



MONEY MARKET FUND: EURO CLASS

OBJECTIVE

To seek as high an overall rate of return as is consistent with maintaining liquidity and security of principal.

INVESTMENT POLICY

To invest in a range of Euro denominated money market instruments, the issuers of which will have first class credit ratings. Instruments will consist of cash equivalents and a range of debt securities.

INVESTMENT PROCESS

Seek out short-term high quality money market instruments that offer attractive spreads on a LIBOR basis.

FUND REVIEW

The general market sentiment going into 2013 is far better than it was a year ago, yet from an economic standpoint the situation is worsening, with the perceived stability from the core countries quickly fading. The core are now experiencing their own difficulties, including poor GDP growth, meaning the periphery are not fully to blame for the poor state of affairs in the Euro-area going forward.

The improved sentiment is mostly attributed to the steps taken by the European Central Bank (ECB) over the past year. The 3-year long-term refinancing operations were a successful way of providing the banks with liquidity. This alone was not sufficient, but the ECB followed this manoeuvre with a mid-year pledge to do whatever it takes to keep the Euro in tact and a few months later revealed a quantitative easing plan called Outright Monetary Transactions (OMT). The proposal was aimed at supporting low sovereign funding costs when markets push yields on sovereign debt to unsustainable levels. The OMT is not yet in use and questions remain about the extent to which the ECB is prepared to invest in individual nations to keep the monetary union together. Still, the willingness of the Central Bank to intervene has calmed market fears of an imminent disintegration of the Euro.

Throughout December, the portfolio was mostly unchanged. Bond exposure was the same at 13% of holdings and likewise exposure to Treasury bills was constant at 78% by the end of the month. Average life dropped from 51 to 43 days as the securities moved closer to maturity. The Class is positioned to have very high credit quality with exposure to A-1+ rated securities, the highest rating assigned by S&P, climbing to 93%. Direct exposure to the peripheral countries was shunned given their higher risk of default which is contrary to our conservative mandate.

Contact Information

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GENERAL INFORMATION

Currency: EUR	Fiscal Year End: 30 June
Valuation: Daily	Min. Investment: EUR 10,000
Dealings: Daily	Total Expense Ratio: 0.16% Class A 0.16% Class B
Front End Fee: None	
Units Available: Accumulation	Size of Fund (millions): EUR 46
Identifier: BUTMEAA BH	NAV per share Class A (31.12.2012): EUR 13.4175

AVERAGE ANNUAL COMPOUND RETURNS

Class	1 Year	3 Years	5 Years	7 Years	10 Years
A	0.02%	0.13%	1.03%	1.60%	1.64%
B	0.05%	0.20%	1.11%	1.68%	1.74%

AVERAGE DURATION AND CREDIT RATING

Duration	43.3 days
Credit Rating	S&P AAAM
7 Day Yield (31.12.2012)	0.000% Class A 0.000% Class B

FUND ALLOCATION

