

GUTZWILLER ONE

US EQUITIES LONG ONLY FUND

MONTHLY REPORT DECEMBER 2011

Key Data

AuM
USD 61.95 Mio

Net Asset Value
USD 194.50

Fund Domicile
Switzerland

Approved for Distribution
Switzerland, France

Track Record
13 years

Benchmark
S&P500 Net TR

Management Fee
1.50%

T.E.R. 2010/2011
1.76%

Investment Team

Portfolio Manager
François Boulte

Fund Advisor
Yvan de la Fressange

Subscription / Redemption
Daily
(Cut off time 13:00 CET)

Identification

ISIN
(USD) CH0012453558

WKN
791617

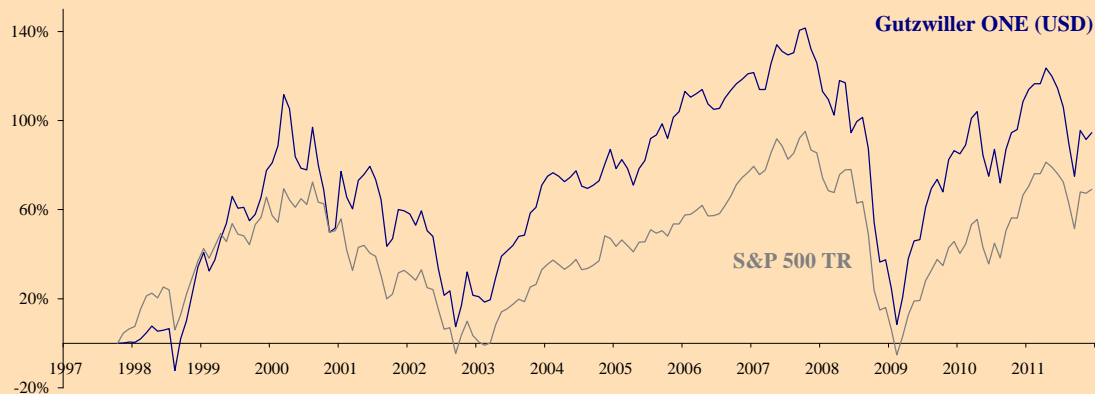
Bloomberg
GUTZONE SW

NAV Publication (SWX)

Basler Zeitung
F&W
Handelszeitung
Int'l Herald Tribune
Le Temps
NZZ
Internet

Audit
Ernst & Young AG, Basel

Track Record



Performance (%)

	Since Inception		Rolling			MTD
	Total	p.a.	3Y p.a.	5Y p.a.	10Y p.a.	
Fund	94.5	4.8	12.3	-2.5	2.0	1.6
SP500TR	69.0	3.8	13.4	-0.9	2.4	0.9

Yearly Performance (%)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fund	33.6	32.2	-14.5	5.1	-23.8	40.7	9.4	9.1	8.3	2.3	-39.2	35.6	11.8	-6.7
SP500TR	28.6	21.0	-9.1	-11.9	-22.1	28.7	10.6	4.3	15.1	4.9	-37.5	25.6	14.4	1.5

Top 10 Holdings (%)

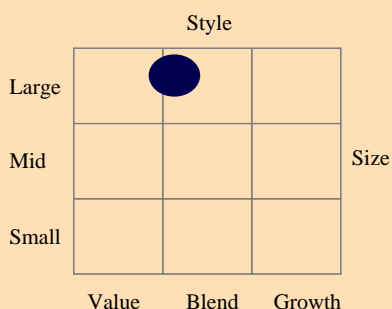
IBM	9.1
Ford Motor	8.9
Boeing	7.1
Pfizer	6.9
General Electric	6.7
Merck	4.9
United Technologies	4.9
American Express	4.6
Gilead Sciences	4.6
Hewlett-Packard	4.6

Top 10 Holdings	62%
Top 20 Holdings	91%
Cash	0.1%
Number of Holdings	31

Allocation (%)

Pharmaceuticals	12.9
Aerospace	11.6
Auto Manufacturers	9.4
Computer Services	8.9
Biotechnology	8.6
Banks	7.9
Integrated Oil & Gas	7.8
Diversified Industrials	5.8
Semiconductors	5.8
Consumer Finance	4.7
Oil Equipmt, Serv & Dist	4.5
Computer Hardware	4.0
Health Care Providers	1.9
Broadcasting & Entertainment	1.8
Packaged Foods & Meats	1.6

Allocation Style



MORNING STARS



Portfolio Characteristics (adjusted.)

	Fund	SP500
Price to Earnings Ratio (ttm)	11.5	13.2
Price to Book Value Ratio	4.0	2.0
Price to Sales Ratio	1.7	1.2
Dividend Yield	1.8	2.1
Free Cash Flow Yield	10.0	-
Volatility 60 days	28.3	26.5
Median Market Cap	\$Bn 55.5	
Weighted Average Market Cap.	\$Bn 102.4	
Tracking Error (1 Year Rolling)	3.6	
Information Ratio (1 Year Rolling)	-2.3	
Beta (1 Year Rolling)	1.2	

SAUREN - GOLDEN AWARDS 2011

Two gold Medals "Excellent Fund Management"



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Investment Style

Bottom up approach → Return to share holder
Value / Low Multiples → Out of consensus
Quality Investment → Established Business
Concentrated → Strong Conviction
Long-term capital appreciation → Growth Potential

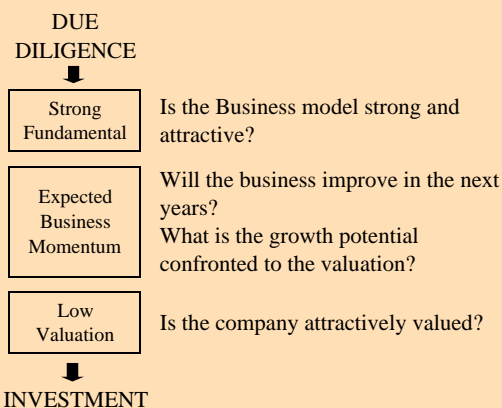
Investment Process

Monitor	100-120 Stocks Quantitative and Qualitative screenings
Buy	Underlying financial condition Products, quality of business Growing earnings Competitive advantage Management Free cash flow Dividends
Sell	Negative changes develop High Valuation Buying elements are no longer valid

Fund Features

14 years track record
US Companies with Global Businesses
Highly concentrated (#33 holdings)
Strong diversification, no sector orientation
Real Long Only (Low turnover)

Investment Key Tenets



Fund Advisor Report

As of December 31st 2011, Gutzwiller ONE has USD 61.95 million assets under management. The fund is up 1.6% month to date and down 6.7% year to date, while the S&P 500 Net Total Return is up 0.9% and up 1.5% respectively.

US economic growth is constrained by an unremitting wave of deleveraging. And as the rapid expansion phase that customarily followed post-war recessions could not materialize, the result is an economy in a deflationary spiral that feeds on elevated unemployment and excess production capacity. While the Federal Reserve is pursuing an expansionary policy, we do not think that this deflationary trend is likely to abate in the near future. The European situation is far worse. The recent intervention by the ECB to provide emergency funding to 500 European banks underscores the severity of the crisis. While the US market has relied on the grim European news flow for guidance, returns have been substandard, as volatility is also scaring participants. However since Europe only represents 14% of S&P sales, the impact of a recession in the region will be manageable.

The most economically sensitive part of the fund's portfolio has been under pressure, and this has caused the fund to underperform. Due to tax selling, several stocks that had previously retraced fell even more in the last months of the year. This creates artificial pricing, and it is likely to reverse rapidly.

Nonetheless, the stocks of our healthcare companies such as Pfizer, Merck, Amgen and Gilead are performing better. In the face of rising earnings and dividends, their valuations were too low, and their stock prices had to improve. While Pfizer's shares are nearing a fifty-two week high, at 9.7 times the past seven years average earnings, they remain reasonably priced. Eliquis, a blood-thinning drug co-developed with BMY, and a potential alternative to the standard of care Warfarin, offers a better safety and effectiveness profile. This could be a multi-billion market for Pfizer. An FDA approval decision regarding Eliquis is expected in March. Kidney cancer drug Axitinib already won the backing of an FDA panel and will likely be approved. In an effort to return capital to shareholders, Pfizer's board has recommended an additional \$10 billion stock buyback (6% of the company), on top of the \$7 billion that will be repurchased this year. The decision to divest non-core assets such as the animal health and nutrition businesses is another positive signal for shareholders. Management also raised earnings expectations for 2011.

While negativity is spreading, forty elections will be conducted worldwide during 2012. And though many governments are strapped for cash, politicians will still spend to get elected. The multiples of many companies have contracted. And, considering rising earnings, this is a process that can only go for so long. While the market's earning yield is a reasonable eight percent, the best quality companies (based on profit history, margins and returns) are offered at the same valuation as average ones. Reasonable valuations coupled with rising productivity, increased cash and less leveraged corporate balance sheets are likely to bring a positive outcome to Gutzwiller ONE's Holdings.

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GUTZWILLER FONDS MANAGEMENT AG - KAUFHAUSGASSE 5 - 4051 BASEL - SWITZERLAND

TEL +41 61 205 70 00 - FAX +41 61 205 70 01 - WWW.GUTZWILLER-FUNDS.COM