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Multimanager-Strategies zweiplus Quarterly Report
Bank REYL & CIE

Equities
In the second half of the year 2011, equities were depressed by concerns about the economic outlook and developments in Greece. In the first two months of 2012, however, the mood changed significantly. Equities got of to a great start in the new year, as economic data improved and central banks around the world relaxed their monetary policy still more. Price performance is expected to be more reserved in the second quarter. However, we expect that a favorable environment results, both in terms of the economy and monetary policy, which should give share prices a certain degree of sustenance.

Bonds
Interest rates in industrialized nations are expected to be kept artificially low this year by the large central banks. The eurozone will hardly be able to avoid a recession, and the USA is expected to grow at a level significantly lower than the trend for yet another year. Together with the sovereign debt crisis, which is not over yet, this does not allow us to expect much impetus for long interest rates.

Currencies
Dealing with the risks in the G3 currencies (euros, US dollar and yen) is no easy task, as many investors found out to their cost in the first quarter of 2012. The majority of players on the currency markets expected the euro to undergo a massive slump at the start of the year, however the opposite was the case. Many investors were caught on the hop with these positions. Once again, we have seen that involvement against one of the three main currencies that is too unilateral is dangerous. The European Central Bank's three-year refinancing operation (long-term refinancing operation, LTRO) helped the economic and financial system more, and damaged the currency less than had been feared prior to this operation. This long-term supply of liquidity will have a substantial dampening effect on the possible negative effects of Greece going bankrupt or the elections in France and Greece.

Commodities
The new listings for many commodities prices in January and February should not be interpreted as the start of a robust upswing. In our opinion, the base metal prices have run ahead of the fundamentals and are likely to correct. We continue to expect economic growth in emerging nations to weaken in the first half of the year, and the sovereign debt crisis in Europe is also not helping growth.

Outlook and strategy for the 2nd quarter of 2012
In our opinion, there is sufficient liquidity in the global financial system to prevent the eurozone collapsing or a recession in the USA next year. As a result, new liquidity programs in the near future are less likely.

However, both the European Central Bank and the Fed appear to once again be prepared to use unorthodox methods if these are called for. The direct extreme risks are lower, however the problems of unsustainable sovereign debt, lower-than-average growth and global imbalances have by no means been rectified.

On the whole, the global position appears friendly, however caution is of the essence in view of the many risks.

We will keep our gold as long as the debt crisis remains unsolved and interest rates remain at this low level.

Performance (in %)
from 01.01.2012 to 31.03.2012

Strategy	CHF	EUR
Conservative	4,27 %	5,77 %
Balanced	5,73 %	7,56 %
Growth	7,62 %	8,88 %

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