

Product name changes

December 2011

From 30 December 2011, all four Pictet-Liquidity and the two Pictet-Sovereign Liquidity compartments will be renamed, as illustrated below, to better reflect their specific risk/return characteristics and their positioning with regard to ESMA (European Securities and Markets Authority) guidelines.

Current name	New name
Pictet-Liquidity	Pictet-Short-Term Money Market
Pictet-Sovereign Liquidity	Pictet-Sovereign Short-Term Money Market

Each compartment will keep its own identification codes (ISIN, Valor, Sedol, etc.).

No action is needed from investors.

Impact on the funds

As far as **Pictet-Sovereign Liquidity** are concerned, the only impact is the name change.

Pictet-Liquidity compartments are moving towards a more conservative approach to comply with the ESMA rules on short term money market products.

- The reference benchmark will therefore move from a 3 month deposit index to a 1 month deposit index in the relevant currency. This signals a lower sensitivity of the portfolio to short term rates move.
- The quality of the underlying securities will be limited to investments in the higher quality names, but not limiting the sector allocation to Sovereign only.

How to choose between the Luxembourg domiciled money market vehicles?

Two options are available to investors:

- Conservative investors who would like to be exposed only to Government & Sovereign issuers with the highest credit rating AAA/Aaa should consider the Pictet-Sovereign Short-Term Money Market compartments.
- For investors with regular liquidity needs, but who would like exposure to traditional money market issuers, the Pictet-Short-Term Money Market compartments may be the preferred option.

ESMA CLASSIFICATION – LUXEMBOURG DOMICILED FUNDS

ESMA* MMF Category	Short-Term Money Market	
Name	Pictet- Sovereign Short-Term Money Market	Pictet-Short-Term Money Market
Alpha	AAA Government & Gvt. guaranteed AAA Supranationals / Agencies Central Banks Money Market curve	Traditional MM instruments Investment Grade A1 / P-1 Money Market curve
ESMA main restrictions	Max WAM: 60 days Max WAL: 120 days Max individual asset maturity: 397 days Min Rating: A1/P1	
Benchmark	No benchmark Investment horizon: 1-5 day min. Currency available: EUR, USD Domicile: Luxembourg	Citigroup 1 month Investment horizon: 1-5 days min. Currency available: CHF, EUR, USD, JPY Domicile: Luxembourg

* European Securities and Markets Authority (former CESR)

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