

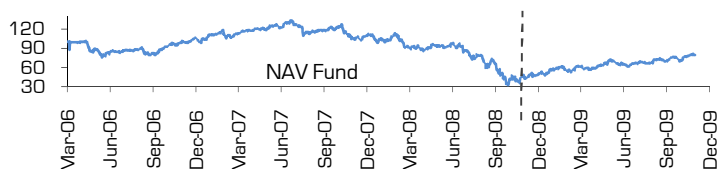
Precious Capital Global Mining & Metals Fund

The Precious Capital Global Mining & Metals Fund is a Swiss securities fund, investing globally in mining companies. The fund is focusing on gold mining companies with diversified operations. As the investments are mainly held in foreign currencies the fund may hedge foreign currency risk. The fund abstains from the publication of the performance of a benchmark. *The fund is managed by a new management team since December 2008 including some of the co-founders.*

Review and commentary

Following the restructuring one year ago the performance of the fund for 2009 is +63.7% which is twice as much as the performance of the XAU Index which gained +31.9% (in CHF). As noted in our November newsletter we were expecting some short-term weakness in gold and gold mining equities. The XAU Index was down in December by -5.2% (in CHF) while the fund gained +3.3%. We realised profits in November and built up new positions in emerging and mid-sized gold producers on weakness in December. We also increased our net USD exposure in anticipation of an intermediate trend reversal in the USD Index, which happened in December. The recent takeover action (Goldcorp/Canplats, Royal Gold and Franco Nevada bids for International Royalty Corp.) suggests that the market consolidation is eventually gaining momentum. We expect this trend to continue in 2010 and beyond as the senior gold producers will have to acquire smaller producers and exploration companies to maintain and expand their resources and reserves and to secure future profitability. Our view on the economy remains negative and we regard the current rebound in the US and in Europe as an intermediate cover-up and not as a recovery. The cracks in the financial systems have not been solved and the stimulus programs which were financed by phantom money resulted in unprecedented debt levels.

Performance since inception



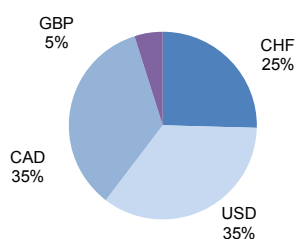
Price per unit per 31 December, 2009 (CHF):	83.23
Performance December 2009:	3.3%
Performance 2009:	63.7%
Annualized volatility:	53.0%
Number of positions (equities):	27
FX hedging contracts:	none

Top 10 Positions

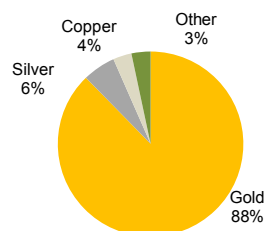
Timmins Gold	5.24%
Kinross Gold	3.98%
Romarco Minerals	3.33%
Royal Gold	3.20%
Midlands Minerals	3.16%
Goldcorp	3.16%
Yamana Gold	2.81%
Anatolia Minerals	2.69%
Calibre Mining	2.65%
Allied Gold	2.53%

Investment Allocation

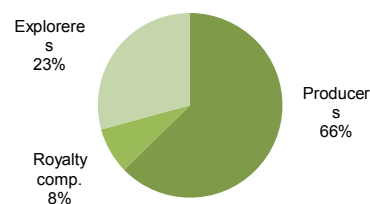
Currency breakdown



Commodity breakdown



Company breakdown



Track Record (figures in CHF)

							Performance 2009:	63.74%
2009	Jan 09	Feb 09	Mrz 09	Apr 09	Mai 09	Jun 09		
NAV	59.20	57.60	62.44	58.87	71.38	65.18		
%	16.50%	-2.70%	8.40%	-5.72%	21.25%	-8.69%		
	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dez 09		
NAV	68.75	68.61	72.64	71.20	80.61	83.23		
%	5.48%	-0.20%	5.88%	-1.98%	13.22%	3.25%		
							Performance 2008:	-54.30%
2008	Jan 08	Feb 08	Mar 08	Apr 08	May 08	June 08		
NAV	104.49	112.64	90.47	88.07	96.06	99.10		
%	-6.10%	7.80%	-19.70%	-2.65%	9.07%	3.20%		
	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08*	Dec 08		
NAV	88.15	80.06	66.04	41.83	49.35	50.83		
%	-11.05%	-9.20%	-17.50%	-36.40%	17.98%	3.00%		
							Performance 2007:	2.53%
2007	Jan 07	Feb 07	Mar 07	Apr 07	May 07	June 07		
NAV	113.63	114.27	115.16	119.29	121.40	124.29		
%	4.70%	0.60%	0.80%	3.60%	1.80%	2.40%		
	Jul 07	Aug 07	Sep 07*	Oct 07	Nov 07	Dez 07		
NAV	130.18	116.29	120.20	126.84	107.06	111.23		
%	4.70%	-10.70%	3.40%	5.50%	-15.59%	3.90%		
							Performance 2006:	8.48%
2006	Feb 10	Feb 06	Mar 07	Apr 06	May 07	June 07		
NAV	100.00	99.42	101.72	101.43	89.15	86.69		
%		-0.58%	2.31%	-0.29%	-12.11%	-2.76%		
	Jul 06	Aug 06	Sep 06	Oct 06	Nov 06	Dez 06		
NAV	87.54	89.68	84.21	95.50	102.91	108.48		
%	0.98%	2.44%	-6.10%	13.41%	7.76%	5.41%		

Fund Details and Investment Terms

Fund currency:	CHF	Issue fee:	up to 3%
Fund size (CHF million):	16.8	Performance fee:	15% over 5% (High Watermark)
Type of fund:	Equity Fund (open-ended)	Management fee:	1.5%
Fund domicile:	Switzerland	Redemption fee:	none
Trading:	Daily (until 12pm)	Asset manager:	Precious Capital AG, Zurich
Date of inception:	Feb. 10th, 2006	Fund manager:	LB(Swiss) Investment AG, Zurich
Valoren number:	2333575	Custodian:	LLB (Schweiz) AG, Zurich
ISIN number:	CH0023335752	Auditor:	PriceWaterhouseCoopers, Zurich
Bloomberg ticker:	LBSPRCS SW	Website:	www.preciouscap.com
Minimum investment:	1 unit	Information:	info@preciouscap.com

* The fund management changed in September 2007. In December 2008 the fund management has been delegated to a new team including some of the co-founders.

Disclaimer: Units of this mutual fund may not be offered, sold or delivered in the United States or to US persons outside the United States. This summary is for information purposes only and does not constitute a recommendation to buy. All information is taken from carefully chosen and reliable sources. However, the authors and the involved parties do not guarantee its correctness or completeness. Past performance is no indication of current or future performance. These performance data do not take account of commissions and costs incurred on the issue and redemption of units. Detailed information on this fund can be found in the fund prospectus in the integrated fund regulations.