

EVEREST CAPITAL GLOBAL LTD.

Financial Statements

(With Independent Auditors' Report Thereon)

Year Ended December 31, 2009



EVEREST CAPITAL GLOBAL LTD.

CORPORATE INFORMATION

Directors

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Auditors

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders of
Everest Capital Global Ltd.

We have audited the accompanying statement of assets and liabilities of Everest Capital Global Ltd. (the "Fund") as of December 31, 2009 and the related statements of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Everest Capital Global Ltd. as of December 31, 2009 and the results of its operations and changes in its net assets for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Chartered Accountants
Hamilton, Bermuda
April 13, 2010

EVEREST CAPITAL GLOBAL LTD.

Statement of Assets and Liabilities

December 31, 2009

(Expressed in thousands of United States Dollars)

Assets	
Investment in Everest Capital Global Fund, L.P. (the "Partnership") (Note 2(b))	\$ 391,736
Capital withdrawals receivable from the Partnership	2,729
Other assets	<u>4,030</u>
Total assets	<u>398,495</u>
Liabilities	
Management fee payable (Note 3)	1,416
Redemptions payable	2,729
Other liabilities	<u>4,031</u>
Total liabilities	<u>8,176</u>
Net assets (Note 4)	<u>\$ 390,319</u>

Net asset value per share (Note 4)

See accompanying notes to financial statements

EVEREST CAPITAL GLOBAL LTD.

Statement of Operations

Year Ended December 31, 2009

(Expressed in thousands of United States Dollars)

Net investment income allocated from the Partnership	
Interest income	\$ 2,528
Dividends (net of withholding taxes of \$433)	2,746
Interest expense	(1,585)
Dividends on securities sold short	(317)
Other expenses	<u>(1,950)</u>
Net investment income allocated from the Partnership	1,422
	<hr/>
Expenses	
Management fee (Note 3)	<u>(5,042)</u>
Total expenses	(5,042)
	<hr/>
Net investment expense	(3,620)
	<hr/>
Realized and unrealized gains and losses on investments allocated from the Partnership	
Net realized gains on sale of investments	78,163
Net change in unrealized gains and losses on investments	<u>61,784</u>
Net realized and unrealized gains and losses on investments allocated from the Partnership	139,947
	<hr/>
Incentive allocation to the general partner of the Partnership (Note 3)	(1)
	<hr/>
Net increase in net assets from operations	\$ <u><u>136,326</u></u>

See accompanying notes to financial statements

EVEREST CAPITAL GLOBAL LTD.

Statement of Changes in Net Assets

Year Ended December 31, 2009

(Expressed in thousands of United States Dollars)

Net increase in net assets from operations

Net investment expense	\$ (3,620)
Net realized gains on sale of investments allocated from the Partnership	78,163
Net change in unrealized gains and losses on investments allocated from the Partnership	61,784
Incentive allocation to the general partner of the Partnership	<u>(1)</u>

Net increase in net assets from operations 136,326

Capital share transactions (Note 4)

Proceeds from issue of Class A Shares	6,038
Proceeds from issue of Class A1 Shares	3,109
Proceeds from issue of Class B Shares	1,342
Proceeds from issue of Class B1 Shares	27
Proceeds from issue of Class E Shares	7,967
Proceeds from issue of Class F Shares	1,328
Payment on redemption of Class A Shares	(17,641)
Payment on redemption of Class A1 Shares	(5,983)
Payment on redemption of Class B Shares	(2,642)
Payment on redemption of Class B1 Shares	(600)
Payment on redemption of Class E Shares	(3,509)
Payment on redemption of Class F Shares	<u>(9,966)</u>

Net decrease in net assets from capital share transactions (20,530)

Net increase in net assets 115,796

Net assets at beginning of year 274,523

Net assets at end of year \$ 390,319

See accompanying notes to financial statements

EVEREST CAPITAL GLOBAL LTD.

Notes to Financial Statements

December 31, 2009

1. **Organization and description of business**

Everest Capital Global Ltd. (the “Fund”) is a corporation formed under the laws of the British Virgin Islands on September 26, 1991, which commenced business on January 1, 1992. On January 1, 2006, the Fund changed its name from Everest Capital International Ltd. to Everest Capital Global Ltd.

The Fund seeks to achieve its investment objective by investing substantially all of its investable assets in Everest Capital Global Fund, L.P., (the “Partnership”), a limited partnership formed under the laws of the Cayman Islands. The investment objective of the Fund and Partnership is to achieve superior absolute returns by investing in global markets as described in Note 1 of the Partnership’s financial statements. Everest Capital Limited, a Bermuda corporation, is the Fund’s investment manager (the “Investment Manager”) and is also the general partner of the Partnership in which capacity it is responsible for all investment decisions relating to the Partnership (Note 7). The compensation of the Investment Manager is described in Note 3. Malcolm Stott, a Director of the Fund, is also the Chief Operating Officer and a Director of the Investment Manager.

The financial statements of the Fund should be read in conjunction with those of the Partnership because its performance is directly affected by that of the Partnership.

As at December 31, 2009, 74.3% of the net assets of the Fund, through direct investment in the Fund’s shares and through investments in feeder funds which invest directly or indirectly in the Fund, were owned by the Investment Manager, a company under common control with the Investment Manager, or a director of the Fund.

2. **Significant accounting policies**

The following are the significant accounting policies adopted by the Fund:

(a) *Basis of presentation*

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

(b) *Fair value measurement*

Accounting guidelines over fair value measurements defines fair value, establishes a framework for measuring fair value using a three-tier hierarchy of inputs to value the Fund’s investments, and requires additional disclosure about fair value. Additional required disclosures are found in the financial statements of the Partnership.

The value of the investment in the Partnership reflects the balance of the Fund’s capital account in Everest Capital Global Fund, L.P. as at December 31, 2009. The balance of each partner’s capital account reflects its proportionate share of the net asset value of the Partnership. As of December 31, 2009, the Fund’s capital account in the Partnership represents 63.7% of the Partnership’s capital. The Partnership’s investments are valued as described in Note 2 of its financial statements.

EVEREST CAPITAL GLOBAL LTD.

Notes to Financial Statements

December 31, 2009

2. **Significant accounting policies** (continued)

(c) *Partnership allocations*

The expenses of the Fund are borne by the partnership except for management fees as described in Note 3. The components of net investment income or expense and net realized and unrealized gains and losses on investments of the Partnership are allocated to its partners in accordance with Note 2(e) of its financial statements.

(d) *Allocation of income and expenses*

Income and expenses of the Fund are allocated to each share class and to each series within each class, if applicable, in proportion to their relative gross asset value of each share class and series at the beginning of the month after subscriptions or redemptions, if any, at that date. The incentive fee, if any, is calculated based on the performance of each series of each class. Realized and unrealized gains and losses on new issue securities are allocated as described in Note 4.

(e) *Use of estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

3. **Compensation of Investment Manager**

The incentive fee payable to the Investment Manager of the Fund is 20% of net profits, if any, allocable to each share of common stock, excluding Class E and Class F Shares (Note 4). No incentive fee is charged to a share until all losses previously allocated to the share have been recouped.

In addition, the Investment Manager is entitled to receive quarterly, in arrears, a management fee equal to $\frac{1}{4}$ of 2.0% (1.5% prior to February 1, 2006) per annum of the net assets of the Fund on the last day of each calendar quarter, excluding Class E and Class F Shares. Special grandfathering provisions are in place that apply to shareholders admitted on or before January 1, 2006 ("Prior Shareholders") or shareholders that have transferred from other funds managed by the Investment Manager that were subject to the same grandfathering provisions. Under these provisions, the Prior Shareholders will continue to be charged a management fee of 1.5% per annum. These special grandfathering provisions are in effect as long as Prior Shareholders remain invested in the Fund.

The fees payable in the Fund are reduced to the extent that corresponding fees or allocations are due or allocable in the Partnership or affiliated feeder funds in order to avoid double charging the incentive fee and management fee.

EVEREST CAPITAL GLOBAL LTD.

Notes to Financial Statements

December 31, 2009

4. Share capital

The Fund is authorized to issue a maximum of 100,000,000 no par value common shares divided into ten classes designated as Class A, Class A1, Class B, Class B1, Class E and Class F voting common shares (the "Voting Shares"), and Class C, Class C1, Class D and Class D1 non-voting common shares (the "Non-Voting Shares"). All shares have equal dividend, distribution and liquidation rights. Class E and Class F Shares are not charged an incentive fee or management fee and are issued to affiliated feeder funds and funds managed by the Investment Manager. The incentive fees and management fees are charged in the respective funds to avoid double charging of such fees.

Effective February 1, 2006, all issued common shares of Class A, Class B, Class C and Class D shares were re-designated as Class A1, Class B1, Class C1 and Class D1 common shares, respectively (the "Pre-Existing Shares") and are no longer offered. The only exception to this is when shareholders have transferred from other funds managed by the Investment Manager that were subject to the same grandfathering provisions as discussed in Note 3 above. With effect from February 1, 2006, the Fund has created and will issue Class A, Class B, Class C and Class D common shares (the "Available Shares") and continues to offer Class E and Class F common shares. Each class of the Available Shares and its corresponding class of the Pre-Existing Shares are identical except for different management fee arrangements (Note 3).

Class A, Class C and Class E Shares are issued to investors who are considered Unrestricted Persons and Class B, Class D and Class F Shares are issued to investors who are considered Restricted Persons. The profits and losses with respect to new issues will generally be allocated to investors in the Fund that are Unrestricted Persons. The Fund may, however, avail itself of a *de minimis* exemption, according to the Rules of FINRA, pursuant to which a portion of any new issue profits and losses may be allocated to Restricted Persons.

Shares of common stock of each class are generally issued monthly in series. The shares in the first series of each class issued are generally designated as the "Series One" shares of that class. Following the end of each fiscal year, the Fund may consolidate series within each class (with the exception of any series that has a loss carry-forward outstanding) into the Series One shares of the respective class, or if Series One shares have a loss carry-forward outstanding, into the earliest series of shares paying an incentive fee within that class.

Shareholders may redeem up to 50% of their shares as of the last business day of each calendar quarter at the net asset value as of the close of business on such redemption date. Any amount requested for redemption in excess of 50% will be paid as of the end of the subsequent calendar quarter. Such redemptions, to be paid at the net asset value as of March 31, 2010 amounted to \$188,311 based on the net asset value as of December 31, 2009, are not recorded on the statement of assets and liabilities. The Directors and Investment Manager, in their sole discretion, may waive or modify any terms related to redemptions for a shareholder.

At the discretion of the Investment Manager, shareholders who have transferred from other funds managed by the Investment Manager, or transferred within the Fund, that have a loss carry-forward associated with their investment, will carry-forward their prior high watermark and will be issued a sub-series of shares if an existing series of shares exist for that class of shares.

EVEREST CAPITAL GLOBAL LTD.

Notes to Financial Statements

December 31, 2009

4. **Share capital** (continued)

The net assets (expressed in thousands), net asset value (“NAV”) per share and number of shares in issue of each class and series of shares at December 31, 2009 were as follows:

<u>Share class and series</u>	<u>Number of shares</u>	<u>NAV per share</u>	<u>Net assets of class at December 31, 2009</u>
<u>Class A Shares</u>			
Class A Series 1	90,505.989	\$ 609.23	\$ 55,139
Class A Series 2	64.413	609.21	39
Class A Series 3	15,370.141	608.16	9,348
Class A Series 4	1,307.206	609.23	796
Class A Series 5	533.697	609.18	325
Class A Series 6	318.694	609.16	194
Class A Series 7 2009	6,668.541	609.22	4,063
Class A Series 7A 2009	4,400.439	609.22	2,681
Class A Series 8	69.157	609.10	42
Class A Series 8 2009	84.930	605.16	51
Class A Series 8A	1,024.350	609.10	624
Class A Series 10	6,043.000	609.22	3,682
Class A Series 10 2009	327.316	609.22	199
Class A Series 11 2007	215.139	600.98	129
Class A Series 11 2009	87.607	602.11	53
Class A Series 12 2007	1,203.789	609.07	733
Total Class A Shares	128,224.408		\$ 78,098
<u>Class A1 Shares</u>			
Class A1 Series 1	406,917.076	\$ 620.44	\$ 252,468
Class A1 Series 7 2009	5,723.484	620.43	3,551
Class A1 Series 7A 2009	185.655	620.43	115
Total Class A1 Shares	412,826.215		\$ 256,134
<u>Class B Shares</u>			
Class B Series 1	160.864	\$ 609.23	\$ 98
Class B Series 7 2009	2,596.832	609.22	1,582
Total Class B Shares	2,757.696		\$ 1,680
<u>Class B1 Shares</u>			
Class B1 Series 1	19,147.324	\$ 620.44	\$ 11,880

EVEREST CAPITAL GLOBAL LTD.

Notes to Financial Statements

December 31, 2009

4. **Share capital** (continued)

<u>Share class and series</u>	<u>Number of shares</u>	<u>NAV per share</u>	<u>Net assets of class at December 31, 2009</u>
<u>Class D Shares</u>			
Class D Series 11 2007	557.214	\$ 600.98	\$ 335
<u>Class E Shares</u>			
Class E	55,284.412	\$ 757.77	\$ 41,893
<u>Class F Shares</u>			
Class F	393.996	\$ 757.77	\$ 299
Net assets			\$ 390,319

Details of the number of shares issued and redeemed by class and series for the year ended December 31, 2009 were as follows:

<u>Share class and series</u>	<u>Shares at Dec 31, 2008</u>	<u>Shares issued</u>	<u>Shares redeemed</u>	<u>Consolidation/ conversion of shares</u>	<u>Shares at Dec 31, 2009</u>
<u>Class A Shares</u>					
Class A Series 1	118,261.802	39.532	(27,795.345)	–	90,505.989
Class A Series 2	64.413	–	–	–	64.413
Class A Series 3	15,370.141	–	–	–	15,370.141
Class A Series 4	1,699.367	–	(392.161)	–	1,307.206
Class A Series 5	533.697	–	–	–	533.697
Class A Series 6	4,143.029	–	(3,824.335)	–	318.694
Class A Series 7 2009	–	6,668.541	–	–	6,668.541
Class A Series 7A 2009	–	4,400.439	–	–	4,400.439
Class A Series 8	3,566.938	–	(3,497.781)	–	69.157
Class A Series 8 2009	–	84.930	–	–	84.930
Class A Series 8A	1,024.350	–	–	–	1,024.350
Class A Series 9	537.116	–	(537.116)	–	–
Class A Series 10	6,043.000	–	–	–	6,043.000
Class A Series 10 2009	–	327.316	–	–	327.316
Class A Series 11 2007	215.139	–	–	–	215.139
Class A Series 11 2009	–	87.607	–	–	87.607
Class A Series 12 2007	4,333.641	–	(3,129.852)	–	1,203.789
Total Class A Shares	155,792.633	11,608.365	(39,176.590)	–	128,224.408

EVEREST CAPITAL GLOBAL LTD.

Notes to Financial Statements

December 31, 2009

4. **Share capital** (continued)

<u>Share class and series</u>	<u>Shares at Dec 31, 2008</u>	<u>Shares issued</u>	<u>Shares redeemed</u>	<u>Consolidation/ conversion of shares</u>	<u>Shares at Dec 31, 2009</u>
<u>Class A1 Shares</u>					
Class A1 Series 1	421,375.182	13.481	(14,471.587)	–	406,917.076
Class A1 Series 7 2009	–	5,723.484	–	–	5,723.484
Class A1 Series 7A 2009	–	185.655	–	–	185.655
Total Class A1 Shares	421,375.182	5,922.620	(14,471.587)	–	412,826.215
<u>Class B Shares</u>					
Class B Series 1	2,263.516	–	(2,102.652)	–	160.864
Class B Series 2	64.413	–	(64.413)	–	–
Class B Series 5	2,502.032	–	(2,502.032)	–	–
Class B Series 7 2009	–	2,596.832	–	–	2,596.832
Class B Series 9	1,254.582	–	(1,254.582)	–	–
Total Class B Shares	6,084.543	2,596.832	(5,923.679)	–	2,757.696
<u>Class B1 Shares</u>					
Class B1 Series 1	20,297.601	67.628	(1,217.905)	–	19,147.324
<u>Class D Shares</u>					
Class D Series 11 2007	557.214	–	–	–	557.214
<u>Class E Shares</u>					
Class E	48,347.568	13,638.562	(6,701.718)	–	55,284.412
<u>Class F Shares</u>					
Class F	15,965.843	2,226.115	(17,797.962)	–	393.996

EVEREST CAPITAL GLOBAL LTD.

Notes to Financial Statements

December 31, 2009

5. **Administrator**

Under the terms of the agreement between Citco Fund Services (Bermuda) Limited (the “Administrator”) and the Fund, the Administrator provides accounting and administration services to the Fund and receives an annual fee based on the net assets of the Partnership, calculated and payable, by the Partnership, monthly in arrears.

6. **Taxation**

Under current British Virgin Islands legislation, there is no income tax, capital gains or withholding tax, estate duty or inheritance tax payable by the Fund. Because the Fund is not subject to taxation in the British Virgin Islands and it is management’s opinion that its method of operations does not result in it being subject to United States income taxes, no provision for taxes has been made in these financial statements.

7. **Subsequent events**

Effective January 1, 2010, Everest Capital LLC replaced Everest Capital Limited as Investment Manager of the Fund.

The Directors have assessed and evaluated all subsequent events arising from the date of the statement of assets and liabilities up until April 13, 2010 and have concluded that, apart from the above, no additional disclosure is required.

EVEREST CAPITAL GLOBAL LTD.

Notes to Financial Statements

December 31, 2009

8. Financial highlightsFinancial highlights of the Fund¹ are as follows:

	Class A Series 1 <u>Shares</u>	Class A1 Series 1 <u>Shares</u>	Class B Series 1 <u>Shares</u>	Class B1 Series 1 <u>Shares</u>	Class D Series 11 2007 <u>Shares</u>	Class E <u>Shares</u>	Class F <u>Shares</u>
Per Share Operating Performance:							
Net asset value per share, at beginning of year	\$ 398.86	\$ 404.12	\$ 398.86	\$ 404.12	\$ 393.46	\$ 486.04	\$ 486.04
From investment operations ²							
Net investment income (expense)	(8.54)	(5.94)	(8.54)	(5.94)	(8.42)	2.72	2.72
Net realized and unrealized gains and losses on investments	<u>218.91</u>	<u>222.26</u>	<u>218.91</u>	<u>222.26</u>	<u>215.94</u>	<u>269.01</u>	<u>269.01</u>
Total income from investment operations	<u>210.37</u>	<u>216.32</u>	<u>210.37</u>	<u>216.32</u>	<u>207.52</u>	<u>271.73</u>	<u>271.73</u>
Net asset value per share, at end of year	\$ <u>609.23</u>	\$ <u>620.44</u>	\$ <u>609.23</u>	\$ <u>620.44</u>	\$ <u>600.98</u>	\$ <u>757.77</u>	\$ <u>757.77</u>

EVEREST CAPITAL GLOBAL LTD.

Notes to Financial Statements

December 31, 2009

8. Financial highlights (continued)

	Class A Series 1 Shares	Class A1 Series 1 Shares	Class B Series 1 Shares	Class B1 Series 1 Shares	Class D Series 11 2007 Shares	Class E Shares	Class F Shares
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
Total return	<u>52.74</u>	<u>53.53</u>	<u>52.74</u>	<u>53.53</u>	<u>52.74</u>	<u>55.91</u>	<u>55.91</u>
Ratios to average net assets ²							
Total investment income	1.53	1.58	1.27	1.58	1.59	1.58	1.20
Operating expenses ³	<u>(3.20)</u>	<u>(2.72)</u>	<u>(2.98)</u>	<u>(2.72)</u>	<u>(3.25)</u>	<u>(1.16)</u>	<u>(0.86)</u>
Net investment income (expense)	<u>(1.67)</u>	<u>(1.14)</u>	<u>(1.71)</u>	<u>(1.14)</u>	<u>(1.66)</u>	<u>0.42</u>	<u>0.34</u>

¹ Total return and ratios are calculated for the year based on Series One Shares of each class except for Class E and F Shares which have been calculated for the class as a whole. Each class of shares represented above has been outstanding for the entire year. An investor's results may vary from the total return and ratios shown above due to different management and incentive fee arrangements (as applicable), the existence of loss carry-forwards and the starting date of a series.

² The per share amounts and ratios reflect income and expenses allocated from the Partnership.

³ Includes dividend and interest expense.

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Financial Statements
(With Independent Auditors' Report Thereon)

Year Ended December 31, 2009





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INDEPENDENT AUDITORS' REPORT

The General and Limited Partners of
Everest Capital Global Fund, L.P.

We have audited the accompanying consolidated statement of assets and liabilities of Everest Capital Global Fund, L.P. and its subsidiaries (the "Partnership"), including the consolidated condensed schedule of investments, as of December 31, 2009, and the related consolidated statements of operations, changes in partners' capital and cash flows for the year then ended. These financial statements are the responsibility of the general partner. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the general partner, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Everest Capital Global Fund, L.P. and its subsidiaries as of December 31, 2009, the results of their operations, changes in partners' capital and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Chartered Accountants
Hamilton, Bermuda
March 19, 2010

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Statement of Assets and Liabilities

December 31, 2009

*(Expressed in thousands of United States Dollars)***Assets**

Investments in securities, at fair value (cost \$472,152) (Notes 4, 5, 6 and 9)	\$ 440,901
Unrealized gains on open commodity futures contracts (Notes 5 and 6)	2,071
Unrealized gains on open forward foreign currency exchange contracts (Notes 5 and 6)	3,813
Unrealized gains on open equity index futures contracts (Notes 5 and 6)	233
Unrealized gains on open swap contracts (Notes 5 and 6)	12,028
Cash and cash equivalents (Notes 3, 6 and 9)	202,671
Receivable for investments sold	3,140
Dividends and interest receivable	284
Other assets	<u>4,352</u>
 Total assets	 <u>669,493</u>

Liabilities

Securities sold short, at fair value (proceeds \$37,311) (Notes 5 and 6)	33,805
Unrealized losses on open commodity futures contracts (Notes 5 and 6)	16
Unrealized losses on open forward foreign currency exchange contracts (Notes 5 and 6)	1,188
Unrealized losses on open equity index futures contracts (Notes 5 and 6)	220
Unrealized losses on open swap contracts (Notes 5 and 6)	1,830
Payable for investments purchased	7,078
Dividends on securities sold short and interest payable	130
Capital withdrawals payable	7,005
Accounts payable and accrued liabilities (Note 2(j))	<u>2,884</u>
 Total liabilities	 <u>54,156</u>

Partners' capital	\$ 615,337
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See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Condensed Schedule of Investments

December 31, 2009

(Expressed in thousands of United States Dollars)

<u>Description</u>	<u>% of Partners' Capital</u>	<u>Fair Value</u>
Investment in securities		
Common stock		
Africa and Middle East		
Basic materials sector	0.57	\$ 3,512
Communications sector	0.71	4,340
Financial sector	0.28	1,718
Total for Africa and Middle East (cost \$11,601)	<u>1.56</u>	<u>9,570</u>
Asia		
Basic materials sector	0.67	4,107
Consumer, cyclical sector	6.15	37,828
Consumer, non-cyclical sector	1.12	6,908
Diversified	0.50	3,105
Energy sector	1.50	9,227
Financial sector	1.80	11,092
Industrial sector	4.92	30,245
Technology sector	2.16	13,319
Total for Asia (cost \$99,397)	<u>18.82</u>	<u>115,831</u>
Australia and New Zealand		
Basic materials sector	0.48	2,955
Industrial sector	0.75	4,598
Total for Australia and New Zealand (cost \$7,090)	<u>1.23</u>	<u>7,553</u>
Emerging Europe		
Basic materials sector	3.84	23,619
Communications sector	1.93	11,866
Financial sector	0.03	209
Total for Emerging Europe (cost \$24,618)	<u>5.80</u>	<u>35,694</u>
Europe		
Basic materials sector	1.85	11,390
Consumer, cyclical sector	3.62	22,257
Total for Europe (cost \$26,942)	<u>5.47</u>	<u>33,647</u>

See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Condensed Schedule of Investments (continued)

December 31, 2009

(Expressed in thousands of United States Dollars)

<u>Description</u>	<u>Number of shares</u>	<u>% of Partners' Capital</u>	<u>Fair Value</u>
Investment in securities (continued)			
Common stock (continued)			
Latin America			
Basic materials sector		2.25	\$ 13,852
Industrial sector		0.82	5,072
Total for Latin America (cost \$16,981)		<u>3.07</u>	<u>18,924</u>
North America			
Basic materials sector		4.55	27,979
Consumer, cyclical sector		7.27	44,755
Energy sector		1.63	10,048
Financial sector		4.57	28,051
Industrial sector		0.09	581
Technology sector		1.32	8,153
Total for North America (cost \$110,105)		<u>19.43</u>	<u>119,567</u>
Other			
Commodity			
SPDR Gold Trust (cost \$47,999)	428,500	7.47	45,982
Total common stock (cost \$344,733)		<u>62.85</u>	<u>386,768</u>
Corporate bonds			
Latin America			
Consumer, non-cyclical sector (cost \$575)		<u>-</u>	<u>-</u>
Loan participations			
North America			
Technology (cost \$18,000)		<u>-</u>	<u>-</u>
Private placements			
Asia			
Consumer, cyclical sector (cost \$9,440)		<u>0.05</u>	<u>321</u>

See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Condensed Schedule of Investments (continued)

December 31, 2009

(Expressed in thousands of United States Dollars)

<u>Description</u>	<u>% of Partners' Capital</u>	<u>Fair Value</u>
Investment in securities (continued)		
Private placements (continued)		
North America		
Basic materials sector	0.06	\$ 369
Energy sector	1.81	11,125
Technology	<u>-</u>	<u>-</u>
Total for North America (cost \$54,359)	<u>1.87</u>	<u>11,494</u>
Total private placements (cost \$63,799)	<u>1.92</u>	<u>11,815</u>
Investments in other investment partnerships (Note 1) (cost \$15,320) (Indirect investment in SPDR Gold Trust with fair value of \$1,311 (0.21% of Partners' capital))	<u>3.56</u>	<u>21,883</u>
Commodity futures options (cost \$5,977)	<u>0.39</u>	<u>2,386</u>
Common stock options		
North America		
Financials sector (cost \$6,553)	<u>0.17</u>	<u>1,060</u>
Equity index options		
Asia (cost \$1,735)	<u>0.06</u>	<u>367</u>
Foreign currency exchange options (cost \$15,460)	<u>2.70</u>	<u>16,622</u>
Total investments in securities (cost \$472,152)	<u>71.65</u>	<u>\$ 440,901</u>
Securities sold short		
Common stock		
Asia		
Basic materials sector	(1.30)	\$ (8,021)
Consumer, cyclical sector	(0.27)	(1,674)
Financial sector	(1.53)	(9,409)
Funds	<u>(0.53)</u>	<u>(3,248)</u>
Total for Asia (proceeds \$22,537)	<u>(3.63)</u>	<u>(22,352)</u>

See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Condensed Schedule of Investments (continued)

December 31, 2009

(Expressed in thousands of United States Dollars)

<u>Description</u>	<u>% of Partners' Capital</u>	<u>Fair Value</u>
Securities sold short (continued)		
Common stock (continued)		
Australia and New Zealand		
Consumer, cyclical sector	(0.92)	\$ (5,663)
Energy sector	(0.11)	(718)
Financial sector	(0.44)	(2,720)
Total for Australia and New Zealand (proceeds \$9,223)	<u>(1.47)</u>	<u>(9,101)</u>
North America		
Consumer, cyclical sector (proceeds \$850)	<u>(0.13)</u>	<u>(797)</u>
Total common stock (proceeds \$32,610)	<u>(5.23)</u>	<u>(32,250)</u>
Commodity futures options (proceeds \$2,677)	<u>(0.18)</u>	<u>(1,095)</u>
Common stock options		
North America		
Financials sector (proceeds \$1,735)	<u>(0.03)</u>	<u>(165)</u>
Foreign currency exchange options (proceeds \$289)	<u>(0.05)</u>	<u>(295)</u>
Total securities sold short (proceeds \$37,311)	<u>(5.49)</u>	<u>\$ (33,805)</u>

See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Condensed Schedule of Investments (continued)

December 31, 2009

(Expressed in thousands of United States Dollars)

<u>Description</u>	<u>% of Partners' Capital</u>	<u>Fair Value</u>
Unrealized gains on open commodity futures contracts	<u>0.34</u>	\$ <u>2,071</u>
Unrealized gains on open equity index futures contracts		
Asia	<u>0.04</u>	\$ <u>233</u>
Unrealized gains on open forward foreign currency exchange contracts	<u>0.62</u>	\$ <u>3,813</u>
Unrealized gains on open swap contracts		
Swaps on common stock		
Africa and Middle East		
Basic materials sector	0.00	\$ 14
Financial sector	<u>0.00</u>	<u>10</u>
Total for Africa and Middle East	<u>0.00</u>	<u>24</u>
Asia		
Basic materials sector	0.13	795
Consumer non-cyclical sector	0.29	1,758
Consumer cyclical sector	0.72	4,433
Financial sector	0.01	79
Technology sector	<u>0.01</u>	<u>69</u>
Total for Asia	<u>1.16</u>	<u>7,134</u>
Emerging Europe		
Basic materials sector	<u>0.04</u>	<u>233</u>
Europe		
Consumer cyclical sector	0.35	2,158
Industrial sector	<u>0.00</u>	<u>2</u>
Total for Europe	<u>0.35</u>	<u>2,160</u>
Latin America		
Basic materials sector	0.12	732
Consumer cyclical sector	0.19	1,188
Financial sector	<u>0.09</u>	<u>557</u>
Total for Latin America	<u>0.40</u>	<u>2,477</u>
Total unrealized gains on open swap contracts	<u>1.95</u>	\$ <u>12,028</u>

See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Condensed Schedule of Investments (continued)

December 31, 2009

(Expressed in thousands of United States Dollars)

<u>Description</u>	<u>% of Partners' Capital</u>	<u>Fair Value</u>
Unrealized losses on open commodity futures contracts	<u>(0.00)</u>	\$ <u>(16)</u>
Unrealized losses on open equity index futures contracts		
Asia	<u>(0.04)</u>	\$ <u>(220)</u>
Unrealized losses on open forward foreign currency exchange contracts	<u>(0.19)</u>	\$ <u>(1,188)</u>
Unrealized losses on open swap contracts		
Swaps on common stock		
Africa and Middle East		
Financial sector	<u>(0.04)</u>	\$ <u>(208)</u>
Asia		
Consumer non-cyclical sector	(0.03)	(190)
Consumer cyclical sector	(0.00)	(24)
Financial sector	<u>(0.07)</u>	<u>(446)</u>
Total for Asia	<u>(0.10)</u>	<u>(660)</u>
Latin America		
Basic materials sector	(0.00)	(23)
Consumer cyclical sector	<u>(0.14)</u>	<u>(853)</u>
Total for Latin America	<u>(0.14)</u>	<u>(876)</u>
Total swaps on common stock	<u>(0.28)</u>	<u>(1,744)</u>
Swaps on equity indices		
Asia	(0.01)	(55)
Europe	<u>(0.01)</u>	<u>(31)</u>
Total swaps on equity indices	<u>(0.02)</u>	<u>(86)</u>
Total unrealized losses on open swap contracts	<u>(0.30)</u>	\$ <u>(1,830)</u>

See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Statement of Operations

Year Ended December 31, 2009

(Expressed in thousands of United States Dollars)

Investment income

Interest	\$ 3,980
Dividends (net of withholding taxes of \$648)	<u>4,419</u>
Total investment income	<u>8,399</u>

Expenses

Interest	2,500
Dividends on securities sold short	509
Investment expenses (Note 2(j))	1,722
Professional fees	651
Administration fee (Note 8)	<u>715</u>
Total expenses	<u>6,097</u>

Net investment income	<u>2,302</u>
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Realized and unrealized gains and losses on investments

Net realized gains on sale of investments	121,853
Net change in unrealized gains and losses on investments	<u>100,913</u>

Net realized and unrealized gains and losses	<u>222,766</u>
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Net increase in partners' capital from operations	\$ 225,068
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See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Statement of Changes in Partners' Capital

Year Ended December 31, 2009

(Expressed in thousands of United States Dollars)

	<u>General Partner</u>		<u>Limited Partners</u>		<u>Total</u>
Partners' capital - December 31, 2008	\$ 3,567	\$	429,814	\$	433,381
Net increase in partners' capital from operations	1,994		223,074		225,068
Incentive allocation (Note 7)	408		(408)		-
Capital transactions					
Capital contributions	-		63,439		63,439
Capital withdrawals	(98)		(106,453)		(106,551)
Capital transactions, net	(98)		(43,014)		(43,112)
Partners' capital - December 31, 2009	\$ 5,871	\$	609,466	\$	615,337

See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Consolidated Statement of Cash Flows

Year Ended December 31, 2009

*(Expressed in thousands of United States Dollars)***Cash flows from operating activities**

Net increase in partners' capital from operations	\$ 225,068
Adjustments to reconcile net increase in partners' capital from operations to net cash provided by operating activities:	
Net realized gains on sale of investments	(121,853)
Net change in unrealized gains and losses on investments	(100,913)
Amortization of premiums and discounts on debt securities	(3,982)
Purchases of investments in securities	(3,598,587)
Purchases to cover securities sold short	(1,358,428)
Proceeds from sale of investments in securities	3,687,080
Proceeds from securities sold short	1,321,325
Net proceeds from settlement of derivative financial instruments	59,613
Changes in assets and liabilities:	
Receivable for investments sold	860
Dividends and interest receivable	1,334
Other assets	(645)
Due to brokers	(26)
Payable for investments purchased	7,078
Dividends on securities sold short and interest payable	47
Accounts payable and accrued liabilities	<u>2,359</u>
Net cash provided by operating activities	<u>120,330</u>
Cash flows from financing activities	
Capital contributions	63,439
Capital withdrawals	<u>(149,423)</u>
Net cash used in financing activities	<u>(85,984)</u>
Net increase in cash and cash equivalents	34,346
Cash and cash equivalents at beginning of year	<u>168,325</u>
Cash and cash equivalents at end of year (Note 3)	\$ 202,671
Supplementary cash flow information	
Interest paid	<u><u>\$ 2,453</u></u>

See accompanying notes to consolidated financial statements

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

1. **Organization and description of business**

Everest Capital Global Fund, L.P. (the "Partnership"), a Cayman Islands limited partnership, was formed on January 17, 1997 and commenced operations on August 1, 1997. On January 16, 2006, the Partnership changed its name from Everest Capital Master Fund, L.P. to Everest Capital Global Fund, L.P. The Partnership is a master fund in which three feeder funds, Everest Capital Global Ltd. (primarily non-US investors), Everest Capital Global, L.P. (US investors) and Everest Capital Alpha Fund, L.P. invest. All of the investable assets of these three feeder funds are invested in the Partnership, with the exception of Everest Capital Alpha Fund, L.P., which retains a portion of its assets for hedging purposes.

The investment objective of the Partnership is to achieve superior absolute returns by investing in global markets. The general partner employs an opportunistic global macro strategy that combines top-down and bottom-up approaches to investing across asset classes including equities, debt, currencies and commodities as well as arbitrages and special situations in developed and emerging markets worldwide.

Everest Capital Limited, a Bermuda company, is the general partner of the Partnership and is responsible for all of the Partnership's investment decisions (Note 12). The compensation of the general partner is described in Note 7.

As at December 31, 2009, the Partnership is carrying an investment of \$21,882,517 (3.6% of partners' capital) in Everest Capital Asia Fund, L.P., an investment partnership managed by the general partner with an investment objective to achieve capital appreciation by investing primarily in the securities of issuers in Asia and in other countries that will benefit or suffer from Asia's growth. Upon written notice of 60 days to the general partner of Everest Capital Asia Fund, L.P. (unless waived by its general partner), the Partnership may withdraw all or a part of its investment as of the last business day of each calendar quarter.

As at December 31, 2009, 53.2% of partners' capital of the Partnership, through direct investment in the Partnership and through investments in Feeder Funds which invest directly or indirectly in the Partnership, was owned by the general partner, a company under common control with the general partner or a director of the feeder funds.

2. **Significant accounting policies**

The following are the significant accounting policies adopted by the Partnership:

(a) *Basis of presentation*

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The consolidated financial statements include the assets, liabilities and results of operations of the Partnership and its five wholly owned subsidiaries, which are special purpose investment companies that were dormant in the year ended December 31, 2009. All intercompany balances and transactions have been eliminated upon consolidation.

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

2. Significant accounting policies (continued)

(b) Investment valuation

Investments in securities are valued as follows:

- (i) Securities that are listed on a national securities exchange are valued at the last reported sale price on the last business day of the year. In the event that a sale does not occur on the last business day of the year, such securities are valued at the “bid” price if owned and the “asked” price if sold short as reported by the principal securities exchange on which such securities are traded.
- (ii) Securities which are traded but for which prices are not available on a national exchange are valued at the last sale price on the last business day of the year, or, if no sales occurred on such day, are valued based upon representative “bid” quotations if owned, and “asked” quotations if sold short, obtained from brokers and national pricing services.
- (iii) If the administrator, Citco Fund Services (Bermuda) Limited, in consultation with the general partner determines that the valuation of any security based upon the above procedures does not fairly represent market value then the administrator records such securities at their fair value as reasonably determined by the general partner.
- (iv) Investments in other investment partnerships are valued at fair value based on financial data supplied by the investment partnerships. Changes in unrealized appreciation or depreciation of investments in other investment partnerships are included in the consolidated statement of operations.
- (v) Securities for which market values are not readily available are valued at fair value as determined in good faith in consultation with the general partner. The general partner considers certain pertinent factors in determining fair value of these securities including the current economic and competitive environment, the characteristics of the instrument, the financial condition and operating results of the issuer since the date of purchase and the sales price of the security in recent private placements, if any. Therefore, the fair value cannot be determined with precision, cannot be substantiated by comparison to quoted prices in active markets and may not be realized in a current sale or immediate settlement of the asset or liability. Additionally, due to the inherent uncertainty in the valuation, the estimates of fair values may differ significantly from the values that would have been used had a ready market existed for the securities, and the differences could be material.

Accounting guidelines over fair value measurements defines fair value, establishes a framework for measuring fair value using a three-tier hierarchy of inputs to value the Partnership’s investments, and requires additional disclosure about fair value. The hierarchy of inputs is summarized below:

- Level 1 – quoted prices in active markets for identical investments
 - Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
 - Level 3 – significant unobservable inputs (including the general partner’s own assumptions in determining the fair value of investments)
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EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

2. Significant accounting policies (continued)

(c) Derivatives

The Partnership uses derivative financial instruments, such as forward foreign currency exchange contracts, futures contracts, options and swaps, which are recorded at fair value at the reporting date. Realized and unrealized changes in fair values are included in realized and unrealized gains and losses on investments in the consolidated statement of operations in the period in which the changes occur.

The fair value of derivative financial instruments at the reporting date generally reflects the amount that the Partnership would receive or pay to terminate the contract at the reporting date. Many of the derivative financial instruments used by the Partnership are exchange traded or are traded in the over-the-counter market where market values are readily obtainable. Some of the tailored derivative financial instruments used by the Partnership are valued based on prices supplied by US broker-dealers or other counterparties.

Unrealized gains or losses on open forward foreign currency exchange contracts are calculated as the difference between the contract rate and the applicable forward rate on the valuation date applied to the face amount of the forward contract.

Unrealized gains or losses on open futures contracts are calculated as the difference between the contract price at trade date and the contract's closing price on the valuation date as reported on the exchange on which the futures contracts are traded applied to the face amount of the futures contract.

Unrealized gains or losses on open swap and contract for difference transactions are calculated as the change in fair value of the underlying security, index, commodity, or basket of securities applied to the notional amount of the swap or contract for difference. The interest component of the swap or contract for difference is recorded as interest income or expense, as applicable, in the consolidated statement of operations and as interest payable or receivable, as applicable, in the consolidated statement of assets and liabilities.

Unrealized gains or losses on interest rate swap agreements are calculated as the difference between the present value of the future cash flows to be received and those to be paid pursuant to the agreements.

(d) Securities transactions and related investment income

Securities transactions are recorded on a trade date basis.

Dividend income is recorded on the ex-dividend date and is presented net of withholding taxes. Dividends declared on short positions held on the ex-dividend date are recorded as dividend expense.

Interest income and expense are recorded on the accruals basis, except for securities in default for which interest is recognized on the cash basis. Premiums and discounts on debt securities are amortized using the effective interest method.

Realized gains and losses are recorded when the security acquired is sold and unrealized gains and losses are recorded when the security is marked to market. The net realized gain or loss on sales of securities is determined on a first-in, first-out basis unless specifically identified.

As part of a work out or reorganization plan, securities owned by the Partnership may be converted into other types of securities of the same issuer. The cost basis of the security received as a result of these arrangements is equal to the cost basis of the security converted.

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

2. Significant accounting policies (continued)

(e) Allocation of Partnership net income/loss

At the end of each Fiscal Period, net income or net losses, excluding profit and losses with respect to new issues, are allocated to the capital accounts of all the partners in the proportion that each partner's capital account as of the beginning of such Fiscal Period bore to the sum of the capital accounts of all the partners as of the beginning of such Fiscal Period. Profit and losses with respect to new issues will generally be allocated to partners in the Partnership that are Unrestricted Persons. The Partnership may, however avail itself of a *de minimis* exemption, according to the Rules of FINRA, pursuant to which a portion of any new issue profits and losses may be allocated to Restricted Persons. A Fiscal Period ("Fiscal Period") commences on the first day of each fiscal year, on each date of any capital contribution to the Partnership and on each date following the date of any withdrawal of capital or retirement from the Partnership.

(f) Repurchase and reverse repurchase agreements

The Partnership enters into repurchase and reverse repurchase agreements. These agreements are accounted for as collateralized investment and financing transactions and are recorded at their contract amounts, which combined with accrued interest, approximates their fair value. Interest on repurchase and reverse repurchase agreements is accrued on a daily basis.

In connection with repurchase agreements, it is the Partnership's policy that its custodian take possession of the underlying collateral securities. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the Partnership may be delayed or insufficient.

(g) Translation of foreign currency transactions

The fair value of non-US dollar denominated securities ("foreign currency securities") and related balances are translated into US dollars at year end exchange rates. The cost of foreign currency securities and interest and dividend income or expense on these foreign currency securities are translated into US dollars at the transaction date exchange rate. Realized and unrealized gains and losses on investments and interest and dividend income or expense include exchange gains and losses on translation of foreign currency securities and from forward foreign currency exchange contracts.

(h) Income taxes

No provision has been made in the accompanying consolidated financial statements for United States federal or state income taxes, as any income tax liability arising from operations of the Partnership is the responsibility of the partners and not that of the Partnership.

(i) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, the Partnership considers all investments in money market funds and repurchase agreements with an original term of ninety days or less as equivalent to cash.

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

2. Significant accounting policies (continued)

(j) Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the general partner to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in partners' capital from operations during the reporting period. Actual results could differ from those estimates.

The Partnership has made investments in the Chinese A-shares of companies listed in the People's Republic of China ("PRC") through the Qualified Foreign Institutional Investor program. The PRC's taxation of gains on A-shares is presently unclear. The general partner has exercised its judgment regarding the likelihood and amount of the potential liability. However, uncertainties exist and the judgment of the general partner may prove incorrect as a result of future clarification by the PRC State Administration of Taxation.

At December 31, 2009, the tax provision included in accounts payable and accrued liabilities on the consolidated statement of assets and liabilities relating to Chinese A-shares amounted to \$1,570,133 (2008: \$47,265). The related expense in the year of \$1,522,868 is included in investment expenses in the consolidated statement of operations. In the event a capital gains tax is not imposed, the effective date differs, or the tax rate applied is different than that which was assumed by the general partner, the tax payable may be greater or less than the provision amount.

3. Cash and cash equivalents

Cash and cash equivalents (expressed in \$000's) at December 31, 2009 consist of the following:

Cash	\$ 128,171
Morgan Stanley Institutional Liquidity Fund – Government Portfolio	<u>74,500</u>
	<u>\$ 202,671</u>

At December 31, 2009, cash in the amount of \$80,177,545 was deposited with counterparties as collateral for positions held in derivative financial instruments and securities sold short (Note 5).

4. Investments in securities

The Partnership has swap contracts in its name with an unrealized loss at December 31, 2009 of \$1,086,418 but has transferred beneficial ownership of these swap contracts to other funds managed by the general partner and are not reflected in the Partnership's financial statement. Likewise, the general partner of the Partnership purchased securities in its name with a fair value at December 31, 2009 of \$11,494,227 and has transferred beneficial ownership of these securities to the Partnership and they are reflected in the financial statements of the Partnership. These securities are purchased by the general partner due to high minimum purchase requirements and provide the Partnership and other funds managed by the general partner the ability to own these securities without each fund having to purchase the high minimum amount as well as to reduce transaction costs.

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

5. **Derivative financial instruments and risk**

In the normal course of business the Partnership purchases and sells various derivative financial instruments to hedge its exposure to risk or to synthetically achieve or alter exposure to a market or segment thereof.

Generally these financial instruments represent future commitments to purchase or sell other financial instruments at specific terms at future dates. The derivative financial instruments may be traded on an exchange or negotiated between contracting parties (over-the-counter).

Derivative financial instruments may result in off-balance sheet market and credit risk.

Market risk is the possibility that future changes in market price may make a financial instrument less valuable or more onerous. If the markets should move against one or more positions that the Partnership holds the Partnership could incur losses greater than the unrealized amounts recorded in the consolidated statement of assets and liabilities.

The principal credit risk is that the counterparty will default and fail to fulfill the terms of the agreement. The Partnership's counterparties are either major US broker-dealers or international banks, both of which are regulated by various agencies and are subject to strict capital adequacy requirements.

The Partnership also sells securities short. Securities sold short are recorded as liabilities in the consolidated statement of assets and liabilities and have market risk to the extent that the Partnership, in satisfying its obligations, may have to purchase securities at a higher value than that recorded on the consolidated statement of assets and liabilities. The Partnership is required to maintain collateral with brokers to secure these short positions.

The derivative financial instruments held by the Partnership, and how they are used to achieve the various objectives of the Partnership, are described in the following paragraphs.

Forward foreign currency exchange contracts

The Partnership uses forward foreign currency exchange contracts to hedge against the effect of adverse movements in foreign exchange rates on security positions and for investment purposes.

Futures contracts

The Partnership uses futures contracts to hedge portfolio market risk and for investment purposes. Upon entering into a futures contract, the Partnership is required to provide initial margin which is a deposit of either cash or securities in an amount equal to a certain percentage of the contract value. The initial margin is adjusted to reflect changes in the value of the futures contract which is marked to market on a daily basis. The Partnership recognizes a realized gain or loss when the contract is closed. Futures contracts expose the Partnership to market and liquidity risks. The Partnership is exposed to market risk to the extent that adverse changes occur in the market values of the underlying securities or indices. The market risk may be in excess of the unrealized amount recognized on the consolidated statement of assets and liabilities. Liquidity risk represents the possibility that the Partnership may not be able to rapidly adjust the size of its futures position in times of high volatility and financial stress at a reasonable price.

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

5. **Derivative financial instruments and risk** (continued)

Options

The Partnership uses options on specific securities, baskets of specific securities, currencies, commodities and stock exchange indices to hedge market risks and for investment purposes.

Option contracts provide the option purchaser, for a premium payment, with the right but not obligation to buy or sell a financial instrument at a predetermined exercise price during a specified period.

As a purchaser of an option contract the Partnership is subject to credit risk since the counterparty is obligated to make payments or to deliver the financial instrument under the terms of the contract if the Partnership exercises the option. The Partnership is also exposed to market risk because the value of the option varies with the value of the reference financial instrument. As a writer of an option contract, the Partnership is not subject to credit risk but is subject to market risk since the Partnership is obligated to make payments or to deliver the financial instrument under the terms of the option contract if exercised by the purchaser of the option.

Swap and contract for difference transactions (collectively “swap”)

The Partnership may enter into swap arrangements to synthetically achieve or alter the Partnership’s exposure to a market or segment thereof or to hedge portfolio market risk.

Swap transactions involve the exchange by the Partnership with a counterparty of their respective commitments to pay or receive a net amount based on the change in the market value of a particular bond, equity, commodity or index and a specified notional holding.

Interest rate swap agreements involve the exchange by the Partnership with another party of their respective commitments to pay or receive interest (e.g. an exchange of floating rate payments for fixed rate payments) with respect to a notional amount of principal.

In addition, the Partnership enters into credit default swaps whereby one counterparty (the “Protection Buyer”) pays a periodic fee, which is expressed in basis points on the notional amount, in return for a payment by the seller of the credit default swap (the “Protection Seller”) that results if a credit event as defined in the swap agreement occurs, such as a default by the reference entity.

Swap transactions expose the Partnership to (or reduce) market risk equivalent to actually holding the notional amount but typically involve little capital commitment relative to the exposure achieved (or reduced). The Partnership’s gains or losses may therefore be magnified compared to the capital commitment.

The terms of certain of the Partnership’s swap agreements issued under the ISDA Master Agreement protocol contain provisions that grant the Partnership’s counterparty the right to terminate the swap transactions and demand settlement if either the Partnership’s capital falls by a specified percentage or below a specified value.

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

5. **Derivative financial instruments and risk** (continued)

At December 31, 2009, the notional amount of the Partnership's derivative financial instruments are as follows (expressed in \$000's):

Long exposure

Commodity futures contracts	\$	54,451
Commodity futures options		175,317
Equity options		53,647
Equity swap contracts		97,933
Equity index futures contracts		9,371
Forward foreign currency exchange contracts		1,456
Foreign currency exchange options		<u>92,389</u>
	\$	484,564

Short exposure

Commodity futures options	\$	175,317
Equity options		38,577
Equity index futures contracts		20,110
Equity index swap contracts		17,759
Equity swap contracts		20,723
Equity index options		79,523
Forward foreign currency exchange contracts		269,212
Foreign currency exchange options		<u>2,567,212</u>
	\$	<u>3,188,433</u>

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

5. Derivative financial instruments and risk (continued)

The locations on the statement of assets and liabilities of the Partnership's derivative positions by type of derivative, all of which are not accounted for as hedging instruments are as follows (expressed in \$000's):

Location on the consolidated statement of assets and liabilities**Derivative assets**

Commodity futures contracts	Unrealized gains on open commodity future contracts	\$	2,071
Commodity futures options	Investments in securities, at fair value		2,386
Equity options	Investments in securities, at fair value		1,060
Equity swap contracts	Unrealized gains on open swap contracts		12,028
Equity index futures contracts	Unrealized gains on open equity index future contracts		233
Equity index options	Investments in securities, at fair value		367
Forward foreign currency exchange contracts	Unrealized gains on open forward foreign currency exchange contracts		3,813
Foreign currency exchange options	Investments in securities, at fair value		<u>16,622</u>
		\$	<u>38,580</u>

Derivative liabilities

Commodity futures contracts	Unrealized losses on open commodity futures contracts	\$	16
Commodity futures options	Securities sold short, at fair value		1,095
Equity options	Securities sold short, at fair value		165
Equity swap contracts	Unrealized losses on open swap contracts		1,744
Equity index futures contracts	Unrealized losses on open equity index future contracts		220
Equity index swap contracts	Unrealized losses on open swap contracts		86
Forward foreign currency exchange contracts	Unrealized losses on open forward foreign currency exchange contracts		1,188
Foreign currency exchange options	Securities sold short, at fair value		<u>295</u>
		\$	<u>4,809</u>

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

5. Derivative financial instruments and risk (continued)

The following is a summary of the net realized and unrealized gains and losses on investments and net interest and dividend income and expense attributable to derivative financial instruments for the year ended December 31, 2009 (expressed in \$000's):

	<u>Net realized gains (losses)</u>	<u>Net change in unrealized gains (losses)</u>	<u>Total</u>
Derivative financial instruments			
Commodity futures contracts	\$ 27,167	\$ 855	\$ 28,022
Commodity futures options	(247)	(2,009)	(2,256)
Commodity forwards	(213)	-	(213)
Credit default swap	24	(263)	(239)
Equity options	(6,740)	(3,923)	(10,663)
Equity swap contracts	28,795	10,873	39,668
Equity index futures contracts	(22,546)	79	(22,467)
Equity index options	(11,269)	(809)	(12,078)
Equity index swap contracts	11,769	1,258	13,027
Forward foreign currency exchange contracts	16,712	6,733	23,445
Foreign currency exchange options	(7,792)	7,434	(358)
Interest rate swap contracts	<u>(2,095)</u>	<u>2,704</u>	<u>609</u>
	<u>\$ 33,565</u>	<u>\$ 22,932</u>	<u>\$ 56,497</u>

	<u>Net interest income (expense)</u>	<u>Net dividend income (expense)</u>
Derivative financial instruments		
Equity swap contracts	\$ (901)	\$ 966
Credit default swap contracts	(18)	-
Interest rate swap contracts	(334)	-
Equity index swap contracts	<u>(171)</u>	<u>78</u>
	<u>\$ (1,424)</u>	<u>\$ 1,044</u>

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

6. Fair value of financial instruments

The following is a summary of the inputs used in valuing the Partnership's investments carried at fair value (expressed in \$000's):

	<u>Total</u>	<u>Quoted Prices (Level 1)</u>	<u>Other Significant Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets				
Common stock				
Basic materials sector	\$ 87,414	\$ 87,414	\$ —	\$ —
Commodity	45,982	45,982	—	—
Communications sector	16,206	16,206	—	—
Consumer, cyclical sector	104,840	104,840	—	—
Consumer, non-cyclical sector	6,908	6,908	—	—
Diversified sector	3,105	3,105	—	—
Energy sector	19,275	19,275	—	—
Financial sector	41,070	41,070	—	—
Industrial sector	40,496	40,496	—	—
Technology sector	21,472	21,472	—	—
Total common stock	386,768	386,768	—	—
Cash equivalents	74,500	74,500	—	—
Commodity futures				
options	2,386	—	2,386	—
Equity options	1,060	1,060	—	—
Equity index options	367	—	367	—
Investments in other				
investment partnerships	21,883	—	21,883	—
Foreign currency				
exchange options	16,622	—	16,622	—
Private placements	11,815	—	—	11,815
Commodity futures				
contracts	2,071	2,071	—	—
Equity index futures				
contracts	233	233	—	—
Other financial instruments*	15,841	—	15,841	—
	\$ 533,546	\$ 464,632	\$ 57,099	\$ 11,815

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

6. Fair value of financial instruments (continued)

	<u>Total</u>	<u>Quoted Prices (Level 1)</u>	<u>Other Significant Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Liabilities				
Common stock sold short				
Basic materials sector	\$ 8,021	\$ 8,021	\$ –	–
Consumer, cyclical sector	8,134	8,134	–	–
Energy sector	718	718	–	–
Financial sector	12,129	12,129	–	–
Funds	<u>3,248</u>	<u>3,248</u>	<u>–</u>	<u>–</u>
Total common stock sold short	32,250	32,250	–	–
Commodity futures options	1,095	–	1,095	–
Equity options	165	165	–	–
Foreign currency exchange options	295	–	295	–
Commodity futures contracts	16	16	–	–
Equity index futures contracts	220	220	–	–
Other financial instruments*	<u>3,018</u>	<u>–</u>	<u>3,018</u>	<u>–</u>
	<u>\$ 37,059</u>	<u>\$ 32,651</u>	<u>\$ 4,408</u>	<u>–</u>

* Other financial instruments include swaps and forward foreign currency exchange contracts.

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

6. Fair value of financial instruments (continued)

The following is a reconciliation of the Partnership's investments for which significant unobservable inputs (Level 3) were used to determine fair value (expressed in \$000's):

<u>Instrument</u>	<u>Balance at Dec 31, 2008</u>	<u>Distributions of Capital</u>	<u>Included in Net Realized and Net Change in Unrealized Gains and Losses on Investments</u>	<u>Net Purchases (Sales)</u>	<u>Transfers In (Out) of Level 3</u>	<u>Balance at Dec 31, 2009</u>
Corporate bonds	\$ 178	\$ (739)	\$ 561	\$ -	\$ -	\$ -
Loan participations	7,565	-	(13,565)	6,000	-	-
Private placements	23,503	(2,144)	(14,155)	2,169	2,442	11,815
Investments in other investment partnerships	12,073	-	-	-	(12,073)	-
Total	\$ 43,319	\$ (2,883)	\$ (27,159)	\$ 8,169	\$ (9,631)	\$ 11,815

The net change in unrealized gains and losses in the consolidated statement of operations attributable to level 3 investments still held at December 31, 2009 (expressed in \$000's) includes:

Corporate bonds	\$ 561
Loan participations	(13,565)
Private placements	<u>(14,155)</u>
Total	<u>\$ (27,159)</u>

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

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7. General partner's compensation

The Partnership pays a quarterly management fee of 2.0% per annum of net assets to the general partner. However, such fee is reduced to the extent that corresponding fees are payable to the general partner or an affiliate thereof in the feeder funds. The management fees have been recorded in the feeder funds, and as a result no management fees have been recorded in the Partnership's consolidated financial statements.

Special grandfathering provisions are in place that apply to limited partners admitted on or before January 1, 2006 ("Prior Limited Partners"). Under these provisions, the Prior Limited Partners will continue to be charged a management fee of 1.5% per annum. These special grandfathering provisions are in effect as long as Prior Limited Partners remain invested in the Partnership.

The partnership agreement provides that 20% of net profits, as defined, relating to all limited partnership interests shall be credited to the general partner or to certain limited partners as may be designated by the general partner, at its sole discretion, in such proportions as the general partner shall agree. This amount is, in effect, incentive compensation to the general partner for profitable performance. Incentive compensation is recorded by the Partnership as a reallocation of capital from the limited partners to the general partner in the consolidated statement of changes in partners' capital. However, such allocation to the general partner is reduced to the extent that corresponding fees or allocations are payable or allocable to the general partner or an affiliate thereof in the feeder fund.

8. Administration fee

Under the terms of the agreement between Citco Fund Services (Bermuda) Limited (the "Administrator") and the Partnership, the Administrator provides accounting and administration services to the Partnership and receives an annual fee based on the net assets of the Partnership, calculated and payable in arrears.

9. Prime broker

The Partnership utilizes a number of prime brokers (each a "Prime Broker"). Under each Prime Brokerage Agreement, all assets of the Partnership held by the Prime Broker and each of the Prime Broker's affiliated companies are subject to a general lien and a continuing first priority perfected security interest in favor of the Prime Broker and therefore constitute collateral security for the Partnership's obligations and liabilities to each Prime Broker.

10. Taxation

Under current Cayman Islands law, the Partnership is not required to pay any taxes on income, profits or capital gains. On February 23, 1999, the Partnership obtained an undertaking from the Cayman Islands' authorities exempting it from such taxes for a period of 50 years from the date such undertaking was issued.

EVEREST CAPITAL GLOBAL FUND, L.P.

Notes to Consolidated Financial Statements

December 31, 2009

11. Financial highlights

Financial highlights for the Partnership are as follows:

	<u>%</u>
Total return	
Total return for the year before incentive allocation	55.78
Incentive allocation	<u>(0.11)</u>
Total return for the year after incentive allocation	<u>55.67</u>
Ratios to average partners' capital	
Total investment income	1.58
Net investment income excluding incentive allocation	0.43
Operating expenses ²	1.15
Incentive allocation	<u>0.08</u>
Total operating expenses and incentive allocation	<u>1.23</u>

¹ Total return and ratios are calculated based on the limited partners' interest in the Partnership. Individual feeder fund returns and ratios are shown in the attached feeder fund financial statements. An investor's results may vary from the total return and ratios shown above due to different management and incentive fee arrangements (as applicable), the existence of loss carry-forwards and the timing of capital transactions.

² Includes dividend and interest expense.

12. Subsequent events

Effective January 1, 2010, Everest Capital LLC replaced Everest Capital Limited as general partner.

The general partner has assessed and evaluated all subsequent events arising from the date of the consolidated statement of assets and liabilities up until March 19, 2010 and has concluded that, apart from the above, no additional disclosure is required.
