

Lucas Brunner
Administrator Permanent Fund
Loretorain 6
6300 Zug
Switzerland

FIDE
9 Syggrou Avenue
11743 Athens
Greece

Zug, July 20, 2012

Annual Report Permanent Fund

Dear Mr. President Kirsan Iljumzhinov
Dear Delegates

The permanent fund had a swiss franc performance of plus 10.25% during the last 11 month. The performance can mainly be attributed to the “artificial” weakness of the swiss franc resulting from the implementation of the 1.20 Eur/Chf floor by the swiss national bank last autumn.

Again during the last year we have not changed at all our asset and currency allocation. We will follow the same approach again for the next year what concerns the currency mix. However we will start allocating some of our funds into equity products with the proceeds which are coming in from bond maturities. Real bond yields in the main currencies are negative now and it does not make sense anymore to buy bonds when the governments and central banks of the developed world have decided to reduce their debt on the back of the real money investors.

Yours sincerely

Lucas Brunner

Permanent Fund 2011/2012

Income in Chf	Cost in Chf	Purchases in Chf	Sales in Chf		
374.70	64.84	0.00	0.00		
5.60	67.06	0.00	0.00		
187.50	64.71				
162.50	67.82				
730.30	-264.43	0.00	0.00		
Income in Eur	Cost in Eur	Purchases in Eur	Sales in Eur		
42.22		0.00	0.00		
375.00					
14.07					
243.82					
42.64					
37.38					
24.63					
779.76	0.00	0.00	0.00		
Income in Aud	Cost in Aud	Purchases in Aud	Sales in Aud		
450.00	38.17	10,033.81	10,000.00		
450.00	-38.17	-10,033.81	10,000.00		
Chf Cash Aug 2011	2,233.59	Eur Cash Aug 2011	1,185.14	Aud Cash Aug 2011	1397.49
Income	730.30	Income	779.76	Income	450
Cost	-264.43	Cost	0.00	Cost	-38.17
Payment to Fide	0.00	Payment to Fide	0.00	Payment to Fide	0
Sales of Stock	0.00	Sales of Stock	0.00	Sales of Stock	10,000.00
Purchases of Stock	0.00	Purchases of Stock	0.00	Purchases of Stock	-10,033.81
Chf Cash July 2012	2,699.46	Eur Cash July 2012	1,964.90	Aud Cash July 2012	1775.51

Assets in Chf:						
10'000 RABOBK 5/16		10,559.00				
9'000 GS 4/12		10,813.00				
10'000 EIB 10/12		9,957.00				
10'000 BNG 12/13		12,589.00				
12000 EIB 1/14		14,839.00				
10000 BNP 3/15		10,160.00				
10'000 DnB NOR 4/15		10,365.00				
All Assets		79,282.00				
Eur Cash in Chf	1,964.90	2,359.65	Eur/Chf rate 20.07.12	Aud/Chf rate 20.07.12		
Aud Cash in Chf	1,775.51	1,819.37	1.2009	1.0247		
Chf Cash		2,699.46	Eur/Chf rate 19.08.11	Usd/Chf rate 19.08.11	usd/chf 20.07.12	
All Cash in Chf		6,878.47	1.1337	0.7862	0.987	
Total Assets 20.08.2011		77,324.94	in CHF	in Eur	in usd	
			68,205.82	98,352.76		
Total Assets 20.07.2012		86,160.47	71,746.58	87,295.31		
Simple Return		10.25%	4.94%	-12.67%		