



Dear Investors,

We completed our first live quarter at Wayfarer Capital Funds with a small profit which we are pleased with given the very tumultuous times that we are experiencing. The following is a review of our September Quarter with the performance data at the end.

Commodity holdings, including oil, coal and steel companies, dominated the initial investment position of Wayfarer Capital Funds at launch in mid-July 2008. This group had exhibited strong operating numbers led by crude oil which soared to a high of \$147 a barrel on July 11 after Iran launched test missiles over the Persian desert raising concerns about future oil supply interruption. Shortly thereafter, however, signs of weakening emerged in the global economy and the prices of many commodities declined. We reduced our exposure, but sold the commodity stocks into a declining market which left the Fund down 7.0% for the final two weeks of July compared to an increase of .46% for the Standard and Poor's 500 Index over the same period. We replaced the commodities holdings with specialty retail companies and a variety of special situations and sold short several banks with potentially crippling credit problems. The overall market experienced a small recovery in August and these investments participated, allowing Wayfarer Capital Funds to recover some of the losses incurred in July. Selling resumed in September fueled by bankruptcies of large lenders, bailout concerns and a fixed income market paralyzed by a lack of liquidity and trust. Major short positions in failing banks offset remaining earlier losses and most other portfolio holdings performed relatively well in September. Wayfarer Capital Funds increased 7.09% in September, 2008 versus (9.08%) for the S&P 500 Index. The Funds returned 1.97% from inception on July 15, 2008 through September 30, 2008, vs. the S&P 500 Index which declined (7.54%) over the same period.

At September 30, 2008, Wayfarer Capital Funds held important positions in financials (25.6%) and consumer (25.86%).

Regards,

Wayfarer Capital Funds