

# AMG Gold - Mines & Metals

Fact Sheet as of February 28, 2010

## Review February

As expected gold slumped further and reached its low on February 2 at US\$ 1043/ounce. Silver developed similarly as the yellow metal and undercut the 200 day moving average at the beginning of the month. During this time the precious metal stocks showed a 3 times worse performance than their underlying. Currently the precious metal stocks trade around October 2008 levels when Gold was hovering just above US\$ 1000. This level should be a strong technical and psychological support. US\$ 1160 and 1226 will be the next resistances.

The correlation of gold and the €/US\$ is still high. The €/US\$ exchange rate should rise again in the coming weeks due to the oversold situation. Negative reports of the PIIGS country should be factored in. Ongoing negative news concerning Greece won't worry investors anymore. A bailout by the northern countries seems to be the most probable solution. The **AMG Gold - Mines and Metals Fund** has therefore decided to hedge half of the US\$ position against the reference currency Swiss Franc.

The fund had a good month. With a performance of +3.2% since the beginning of the year it is still clearly ahead of its benchmark, the **Philadelphia Gold - & Silver Index (XAU)** (-0.5%).

The gold companies all released yearly reports which lived up to the expectations. **Newmont** and **Barrick Gold** showed excellent results for 2009. Barrick surprised the market with their plan to officially quote its African business on the London stock exchange. Barrick will stay main shareholder with a 75% stake. The new company, „African Barrick Gold“, has reserves of almost 18m gold ounces. The yearly production stands at 720'000 ounces and should increase to 900'000 ounces. Total cash costs are at US\$533/ounce which is higher than most of its African competitors. The company's goal is to bring this amount down to below US\$ 500/ounce. The AMG Gold - Mines and Metals Fund continues with its Barrick Gold stake of almost 10%.

Gold stocks are currently attractively valued at a P/NAV of 1.54x. Therefore the fund decided to reduce the physical gold stake from 16 to 10% and to invest the proceeds in stocks which are already in the portfolio. In addition the silver stake was increased further.

## Facts

Fund Management Company:	LB(Swiss) Investment AG, Zürich
Custodian Bank/Asset Manager:	Bank Sarasin & Co. Ltd, Basel
Investment Advisor:	AMG Analysen & Anlagen AG, Zug
	Fritz Eggimann
Tranche A (ISIN, Swiss Sec. No.):	CH0024686773, 2468677
Tranche B (ISIN, Swiss Sec. No.):	CH0048476706, 4847670
Subscription/Redemption:	daily, 0.5% Redemption Fee
Performance Fee:	8% over 5% hurdle
Management Fee PM:	1.50%
TER (Total Expense Ratio):	1.73% (per 31.12.2009)

## Monthly Performance

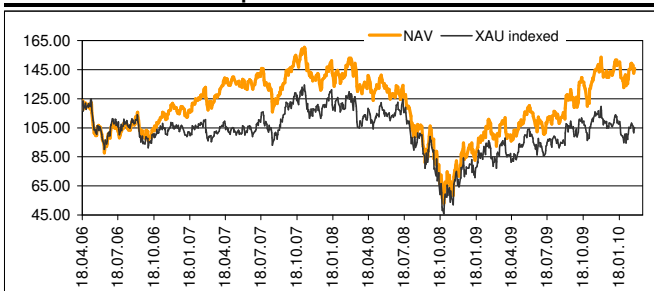
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2010	<b>AMG Gold</b>	-6.1%	10.0%											3.2%
2010	XAU in CHF	-10.4%	11.0%											-0.5%
2009	<b>AMG Gold</b>	6.6%	1.9%	6.6%	-8.0%	19.6%	-9.0%	4.8%	0.2%	11.1%	-3.5%	18.3%	-1.9%	51.6%
2009	XAU in CHF	9.2%	-3.6%	10.2%	-10.6%	25.0%	-11.5%	5.8%	-2.8%	10.4%	-6.5%	15.0%	-5.7%	31.9%
2008	<b>AMG Gold</b>	0.8%	5.2%	-13.2%	-1.4%	4.7%	-0.5%	-11.2%	-10.1%	-9.4%	-32.4%	26.2%	13.4%	-33.9%
2008	XAU in CHF	3.0%	1.6%	-14.8%	2.0%	6.3%	4.9%	-11.0%	-7.4%	-10.2%	-35.6%	30.3%	6.8%	-32.8%
2007	<b>AMG Gold</b>	3.3%	1.6%	1.7%	5.2%	1.2%	-1.3%	1.5%	-6.7%	14.4%	9.5%	-12.7%	1.4%	17.8%
2007	XAU in CHF	0.5%	-2.3%	-2.0%	-1.0%	3.6%	-2.7%	7.4%	-5.0%	15.9%	10.9%	-11.7%	1.6%	13.0%
2006	<b>AMG Gold</b>				0.6%	-12.6%	0.2%	-1.1%	6.9%	-4.0%	6.8%	9.3%	-0.8%	-0.4%
2006	XAU in CHF				-0.4%	-11.5%	1.1%	0.7%	-0.8%	-11.1%	6.4%	4.8%	-2.9%	-12.1%

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## Key Figures

Total Net Asset Value:	CHF 217.5mm
<b>Net Asset Value per Shares (Tranche A):</b>	<b>CHF 145.8</b>
Number of Shares Issued:	887'067
<b>Net Asset Value per Shares (Tranche B):</b>	<b>CHF 145.8</b>
Number of Shares Issued:	604'097

## Performance since Inception in Swiss Franc

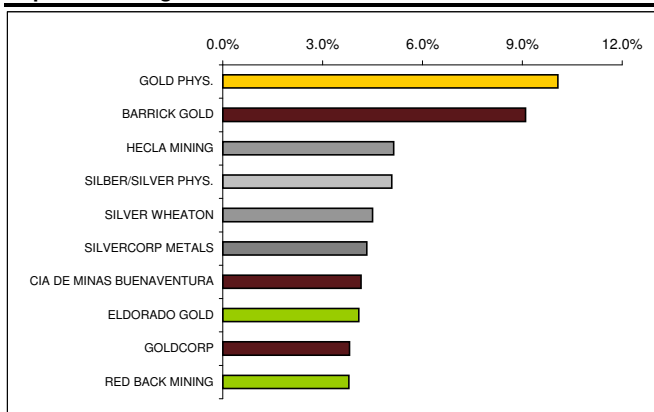


## Performance since 18.4.2006 (Inception):

**21.5%**

Benchmark XAU Index in CHF indexed -12.3%  
(XAU = The Philadelphia Stock Exchange Gold and Silver Index)

## Top Ten Holdings



## Breakdown by Sectors

Seniors	24.0%
Intermediates	13.1%
Juniors	12.8%
Silver Stocks	13.9%
Explorers	16.7%
Palladium/Platin	0.0%
Diamonds	0.2%
Gold Bullion	10.1%
Silver Bullion	5.1%
Cash	4.0%

## Exposure

Long Positions:	96.0%
Hedge Positions:	0.0%
Net Position:	96.0%
Absolute Position:	96.0%
Cash:	4.0%

## Breakdown by Currencies

CHF	10.6%	USD	24.1%
AUD	5.3%	ZAR	0.0%
GBP	0.0%	GOLD	10.1%
CAD	44.9%	SILVER	5.1%

## Distributions

Until now none