

**1**

The V-LPP/BVG 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 LPP/BVG construction, they come to vary sometimes widely in their V-BVG/LPP counterparts.

V-LPP/BVG weightings are adjusted once a month in order that the overall volatility of the composite index equates to the median volatility of its corresponding V-LPP/BVG 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.

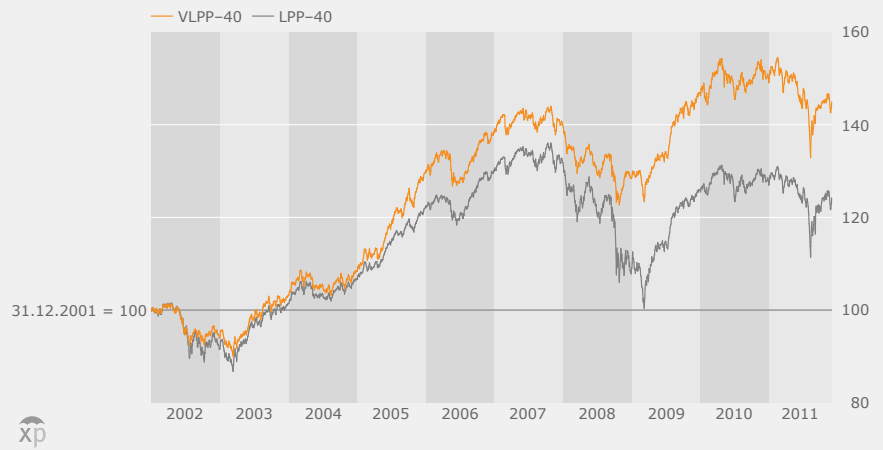
Due to the V-LPP/BVG indices' highly variable composition, month-end adjustments tend to be more significant than those involved by realigning LPP/BVG weightings to their original levels.

	VLPP-40	LPP-40
Cumulative Returns	44.89%	24.19%
Annualized Return	3.80%	2.20%
Annualized Volatility	6.21%	7.66%
Portfolio Turnover Rate	65.64%	11.80%

Year	Performance	
	VLPP-40	LPP-40
2002	-6.00%	-8.39%
2003	9.71%	10.66%
2004	5.24%	5.26%
2005	19.57%	14.52%
2006	6.54%	6.35%
2007	1.23%	1.46%
2008	-8.07%	-17.28%
2009	13.72%	15.07%
2010	1.89%	1.18%
2011	-2.82%	-2.21%

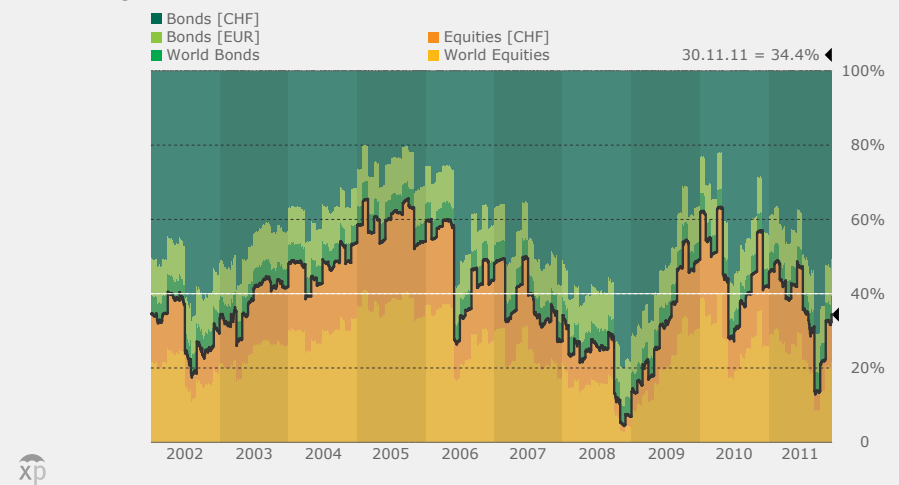
**01**

Fundo VLPP-40 vs LPP-40  
01.01.02–30.11.11



**02**

Fundo VLPP-40  
Asset Class Weightings  
01.01.02–30.11.11



**03**

VLPP-40 vs LPP-40  
Ex Post Volatility  
01.01.02–30.11.11

