

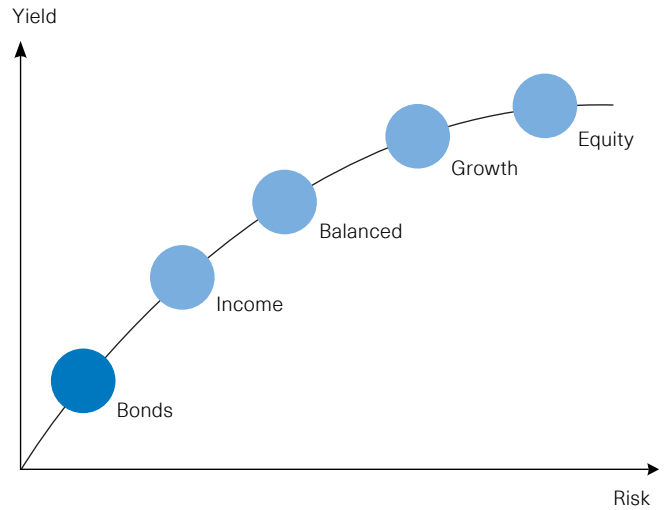
# Strategy: Bonds CHF

## Investor Profile and Investment Objective Bonds CHF

Investments in this category are ideal for investors for whom security and regular earnings have absolute priority and who want to keep price fluctuations as low as possible. It is seemingly important that the investment portfolio be invested predominantly in their reference currency.

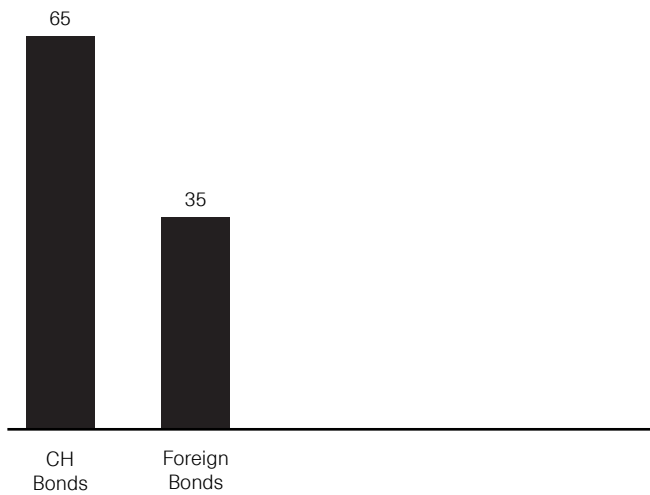
## Investment Vehicles

Exclusively fixed income. No investments in equities.



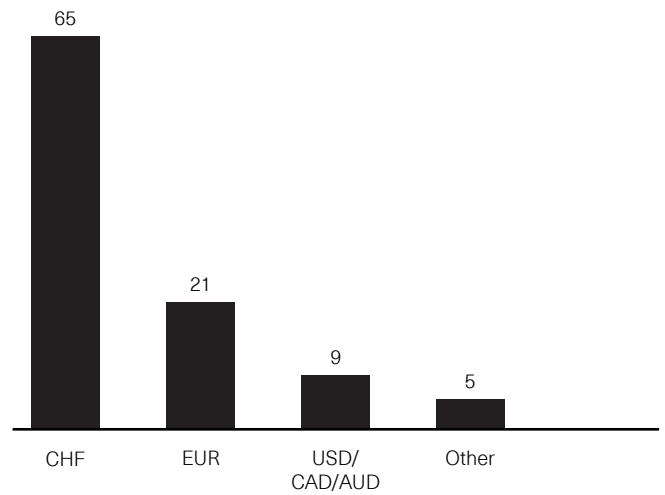
## Asset Classes

in %



## Currencies

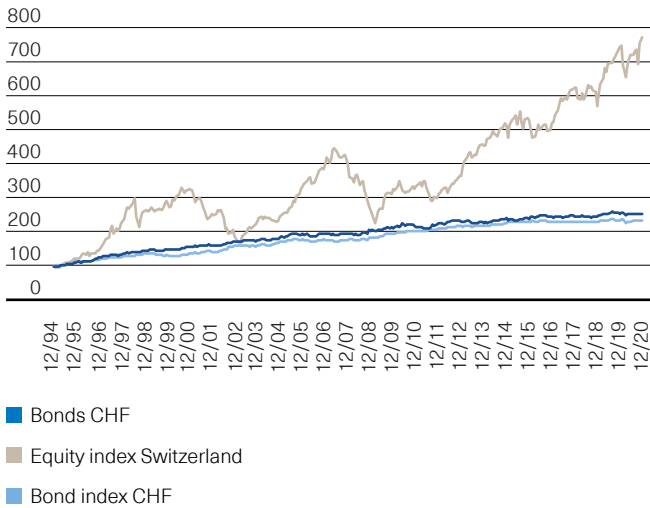
in %



## Backtesting

### Performance Sample Portfolio Bonds CHF

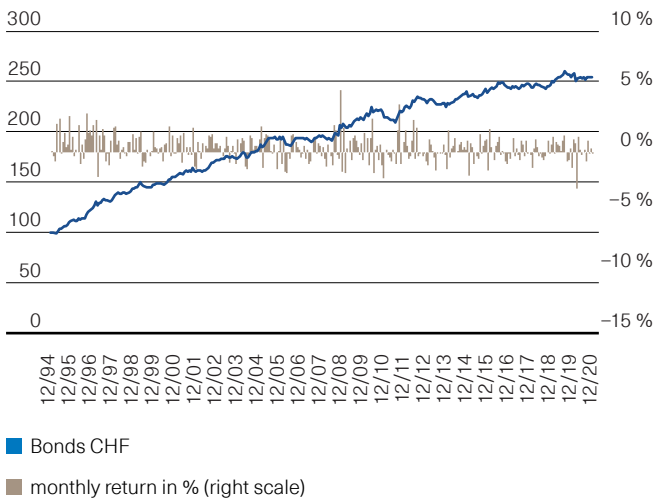
Performance index in CHF, 12/94=100



### Performance Sample Portfolio Bonds CHF with Monthly Returns

Performance index in CHF, 12/94=100

Monthly Return



	Investment Proposal	Bonds	Equities
Return p.a.	3.6 %	3.3 %	8.2 %
Standard Deviation p.a.	3.7 %	2.9 %	14.5 %

In the past, a portfolio with the structure of the Bonds CHF investment proposal has achieved an average return of 3.6 % p.a. The standard deviation, a measure to quantify the dispersion of returns, amounted to 3.7 % p.a. This implies that the return in 68 % of all one-year periods lies within a bandwidth of one standard deviation about the average return, i.e. between 0.0 % and 7.3 %.

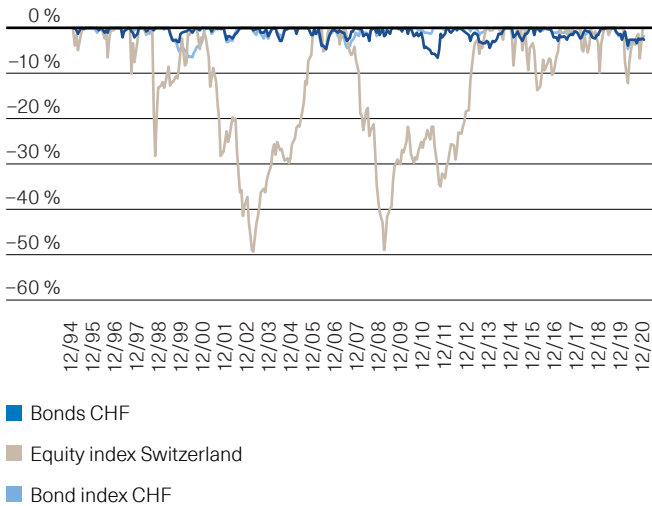
Bandwidth of Historical Monthly Returns	Investment Proposal	Bonds	Equities
Minimum	-3.0 %	-4.0 %	-18.1 %
Maximum	5.2 %	3.3 %	12.2 %

The lowest return of the Bonds CHF strategy in a calendar month lies at -3.0 %, the highest return at 5.2 %.

## Backtesting

### Temporary Loss in Value Since the Last Highest Value

Cumulative loss of value

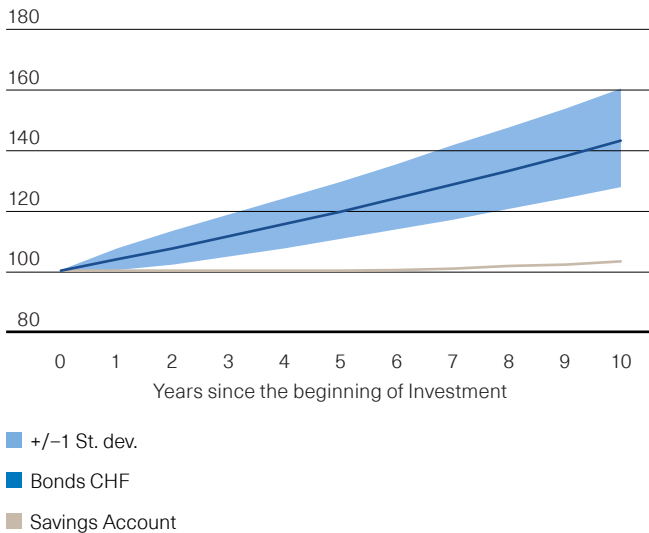


	Investment Proposal	Bonds	Equities
Maximum Temporary Loss of Value	-6.5 %	-6.4 %	-49.3 %
Duration of the Maximum Loss Phase (Months)	30	34	76

Based on a highest value reached once in the past, one must accept a cumulative loss of value of a maximum of 6.5 % in the Bonds CHF strategy. The temporary loss phases lasted up to 30 months before the last highest value was exceeded again. In spite of these weak phases, the Bonds CHF investment strategy was able to demonstrate a positive average return over the whole period of 3.6 % p.a.

### Anticipated Performance of the Sample Portfolio in Comparison to a Savings Account

Asset position (at beginning of investment = 100 CHF)



The channel shown shaded in blue reflects the performance scenarios for the Bonds CHF investment strategy, which moves in a bandwidth of +/- 1 standard deviation about the average yields. Normally, in 68 % of all cases the return lies within this bandwidth. The probability of obtaining a higher return from the Bonds CHF strategy than from a savings account within 2 years should accordingly exceed 84 %.

The performance portrayed and the calculations resulting therefrom are based on historical monthly index data in the period from 12/94 to 12/20. The calculation on the range of deviation is based on the concept of normal distribution.

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