



MONACO COURT TERME USD

FUND UNDER MONACO LAW

Adjustment of the complete prospectus in accordance with the regulations of the Loi 1.339 as of September 7th, 2007 and of the Ordonnance Souveraine 1.285 of September 10th, 2007, approved as of September 28th, 2009 by the Commission de Contrôle des Activités Financières

The complete prospectus is available to clients at any CMB branch

Type of fund:
money market fund

Reference currency:
US Dollar

Recommended investment horizon:
minimum 1 month

Allotment of results: capitalized

Frequency of net asset value calculation:
daily

Pricing method:
closing prices

Conditions of subscription-redemption:
with CMB, valued at previous day's close for orders placed until 11.00 am

Inception date:
April 14th, 2006

Fund manager:
C^{ie} Monégasque de Gestion SAM
13 bd Princesse Charlotte
Principality of Monaco

Depository bank:
C^{ie} Monégasque de Banque SAM
23 avenue de la Costa
Principality of Monaco

Publication of Net Asset Value:
in the "Journal Officiel de Monaco" and posted in the head office of CMB and its branches.
The Net Asset Value of our funds is published and updated on a regular basis on our web page www.cmb.mc

Description

Money market fund designed for short-term investments in US Dollars.

Investment objective

Monaco Court Terme USD is suited to clients looking for a short-term investment. The objective is to generate capital gains over the short term. The fund is a financial instrument in which the client can invest a portion of his asset base, with a recommended minimum investment horizon of one month. It looks for performance and consistency in its investments, taking the best possible advantage of trends in the various instruments to reduce the risks specific to a given market or industry.

Management style

The Mutual Fund Manager may invest mainly in negotiable debt securities and other short- and medium-term instruments, derivatives, and fixed- or variable-rate bonds, other mutual funds, and cash products, and invest up to 1.5% in funds of hedge funds. As a result of the fund's orientations, it may be exposed to several risk factors that can affect its short-term performance:

- interest-rate risk: this is the risk of the portfolio's value, tied to any rate increases
- credit risk: this is the risk of the portfolio's value, tied to any variation in the credit quality of the issuers
- liquidity risk: this is the risk of the portfolio's value, tied to any shortage of buyers for the securities, resulting in a discount on those securities

Some investments may be affected by other risks, which should be evaluated specifically. The Manager pursues the objective of maintaining a low risk relative to changes in the financial markets, thereby ensuring a regular return on the funds, in line with short-term yields. He must comply with the following rules to limit credit and liquidity risks:

- investments in a single issuer cannot represent more than 5% of the portfolio's value
- the rating agencies' minimum rating of the bonds purchased for the fund is BBB (Standard & Poor's) or equivalent at the time of purchase
- the rating agencies' minimum short term rating of the issuers of commercial papers and certificates of deposit purchased for the fund is A1 (Standard & Poor's) or equivalent at the time of purchase

Investment universe

The Mutual Fund Manager may invest mainly in money market instruments: commercial papers and certificates of deposit and variable-rate bonds, which have very low exposure to interest-rate risk. He may also make use of other financial instruments, specifically fixed-rate bonds. Trading on the futures markets and using derivatives (interest rate swaps, CDSs, etc.) will be authorized for hedging purposes - in other words, to improve the security of investments, or for management reasons, to gain from the different market contexts. Lastly, the Manager may invest in other money market mutual funds and, up to 1.5% of the fund's net assets, in funds of hedge-funds.





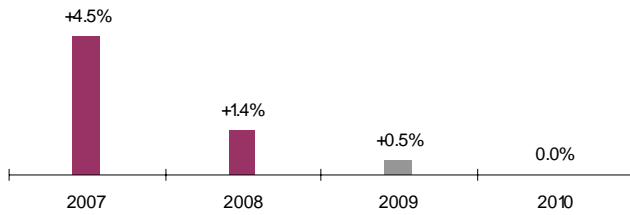
MONACO COURT TERME USD

Monthly report

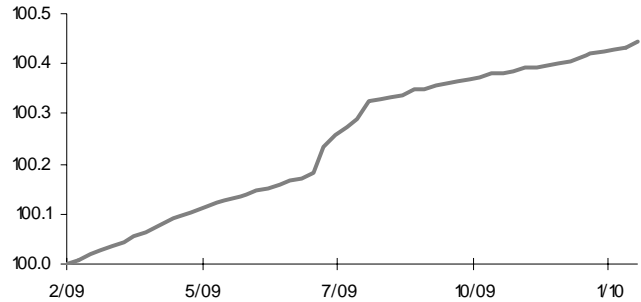
Net Asset Value as of January 31st, 2010: \$5,510.81
 Monthly Performance: +0.0 %

Performance

Historic performance



Trailing 12 months performance (basis 100)



Past performance does not guarantee future performance. 2009 performance data is not audited.

Market strategy

In January, the markets experienced a turnaround, after a positive start to the year. In this month, the MSCI World Index fell by -3.7%, while credit markets were impacted by uncertainties about the health of the Greek fiscal system (iTraxx Europe 5-year index spread up by 7.2 bp to 83.1 bp, after its lowest point of 65.3, a level last seen in May 2008). In response to this adjustment, government yields fell, profiting from the relative return of investor risk aversion (Euro 5-year government rate -14.7 bp, USD -35.6 bp).

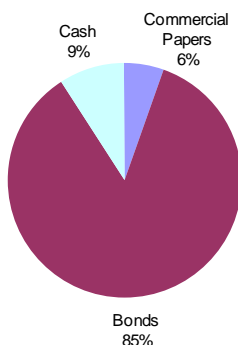
At its 27 January meeting, the Fed left its target rate unchanged at between 0% and 0.25%. By repeating its commitment to maintain its target rate at a low level for a prolonged period, the Fed is also giving an indication of the gradual withdrawal of its liquidity programmes and support for the credit markets. At the end of the month, the markets were not expecting to see an increase in rates before the third quarter this year.

Interbank rates remained low during the month, with the 12-month Libor losing 13.8 bp to end at 0.85%. With no sign of copious liquidity fading in the markets, interbank rates will probably remain low in the near future.

Main positions

Credit Suisse 2010	4.5%	Germany 2012	3.1%
Deutsche Telekom 2010	3.2%	France 2012	2.9%
Mediobanca 2012	3.2%	RWE 2010	2.9%

Asset allocation



Sector distribution (Bonds and CP)

