



# Investment Solutions Managed Funds Portfolio

Practitioners of the craft of private banking

April 2014

# What are MFPs?



- ▶ “MFPs” is for Managed Funds Portfolios
- ▶ MFP’s are a discretionary, actively managed portfolio solutions of traditional accounts but are tailored to fit the investment needs of small clients.
- ▶ You need to sign a traditional mandate with requested risk profile, e.g “Balanced USD”
- ▶ Your portfolio invests in carefully selected investment funds and fund-like instruments mainly from EFG (and under certain circumstances from leading third-party providers).
- ▶ USD 100k and above / no restrictions accepted
- ▶ Available in five investment strategies with different risk-return profiles in most major currencies (USD, CHF, EUR, SEK, GBP)

# Our building block approach

## EQUITIES

EFG Equity  
portfolios  
(CORE)

New Capital  
Equity funds  
(SATELLITE)

## FIXED INCOME

New Capital  
Fixed Income  
funds

## ALTERNATIVES

New Capital  
Strategic  
portfolio

Structured  
Products &  
Commodities

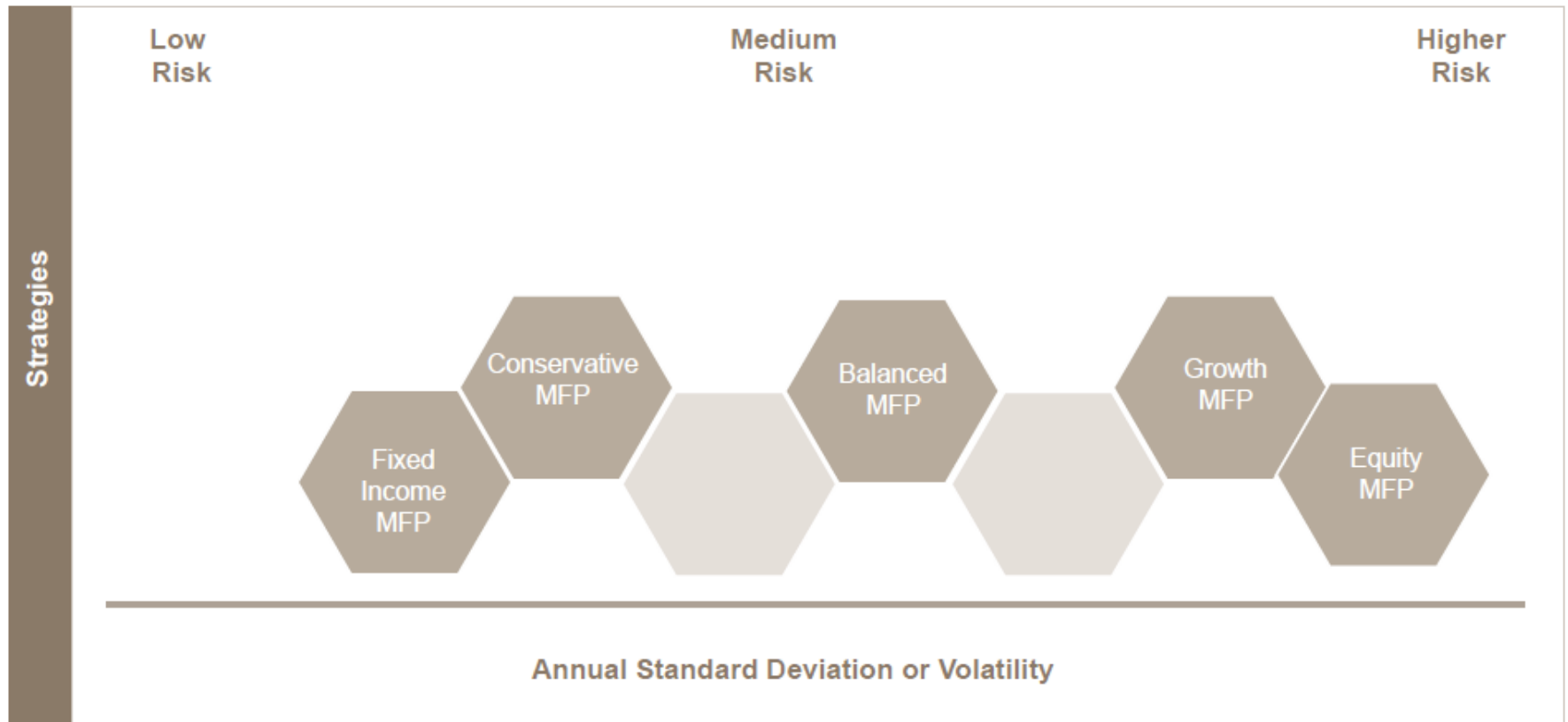
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**BENCHMARK ASSET ALLOCATION** (depending on client's risk profile)

**TACTICAL ASSET ALLOCATION** (depending on our macro and fundamental views)

# The Risk Matrix



Source: EFGAM illustration. This is not meant to be exact but gives an indication of EFGAM's expectations in terms of the risk and return characteristics that face major asset classes over time and how our strategies are designed to reflect these characteristics. Returns will be determined by the prevailing interest rates, yields and prices in markets, economic and market conditions and the length of time invested. Returns can be negative as well as positive. Past performance is not an indication of future performance.

# Fixed Income MFP Strategy Overview

## ► Strategy Overview

The Fixed Income Absolute Return strategy's primary focus is capital preservation. It is a low risk, highly liquid absolute return strategy.

Sovereign and investment grade corporate bonds are the predominant investments.

Portfolios may have small portions in low risk alternative investments and non-investment grades bond funds.

The strategy employs a top-down approach with emphasis on the credit quality of the issuers.

## ► Asset Mix

Asset Class	Min	Max
Liquidity	0%	40%
Bonds	60%	100%
Equities	None	None
Alternatives*	0%	10%

\* Alternatives include property, infrastructure, commodities and hedge funds

# Fixed Income MFP: Key Features & Risks

## Key Features

<b>Investment Style:</b>	Relative Return
<b>Investment Objectives:</b>	Capital preservation
<b>Risk Tolerance:</b>	Low
<b>Time Horizon:</b>	Medium to long-term
<b>Volatility:</b>	Low volatility - Target standard deviation (of annual performance): 2-5%
<b>Currency Availability:</b>	USD, EUR, CHF, GBP, SEK
<b>Minimum Investment:</b>	CHF 100k
<b>Liquidity:</b>	100% within 5 days (on average)

## Risk Tolerance

### Profile:

By focusing on high-quality issuers and diversifying smaller exposure in high-yield fund by means of collective investments, the risk profile is low.

Duration as well as currency risk exposure are actively managed.

Assets selected may be weighted towards those denominated in the reference currency of choice and other exposure may be hedged back into the base currency.

# Conservative MFP Strategy Overview

## ► Strategy Overview

The Conservative strategy aims for capital appreciation and income. It is a low to medium risk, relative return strategy.

The portfolio core consists of investment grade bonds, with a small portion that also might be invested in non-investment grade bond funds.

To a lesser extent, the portfolio is also invested in Equities and some Alternative Investments.

The strategy combines top-down and bottom-up approaches based on extensive research. An active asset allocation strategy is applied.

## ► Asset Mix

Asset Class	Min	Max
Liquidity	0%	50%
Bonds	40%	90%
Equities	10%	40%
Alternatives*	0%	30%

\* Ranges shown are subject to change

# Conservative MFP: Key Features & Risks

## Key Features

<b>Investment Style:</b>	Relative return
<b>Investment Objectives:</b>	Cautious appreciation and income
<b>Risk Tolerance:</b>	Low - Medium
<b>Time Horizon:</b>	Medium to long-term
<b>Volatility:</b>	Low volatility: Target standard deviation (of annual performance): 4-7%
<b>Currency Availability:</b>	USD, EUR, CHF, GBP (other currencies available by arrangement)
<b>Minimum Investment:</b>	CHF 100k (or currency equivalent)
<b>Liquidity:</b>	100% within 5 days (on average)

## Risk Tolerance

<b>Profile:</b>	<p>Due to a limited exposure to higher risk assets, the portfolio will be subject to some volatility.</p> <p>Duration as well as currency risk exposure are actively managed.</p> <p>Assets selected may be weighted towards those denominated in the reference currency of choice and other exposure may be hedged back into the base currency.</p>
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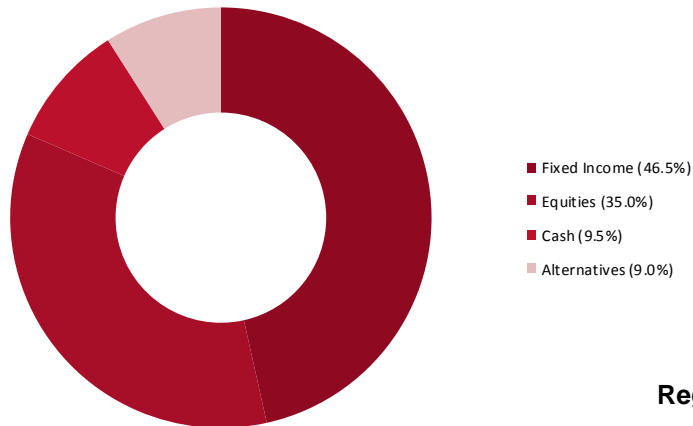


# Conservative USD: Model Portfolio

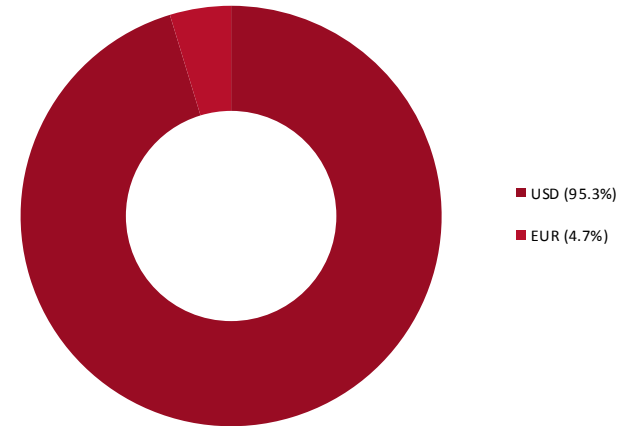
USD Conservative	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
Fixed Income	46.5%	Corporate Bonds	35.7%	35.7%	USD	NEW CAPITAL TOT RET BOND-USD	Daily	None
		Wealthy Nations	6.2%	6.2%	USD	NEW CAPITAL WEALTHY NT B-\$AI	Daily	None
		Asia	4.7%	4.7%	USD	NEW CAPITAL ASIA PACIFIC BOND FUN	Daily	None
Equities	35.0%	US	15.3%	15.3%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		Europe	10.2%	10.2%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		Asia	9.6%	5.4%	USD	EFG EQUITY FDS-ASIA	Daily	None
				3.2%	USD	NEW CAP-ASIA PAC EQ INC-A	Daily	None
1.0%	USD	NEW CAP-CHINA EQUITY-\$OA	Daily	None				
Alternatives	9.0%	Hedge Funds	4.0%	4.0%	USD	NEW CAPITAL STRAT PORTFOL-A\$	Weekly	None
		Structured Products	5.0%	5.0%	USD	MOS	Daily	None
Cash	9.5%	Cash	9.5%	9.5%	USD	CASH	Intraday	None
<b>TOTAL</b>	<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Conservative USD: Model Asset Allocation

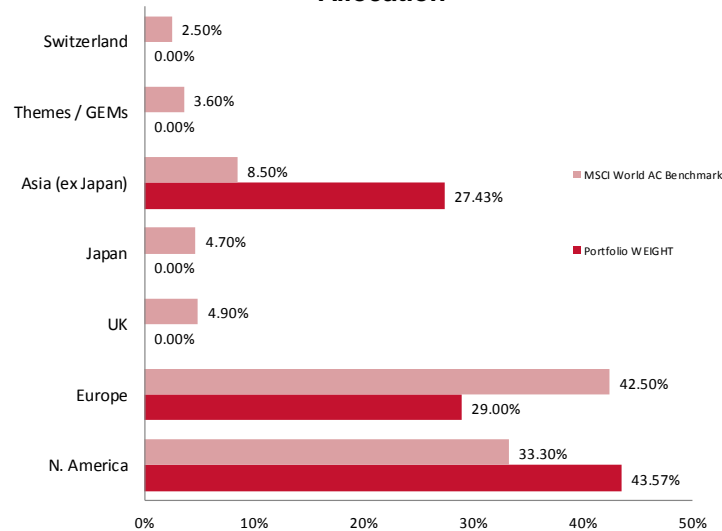
Asset Allocation



Currency Allocation



Regional Equity Allocation

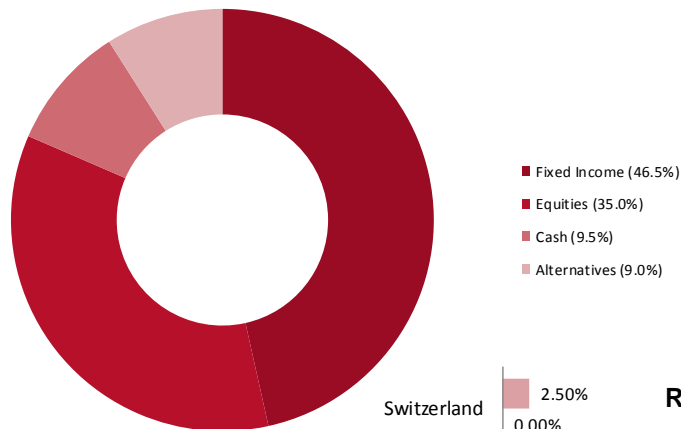


# Conservative EUR Model Portfolio

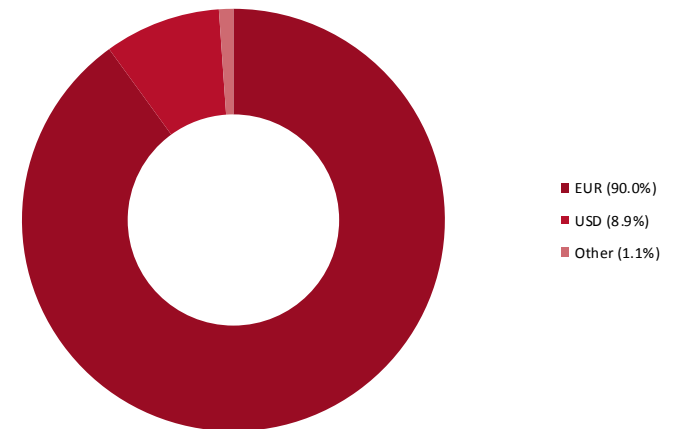
EUR Conservative	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
Fixed Income	47%	Corporate Bonds	35.7%	35.7%	EUR	NEW CAPITAL TOT RET BOND-EUR	Daily	None
		Wealthy Nations	6.2%	6.2%	EUR	NEW CAPITAL WEALTHY NT B-€AI	Daily	None
		Asia	4.7%	4.7%	USD	NEW CAPITAL ASIA PACIFIC BOND FUN	Daily	None
Equities	35%	US	8.9%	8.9%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		Europe	18.8%	18.8%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		Asia	7.3%	3.8%	USD	EFG EQUITY FDS-ASIA	Daily	None
					EUR	NEW CAP-ASIA PAC EQ INC-B	Daily	None
			EUR	NEW CAP-CHINA EQUITY-€OA	Daily	None		
Alternatives	9%	Hedge Funds	4.0%	4.0%	EUR	NEW CAPITAL STRAT PORTFOL-B€	Weekly	None
		Structured Products	5.0%	5.0%	USD	MOS	Daily	None
Cash	10%	Cash	9.5%	9.5%	EUR	CASH	Intraday	None
<b>TOTAL</b>	<b>100%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Conservative EUR: Model Asset Allocation

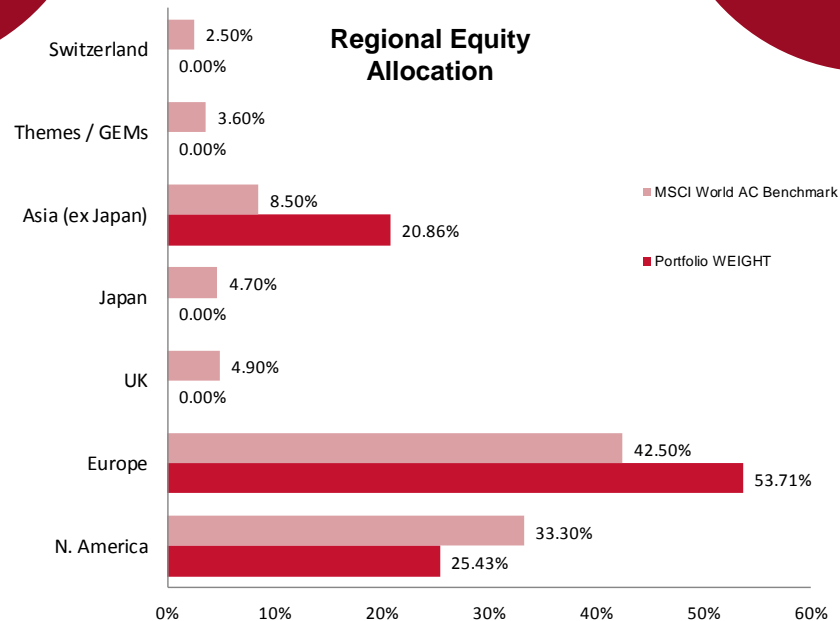
Asset Allocation



Currency Allocation



Regional Equity Allocation

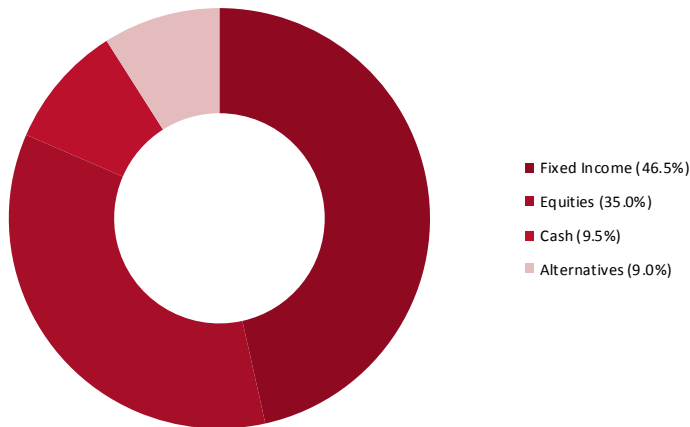


# Conservative CHF: Model Portfolio

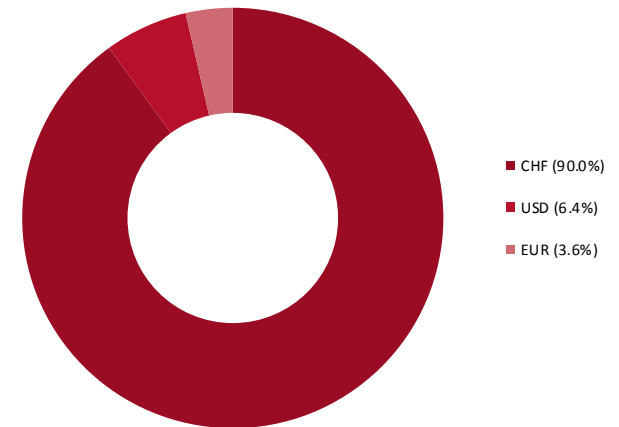
CHF Conservative	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
<b>Fixed Income</b>	<b>47%</b>	<b>Corporate Bonds</b>	35.7%	35.7%	CHF	NEW CAPITAL TOT RET BOND-SF	Daily	None
		<b>Wealthy Nations</b>	6.2%	6.2%	CHF	NEW CAPITAL WEALTHY NT B-ESF	Daily	None
		<b>Asia</b>	4.7%	4.7%	USD	NEW CAPITAL AS PAC BO-USD-IN	Daily	None
<b>Equities</b>	<b>35%</b>	<b>US</b>	9.5%	9.5%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		<b>Switzerland</b>	12.1%	12.1%	CHF	EFG EQUITY FDS-SWITZERLAND	Daily	None
		<b>Europe</b>	5.7%	5.7%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		<b>Asia</b>	7.6%	4.1%	USD	EFG EQUITY FDS-ASIA	Daily	None
					USD	NEW CAP-ASIA PAC EQ INC-A	Daily	None
USD	NEW CAP-CHINA EQUITY-\$OA	Daily	None					
<b>Alternatives</b>	<b>9%</b>	<b>Hedge Funds</b>	4.0%	4.0%	CHF	NEW CAPITAL STRAT PORTFO-DSF	Weekly	None
		<b>Structured Products</b>	5.0%	5.0%	USD	MOS	Daily	None
<b>Cash</b>	<b>10%</b>	<b>Cash</b>	9.5%	9.5%	CHF	CASH	Intraday	None
<b>TOTAL</b>	<b>100%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Conservative CHF: Model Asset Allocation

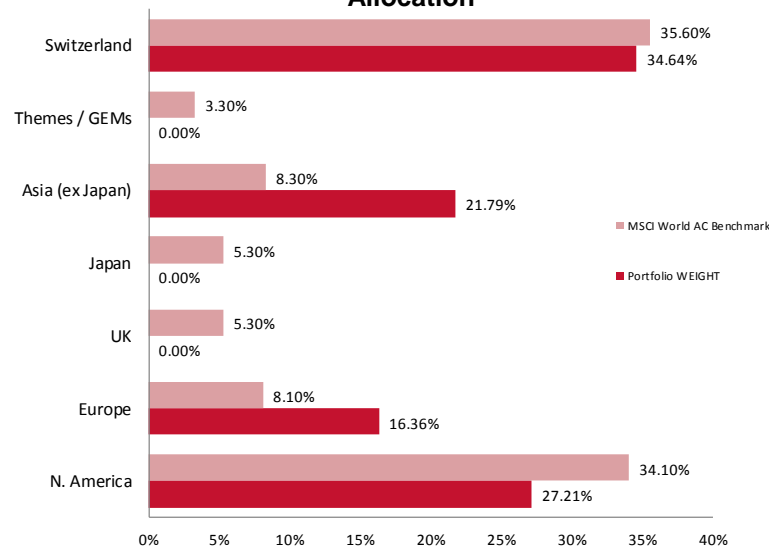
Asset Allocation



Currency Allocation



Regional Equity Allocation



# Balanced MFP Strategy Overview

## ► Strategy Overview

The Balanced strategy's main objective is capital appreciation or income growth. It is a medium risk, relative return strategy.

The portfolio core consists of fixed income assets and equities. It is supplemented by other asset classes, such as commodities, precious metals or hedge funds.

The strategy combines top-down and bottom-up approaches based on extensive research. An active asset allocation strategy is applied.

## ► Asset Mix

Asset Class	Min	Max
Liquidity	0%	30%
Bonds	20%	70%
Equities	30%	60%
Alternatives*	0%	30%

\* Ranges shown are subject to change

# Balanced MFP: Key Features & Risks

## Key Features

<b>Investment Style:</b>	Relative Return
<b>Investment Objectives:</b>	Capital appreciation or income growth
<b>Risk Tolerance:</b>	Medium
<b>Time Horizon:</b>	Medium / Long-term
<b>Volatility:</b>	Target standard deviation (of annual performance): 8-11%
<b>Currency Availability:</b>	USD, EUR, CHF, GBP (other currencies by arrangement)
<b>Minimum Investment:</b>	CHF 100k (or currency equivalent)
<b>Liquidity:</b>	100% within 5 days (on average)

## Risk Tolerance

**Profile:** Due to a limited exposure to higher risk assets, the portfolio will be subject to some volatility.  
Duration as well as currency risk exposure are actively managed.  
Assets selected may be weighted towards those denominated in the reference currency of choice and other exposure may be hedged back into the base currency.

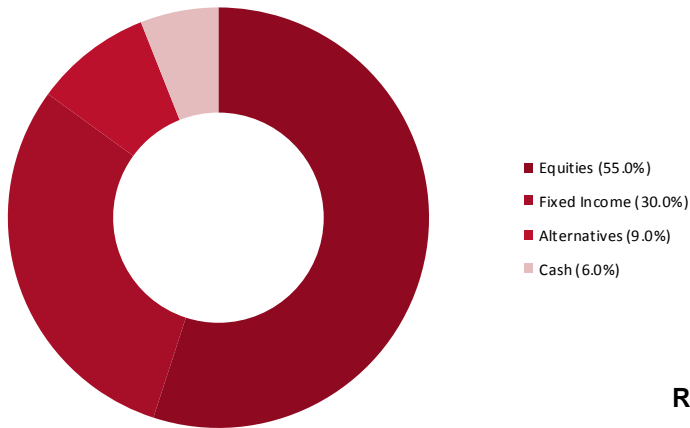


# Balanced USD: Model Portfolio

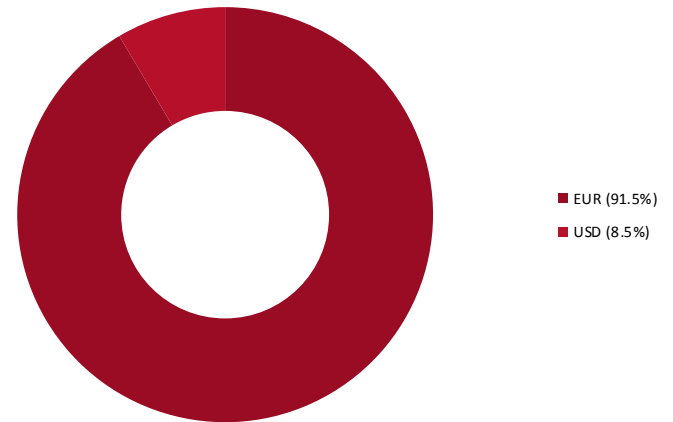
USD Balanced	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
Fixed Income	30%	Corporate Bonds	23.0%	23.0%	USD	NEW CAPITAL TOT RET BOND-USD	Daily	None
		Wealthy Nations	4.0%	4.0%	USD	NEW CAPITAL WEALTHY NT B-\$AI	Daily	None
		Asia	3.0%	3.0%	USD	NEW CAPITAL ASIA PACIFIC BOND FUND	Daily	None
Equities	55%	US	24.0%	24.0%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		Europe	16.0%	16.0%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		Asia	15.0%	8.5%	USD	EFG EQUITY FDS-ASIA	Daily	None
				5.0%	USD	NEW CAP-ASIA PAC EQ INC-A	Daily	None
1.5%	USD	NEW CAP-CHINA EQUITY-\$OA	Daily	None				
Alternatives	9%	Hedge Funds	4.0%	4.0%	USD	NEW CAPITAL STRAT PORTFOL-A\$	Weekly	None
		Structured Products	5.0%	5.0%	USD	MOS	Daily	None
Cash	6%	Cash	6.0%	6.0%	USD	CASH	Intraday	None
<b>TOTAL</b>	<b>100%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Balanced USD: Model Asset Allocation

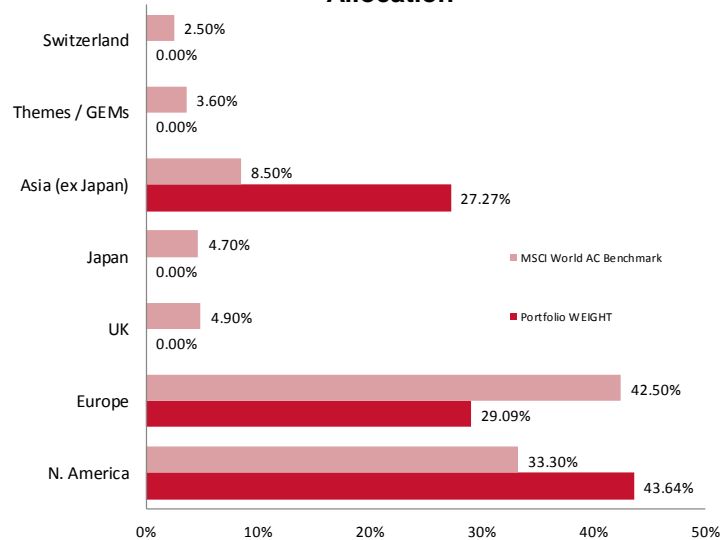
Asset Allocation



Currency Allocation



Regional Equity Allocation

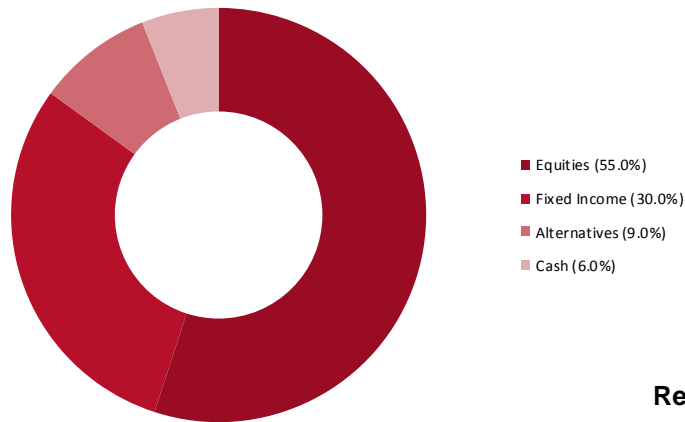


# Balanced EUR: Model Portfolio

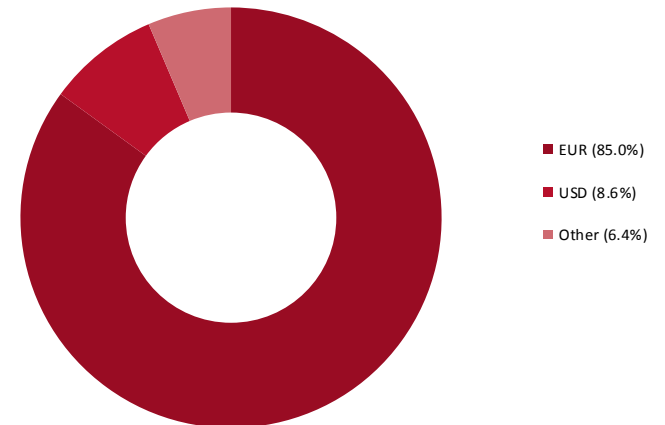
EUR Balanced	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
Fixed Income	30.0%	Corporate Bonds	23.0%	23.0%	EUR	NEW CAPITAL TOT RET BOND-EUR	Daily	None
		Wealthy Nations	4.0%	4.0%	EUR	NEW CAPITAL WEALTHY NT B-€AI	Daily	None
		Asia	3.0%	3.0%	USD	NEW CAPITAL ASIA PACIFIC BOND FUND	Daily	None
Equities	55.0%	US	14.0%	14.0%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		Europe	29.5%	29.5%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		Asia	11.5%	6.0%	USD	EFG EQUITY FDS-ASIA	Daily	None
				4.0%	EUR	NEW CAP-ASIA PAC EQ INC-B	Daily	None
1.5%	EUR	NEW CAP-CHINA EQUITY-€OA	Daily	None				
Alternatives	9.0%	Hedge Funds	4.0%	4.0%	EUR	NEW CAPITAL STRAT PORTFOL-B€	Weekly	None
		Structured Products	5.0%	5.0%	USD	MOS	Daily	None
Cash	6.0%	Cash	6.0%	6.0%	EUR	CASH	Intraday	None
<b>TOTAL</b>	<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Balanced EUR: Model Asset Allocation

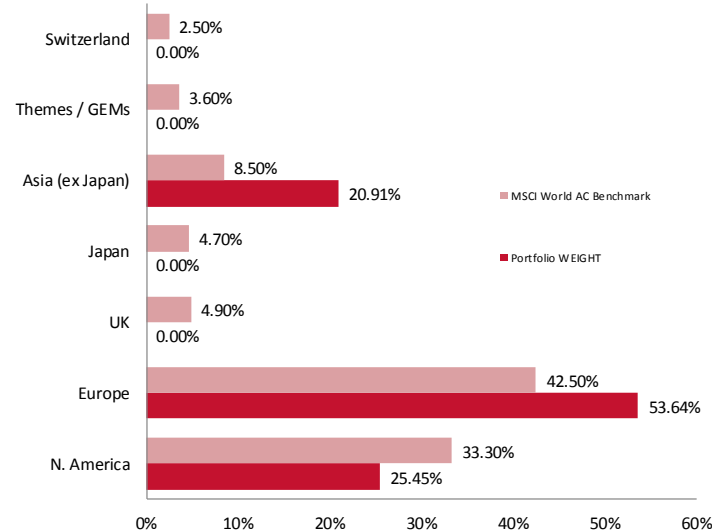
Asset Allocation



Currency Allocation



Regional Equity Allocation

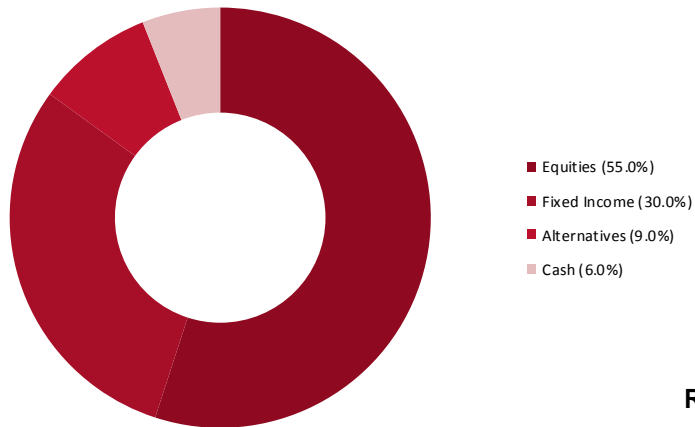


# Balanced CHF: Model Portfolio

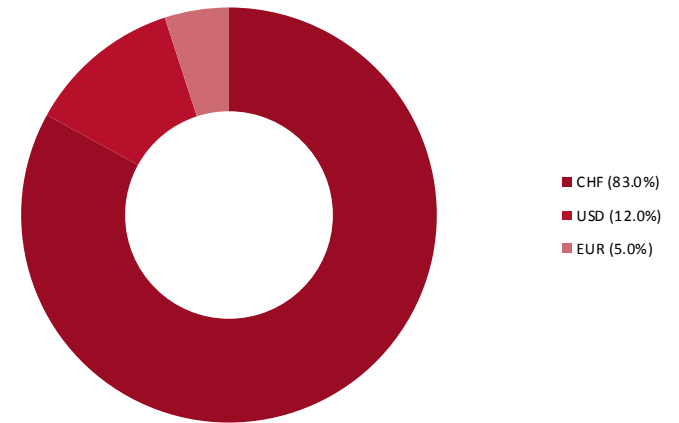
CHF Balanced	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
Fixed Income	30.0%	Corporate Bonds	23.0%	23.0%	CHF	NEW CAPITAL TOT RET BOND-SF	Daily	None
		Wealthy Nations	4.0%	4.0%	CHF	NEW CAPITAL WEALTHY NT B-ESF	Daily	None
		Asia	3.0%	3.0%	USD	NEW CAPITAL AS PAC BO-USD-IN	Daily	None
Equities	55.0%	US	15.0%	15.0%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		Switzerland	19.0%	19.0%	CHF	EFG EQUITY FDS-SWITZERLAND	Daily	None
		Europe	9.0%	9.0%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		Asia	12.0%	6.5%	USD	EFG EQUITY FDS-ASIA	Daily	None
			4.0%	USD	NEW CAP-ASIA PAC EQ INC-A	Daily	None	
			1.5%	USD	NEW CAP-CHINA EQUITY-\$OA	Daily	None	
Alternatives	9.0%	Hedge Funds	4.0%	4.0%	CHF	NEW CAPITAL STRAT PORTFO-DSF	Weekly	None
		Structured Products	5.0%	5.0%	USD	MOS	Daily	None
Cash	6.0%	Cash	6.0%	6.0%	CHF	CASH	Intraday	None
<b>TOTAL</b>	<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Balanced CHF: Model Asset Allocation

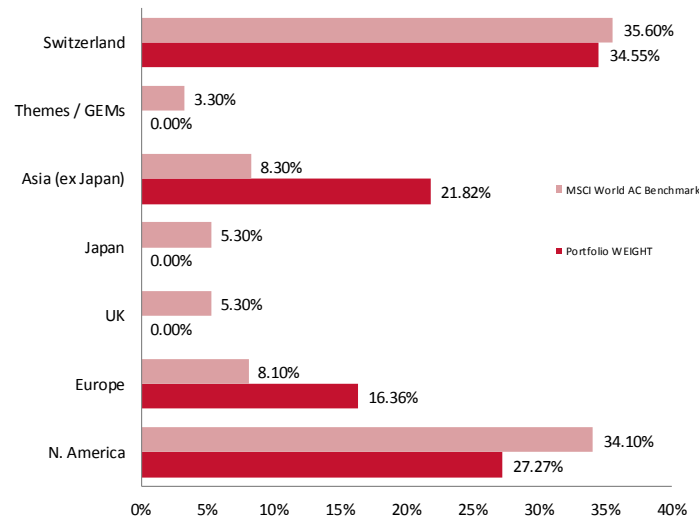
Asset Allocation



Currency Allocation



Regional Equity Allocation



# Growth MFP Strategy Overview

## ► Strategy Overview

The Growth strategy's focus is capital appreciation. It is a high risk, relative return strategy.

Portfolios will primarily be invested in equities, supplemented by smaller weightings of fixed income and alternative investments.

The strategy combines top-down and bottom up approaches based on extensive research. An active asset allocation strategy is applied.

## ► Asset Mix

Asset Class	Min	Max
Liquidity	0%	20%
Bonds	0%	40%
Equities	50%	90%
Alternatives*	0%	30%

\* Ranges shown are subject to change

# Growth MFP: Key Features & Risks

## Key Features

<b>Investment Style:</b>	Relative Return
<b>Investment Objectives:</b>	Capital Appreciation
<b>Risk Tolerance:</b>	High
<b>Time Horizon:</b>	Medium / Long-term
<b>Volatility:</b>	Target standard deviation (of annual performance): 10-14%
<b>Currency Availability:</b>	USD, EUR, CHF, GBP (other currencies by arrangement)
<b>Minimum Investment:</b>	CHF 100k (or currency equivalent)
<b>Liquidity:</b>	100% within 5 days on average

## Risk Tolerance

**Profile:** By the nature of the assets invested in, portfolio values are subject to high volatility. For this reason, the strategy is recommended for medium - or preferably long-term - investors able to withstand falling markets in pursuit of long-term growth.

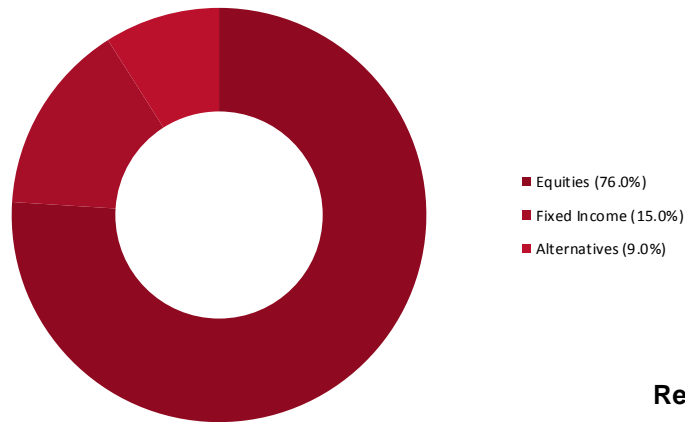


# Growth USD: Model Portfolio

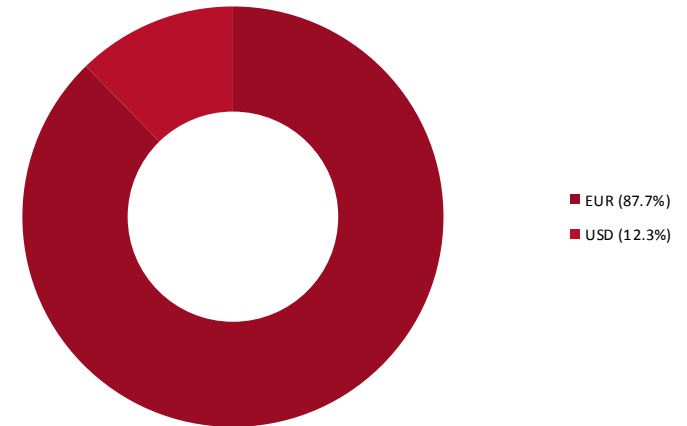
USD Growth	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
Fixed Income	15.0%	Corporate Bonds	11.5%	11.5%	USD	NEW CAPITAL TOT RET BOND-USD	Daily	None
		Wealthy Nations	2.0%	2.0%	USD	NEW CAPITAL WEALTHY NT B-\$AI	Daily	None
		Asia	1.5%	1.5%	USD	NEW CAPITAL ASIA PACIFIC BOND FUND	Daily	None
Equities	76%	US	33.2%	33.2%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		Europe	22.1%	22.1%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		Asia	20.7%	11.7%	USD	EFG EQUITY FDS-ASIA	Daily	None
				6.9%	USD	NEW CAP-ASIA PAC EQ INC-A	Daily	None
				2.1%	USD	NEW CAP-CHINA EQUITY-\$OA	Daily	None
Alternatives	9.0%	Hedge Fund	4.0%	4.0%	USD	NEW CAPITAL STRAT PORTFOL-A\$	Weekly	None
		Structure Product	5.0%	5.0%	USD	MOS	Daily	None
Cash	0.0%	Cash	0.0%	0.0%	USD	CASH	Intraday	None
<b>TOTAL</b>	<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Growth USD: Model Asset Allocation

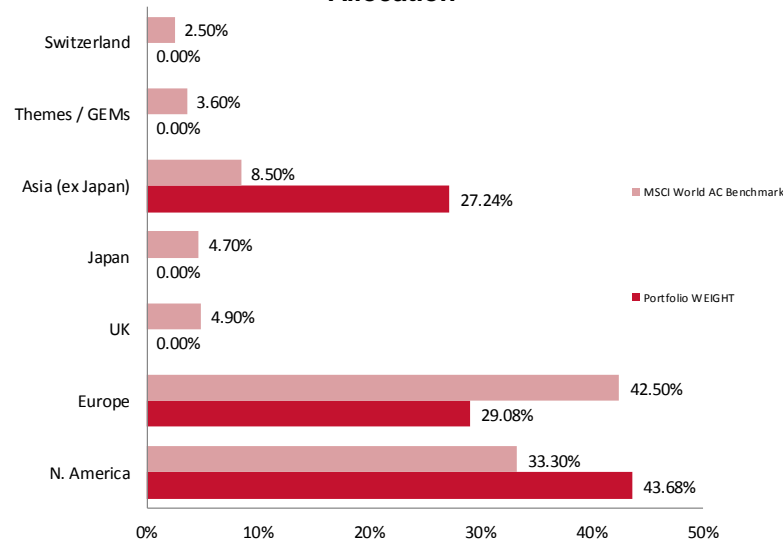
Asset Allocation



Currency Allocation



Regional Equity Allocation

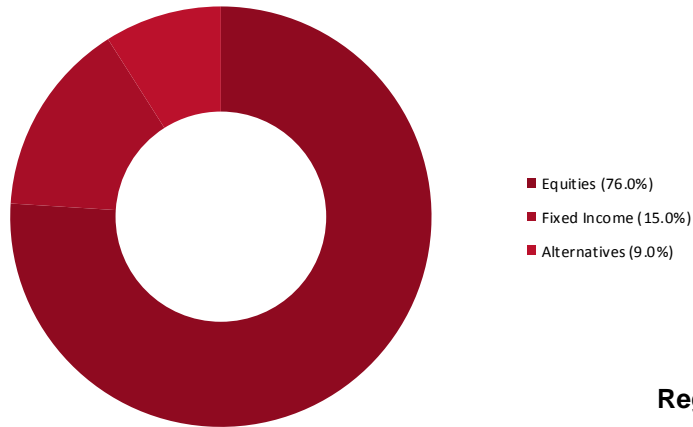


# Growth EUR: Model Portfolio

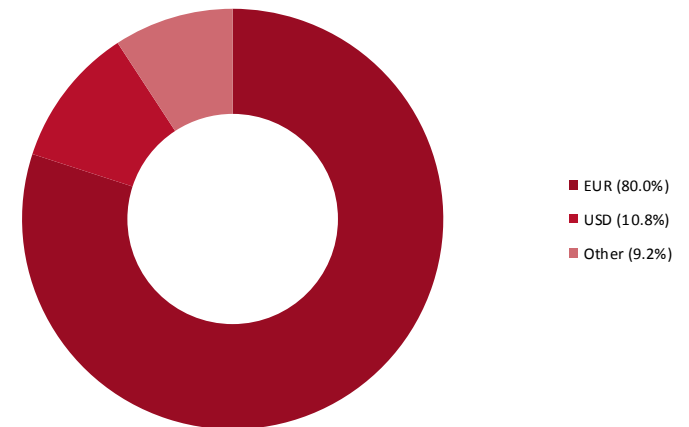
EUR Growth	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
Fixed Income	15.0%	Corporate Bonds	11.5%	11.5%	EUR	NEW CAPITAL TOT RET BOND-EUR	Daily	None
		Wealthy Nations	2.0%	2.0%	EUR	NEW CAPITAL WEALTHY NT B-€AI	Daily	None
		Asia	1.5%	1.5%	USD	NEW CAPITAL ASIA PACIFIC BOND FUND	Daily	None
Equities	76.0%	US	19.3%	19.3%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		Europe	40.8%	40.8%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		Asia	15.9%	8.3%	USD	EFG EQUITY FDS-ASIA	Daily	None
				5.5%	EUR	NEW CAP-ASIA PAC EQ INC-B	Daily	None
				2.1%	EUR	NEW CAP-CHINA EQUITY-€OA	Daily	None
Alternatives	9.0%	Hedge Funds	4.0%	4.0%	EUR	NEW CAPITAL STRAT PORTFOL-B€	Weekly	None
		Structured Products	5.0%	5.0%	USD	MOS	Daily	None
Cash	0.0%	Cash	0.0%	0.0%	EUR	CASH	Intraday	None
<b>TOTAL</b>	<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Growth EUR: Model Asset Allocation

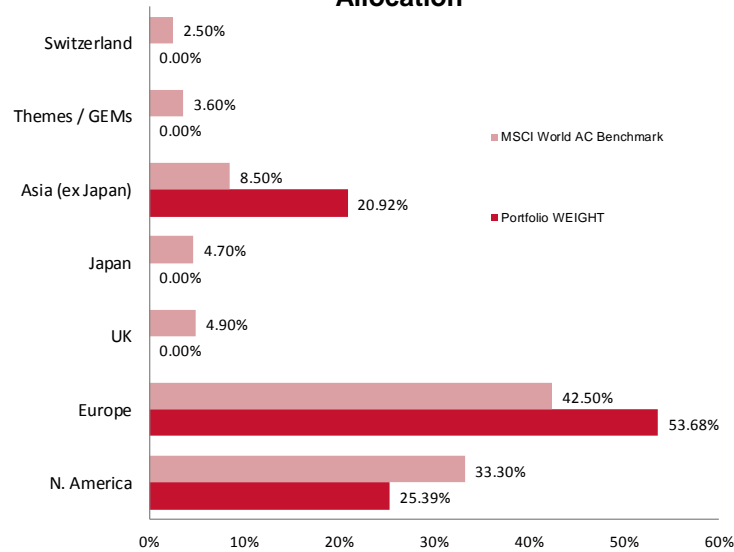
Asset Allocation



Currency Allocation



Regional Equity Allocation

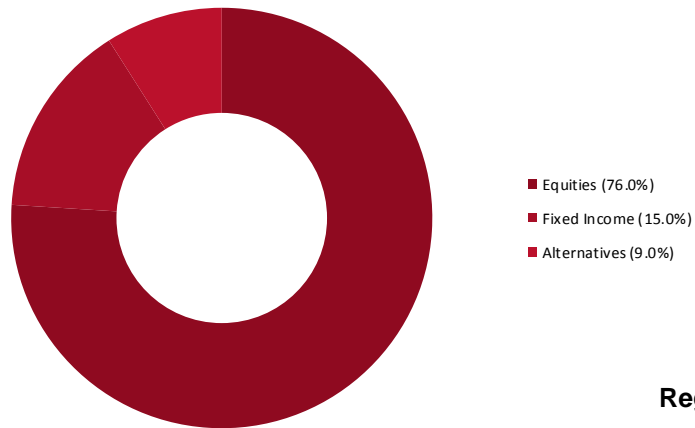


# Growth CHF: Model Portfolio

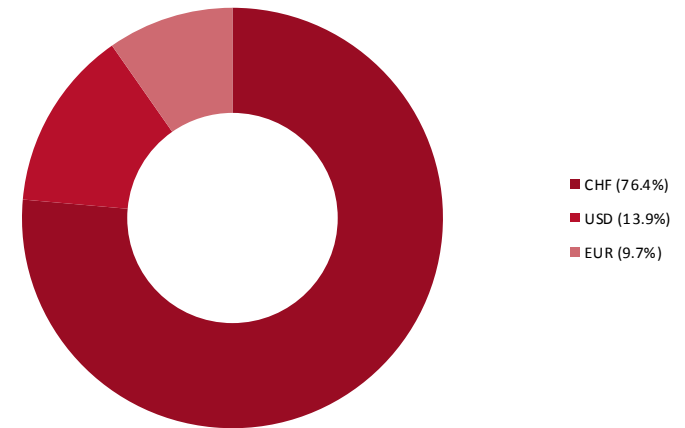
CHF Growth	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period	
Fixed Income	15.0%	Corporate Bonds	11.5%	11.5%	CHF	NEW CAPITAL TOT RET BOND-SF	Daily	None	
		Wealthy Nations	2.0%	2.0%	CHF	NEW CAPITAL WEALTHY NT B-ESF	Daily	None	
		Asia	1.5%	1.5%	USD	NEW CAPITAL AS PAC BO-USD-IN	Daily	None	
Equities	76.0%	US	20.7%	20.7%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None	
		Switzerland	26.3%	26.3%	CHF	EFG EQUITY FDS-SWITZERLAND	Daily	None	
		Europe	12.4%	12.4%	EUR	EFG EQUITY FDS-EUROPE	Daily	None	
		Asia	16.6%	9.0%	9.0%	USD	EFG EQUITY FDS-ASIA	Daily	None
				5.5%	5.5%	USD	NEW CAP-ASIA PAC EQ INC-A	Daily	None
2.1%	2.1%			USD	NEW CAP-CHINA EQUITY-\$OA	Daily	None		
Alternatives	9.0%	Hedge Funds	4.0%	4.0%	CHF	NEW CAPITAL STRAT PORTFO-DSF	Weekly	None	
		Structured Products	5.0%	5.0%	USD	MOS	Daily	None	
Cash	0.0%	Cash	0.0%	0.0%	CHF	CASH	Intraday	None	
<b>TOTAL</b>	<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>					

# Growth CHF: Model Asset Allocation

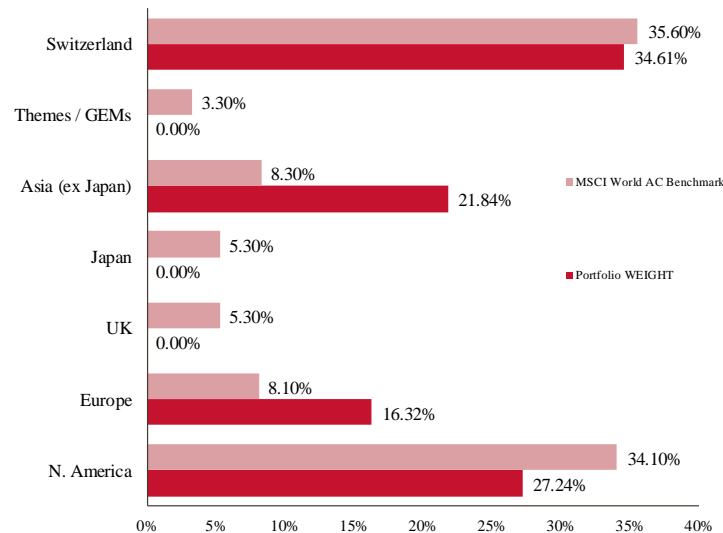
Asset Allocation



Currency Allocation



Regional Equity Allocation



# Equity MFP Strategy Overview

## ► Strategy Overview

The Equity strategy's focus is capital appreciation. It is a high risk, relative return strategy.

Portfolios are invested in ETFs, stock funds, single equities or a blend of all these vehicles.

The strategy combines top-down and bottom up approaches based on extensive research.

An active allocation is applied between geographic areas and sectoral themes is applied.

## ► Asset Mix

Asset Class	Min	Max
Liquidity	0%	30%
Bonds	None	None
Equities	70%	100%
Alternatives*	0%	30%

\* Ranges shown are subject to change

# Equity MFP: Key Features & Risks

## Key Features

<b>Investment Style:</b>	Relative Return
<b>Investment Objectives:</b>	Capital Appreciation
<b>Risk Tolerance:</b>	High
<b>Time Horizon:</b>	Long-term
<b>Volatility:</b>	Target standard deviation of performance (of annual performance): 13-16%
<b>Currency Availability:</b>	USD, EUR, CHF, GBP (other currencies by arrangement)
<b>Minimum Investment:</b>	CHF 100k (or currency equivalent)
<b>Liquidity:</b>	100% within 5 days on average

## Risk Tolerance

**Profile:** The equity strategy will exhibit high levels of volatility as markets fluctuate in value, sometimes dramatically. The strategy is intended for long-term investors who can withstand short-term, sometimes significant losses to capital values in pursuit of superior long-term gains.

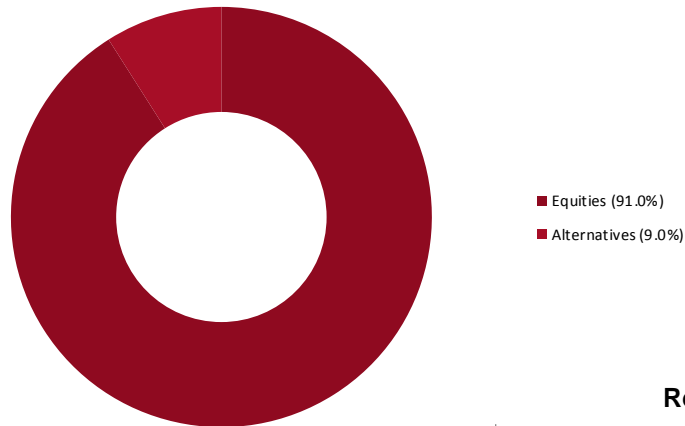


# Equity USD: Model Portfolio

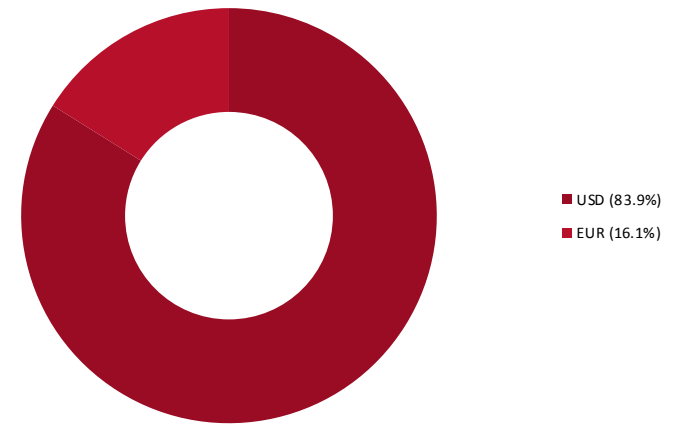
USD Equity	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
Equities	91%	US	39.7%	39.7%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		Europe	26.5%	26.5%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		Asia	24.9%	14.1%	USD	EFG EQUITY FDS-ASIA	Daily	None
				8.3%	USD	NEW CAP-ASIA PAC EQ INC-A	Daily	None
				2.5%	USD	NEW CAP-CHINA EQUITY-\$OA	Daily	None
Alternatives	9%	Hedge Fund	4.0%	4.0%	USD	NEW CAPITAL STRAT PORTFOL-A\$	Weekly	None
		Structure Product	5.0%	5.0%	USD	MOS	Daily	None
Cash	0%	Cash	0.0%	0.0%	USD	CASH	Intraday	None
<b>TOTAL</b>	<b>100%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Equity USD: Model Asset Allocation

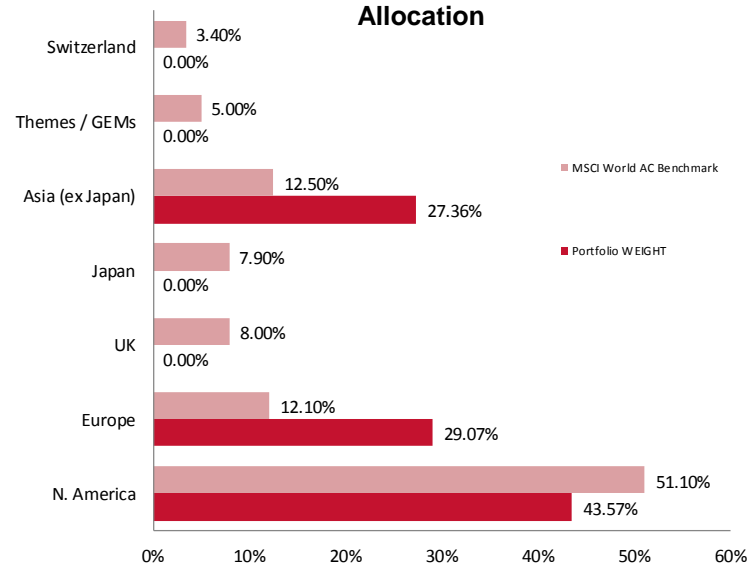
Asset Allocation



Currency Allocation



Regional Equity Allocation

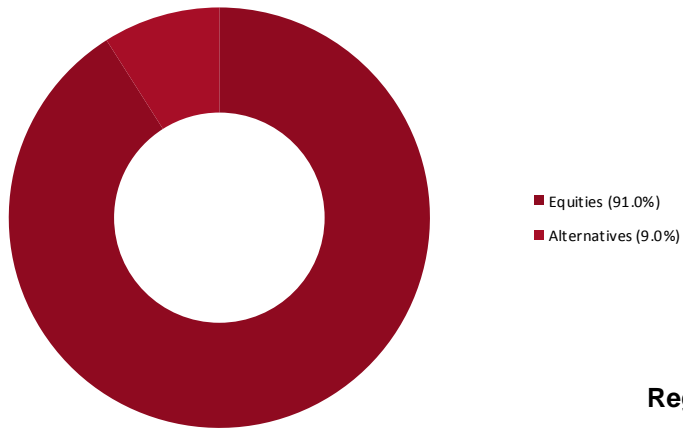


# Equity EUR: Model Portfolio

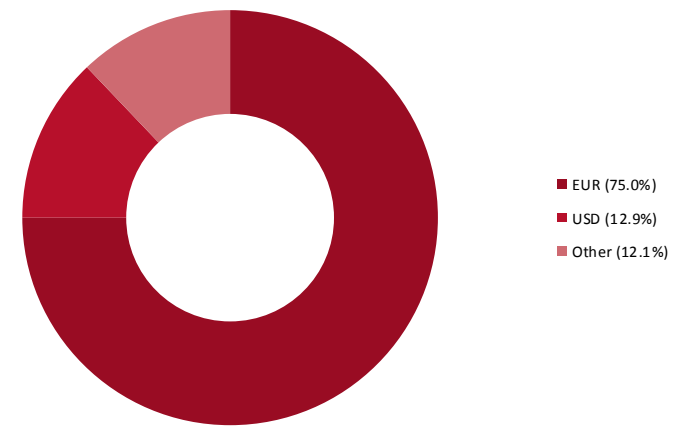
EUR Equity	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
<b>Equities</b>	<b>91%</b>	<b>US</b>	23.2%	23.2%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		<b>Europe</b>	48.8%	48.8%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		<b>Asia</b>	19.0%	9.9%	USD	EFG EQUITY FDS-ASIA	Daily	None
				6.6%	EUR	NEW CAP-ASIA PAC EQ INC-B	Daily	None
				2.5%	EUR	NEW CAP-CHINA EQUITY-€OA	Daily	None
<b>Alternatives</b>	<b>9%</b>	<b>Hedge Fund</b>	4.0%	4.0%	EUR	NEW CAPITAL STRAT PORTFOL-B€	Weekly	None
		<b>Structure Product</b>	5.0%	5.0%	USD	MOS	Daily	None
<b>Cash</b>	<b>0%</b>	<b>Cash</b>	0.0%	0.0%	EUR	CASH	Intraday	None
<b>TOTAL</b>	<b>100%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Equity EUR: Model Asset Allocation

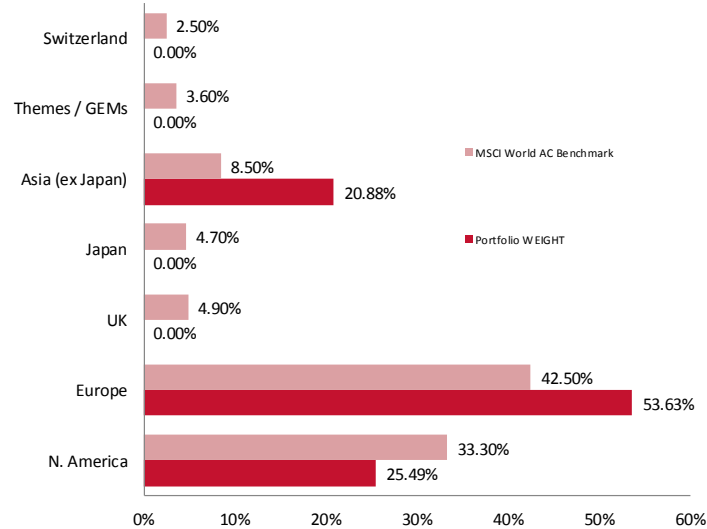
Asset Allocation



Currency Allocation



Regional Equity Allocation

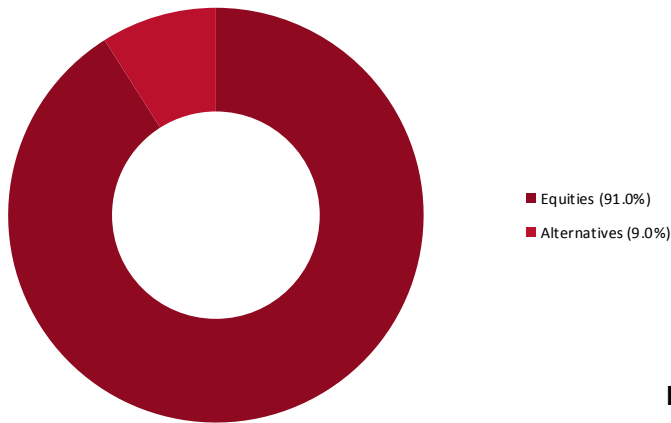


# Equity CHF: Model Portfolio

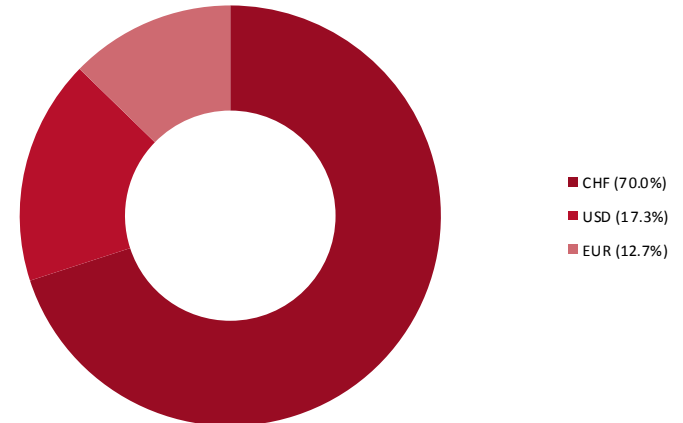
CHF Equity	Asset Allocation	Breakdown Asset Allocation	Sector Weight	Security Weight	CRNCY	Name	Liquidity	Notice Period
Equities	91%	US	24.8%	24.8%	USD	EFG EQUITY FDS-NORTH AMERICA	Daily	None
		Switzerland	31.4%	31.4%	CHF	EFG EQUITY FDS-SWITZERLAND	Daily	None
		Europe	14.9%	14.9%	EUR	EFG EQUITY FDS-EUROPE	Daily	None
		Asia	19.9%	10.8%	USD	EFG EQUITY FDS-ASIA	Daily	None
				6.6%	USD	NEW CAP-ASIA PAC EQ INC-A	Daily	None
2.5%	USD	NEW CAP-CHINA EQUITY-\$OA	Daily	None				
Alternatives	9%	Hedge Funds	4.0%	4.0%	CHF	NEW CAPITAL STRAT PORTFO-DSF	Weekly	None
		Structured Products	5.0%	5.0%	USD	MOS	Daily	None
Cash	0%	Cash	0.0%	0.0%	CHF	CASH	Intraday	None
<b>TOTAL</b>	<b>100%</b>		<b>100.0%</b>	<b>100.0%</b>				

# Equity CHF: Model Asset Allocation

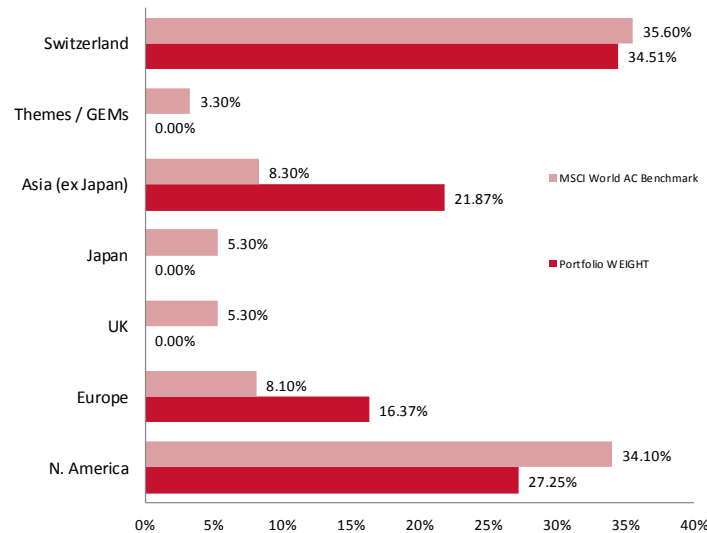
Asset Allocation



Currency Allocation



Regional Equity Allocation



# Client Reporting & Fee Structure

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To keep you well informed of your portfolio and our broader views of the markets and economies.

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▶ **Portfolio Reporting**

- Fully audited valuation reports that include, asset allocation, performance valuation, income schedule and list of transactions are provided on a quarterly basis
- Monthly reporting of positions, transactions, and valuation, and performance can be provided by the private banker on request

▶ **Macro-economic / Market Research**

- EFG's views on the markets are featured in Invest magazine, a monthly publication and our Quarterly Market review (QMR)
- Upon request we can provide our weekly market comment and economic assessment pieces with views on significant events (e.g., S&P Downgrade, Japanese Disasters, European Debt Crisis, etc.)

▶ **Portfolio Manager Meeting**

- These are available upon request but it is advisable to meet a minimum of once a year

▶ **Fee Structure**

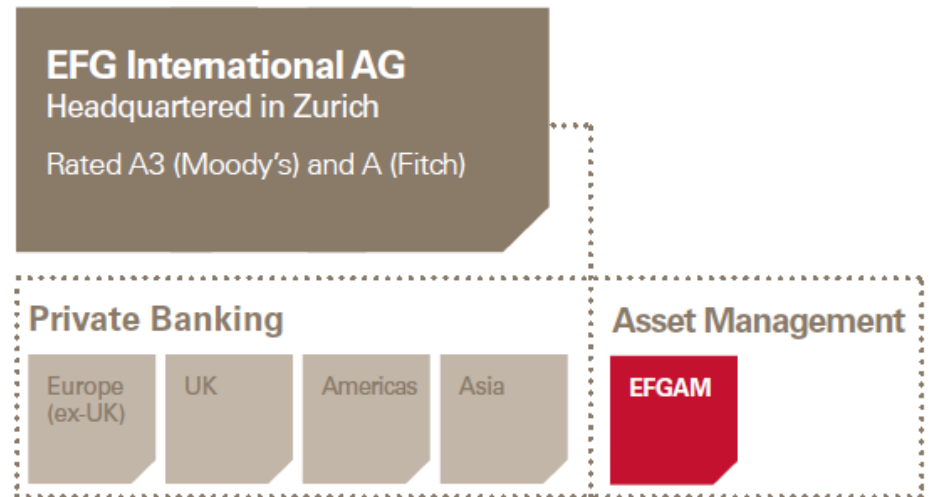
- An annual management fee of 1.25% on assets under management, paid quarterly in arrears. Rates may vary depending on portfolio size and investment strategy
- A performance fee may also be structured upon request for certain strategies

# About EFGAM

EFG Asset Management (EFGAM) is the asset management arm of EFG.

EFGAM is an integral part of EFG's private banking activities, working closely with Client Relationship Officers and their clients.

It is also a distinct, specialist asset manager, providing a range of actively-managed investment solutions to professional advisors and institutional investors worldwide.





# About EFGAM

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**EFG Asset Management (EFGAM) is the asset management arm of EFG.**

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- ▶ Access to our leading-edge investment solutions is available through a variety of product structures, including individual and institutional separate accounts, mutual funds and other pooled investment vehicles.
- ▶ As the investment manager of the New Capital Funds, we offer a blended range of innovative equity and fixed income Global Investment Strategies to institutional and private clients worldwide.
- ▶ EFGAM's investment professionals are based in London, Geneva, Zurich, Hong Kong, Singapore, New York and Miami, and manage circa USD 9 billion on behalf of clients.

# Our Investment Philosophy

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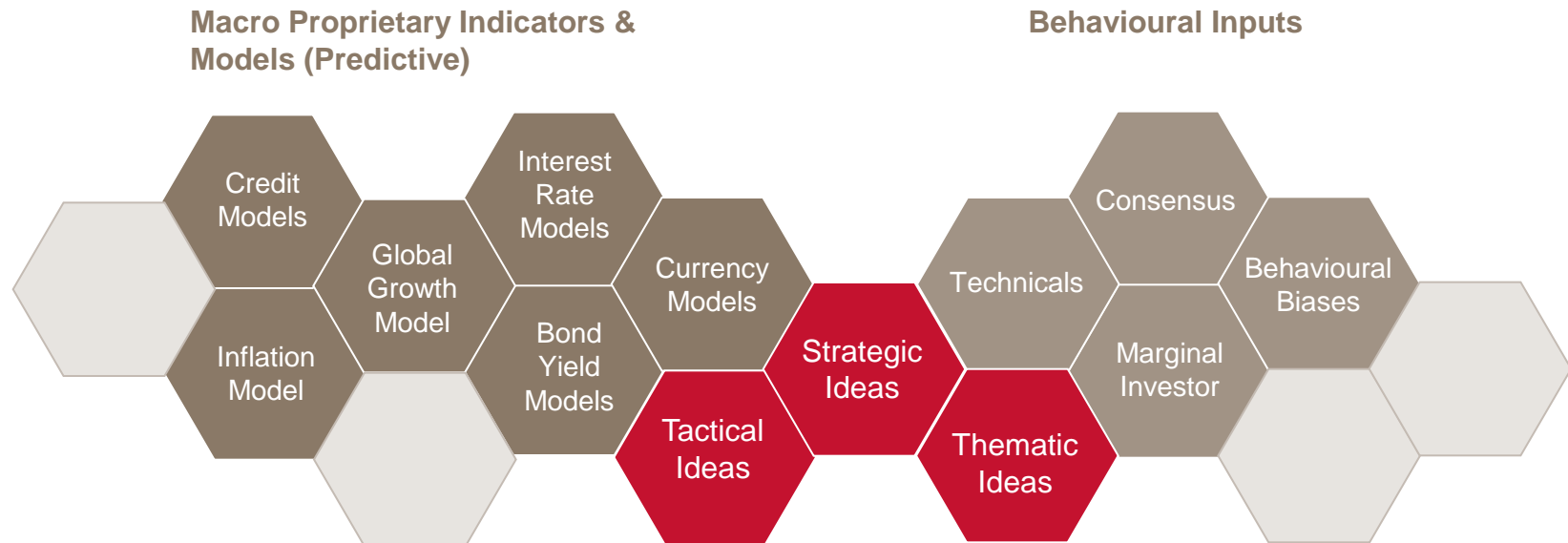
## Intelligent strategies for thoughtful investors.

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- ▶ We are not limited to a benchmark or to any investment style and have a culture of independent thinking within a disciplined environment
- ▶ We are multi-asset specialists. We believe that a dynamically managed multi-asset portfolio can achieve consistent long-term positive returns over time
- ▶ We offer managed account services to institutional investors and financial intermediaries worldwide and have our own range of proprietary funds, the New Capital Funds, that reflect our approach in a number of asset classes and geographies

# Development of Our Investment Ideas

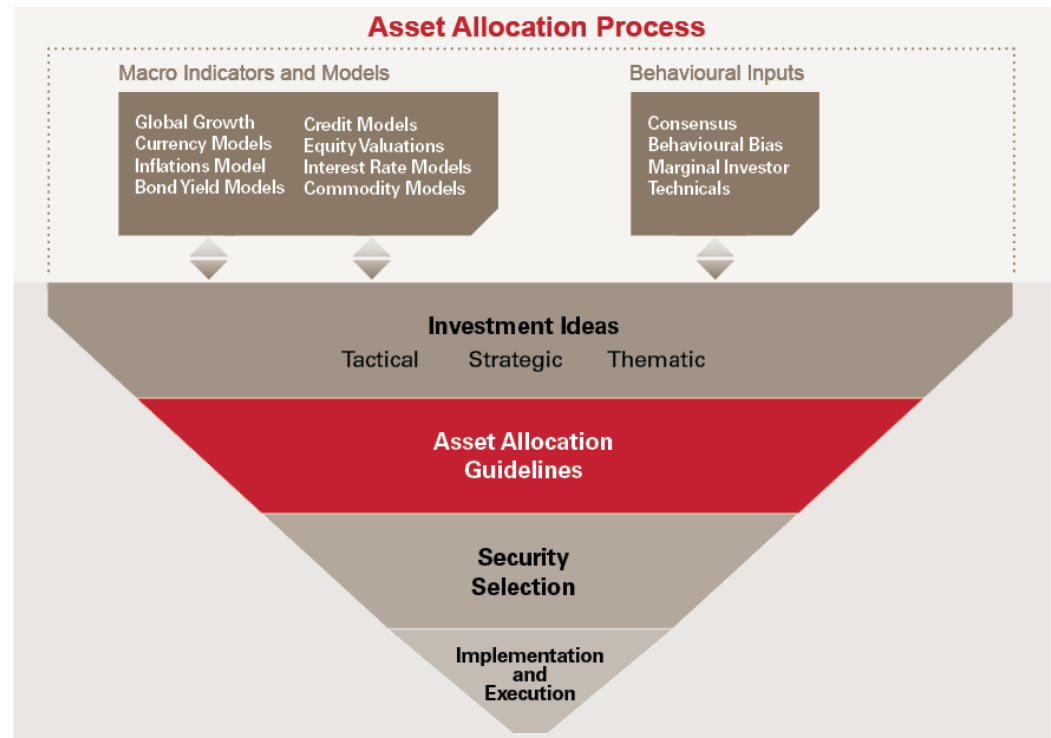
Our macro economic research team combines proprietary research and model-driven macro economic information with external information sources.



# Our Investment Process

**A highly disciplined investment process combines in-house asset allocation and research capacity with access to best of the breed investment products.**

- ▶ Anticipating shifts in the economic cycle is crucial to investment strategy and asset allocation.
- ▶ Accordingly, we closely monitor economic and policy developments in all the major developed and emerging economies in order to assess prospects for economic growth, inflation, interest rates, exchange rates, trade and capital flows, and sector balance sheets.
- ▶ We also examine the major themes driving the global economy and asset classes, including equities, bonds, commodities and currencies assets and how they fit into our overall global asset allocation strategy.



# Our Investment Process

**Anticipating shifts in the economic cycle is crucial to investment strategy and asset allocation.**

## 1. Look for direction in macro-economic cycles

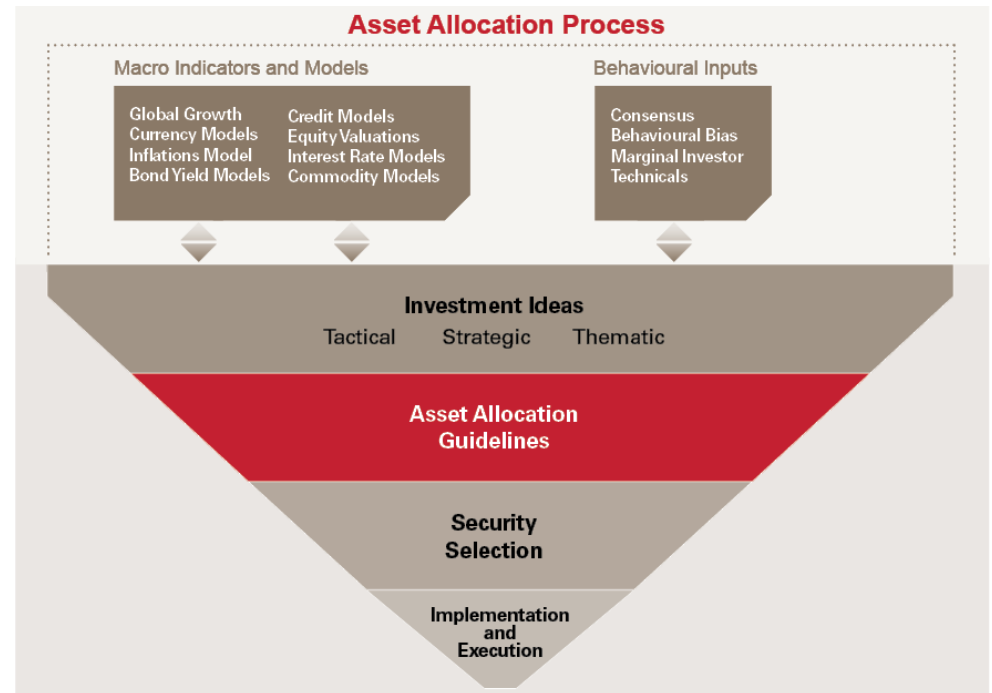
We develop macro views across long, medium and short-term time horizons. Anticipating shifts in the economic cycle is crucial to our investment strategy and asset allocation.

## 2. Evaluate market movement

We look at behavioural biases, marginal investor movements and technical indicators in the market and identify inconsistencies between market consensus and our own views, based on proprietary research. We then test our hypothesis using forecasting models and the expertise of our senior portfolio managers.

## 3. Set asset allocation

We construct our asset allocation recommendations through a combination of strategic, thematic and tactical views based on our understanding of macro economic factors and, of course, the needs of our clients.



# Our Investment Process

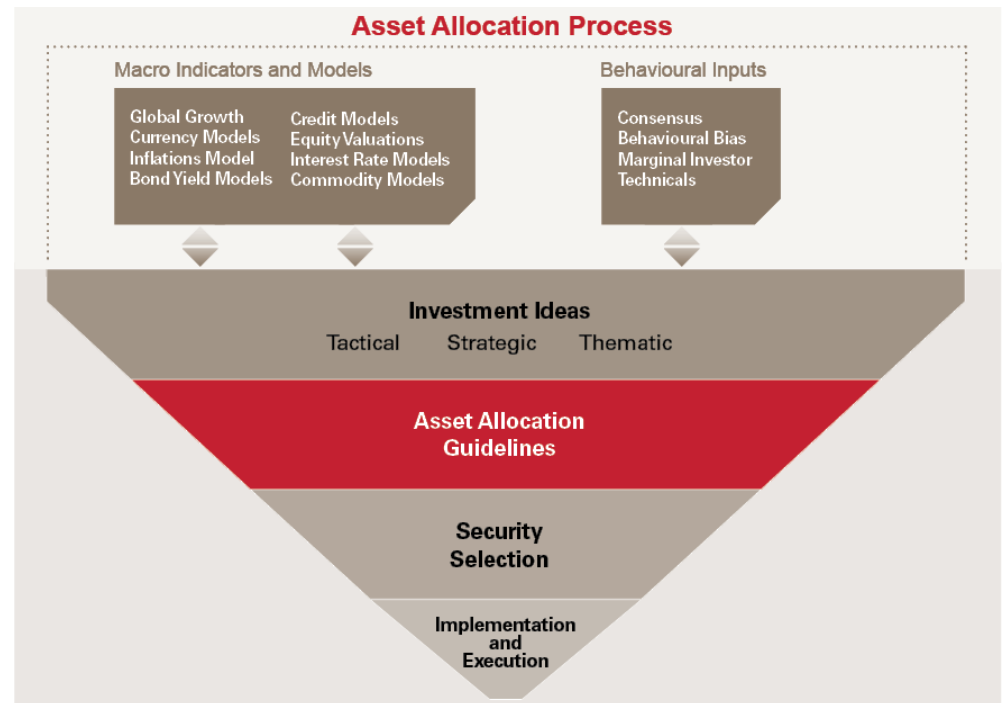
## 4. Security Selection

We select the type and the actual investment which exploits the investment idea most efficiently. Our security selection includes mutual and hedge funds, bonds, equities, structured products and other alternative investments.

## 5. Implementation and execution

Portfolio managers implement research and security selection recommendations which best meet the needs of their client mandates.

As multi-asset specialists we are able to find suitable investments that might be overlooked if we were restricted to one asset class or style. The firm has a strong sell discipline based upon market movement so the due diligence and evaluation process continues.



# Rationale of Strategic Asset Allocation

■ Global Equities  
 ■ Global Bonds  
 ■ Commodities  
 ■ Hedge Funds  
 ■ Risk-Free rate

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
16.00%	12.30%	26.30%	6.00%	19.30%	14.40%	18.00%	22.78%	26.50%	11.50%	2.80%	23.00%	30.81%	12.84%	22.50%	17.95%	16.54%	12.00%	26.98%	17.44%	7.22%	16.54%
15.50%	4.60%	20.39%	4.60%	18.70%	11.72%	14.17%	15.30%	23.56%	6.60%	1.90%	19.40%	14.50%	11.20%	7.55%	10.40%	10.81%	0.44%	23.46%	11.76%	0.30%	7.67%
14.50%	3.30%	12.30%	3.36%	11.10%	5.50%	5.70%	5.10%	6.80%	4.10%	-0.80%	1.40%	11.60%	10.10%	7.50%	5.94%	10.07%	-20.97%	11.16%	5.60%	-5.64%	3.41%
4.30%	-2.60%	11.60%	1.30%	5.70%	4.40%	1.40%	-5.10%	5.80%	2.30%	-16.30%	1.00%	8.90%	6.90%	4.40%	5.32%	7.11%	-36.01%	1.90%	5.01%	-6.86%	0.09%
-6.50%	-7.14%	3.30%	-3.50%	2.80%	1.50%	-4.40%	-16.50%	-5.10%	-14.05%	-17.83%	-21.06%	1.10%	2.40%	-6.53%	-7.40%	4.60%	-42.09%	0.23%	0.26%	-8.26%	0.08%

Data shows the total return in each year from the five main asset classes. Source: Bloomberg; Thomson Reuters Datastream. Past performance is not a guide to future returns.

- ▶ Having the right asset allocation is crucial to performance and the overall degree of risk in the portfolio
- ▶ Equities perform well during periods of strong economic growth. They perform badly during contractions
- ▶ The asset allocation will explain 90% of a multi-asset portfolio's performance
- ▶ EFG believes that the starting point for the construction of any portfolio is the asset allocation decision.

# Our Global Investment Strategies

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**Our multi-asset strategies aim to deliver the highest potential long-term returns by actively managing a diversified portfolio of assets, with a managed level of risk.**

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- ▶ Our multi-asset strategies consist of three broad asset classes: equities, fixed income and alternative investments.
- ▶ We seek to exploit return sources at both the asset allocation and security and manager selection level.
- ▶ There are three key features to our multi-asset strategies: macro economic and market insight, active asset allocation and an expert investment team.

## **The Managed Account Advantage**

- A bespoke service
- Flexible investment approaches
- Truly open architecture
- Concentrated focus on risk
- Dual investment oversight
- Open access to fund managers
- Complete transparency in fee structure
- Comprehensive and efficient account administration
- Top quartile performance



# Meet Our Teams

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**Our people are our greatest asset. We strive to create an open and diverse culture of investment experts who can debate and discuss economic and market opinions freely.**

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- ▶ Our multi-disciplined team collaborates to provide a true integration of investment insight.
- ▶ The enterprising spirit that drove our own early growth is still very much alive today. We encourage new thinking and strategies that challenge convention, unrestricted by tradition or rigid guidelines.
- ▶ We attract talented individuals, from a diverse range of backgrounds, cultures and experiences. This diversity enables us to consider all economic and market angles and deliver the best possible solution and communication to our clients, whatever their financial goal and wherever they are situated.
- ▶ Our team understands what advisers and their clients want and has the flexibility and expertise to provide investment solutions to meet their long-term goals.

# EFG: One Team, One Process

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## Senior Management Team

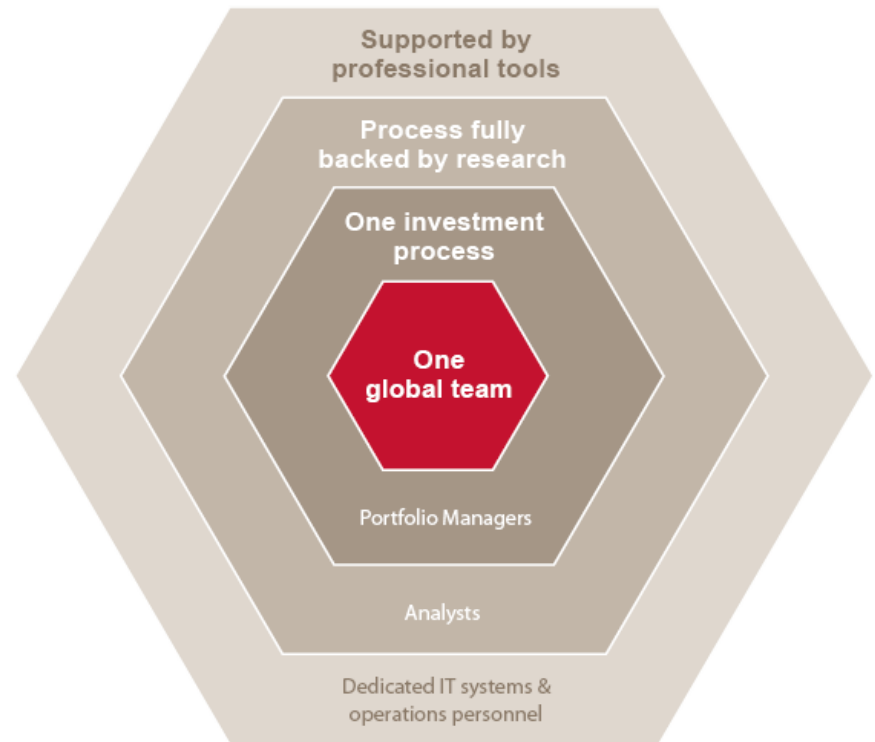
The founding members of the management and investment team have worked together at EFG for more than a decade, ensuring that the appropriate fiduciary controls and corporate governance are in place.

## Macro Research Team

Macro Research lies at the heart of the EFG investment approach. The team conducts extensive proprietary research and liaises on a daily basis with the investment teams.

## Portfolio Management Team

Our open architecture approach gives our multi-disciplined portfolio management team the freedom to evaluate a broad range of investment opportunities in order to create the best results possible for our clients.



# Your Investment Team

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# Your Investment Team

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# Important Disclaimers



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Potential investors should note that investments can involve significant risks and the value of an investment may go down as well as up. The prices of futures, options and other instruments in which the products may invest may fall in value as rapidly as they may rise and it may not be possible to liquidate the positions in the relevant markets before a loss is sustained. Price fluctuations may be substantial because of leverage. No assurance can be given that the investment objective of any product will be achieved or that substantial losses will not be suffered. There is no guarantee of trading performance and past or projected performance is not necessarily a guide to future results.

Selling any fixed income security prior to maturity or call date may result in a potential loss of principal. Prior to making any investment decision, the investor should fully understand the economic risks and merits, as well as the legal, tax and accounting characteristics and consequences of the transaction, and make his own determination that the investment is consistent with his objectives and that he is able to assume the risk.

As is the case with any investment, there can be no guarantee with respect to the tax treatment over time. This is a particularly important consideration with respect to investments held for one or more years. Pursuant to an agreement concluded between Switzerland and the EU that will take effect July 1, 2005, certain interest income will be subject to withholding tax for EU-resident taxpayers. Prospective investors should familiarise themselves with, and where appropriate, take advice on the laws and regulations applicable to the holding and realisation of any investment.