRYWIDE HOME LOAN Inc	Moody's	Baa3	Aa2	↗
02/07/2008	COUNTRYWIDE HOME LOAN Inc	S&P	BB+	AA	↗
07/07/2008	UBS Ag	Moody's	Aa1	Aa2	↘
10/07/2008	THE PMI GROUP Inc	Moody's	A1	Baa3	↘
18/07/2008	LEHMAN BROTHERS HOLDINGS Inc	Moody's	A1	A2	↘
24/07/2008	WASHINGTON MUTUAL Inc	S&P	BBB	BBB-	↘
25/07/2008	MICHELIN (CIE GENERALE DES ETABLISSEM	Moody's	Baa3	Baa2	↗
01/08/2008	GMAC LLC	S&P	B	B-	↘
05/08/2008	THOMSON (EX-TMM)	S&P	BB-	B+	↘
13/08/2008	HANNOVER RUECKVERSICHERUNG Ag	Moody's	A2	WR	↘
18/08/2008	LENNAR CORPORATION	S&P	BB	BB-	↘
21/08/2008	CIBA SPECIALTY CHEMICALS Inc	S&P	BBB	BBB-	↘
27/08/2008	RADIAN GROUP Inc	S&P	BBB	BB+	↘
27/08/2008	THE PMI GROUP Inc	S&P	BBB+	BBB-	↘
12/09/2008	WASHINGTON MUTUAL Inc	Moody's	Baa3	Ba2	↘
16/09/2008	LEHMAN BROTHERS HOLDINGS Inc	Moody's	A2	B3	↘
16/09/2008	LEHMAN BROTHERS HOLDINGS Inc	S&P	A	SD	↘
16/09/2008	WASHINGTON MUTUAL Inc	S&P	BBB-	BB-	↘
17/09/2008	BANK OF SCOTLAND Plc	S&P	AA-	A+	↘
17/09/2008	LEHMAN BROTHERS HOLDINGS Inc	S&P	SD	D	↘
25/09/2008	WASHINGTON MUTUAL Inc	S&P	BB-	CCC	↘
29/09/2008	WASHINGTON MUTUAL Inc	Moody's	Ba2	Caa2	↘
29/09/2008	CONTINENTAL Ag	S&P	BBB	BBB-	↘
29/09/2008	WASHINGTON MUTUAL Inc	S&P	CCC	D	↘

NEXUS4 Topaz Note

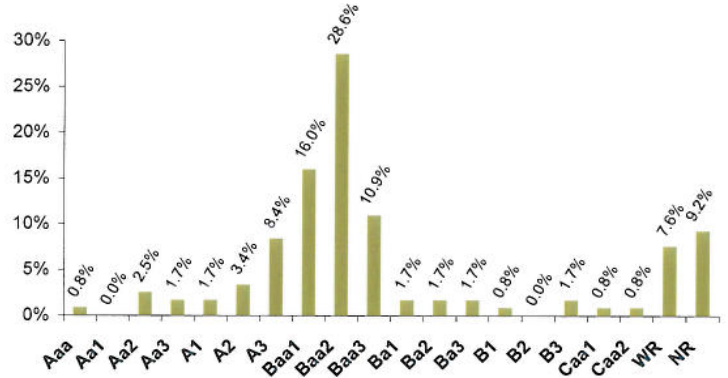
30/09/2008

RATING SPLIT

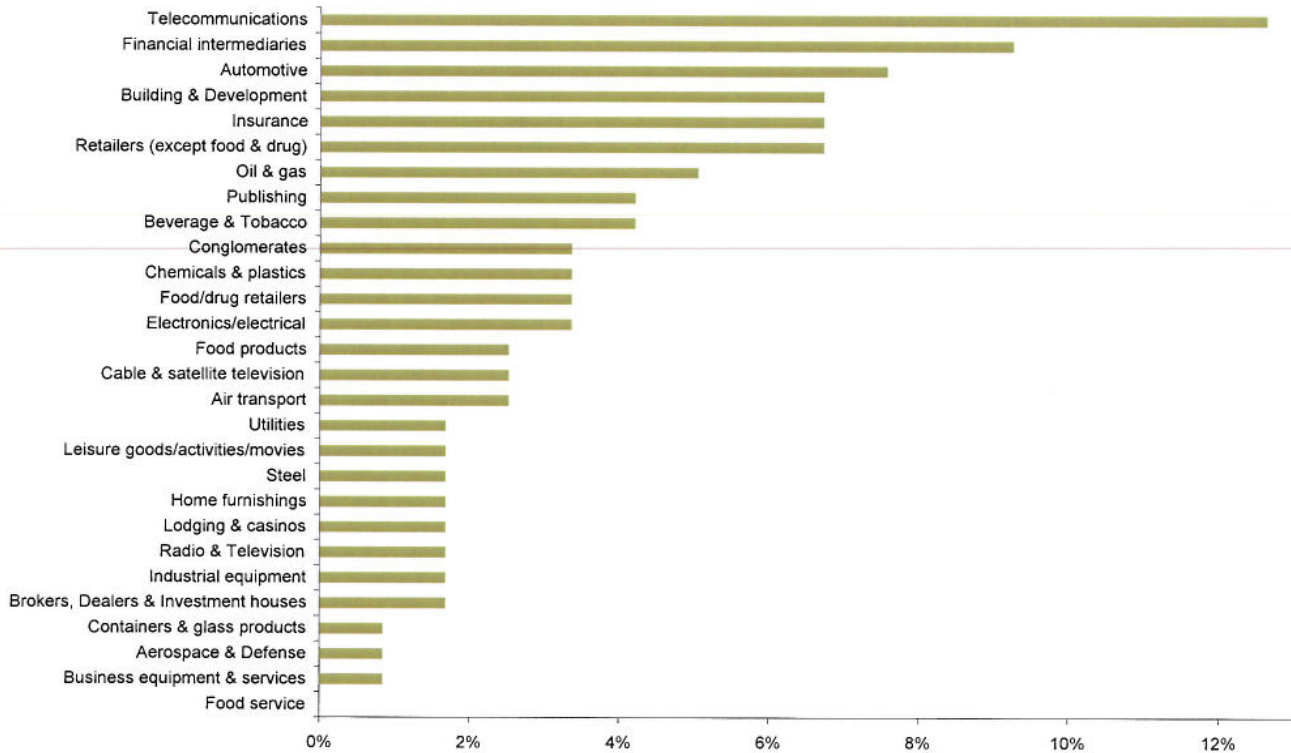
S&P



Moody's



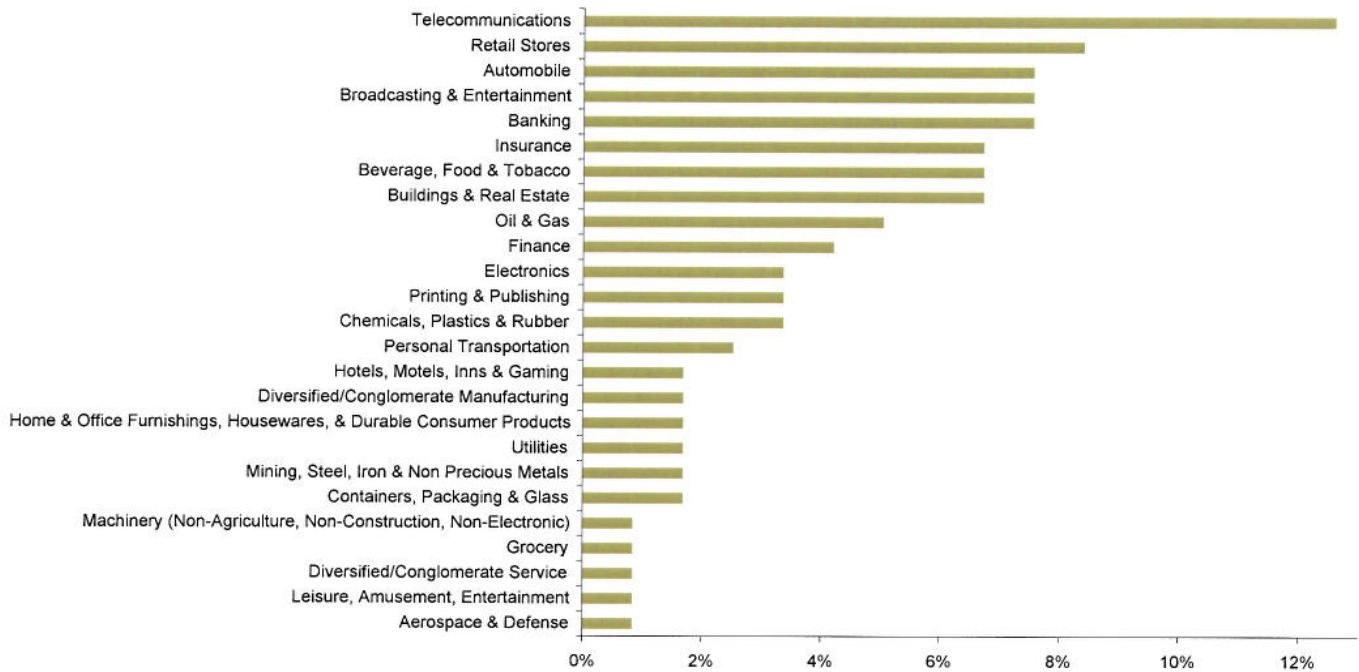
INDUSTRY BREAKDOWN S&P



NEXUS4 Topaz Note

30/09/2008

INDUSTRY BREAKDOWN Moody's



SUBSTITUTIONS DURING THE PERIOD

08/09/2008

Added	Traded Spread	Nominal	Seniority	Rating S&P	Removed	Traded Spread	Nominal	Seniority	Rating S&P
COMPAGNIE DE SAINT-GOBAIN	2.10%	1	Senior	BBB+	ACE Ltd	0.53%	1	Senior	A-
GENERAL ELECTRIC CAPITAL Corp	1.65%	1	Senior	AAA	COMPASS GROUP Plc	0.55%	1	Senior	BBB+
HEIDELBERGCEMENT Ag	3.55%	1	Senior	BBB-	ELECTRONIC DATA SYSTEMS Cor	0.40%	1	Senior	BBB-
MASCO Corp	3.00%	1	Senior	BBB+	SODEXO	0.55%	1	Senior	BBB+

NAME FOCUS

Due to the current market situation, we estimate non relevant to post a fundamental overview. However we remain at your disposal to comment individual name case by case upon request.

NEXUS4 Topaz Note

30/09/2008

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