

## BCV DYNAMIC FUND – BCV DYNAGEST World Expobond (EUR)

### Review

During the opening quarter of 2012, we witnessed a spectacular rebound by all categories of risk assets, with equities and corporate bonds leading the way. This upswing was driven by investors regaining their confidence, boosted by tension in the eurozone crisis easing and the economic recovery strengthening in the USA. The ECB's activist approach, generously pumping liquidity into the eurozone banking industry, played a highly influential role in stabilising euro sovereign debt markets. Restructuring of Greece's public debt held by private-sector creditors did not throw up any obstacles to the reduction in risk premiums on other eurozone member states' debt. At the other end of the scale, government bonds regarded as being the most solvent surrendered some of their gains accumulated during 2011.

During Q1 2012, the sub-fund's exposure to long-bond markets fluctuated between 25% and 30%, with the average for the quarter working out at 28.2%. The sub-fund's investment positions in long-dated bonds as of 31 March 2012 were Europe (11%), the USA (11%) and Japan (6%).

### Performance

The sub-fund's gross return for the first quarter of 2012 was 0.84% and its net return 0.53%, compared to 0.76% on the benchmark index.

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13.04.2012