

Pictet – Global Megatrend Selection

Simplified Prospectus (May 2011)

Important information

This prospectus contains essential information relating to the Pictet – Global Megatrend Selection compartment (the “Compartment”). For more detailed information, please refer to the most recent version of the full current Pictet (the “Fund”) prospectus. The full prospectus, as well as the latest annual and semi-annual reports, may be obtained free of charge from the Fund or the Custodian Bank.

1. Legal structure

Pictet (the “Fund”) is an open-ended investment company (SICAV) with multiple compartments incorporated under Luxembourg law, in accordance with the provisions of Part I of the Law of 20 December 2002 governing undertakings for collective investment. The Fund was incorporated for an indefinite period on 20 September 1991 under the name of Pictet Umbrella Fund. Its Articles of Association were last amended by notarial act dated 9 April 2010. The Fund has designated Pictet Funds (Europe) S.A. (the “Management Company”) to act as management company in compliance with section 13 of the Law of 20 December 2002.

2. Investment policy and objectives

The Compartment will apply a strategy of capital growth, investing at least two-thirds of its total assets / total wealth in shares, or in any other security linked to shares, issued by companies throughout the world.

It will be composed of a palette of securities reflecting investments in Pictet open-ended thematic investment funds, generally with equal weighting of each theme, that will normally be adjusted monthly. If the manager deems that market conditions require, the thematic equal weighting will be suspended until market conditions return to normal.

The risks will be minimised in a general context of geographic diversification.

The management company will continuously monitor economic and political events of the countries in which the Compartment invests and it will give preference to securities with high growth potential and to companies with targeted activity rather than more renowned large companies.

This Compartment will hold a diversified portfolio composed, within the limits of the investment restrictions, of securities in listed companies. These securities may be ordinary or preferred shares and, to a lesser extent, warrants and options.

In addition, the Compartment may also invest up to 10% of its net assets in UCIs.

Investments in debt instruments as defined by the European Directive 2003/48/EC will not exceed 15%.

The Compartment may also invest in structured products, such as bonds or other transferable securities whose returns may for example be linked to the performance of an index, transferable securities or a basket of transferable securities, or an undertaking for collective investment.

The Compartment may use derivative techniques and instruments for efficient management, within the limits specified in the investment restrictions.

From 15 June 2011, the following limit will apply:

The compartment will not invest more than 10% of its assets in bonds or any type of debt security (including convertible bonds and preferred shares), money market instruments, derivative instruments and/or structured products that have as underlyers or offer exposure to bonds or any debt and/or interest rate security.

Likewise, investments in UCIs whose main objective is to invest in the assets listed above are also covered by this 10% limit.

3. Risk profile of the Compartment

The Compartment is subject to risks inherent in any investment, such as the following:

- risks specific to a given market
- variations in exchange rates
- variations in interest rates.

Invested capital may fluctuate downwards as well as upwards, and investors may not recuperate the entire value of the capital initially invested.

Investors should be aware that the acquisition of derivative instruments involves certain risks that could have a negative effect on the performance of the compartment. In addition, due to their volatility, warrants present an above-average economic risk.

For further information regarding the risks associated with the investment policy, please refer to the full prospectus.

Low risk Lower than average risk Average risk Higher than average risk High risk



4. Typical investor profile

The Compartment is an investment vehicle for investors:

- who wish to invest in securities reflecting Pictet open-ended thematic funds,
- who are willing to bear significant variations in market value and thus have a low aversion to risk.

5. Types of shares

Type of share	Activated	ISIN code	Initial min.	Base currency	Subscription and redemption currencies	Dividend distribution	Fees (max%) *		
							Management	Service	Custodian Bank
I USD (1)	✓	LU0386856941	1 million	USD	USD	–	1,20 %	0,45 %	0,30 %
P USD	✓	LU0386859887	–	USD	USD-EUR	–	2,40 %	0,45 %	0,30 %
P dy USD	✓	LU0386863137	–	USD	USD-EUR	✓	2,40 %	0,45 %	0,30 %
R USD	✓	LU0386865348	–	USD	USD-EUR	–	2,90 %	0,45 %	0,30 %
Z USD (2)	✓	LU0386869092	–	USD	USD	–	0 %	0,45 %	0,30 %
I EUR (1)	✓	LU0386875149	(4)	EUR	EUR	–	1,20 %	0,45 %	0,30 %
P EUR	✓	LU0386882277	–	EUR	EUR	–	2,40 %	0,45 %	0,30 %
P dy EUR	✓	LU0386885296	–	EUR	EUR	✓	2,40 %	0,45 %	0,30 %
R EUR	✓	LU0391944815	–	EUR	EUR	–	2,90 %	0,45 %	0,30 %
P CHF	✓	LU0386891260	–	CHF	CHF	–	2,40 %	0,45 %	0,30 %
I dy GBP (1)	✓	LU0448837244	(4)	GBP	GBP	✓	1,20 %	0,45 %	0,30 %
P dy GBP	✓	LU0386899750	–	GBP	GBP	✓	2,40 %	0,45 %	0,30 %
HP CHF (3)	–	LU0474969853	–	CHF	CHF	–	2,40 %	0,50 %	0,30 %
HI EUR (1) (3)	✓	LU0474969937	(4)	EUR	EUR	–	1,20 %	0,50 %	0,30 %
HP EUR (3)	✓	LU0474970190	–	EUR	EUR	–	2,40 %	0,50 %	0,30 %
HR EUR (3)	✓	LU0474970273	–	EUR	EUR	–	2,90 %	0,50 %	0,30 %

* Per year of the average net assets attributable to this type of share.

(1) I shares. Reserved for institutional investors

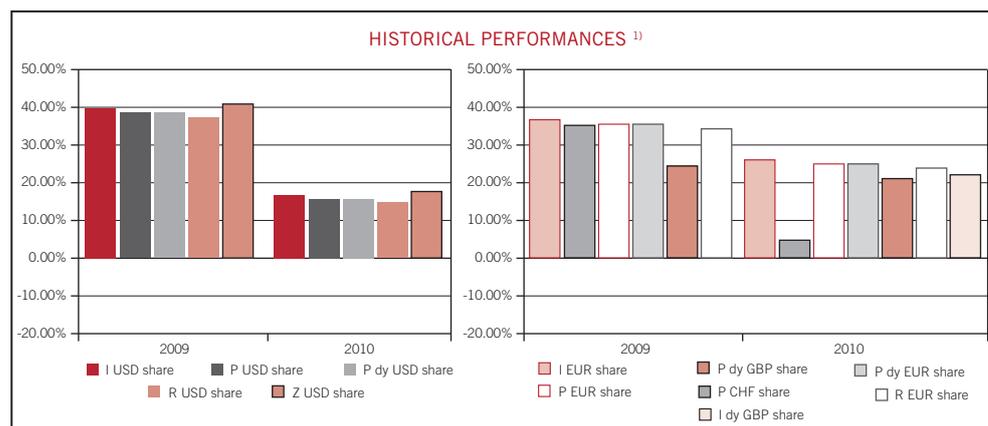
(2) Z shares: Reserved for institutional investors who have concluded a specific remuneration agreement with Pictet & Cie, Geneva, or any other entity of the Pictet Group.

(3) Hedged shares: shares intended to significantly hedge the exchange risk in relation to a given currency.

(4) USD 1,000,000 converted to EUR or GBP on the day of the NAV calculation.

6. Historical performance

The Compartment was activated on 3 November 2008.



1) after accounting for distributions made.

I dy GBP shares were activated on 10 September 2009.

HI EUR, HP EUR and HR EUR shares will be activated on 10 June 2011.

Past performance is not an indicator of present or future performance.

The performance data do not include commissions and fees received on the issue or redemption of shares.

7. Net asset value, subscriptions and redemptions

Frequency of net asset value ("NAV") calculations)	Each banking day and the first calendar day of the month, unless the first of the month is a Saturday or Sunday
Consolidation currency	USD
Deadline for placing subscription and redemption orders	No later than 1:00 pm on the banking day prior to the applicable NAV calculation date.
Payment value date	Within 3 banking days following the applicable NAV
Publication of the net asset value	It is published at the registered offices of the Management Company on each valuation day and on the Pictet Funds S.A. website: www.pictetfunds.com

The Board of Directors may decide to apply anti-dilution measures in order to protect the interests of existing investors as more fully described in the section "Calculation of the net asset value" of the full prospectus.

8. Compartment fees and charges

• Fees payable directly by the investor

Intermediaries may deduct the following maximum commissions from Compartment shares:

Type of share (1)	Front-end load	Back-end load	Conversion
I	Max 5%	Max 1%	Max 2%
P	Max 5%	Max 1%	Max 2%
R	Max 5%	Max 3%	Max 2%
Z	Max 5%	Max 1%	Max 2%

(1) And any corresponding shares.

In addition, when the Fund is distributed abroad, the regulations in force in some jurisdictions may require the presence of a local Paying Agent. In this case, investors domiciled in these jurisdictions may be required to bear the fees and commissions levied by the local Paying Agents.

In accordance with market practices and based on the requirements of local distributors, the Distributor may deem it necessary to establish minimum

subscription levels for shares in the Compartment, limit conversions between share classes and, while remaining within the limits imposed by the prospectus, apply a specific policy for subscription, redemption and conversion fees levied on behalf of local distributors.

- **Fees payable by the Compartment:**

In addition to the fees described in point 5 above, the Compartment will also pay brokerage commissions and fees, the *taxe d'abonnement* (subscription tax), legal and auditing fees and any other fees owed by the Compartment.

9. Tax status

The Compartment is subject to Luxembourg tax legislation. Purchasers of shares in the Compartment should refer to the Fund's full prospectus and are responsible for ensuring that they are duly informed of the relevant legislation and regulations applicable to the acquisition, holding and sale of shares, in light of their residence and nationality.

In accordance with legislation in force in Luxembourg, the Compartment is not liable to any Luxembourg tax whatsoever, withheld at source or otherwise, on capital gains or income. However, the net assets of the Compartment are subject to tax at an annual rate of 0.05%, payable at the end of each quarter and calculated on the basis of the Compartment's net assets at the end of each quarter. This tax will be reduced to 0.01% for assets relating to shares reserved for institutional investors.

10. Miscellaneous

Prospectuses, annual reports, semi-annual reports and other information concerning the Fund may be obtained from:

Pictet & Cie (Europe) S.A.
1, Boulevard Royal, L-2449 Luxembourg
Tel: +352 467 171-1, Fax: +352 220 229

11. Other information

Management Company Pictet Funds (Europe) S.A. 3 Boulevard Royal, L-2449 Luxembourg	Fund Auditors Deloitte S.A. 560 rue de Neudorf, L-2220 Luxembourg
Custodian Bank Pictet & Cie (Europe) S.A. 1 Boulevard Royal, L-2449 Luxembourg	Legal Adviser Elvinger, Hoss & Prussen 2, Place Winston Churchill, B.P. 425, L-2014 Luxembourg
Transfer Agent, Administrative Agent and Paying Agent Pictet & Cie (Europe) S.A. 1 Boulevard Royal, L-2449 Luxembourg	Supervisory Authority CSSF - Supervisory Authority of the Finance Industry 110 Route d'Arlon, L-2991 Luxembourg
Promoter Pictet & Cie (Europe) S.A. 1, Boulevard Royal, L-2449 Luxembourg	Distributor Any legal entity of the Pictet group held directly or indirectly by Pictet & Cie, Geneva and authorized to exercise such functions.
Managers Pictet Asset Management S.A., Geneva Pictet Asset Management Limited, London	