

### 1

The VLOB indices are built on the eponymous index family launched in 2000 by Pictet & Cie, a Swiss private bank. The five sub-components are identical but weightings differ. Whereas weights are almost constant in the original LOB construction, they come to vary sometimes widely in their LOB counterparts.

VLOB weightings are adjusted once a month in order that the overall volatility of the composite index equates to the median volatility of its corresponding VLOB equivalent.

During highly volatile market phases the share allocated to the most volatile asset, i.e. equities, is reduced in order to compensate for their increasing variability. The opposite is true during phases of low volatility.

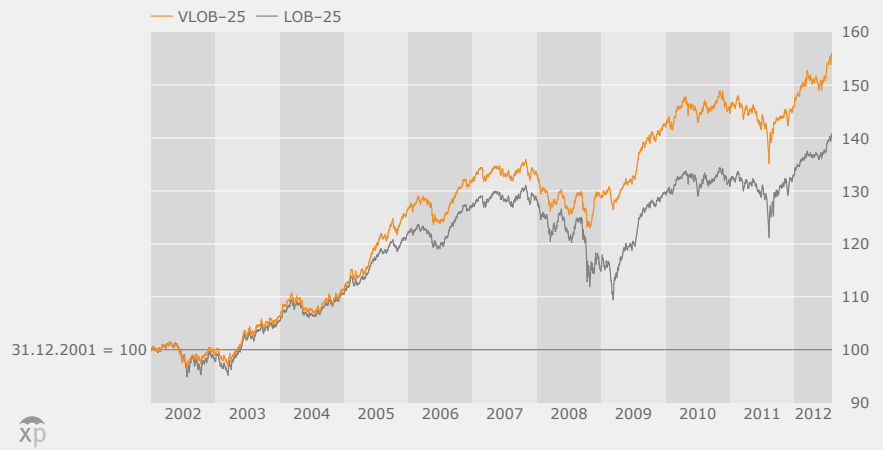
Due to the VLOB indices' highly variable composition, month-end adjustments tend to be more significant than those involved by realigning LOB weightings to their original levels.

	VLOB-25	LOB-25
Cumulative Returns	55.91%	40.76%
Annualized Return	4.27%	3.27%
Annualized Volatility	4.01%	4.78%
Portfolio Turnover Rate	46.16%	9.19%

Year	Performance	
	VLOB-25	LOB-25
2002	-0.92%	-2.15%
2003	7.33%	7.80%
2004	4.78%	4.89%
2005	13.67%	10.42%
2006	4.17%	4.08%
2007	0.90%	0.94%
2008	-3.19%	-9.88%
2009	10.26%	11.74%
2010	1.81%	1.31%
2011	0.94%	1.61%
2012	6.75%	5.79%

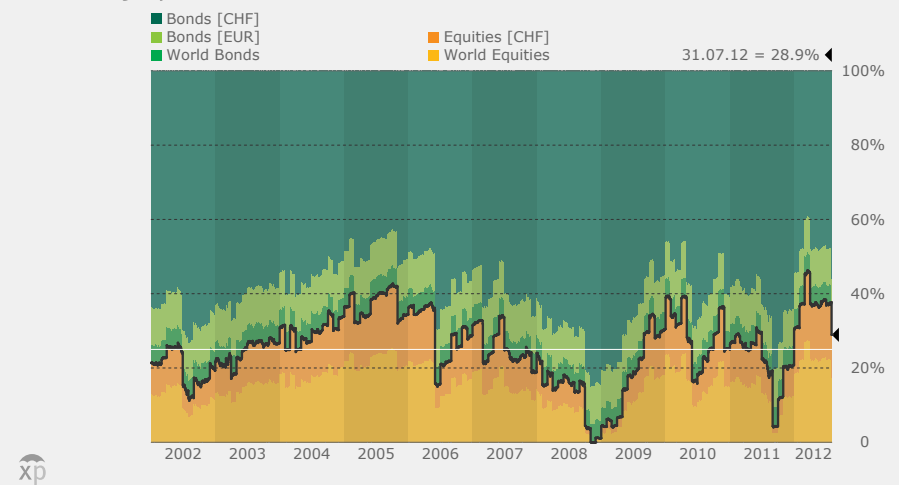
### 01

Fundo VLOB-25 vs LOB-25  
01.01.02-31.07.12



### 02

Fundo VLOB-25  
Asset Class Weightings  
01.01.02-31.07.12



### 03

VLOB-25 vs LOB-25  
Ex Post Volatility  
01.01.02-31.07.12

