

**GENERAL INFORMATION****Inception Date:** 27.08.1990**Net Assets:** 6,311 K Eur**NAV:** 1,487.851 Eur**ISIN:** ES0162331039**Asset Manager**

Merchbanc SGIIC. S.A.

**Depository**

BNP Paribas Securities Services

**Auditor**

GMP Auditores. S.A.

**Management Fee**

0.6% over Net Assets and 33% over Performance with overall limit of 1% over Net Assets

**Depository Fee**

0.10% over Net Assets

**Subscription Fee**

None

**Redemption or Switch Fee**

None

**Minimum Investment:** None**Currency Base:** Euro**Bank account for subscriptions:**

ES35 0144 0001 30 0000052478.

Account name:Merchbanc Fondtesoro C.P.. F.I.

**Cumulative Mutual Fund**

Merchbanc Fondtesoro is a money market fund fully invested in government issues, with the exception of the liquidity which can be invested in other money market assets.

The Fund may invest through the Futures or Spot markets for hedging. Since the Fund is invested at very short term, the Fund yield closely follows the movement of interest rates in the Spanish market.

The objective of the Fund is to seek capital appreciation and a competitive rate of return.

**Level of Risk**

1	2	3	4	5	6	7
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**COMMENTARY OF THE FUND'S PERFORMANCE**

Global market indices levels continued to rise in December. Simultaneously, volatility for the different asset classes, stocks, bond, energy prices, and foreign currencies, all remained at very low levels.

The appreciation of market indices, was based on the good quarterly results presented by US, European and Asian corporations.

The synchronized growth across international markets strengthened among developed economies. Developing countries boosted market returns in December. In addition, the approved fiscal reform also contributed to improve investor sentiment.

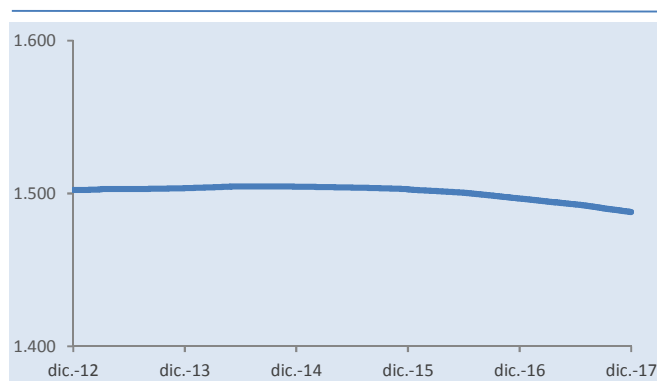
At the corporate level, positive company results resulted positive returns for Merchbanc funds, especially for those with a heavier equity weighting.

European equity markets fell slightly, the Eurostoxx 50 fell by 2% in December, while the Ibex-35 fell by 1.78%.

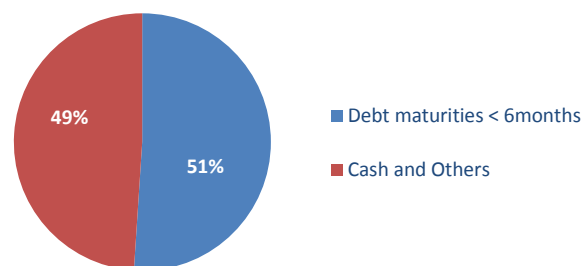
US indices closed the month with the S&P500 rising by 1.16% and Dow Jones by 2.26%. The Nasdaq Composite rose by 0.54%. The Japanese Nikkei fell by 0.28%.

Regarding the industry reference bonds of 10-year maturity, they had mixed performances in December. The European 10yr bond closed at 0.4270% while the US 10yr bond closed at 2.4054%.

Fixed income investment policy has been limited to investing in short term emissions of highly liquid issuers.

**Evolución NAV (5 años)**

Source: Merchbanc

**Portfolio by asset class (%)**

Source: Merchbanc

RETURN	Annualized	Cumulative
YTD		-0,59%
12 months		-0.59%
3 years	-0.37%	-1.10%
5 years	-0.19%	-0.96%
10 years	0.32%	3.24%
Since inception	3.37%	147.56%

Source: Merchbanc

**Portfolio Characteristics**

Number of securities	8
Volatility (average 3 years)	0.02%
Var (average 3 years)	0.07%

Source: Merchbanc