



Swiss Equity Discovery Fund

Monthly Report – January 2012

Profile

Base currency:	CHF
NAV calculation:	Weekly
Liquidity:	Weekly
Mgmt & Admin fee:	1.5% p.a.
Performance fee:	10% over hurdle rate CHF 6 months Libor
Incorporation:	Switzerland
Fund Mgmt Company:	Caceis Fastnet (Suisse) SA, Nyon, Switzerland
Custodian:	Swissquote Banque SA, Gland, Switzerland
Valor / ISIN:	3571707 / CH0035717070
Bloomberg:	SWEQDIS SW
Restrictions:	Not for distribution in the US or to US persons
Front Load fee:	None

The Swiss Equity Discovery Fund is an open-end Swiss registered equity fund, investing in Swiss companies that are underestimated and/or undervalued by the market.

With the use of our own primary research and valuation metrics, the Fund aims to return 15% over the medium to long-term with a portfolio of 20 to 30 companies and a low turnover.

Overview – January 2012

Investment Policy

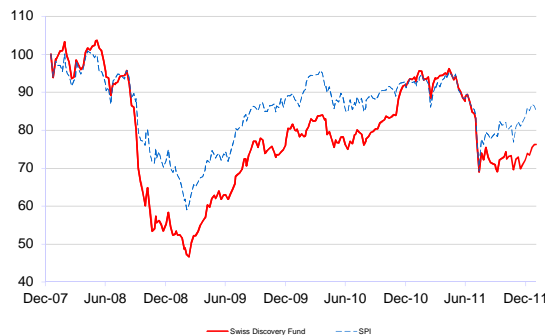
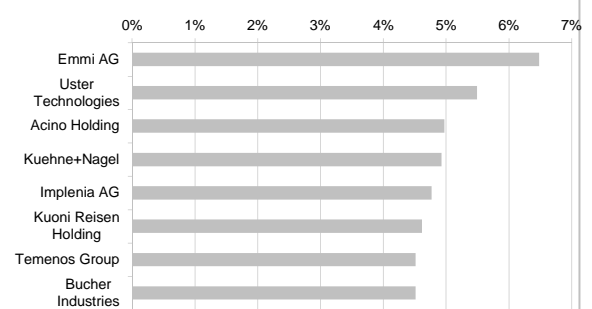
Unlike the Januaries since 2008, January 2012 started on a good note with Swiss small/mid-caps & financial stocks performing better than the other blue chips. As a result of our bias towards small & midsize companies, we did better this month than Mr Market, enabling the Fund to catch up on November & December 2011. Trading activity during the month was limited, but as we are starting to have inflows into the Fund, the tide is reversing somewhat.

Performance Analysis and Fund Top Positions

This month the top performers were: Kuoni (+21.1%), and industrial stocks like Meyer Burger (+19.7%), Daetwyler (+16.7%), Tornos(+16.5%). In total, 8 stocks were up more than 10%.

The negative performers were Logitech (-4% - on revised guidance for FY 2012/13), Gottex (-3.8%) and Orion (-3.1%).

Fund Top Positions



The Swiss Equity Discovery Fund was up 4.8% in January at CHF76.24 estimated per share, against an increase of 1.3% for the Swiss Performance Index (SPI).

Year-to-date the Fund is up 4.8% vs. the SPI up 1.3%. Since inception the Fund is down 23.8% with the SPI down 14.9%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2012	Swiss Discovery	4.8%												4.8%
	SPI	1.3%												1.3%
2011	Swiss Discovery	1.3%	0.9%	-0.1%	1.7%	-1.0%	-5.6%	-6.6%	-9.1%	-7.3%	6.2%	-2.7%	0.6%	-20.5%
	SPI	0.4%	2.4%	-2.7%	3.8%	0.2%	-5.6%	-6.5%	-5.0%	-0.8%	4.1%	-1.5%	4.1%	-7.7%
2010	Swiss Discovery	3.5%	-1.6%	5.1%	0.6%	-6.7%	-1.7%	3.7%	-2.3%	4.2%	4.1%	0.3%	9.1%	18.7%
	SPI	-1.0%	3.5%	4.2%	-2.7%	-4.9%	-2.8%	1.5%	-0.4%	2.4%	2.9%	-1.8%	2.4%	2.9%
2009	Swiss Discovery	-3.3%	-8.3%	6.5%	9.4%	8.6%	1.5%	7.7%	6.8%	6.4%	-4.0%	-1.6%	5.9%	39.6%
	SPI	-4.2%	-10.2%	5.3%	8.5%	2.8%	1.0%	9.6%	4.6%	2.2%	-1.1%	-0.3%	2.5%	23.2%
2008	Swiss Discovery		3.4%	-4.7%	3.5%	3.1%	-7.8%	-3.1%	2.8%	-14.7%	-23.5%	-7.6%	-3.6%	-44.8%
	SPI		-0.7%	-3.7%	5.6%	0.6%	-7.5%	1.9%	1.6%	-8.2%	-9.3%	-5.2%	-4.4%	-28.1%

Outlook & Strategy

Will "positive" January set the tone for a positive 2012? It is too early to tell by any means! Market participants have returned to their desks & screens, allocating capital to stocks again, although timidly, due to the continuing uncertain economic prospects. The good news is that bond yields are at record low levels, whilst corporates are fit financially and ready to pay attractive dividend yields.

At this stage we can only endeavor to raise the awareness of the financial players! We will keep our ears to the ground!

Pierre Cloux, Investment Advisor

Past performance is not a guide to future performance. Performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

The Prospectus of the Fund, the Simplified Prospectus as well as the Annual and Semi-annual Reports, may be obtained free-of-charge upon request from the Fund Management Company CACEIS Fastnet (Suisse) SA, 7-9 Chemin de Precossy, CH-1260 Nyon, Switzerland.