

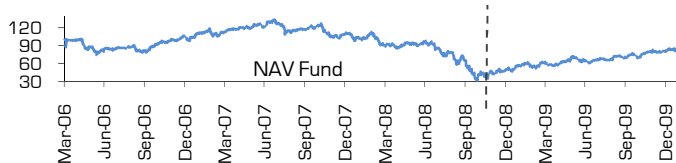
Precious Capital Global Mining & Metals Fund

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

The temporary correction in gold mining equities which started in December gained momentum and continued into January. The XAU Index lost in CHF-terms 11.0% in January while the fund was down by 5.7%. As we noted in our November newsletter, this correction was anticipated and we built up additional positions at weakness. We increased some of our core holdings and selectively added new mid-sized gold and silver producers as well as development companies. We remained cautious in the light of the continued rebound of the US Dollar Index and the Gold/Silver Ratio which reached a level above 65 which could anticipate additional credit problems ahead. Base metal stocks have broken down and the oil stocks slumped (XOI Index). Lower energy and base metal prices result in an increasing real gold price, which is essential for the long term future profitability of gold mining companies. Our anticipation of the market is that the senior gold stocks will continue to go up and down with the US stock market in the short term before decoupling from the overall market as the increasing real gold price has yet to be fully discounted in the gold mining shares. In addition, we expect an ongoing consolidation and acquisitions and therefore our core portfolio remains focused on mid-sized and emerging gold producers which have recently become takeover targets by the major producers.

Performance since inception



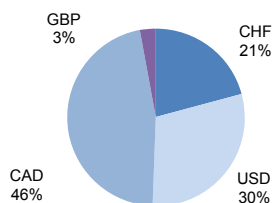
Price per unit per 31 January 2010 (CHF):	78.53
Performance January 2010:	-5.7%
Performance 2010:	-5.7%
Annualized volatility:	53.0%
Number of positions (equities):	30
FX hedging contracts:	none

Top 10 Positions

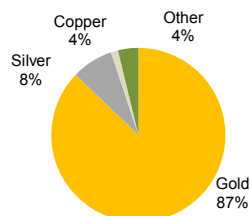
Aura Minerals	4.58%
Timmins Gold	4.13%
Romarco Minerals	3.78%
Midlands Minerals	3.56%
Anatolia Minerals	3.31%
CGA Mining	3.31%
Centerra Gold	3.25%
Kinross Gold	3.03%
Yamana Gold	2.95%
Allied Gold	2.95%

Investment Allocation

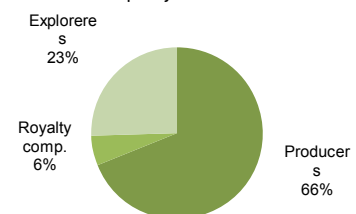
Currency breakdown



Metals breakdown



Company breakdown



Track Record (figures in CHF)

					Performance 2010:	-5.65%
2010	Jan 09	Feb 09	Mrz 09	Apr 09	Mai 09	Jun 09
NAV	78.53					
%	-5.65%					
					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):	19.7	Performance fee:	15% over 5% (High Watermark)
Type of fund:	Equity Fund (open-ended)	Management fee:	1.5% p.a.
Fund domicile:	Switzerland	Redemption fee:	none
Trading:	Daily (until 12pm)	Asset manager:	Precious Capital AG, Zurich
Date of inception:	Feb. 10th, 2006	Fund administrator:	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 who we co-managing the fund from inception until August 2007.

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.