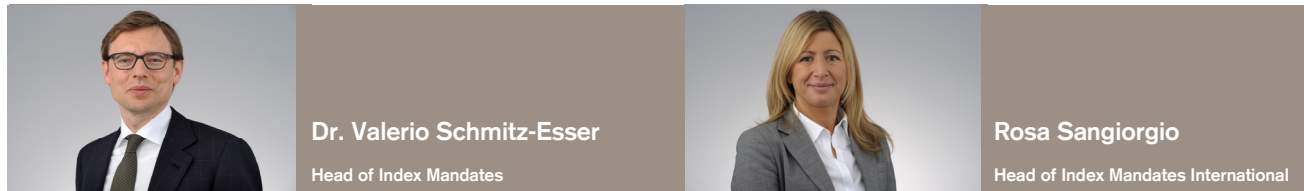


# Index Mandates – Newsletter No. 6

## Broadening our offering to Swiss and international clients



With managed asset of over CHF 74.2 billion (as of June 30, 2012) we are a leading provider of indexed portfolios in Switzerland. As such we constantly work to expand and improve our offering.

We are very pleased to inform you in this newsletter not only about improvements to our umbrella Credit Suisse Institutional Fund (CSIF) but also the launch of our new Luxembourg umbrella Credit Suisse Index Fund (Lux).

### New umbrella: Credit Suisse Index Fund (Lux)

Leveraging on our expertise in managing indexed portfolios we have further expanded our offering for institutional clients with a new umbrella fund: the Credit Suisse Index Fund (Lux) is a UCITS IV compliant SICAV-umbrella fund under Luxembourg law.

The Fund is registered in Switzerland, Germany, Italy, the Netherlands, Spain, Singapore, and the UK.

For the time being, the new umbrella includes eleven sub-funds replicating the main equity and fixed income indices used by institutional investors.

With this new offering we do not only expand our business

internationally but also broaden our services to existing Swiss and multinational clients:

- The new umbrella Credit Suisse Index Fund (Lux) applies double taxation treaties between Luxembourg and the target countries, therefore in some cases, it may have a better withholding tax reclaiming status compared to the Swiss platform (e. g. Italian government bonds).
- Furthermore, the Luxembourg platform will broaden the overall index offering by providing exposure to indices which are not covered by the Swiss platform or our ETF range (e.g. FTSE RAFI Developed 1000 Index, FTSE RAFI Emerging Market Index).
- Being a UCITS IV compliant fund, the Credit Suisse Index Fund (Lux) is the right vehicle for those Swiss-based Multinational clients who want to keep a consistent approach among entities in different jurisdictions.

The first two funds of the umbrella were launched on April 23rd: **Credit Suisse Index Fund (Lux) Equities World Fundamental** and **Credit Suisse Index Fund (Lux) Equities Emerging Markets Fundamental**.

Fund name
▪ Credit Suisse Index Fund (Lux) Equities Europe
▪ Credit Suisse Index Fund (Lux) Equities EMU
▪ Credit Suisse Index Fund (Lux) Equities North America
▪ Credit Suisse Index Fund (Lux) Equities Pacific ex-Japan
▪ Credit Suisse Index Fund (Lux) Equities Japan
▪ Credit Suisse Index Fund (Lux) Equities World Fundamental
▪ Credit Suisse Index Fund (Lux) Equities Emerging Markets Fundamental
▪ Credit Suisse Index Fund (Lux) Equities Emerging Markets
▪ Credit Suisse Index Fund (Lux) Government Bonds EUR
▪ Credit Suisse Index Fund (Lux) Corporate Bonds EUR
▪ Credit Suisse Index Fund (Lux) Inflation Linked Bonds EUR

Benchmark
→ MSCI Europe Index
→ MSCI EMU Index
→ MSCI North America Index
→ MSCI Pacific ex Japan Index
→ MSCI Japan Index
→ FTSE RAFI Developed 1000 Index
→ FTSE RAFI Emerging Markets Index
→ MSCI Emerging Markets Index
→ Citigroup WGBI EMU Index
→ Barclays Euro-Aggregate Corporates Index
→ Barclays Inflation Linked Euro Government Bond Index

### Launch of further CSIF fixed income funds

We successfully launched our first two funds based on fundamentally weighted fixed income indices. The **CSIF Bond EUR Fiscal Strength Index Blue** and **CSIF Bond World ex CHF Fiscal Strength Index Blue** were launched in June with a volume of CHF 200 respectively CHF 700 million.

Furthermore, we launched the **CSIF Switzerland Bond Index Foreign AAA-BBB Blue** which rounds out our Swiss Franc bond fund offering. The two sub-funds **CSIF Switzerland Bond Index Domestic AAA-BBB Blue** and **CSIF Switzerland Bond Index Foreign AAA-BBB Blue** now allow an individual weighting of domestic and foreign issuers in a Swiss Franc bond portfolio.

The term "Blue" indicates a fund that is not allowed to lend any securities.

### Adjustment of issue spreads for some CSIFs

As of August 1, 2012 France is introducing the so called "French Financial Transaction Tax" (FFTT) of 0.2% on most buy transactions for French equities. Due to the increase in transaction costs we adjusted the issue spreads of four CSIFs replicating an European indices. The new issue and redemption spreads are listed in the attached overview.

#### Your contact

For further information, please contact your Relationship Manager, or the Index Mandates product specialists:

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### Organizational repositioning of Index Solutions

Credit Suisse Index Solutions will move out of Alternative Investments and become a stand-alone business within Credit Suisse Asset Management Division.

The business heads, Dr. Valerio Schmitz-Esser for Index Mandates and Dan Draper for ETFs, will report to Martin Keller, head of EMEA for Asset Management.

In addition, Donato Cianciaruso has joined Asset Management as COO for Index Solutions. He has spent most of his career with Barclays Global Investors and was most recently a Managing Director at BlackRock in London.

#### News summary

- New UCITS IV compliant SICAV-umbrella Credit Suisse Index Fund (Lux)
- Launch of further CSIFs fixed income funds
  - CSIF Bond EUR Fiscal Strength Index Blue
  - CSIF Bond World ex CHF Fiscal Strength Index Blue
  - CSIF Switzerland Bond Index Foreign AAA-BBB Blue
- Adjustment of issue spreads for some CSIFs following the introduction of the "French Financial Transaction Tax" (FFTT)
  - CSIF Europe ex CH Index
  - CSIF Europe ex CH Index Blue
  - CSIF Europe ex CH Value Weighted Index
  - CSIF Eurozone Index
- Organizational repositioning of Index Solutions

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Index Mandates – Newsletter No. 6

## Index Mandates

### New subscription and redemption spreads

The following table shows the issue and redemption spreads of Credit Suisse Institutional Funds (CSIF): in black unchanged spreads, in **green** lower spreads, in **blue** higher spreads.

Issue and redemption spreads cover the transaction costs that are incurred when buying and selling securities in the fund. This ensures that existing investors are always protected against the investment costs caused by new investments. Spreads enable attractive purchase conditions for new investors, while guaranteeing the interests of all current investors.

Fund	Current Spread		New Spread	
	Subscription	Redemption	Subscription	Redemption
<b>Swiss Equities</b>				
CSIF Switzerland Total Market Index	0.05%	0.05%	0.05%	0.05%
CSIF Switzerland Total Market Index Blue	0.05%	0.05%	0.05%	0.05%
CSIF Switzerland Large Cap Index	0.03%	0.03%	0.03%	0.03%
CSIF Switzerland Mid Cap Index	0.03%	0.03%	0.03%	0.03%
<b>Foreign Equities</b>				
CSIF Eurozone Index	0.04%	0.04%	<b>0.10%</b>	0.04%
CSIF Europe ex Eurozone/CH Index	0.45%	0.04%	0.45%	0.04%
CSIF Europe ex CH Index	0.24%	0.04%	<b>0.28%</b>	0.04%
CSIF Europe ex CH Index Blue	0.24%	0.04%	<b>0.28%</b>	0.04%
CSIF US Index	0.04%	0.04%	0.04%	0.04%
CSIF US Index Pension Fund	0.04%	0.04%	0.04%	0.04%
CSIF North America Index Blue Pension Fund	0.04%	0.04%	0.04%	0.04%
CSIF Canada Index	0.04%	0.04%	0.04%	0.04%
CSIF Japan Index	0.04%	0.04%	0.04%	0.04%
CSIF Japan Index Blue	0.04%	0.04%	0.04%	0.04%
CSIF Pacific ex Japan Index	0.08%	0.08%	0.08%	0.08%
CSIF Pacific ex Japan Index Blue	0.08%	0.08%	0.08%	0.08%
CSIF Emerging Markets Index	0.30%	0.35%	0.30%	0.35%
CSIF World ex CH Index	0.09%	0.04%	0.09%	0.04%
CSIF World ex CH Index Pension Fund	0.09%	0.04%	0.09%	0.04%
CSIF Europe ex CH Value Weighted Index	0.24%	0.04%	<b>0.28%</b>	0.04%
CSIF US Value Weighted Index – Pension Fund	0.04%	0.04%	0.04%	0.04%
CSIF Japan Value Weighted Index	0.04%	0.04%	0.04%	0.04%
<b>CHF Bonds</b>				
CSIF Switzerland Bond Index AAA - AA	0.20%	0.00%	0.20%	0.00%
CSIF Switzerland Bond Index AAA - AA Blue	0.20%	0.00%	0.20%	0.00%
CSIF Switzerland Bond Index AAA - BBB	0.20%	0.00%	0.20%	0.00%
CSIF Switzerland Bond Index AAA-BBB Blue	0.20%	0.00%	0.20%	0.00%
CSIF Switzerland Bond Index Domestic AAA-BBB Blue	0.20%	0.00%	0.20%	0.00%
CSIF Switzerland Bond Index Foreign AAA-BBB Blue	0.20%	0.00%	0.20%	0.00%
CSIF Switzerland Bond Domestic Government 3-7 Blue	0.20%	0.00%	0.20%	0.00%

Fund	Current Spread		New Spread	
	Subscription	Redemption	Subscription	Redemption
<b>Foreign Currency Bonds</b>				
CSIF Bond EUR Index	0.14%	0.00%	0.14%	0.00%
CSIF Bond EUR Index Blue	0.14%	0.00%	0.14%	0.00%
CSIF Bond EUR Index hedged CHF	0.14%	0.00%	0.14%	0.00%
CSIF Bond EUR 3-7 Blue	0.10%	0.00%	0.10%	0.00%
CSIF Bond USD Index	0.06%	0.00%	0.06%	0.00%
CSIF Bond GBP Index	0.06%	0.00%	0.06%	0.00%
CSIF Bond JPY Index	0.10%	0.10%	0.10%	0.10%
CSIF Bond Rest World Currencies Index	0.24%	0.00%	0.24%	0.00%
CSIF Bond World ex CH Index	0.11%	0.03%	0.11%	0.03%
CSIF Bond World ex CH Index Blue	0.11%	0.03%	0.11%	0.03%
CSIF Bond World ex CH Index hedged CHF	0.11%	0.03%	0.11%	0.03%
CSIF Bond Aggregate USD Index	0.30%	0.00%	0.30%	0.00%
CSIF Bond Aggregate EUR Index	0.20%	0.00%	0.20%	0.00%
CSIF Bond Aggregate GBP Index	0.20%	0.00%	0.20%	0.00%
CSIF Bond Aggregate JPY Index	0.10%	0.10%	0.10%	0.10%
CSIF Bond Aggregate Rest World Currencies Index	0.30%	0.00%	0.30%	0.00%
CSIF Bond Aggregate World ex CHF Index	0.22%	0.02%	0.22%	0.02%
CSIF Bond Corporate EUR Index	0.40%	0.00%	0.40%	0.00%
CSIF Bond Corporate World ex CHF Index Blue	0.40%	0.00%	0.40%	0.00%
CSIF Bond EUR Fiscal Strength Index Blue	0.14%	0.00%	0.14%	0.00%
CSIF Bond World ex CHF Fiscal Strength Index Blue	0.11%	0.03%	0.11%	0.03%
CSIF Inflation-Linked Bond World ex Australia ex Japan ex Italy Index hedged CHF Blue	0.12%	0.12%	0.12%	0.12%
CSIF Inflation-Linked Bond EUR ex Italy Index Blue	0.08%	0.08%	0.08%	0.08%
<b>Real Estate</b>				
CSIF Switzerland Real Estate Fund Index	0.15%	0.15%	0.15%	0.15%
CSIF Europe ex CH Real Estate Index	0.35%	0.15%	0.35%	0.15%
CSIF North America Real Estate Index Pension Fund	0.15%	0.15%	0.15%	0.15%
CSIF Asia Real Estate Index	0.25%	0.25%	0.25%	0.25%

Source: Credit Suisse, July 2012

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