



**BayernInvest Bond Global Select-Fonds  
Annual Report  
for the Short Fiscal Year  
from 1 July 2012 to 31 December 2012**

# Annual Report at 31 December 2012

## BayernInvest Bond Global Select-Fonds

ISIN: DE000A0YF280

### Activity report

The special fund BayernInvest Bond Global Select-Fonds (the "Fund") is a UCITS fund as defined in the German Investment Act ("InvG"). BayernInvest Kapitalanlagegesellschaft mbH is supported in its investment decisions by Quaesta Capital GmbH, Frankfurt am Main. The BayernInvest Bond Global Select-Fonds charges a management fee of 1.7% p.a. This includes the fee paid to the external investment advisor Quaesta Capital GmbH.

### Investment objectives and investment policy

To achieve the objectives of maintaining the capital and generating stable, positive and risk-adjusted returns, the Fund invests at least 51% of its assets in fixed-income securities and money market instruments. The second significant element of the portfolio consists of derivatives on bonds, stocks and currencies. An anti-cyclical discretionary trading approach is applied in the derivatives portfolio, using macro-economic elements that are subject to fundamental and technical analysis. Quantitative methods developed in-house may also be employed. Derivatives transactions may be used for hedging purposes, for efficient portfolio management and to generate additional returns. The risks associated with the use of derivatives are controlled via a risk management process that allows the Fund to monitor and measure the risks associated with such investment positions and the relevant portion of the investment portfolio's overall risk profile. The company uses the qualified approach as defined in the German Derivatives Regulation to determine the potential market risk associated with the use of derivatives. Up to 49% of the value of the Fund may be invested in bank deposits with a term of no more than twelve months.

### Description of the main risks

#### Counterparty risk

The Fund assets were diversified during the entire reporting period. The average rating (S&P) of all fixed-income securities and money market instruments held in the portfolio at the end of the fiscal year is A- (source: BayernInvest monthly report for December). Default by an issuer or counterparty could lead to losses for the Fund. Issuer risk describes the effect of specific developments of the respective issuer which, in addition to the general trends on capital markets, influence the price of a security. In spite of carefully selecting securities, it is not possible to rule out losses occurring as a result of the sharp decline in the asset values of issuers. Counterparty risk is the risk of the other party to a reciprocal contract failing, in whole or in part, to fulfil its obligation with respect to a receivable. This applies to all agreements that are entered into for the account of a special fund.

#### Interest rate risk

When investing in fixed-income securities and money market instruments, the level of market interest rates existing at the time when a security is issued can change. If market interest rates increase compared to the interest rates at the time of issue, then the prices of fixed-income securities normally decrease. If market interest rates fall, however, the price of fixed-income securities rises. This price trend means that the current return on a fixed-income security corresponds approximately to current market interest rates. These price fluctuations may, however, turn out differently depending on the maturity of the fixed-income securities. Fixed-income securities with shorter maturities have lower price risks than those with longer maturities. Short-dated securities account for around 25% of the Fund volume, thereby reducing the interest rate risk.

#### Market price risk

Market price risk is defined as the risk of financial losses based on a change in market prices. The Fund was invested in bonds, bond, stock and currency derivatives and cash in the reporting period and was thus exposed to the risk of market price changes in the respective sectors.

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### Currency risk

In addition to euro-denominated bonds, the Fund was partly invested in bonds denominated in US dollars and Japanese yen during the reporting period. Consequently, there is a currency risk that was largely hedged against currency fluctuations. Furthermore, there is a currency risk resulting from the investment in currency derivatives (currency options and currency futures transactions) and from demand deposits in US dollars, Canadian dollars, Australian dollars, New Zealand dollars, Japanese yen and Norwegian kroner, among others.

### Liquidity risk

Liquidity risk is defined as the risk that necessary means of payment cannot be obtained at all or only at a higher cost. From a liquidity perspective, the Fund was largely invested in liquid instruments during the reporting period. The liquidity risk was also reduced in particular through the high level of credit balances at banks (demand deposits and time deposits). At the end of the reporting period, short-dated instruments accounted for around 25% of the Fund volume (source: BayernInvest item overview).

### Operational risk

BayernInvest Kapitalanlagegesellschaft has taken the steps required to keep operational risks as low as possible. Internal Audit regularly reviews the operational risks.

### Market performance and major developments in the reporting period

The short fiscal year was largely dominated by the ongoing crisis and central bank bailouts. The European Central Bank (ECB) declared that it would do whatever it takes to preserve the euro (Mario Draghi), the Federal Reserve System (Fed) continued with open-ended mortgage bond purchases, and the Bank of Japan (BoJ) and the Bank of England (BoE) also intervened in their markets. These measures stabilised the situation on the financial markets considerably. The decisive action taken by governments and central banks provided a rapid confidence boost. Overall, the BayernInvest Bond Global Select-Fonds benefited from the recovery on the financial markets both for fixed-income securities and money market instruments and for stock and currency derivatives. Stock market indices in selected industrialised countries recorded a positive performance over the year. The German stock market index (DAX) rose by more than 29% year-on-year, while the European Euro Stoxx 50 index gained more than 13%. In Asia, the Nikkei 225 Index rose by more than 22%, and in the USA the S&P 500 and Dow Jones Index grew by more than 13% and 7% respectively. On the bond market, the yields on ten-year government bonds fell by 0.52 percentage points year-on-year to 1.31% in Germany, by 1.15 percentage points to 2.00% in France and by 2.61 percentage points to 4.50% in Italy. Unlike their German, French and Italian counterparts, the yields on Spanish bonds rose by 0.17 percentage points to 5.26%. On the currency market, the euro gained just under 2% against the US dollar and more than 14% against the yen.

### Investment performance

The result of sale transactions stems primarily from derivatives transactions. Overall, gains of EUR 80,986,240.80 were offset by losses of EUR 30,739,279.64. Investments in interest-bearing securities generated a positive overall return: gains of EUR 348,792.35 and losses of EUR 154,631.32 were recorded. The rest of the realised result stems from currency gains on credit balances at banks of EUR 148,594.28 and currency losses on credit balances at banks of EUR 45,302.35. The BayernInvest Bond Global Select-Fonds recorded a positive performance of 16.10% for the reporting period from 1 July 2012 to 31 December 2012 (based on the BVI method).

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### Outlook for the Fund and the market

Looking back, the central banks have stabilised the situation on the financial markets considerably. The intervention of the European Central Bank (ECB) to preserve the euro eased the situation in Europe. 2013 could be a challenging year for the eurozone, however, due to the sovereign debt crisis and various banking and structural problems. The austerity programmes imposed could dampen economic growth, preventing any long-term and widespread easing of the labour market situation. The risks in the USA have not gone away. Although the so-called *fiscal cliff* was averted at the turn of the year, a long-term solution has yet to be found. China is also facing the challenge of speeding up its moderate growth in 2013. Exchange rates will once again be a key factor in the monetary policy decisions taken by the central banks in 2013.

Given that the topics that will shape the financial markets in 2013 are very likely to be comparable to those seen in 2012, in the forthcoming reporting period the BayernInvest Bond Global Select-Fonds will once again seek to profit from the prevailing macroeconomic uncertainty on the markets by following the underlying opportunistic trading approach.

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## BayernInvest Bond Global Select-Fonds

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### Condensed statement of assets at 31 December 2012

Fund assets	Market price in EUR	% share of Fund assets
Bonds	343.067.828,75	74,99
Derivatives	5.685.936,36	1,24
Other	108.716.004,49	23,76
<b>Total</b>	<b>457.469.769,60</b>	<b>100,00</b>

Bonds by sector	Market price in EUR	% share of Fund assets
Corporates (including financials)	74.794.955,24	16,35
Public bonds	102.160.222,50	22,33
Pfandbriefs, municipal debentures	140.756.452,95	30,77
Special credit institutions, supra-nationals	25.356.198,06	5,54
<b>Total</b>	<b>343.067.828,75</b>	<b>74,99</b>

Bonds by currency	Market price in EUR	% share of Fund assets
EUR	269.093.649,82	58,82
JPY	12.639.727,46	2,76
USD	61.334.451,47	13,41
<b>Total</b>	<b>343.067.828,75</b>	<b>74,99</b>

Bonds by residual term to maturity	Market price in EUR	% share of Fund assets
Less than 1 year	57.291.951,25	12,52

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### Condensed statement of assets at 31 December 2012

1 year to less than 3 years	107.113.947,02	23,41
3 years to less than 5 years	26.551.898,50	5,80
5 years to less than 10 years	83.813.150,00	18,32
10 years or more	68.296.881,98	14,93
<b>Total</b>	<b>343.067.828,75</b>	<b>74,99</b>

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## BayernInvest Bond Global Select-Fonds

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### Statement of assets at 31 December 2012

Asset type	ISIN	Market	Unit or shares or currency in 1,000	Holdings 31.12.2012	Purchases/ Additions in the reporting period	Sales/ Disposals in the reporting period	Price	Market value in EUR	% of Fund assets
<b>Portfolio positions</b>									
<b>Exchange-traded securities</b>									
<b>Interest-bearing securities</b>									
5.7500% Allianz Finance II B.V. EO-FLR Med.-Term Nts 11(21/41)	DE000A1GNAH1		EUR	5,000			114,238	571,903.50	1.25
5.6250% Allianz SE FLR-Sub.Anl.v.2012(2022/2042)	DE000A1RE1Q3		EUR	4,000	4,000		112,600	4,503,980.00	0.98
4.3750% Daimler Finance Nth.Amer. LLC EO-Medium-Term Notes 2006(13)	XS0247812836		EUR	3,068			100,869	3,094,660.92	0.68
0.2800% DekaBank Dt.Girozentrale FLR-MTN-IHS Serie 100 v.04(15)	XS0205173445		EUR	5,000			99,680	4,984,000.00	1.09
3.8750% DEPFA ACS BANK EO-Med.-T. Notes 2006(16)	DE000A0G1RB8		EUR	15,000			106,745	16,011,690.00	3.50
3.8750% DEPFA ACS BANK EO-Securities 2003(13) Reg.S	DE0007009482		EUR	10,000			101,443	10,144,300.00	2.22
4.3750% DEPFA ACS BANK EO-Securities 2004(15) Reg.S	DE000A0DALH4		EUR	11,450			105,601	12,091,257.25	2.64
1.9093% DEPFA BANK PLC EO-FLR Med.-T. Nts 2005(15)	DE000A0DY6Q5		EUR	1,000	1,000		93,000	930,000.00	0.20
0.1720% Dexia Kommunalbank Deutschl.AG FLR-Öff.Pf.E.1546 v.08(13)	DE000DXA0TQ2		EUR	2,500			99,878	2,496,950.00	0.55
2.7500% Dexia Kommunalbank Deutschl.AG MTN-ÖPF Ser.1630 v.2011(2014)	DE000DXA1NPS		EUR	5,000			102,534	5,126,704.50	1.12
3.5000% Dexia Kommunalbank Deutschl.AG Öff.Pfdr. Em.1588 v.09(14)	DE000DXA1ME1		EUR	5,000			103,476	5,173,778.00	1.13
3.8750% Dexia Municipal Agency S.A. EO-Med.-T. Obl.Foncières 06(14)	FR0010369906		EUR	20,000			103,529	20,705,758.00	4.53
4.6250% ENEL Finance Intl N.V. EO-Medium-Term Notes 2011(15)	XS0695403765		EUR	2,000			106,196	2,123,925.60	0.46
2.2500% Europ.Fin.Stab.Facility (EFSF) EO-Medium-Term Notes 2012(22)	EU000A1G0A16		EUR	20,000	20,000		103,674	2,073,850.00	4.53
4.1250% Gas Natural CM S.A. EO-Medium-Term Notes 2012(17)	XS0843300947		EUR	1,700	1,700		106,372	1,808,329.10	0.40
2.6500% HSH Nordbank AG Schiffs-PF.11(13)TR.A.DJP1208	DE000HSH3PW8		EUR	9,000			100,485	9,043,650.00	1.96
0.2050% Hypo Pfandbrief Bank Intl SA EO-FLR M.-T.L.d.Geg.Pub.06(13)	XS0268584538		EUR	15,000			99,998	14,999,700.00	3.28
4.7500% Republic of Italy EO-B.T.P. 2008(23)	IT0004356843		EUR	15,000			102,132	15,319,816.50	3.35
5.0000 % Republic of Italy EO-B.T.P. 2011(22)	IT0004759673		EUR	60,000	35,000		105,131	63,078,300.00	13.79
0.7790% Landesbank Baden-Württemberg FLR-Med.Term.IHS.Ser.180 00/30	XS0110606174		EUR	325			79,205	257,416.25	0.06
0.2080% Landesbank Baden-Württemberg FLR-MTN Serie 462 v.05(15)	XS0223472258		EUR	1,980			99,719	1,974,436.20	0.43
0.3150% Lb.Hessen-Thüringen GZ FLR-MTN IHS S.H125 v.03(15)	XS0181049205		EUR	3,710			100,040	3,711,484.00	0.81
3.6250% LBBW Dublin Management GmbH EO-FLR Med.-Term Nts 2004(15)	XS0197937294		EUR	2,800			99,979	2,799,412.00	0.61
3.6250% Nordd. Landesbank Luxemb. S.A. EO-Medium-Term Notes 2005(15)	XS0217737278		EUR	2,000			106,940	2,138,800.00	0.47
4.5000% Norddeutsche Landesbank -GZ- EO-MTN-Inh.Sch.v.03(13)	XS0187014918		EUR	3,000			101,310	3,039,300.00	0.66
1.2650% Volkswagen Bank GmbH Nachr.FLR-Med.Term Nts.03/13	XS0176835949		EUR	7,000	7,000		99,575	6,970,250.00	1.52
5.3750% Volkswagen Intl Finance N.V. EO-Medium-Term Notes 2009(13)	XS0428037583		EUR	2,000			104,212	2,084,240.00	0.46
1.6500% DEPFA ACS BANK YN-Medium-Term Nts 2004(16)	XS0207954412		JPY	1,030,000	730,000		96,305	8,731,879.40	1.91
1.5500% Dexia Municipal Agency S.A. YN-Med.-T.Obl.Foncières 06(13)	FR0010386128		JPY	442,000			100,437	3,907,848.06	0.85
4.8750% DEPFA ACS BANK DL-Securities 2005(15) Reg.S	DE000A0GHGNO		USD	12,420			105,167	9,881,035.93	2.16
5.1250% DEPFA ACS BANK DL-Securities 2007(37) Reg.S	DE000A0LPMX0		USD	31,560	17,500		78,500	18,741,659.73	4.10
0.7105% Dexia Crédit Local (N.Y. Br.) DL-FLR Notes 2010(13) Reg.S	XS0493642028		USD	2,000			99,873	1,511,052.27	0.33
2.7500% Dexia Crédit Local (N.Y. Br.) DL-Notes 2010(14) Reg.S	XS0505615772		USD	6,000			101,816	4,621,348.06	1.01
3.7240% Santander US Debt S.A.U. DL-Notes 2010(15) 144A	US802818AQ38		USD	30,000			100,813	22,879,113.40	5.00
<b>Total</b>				<b>343,067,828,75</b>				<b>311,332,828,67</b>	<b>68,06</b>
<b>Total</b>				<b>311,332,828,67</b>				<b>311,332,828,67</b>	<b>68,06</b>

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**Statement of assets at 31 December 2012**

Asset type	ISIN	Market	Unit or shares or currency in 1,000	Holdings 31.12.2012	Purchases/ Additions in the reporting period	Sales/ Disposals in the reporting period	Price	Market value in EUR	% of Fund assets
<b>Securities admitted to organised markets or included in them</b>									
<b>Interest-bearing securities</b>									
0.2920% LBBW Dublin Management GmbH EO-FLR Med.-Term Nts 2005(15)	XS0223751990		EUR	4.300			99,364	4.272.652,00	0,93
4.2000% Spain EO-Obligaciones 2005(37)	ES0000012932		EUR	30.000	30.000		79,207	23.762.106,00	5,19
<b>Unquoted securities</b>									
<b>Interest-bearing securities</b>									
0.6577% Hypothekbank Frankfurt Intl DL-FLR M.-T.L.d.Gag.Pu. 07(14)	XS0280860107		USD	5.000			97,827	3.700.242,08	0,81
<b>Total securities portfolio **)</b>									<b>74,99</b>
<b>Derivatives</b> (Holdings marked with a minus sign are sold positions.)									
<b>Derivatives on individual securities</b>									
<b>Options on securities</b> Receivables/payables									
PUT E.ON SE registered shares no par value 15.02.13 13.50		Frankfurt/Zurich - Eurex		Quantity -11,100			0,190	-210.900,00	-0,05
PUT RWE AG ordinary bearer shares no par value 15.02.13 31.00		Frankfurt/Zurich - Eurex		Quantity -4,800			0,680	-326.400,00	-0,07
<b>Interest derivatives</b> Receivables/payables									
			EUR					-324.000,00	-0,07
<b>Interest futures contracts</b>									
FUTURE Fed. Rep. Germany Euro-BUND 07.03.13		Frankfurt/Zurich - Eurex		-20.000.000			145,540	-324.000,00	-0,07



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Asset type	ISIN	Market	Unit or shares or currency in 1,000	Holdings 31.12.2012	Purchases/ Additions in the reporting period	Sales/ Disposals in the reporting period	Price in EUR	Market value in EUR	% of Fund assets
<b>Currency derivatives</b>									
Receivables/payables					EUR		6.456.564,93	6.456.564,93	1,41
<b>Currency futures contracts (sale)</b>					EUR		633.426,35	633.426,35	0,14
<b>Open positions</b>									
JPY/EUR 1.874.0 million		OTC					1.936.007,56	1.936.007,56	0,42
NOK/JPY 185.0 million		OTC					-2.211.203,73	-2.211.203,73	-0,48
USD/EUR 81.0 million		OTC					908.622,52	908.622,52	0,20
<b>Currency futures contracts (purchase)</b>					EUR		5.823.138,57	5.823.138,57	1,27
<b>Open positions</b>									
NOK/JPY 185.0 million		OTC					2.831.932,87	2.831.932,87	0,62
<b>Closed positions</b>									
EUR/JPY 100.0 million		OTC					2.248.126,15	2.248.126,15	0,49
NOK/JPY 185.0 million		OTC					743.079,55	743.079,55	0,16
<b>Swaps</b>					EUR		90.671,43	90.671,43	0,02
Receivables/payables									
<b>Currency swaps (Received/paid)</b>					EUR		90.671,43	90.671,43	0,02
Currency swap 26.09.11/24.03.14		OTC		5.000.000	USD		119.858,560	90.671,43	0,02

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Asset type	ISIN	Market	Unit or shares or currency in 1,000	Holdings 31.12.2012	Purchases/ Additions in the reporting period	Sales/ Disposals in the reporting period	Price	Market value in EUR	% of Fund assets
<b>Credit balances at banks, unsecuritised money market instruments and money market funds</b>									
<b>Credit balances at banks</b>									
Credit balance at BNP Paribas S.A.			EUR	12.902.600,62			100,000	12.902.600,62	2,82
Credit balance in the Fund currency									
Credit balance in other EU/EEA currencies			NOK	1.719.237,32			100,000	232.993,71	0,05
Credit balance in non-EU/EEA currencies			AUD	14.587,86			100,000	11.437,87	0,00
			CAD	114.721,40			100,000	87.333,59	0,02
			CHF	184.720,00			100,000	152.850,64	0,03
			JPY	41.240.054,00			100,000	363.028,64	0,08
			NZD	30.742,79			100,000	19.007,54	0,00
			TRY	55.474,17			100,000	23.424,61	0,01
			USD	528.216,39			100,000	399.588,77	0,09
Credit balance at Citigroup Inc.			EUR	90.000,00			100,000	90.000,00	0,02
Credit balance in the Fund currency									
Credit balance at Deutsche Bank AG London			EUR	320.000,00			100,000	320.000,00	0,07
Credit balance in the Fund currency									
Credit balance at HSBC Trinkaus & Burkhardt KGaA			EUR	110.000,00			100,000	110.000,00	0,02
Credit balance in the Fund currency									
Credit balance at Goldman Sachs			EUR	-2.480.000,00			100,000	-2.480.000,00	-0,54
Credit balance in the Fund currency									
Credit balance at J.P. Morgan			EUR	-2.680.000,00			100,000	-2.680.000,00	-0,59
Credit balance in the Fund currency									
Credit balance at Uni Credit			EUR	-1.320.000,00			100,000	-1.320.000,00	-0,29
Credit balance in the Fund currency									
<b>Overnight money</b>			EUR	9.316.388,33			100,000	9.316.388,33	2,04
Credit balance at Deutsche Kreditbank AG									
Credit balance in the Fund currency									
Credit balance at Dexia Kommunalbank Deutschland AG			EUR	72.000.000,00			100,000	72.000.000,00	15,74
Credit balance in the Fund currency									
Credit balance at HSH Nordbank AG			EUR	23.087.706,46			100,000	23.087.706,46	5,05
Credit balance in the Fund currency									

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**Statement of assets at 31 December 2012**

Asset type	ISIN	Market	Unit or shares or currency in 1,000	Holdings 31.12.2012	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of Fund assets
<b>Other assets</b>									
Interest claims			EUR	5.842.363,16				5.860.102,22	1,28
Withholding tax claims			EUR	17.739,06				5.842.363,16 17.739,06	1,28 0,00
<b>Other liabilities</b>									
Management fee			EUR	-9.714.887,31				-9.780.458,51	-2,14
Custodian bank charges			EUR	-46.776,21				-9.714.887,31	-2,12
Interest payable under swaps			EUR	-5.336,99				-46.776,21	-0,01
Other liabilities			EUR	-13.458,00				-5.336,99 -13.458,00	-0,00 -0,00
<b>Fund assets</b>								<b>EUR 457.469.769,60</b>	<b>100,00 *)</b>
Unit price								128,05	
Issue price								140,85	
Units in circulation								3.572.667	
<b>Portion of securities in the Fund assets (in %)</b>									<b>74,99</b>
<b>Portion of derivatives in the Fund assets (in %)</b>									<b>1,24</b>

\*) By rounding the percentage shares, there may be minor rounding discrepancies in the calculation.  
 \*\*) The securities of the Fund are hedged in part by transactions with financial instruments.

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Utilisation of the upper limit for market risk potential was set for this Fund in accordance with the German Derivatives Regulation [DerivateV] based on the qualified approach by means of benchmark assets.

## Potential risk amount for market risk in accordance with Section 28b (2) sentences 1 and 2 DerivateV

Smallest potential risk amount	1,42 %
Largest potential risk amount	11,27 %
Average potential risk amount	3,91 %

## Composition of benchmark assets (Section 28b (3) DerivateV)

Absolute VaR	100,00 %
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## Risk model used in accordance with Section 10 DerivateV

Risks are measured in the internal BayernInvest data warehouse (DWH). The calculation is based on the method of measuring market risks developed by RiskMetrics. Consequently, BayernInvest KAG uses the variance-covariance method to calculate the risk of the Fund and the benchmark portfolio and the delta-gamma approach to break down the derivatives.

## Parameters applied in accordance with Section 11 DerivateV

The value at risk (VaR) of each portfolio is calculated and reported daily across the covariance matrix for a confidence level of 99% and a holding period of 10 days.

## Average leverage effect achieved in the short fiscal year through derivatives transactions

0,67

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### Security prices and market rates

The assets of the Fund are valued based on the most recent prices/market rates.

- Stocks, exchange-traded derivatives and investment funds are valued at tradeable stock market prices, if any (based on closing prices) (source: Bloomberg/domestic exchange).
- Bonds are valued at tradeable prices based on Section 23 of the German Investment Fund Accounting and Valuation Regulation [InvRBV] (source: IBOXX) or at market prices based on Section 24 InvRBV. The sources used for determining the market prices of bonds are mainly Bloomberg (validated prices quoted by various brokers) or recognised external rate providers for more illiquid bonds.
- Unlisted OTC derivatives are valued in the context of regularly reviewed models by incorporating the relevant market information (sources: Bloomberg and external providers).
- Credit balances at banks are valued at face value, time deposits at their market value and liabilities at their repayment amount.

The Fund is invested in part in products for which there was no liquid market at the financial reporting date as a result of the financial market crisis. The valuation has been carried out with estimated time values based on indicative broker quotations or valuation methods.

### Exchange rates (indirect quotation)

Australian dollars	(AUD)	at 27.12.2012	= 1 EUR (EUR)
Canadian dollars	(CAD)	1,2754000	= 1 EUR (EUR)
Swiss francs	(CHF)	1,3136000	= 1 EUR (EUR)
Japanese yen	(JPY)	1,2085000	= 1 EUR (EUR)
Norwegian kroner	(NOK)	113,6000000	= 1 EUR (EUR)
New Zealand dollars	(NZD)	7,3789000	= 1 EUR (EUR)
New Turkish liras	(TRY)	1,6174000	= 1 EUR (EUR)
US dollars	(USD)	2,3682000	= 1 EUR (EUR)
		1,3219000	= 1 EUR (EUR)

### Market key

### Futures exchanges

Frankfurt/Zurich - Eurex  
OTC - Over-the-Counter

### Change in the fiscal year for the Fund

The Fund Regulations were amended in November 2012 so that the fiscal year runs from 1 January to 31 December of each year. A short fiscal year was created for the period from 1 July 2012 to 31 December 2012. The amendment to the Regulations was published in the electronic Federal Gazette on 14 December 2012.

# Annual Report at 31 December 2012

## BayernInvest Bond Global Select-Fonds

ISIN: DE000A0YF280

Transactions executed during the reporting period if they are no longer shown in the statement of assets:  
 - Purchases and sales of securities, investment units and promissory notes (market allocation as per reporting date):

Asset type	ISIN	Unit or shares currency in 1,000	Purchases and additions	Sales and disposals	Volume in 1,000
<b>Exchange-traded securities</b>					
<b>Interest-bearing securities</b>					
0.3170% DekaBank Dt Girozentrale FLR-MTN-IHS Tr.26 v.03(15)	XS0174559665	EUR		7.000	
2.5000% Dexia Kommunalbank Deutschl.AG MTN-OPF Ser.1599 v.2009(2012)	DE000DXA1MR3	EUR		5.000	
5.0000% HSH Nordbank AG Mu.Ca.RangeAccr.Nts.v05(05/15)	XS0219764155	EUR		6.110	
0.2540% Landesbank Baden-Württemberg FLR-Intn.Schv.Em.712 v.05(15)	DE000LRPOYS9	EUR		10.000	
3.2500% Volkswagen Fin. Services N.V. EO-Medium-Term Notes 2009(12)	XS0452320426	EUR		10.000	
<b>Other securities</b>					
0.5440% Commerzbank AG FLM-SPF A.556 v.11(13)Ser.23	DE000A0Z20Z2	EUR		2.000	
<b>Securities admitted to organised markets or included in them</b>					
<b>Interest-bearing securities</b>					
1.0270% DEPFA ACS BANK EO-FLR Med.-T. Nts 2004(12)	XS0206379355	EUR		8.000	
0.5130% FMS Wertmanagement FLR-Intn.-Schv.R.40054 v.11(21)	DE000A1H3DQ0	EUR		10.000	

# Annual Report at 31 December 2012

## BayernInvest Bond Global Select-Fonds

ISIN: DE000A0YF280

### Transactions executed during the reporting period if they are no longer shown in the statement of assets: - Purchases and sales of securities, investment units and promissory notes (market allocation as per reporting date):

Asset type	ISIN	Unit or shares currency in 1,000	Purchases and additions	Sales and disposals	Volume in 1,000
<b>Derivatives</b> (option premiums implemented in opening transactions or rather volume of options transactions, for warrants information on purchases and sales.)					
<b>Futures contracts</b>					
<b>Stock index futures contracts</b>					
Purchased contracts: (Underlying(s): ESTX 50 PR.EUR, NIKKEI 225 ST.AVERAGE)		EUR			248.473,00
Sold contracts: (Underlying(s): ESTX 50 PR.EUR, NIKKEI 225 ST.AVERAGE)		EUR			693.095,38
<b>Interest futures contracts</b>					
Purchased contracts: (Underlying(s): EURO-BUND)		EUR			59.718,67
Sold contracts: (Underlying(s): EURO-BUND)		EUR			558.602,16
<b>Currency futures contracts (sale)</b>					
Sale of currency futures: JPY/EUR		EUR			4.759
<b>Currency futures contracts (purchase)</b>					
Purchase of currency futures: EUR/JPY USD/NOK		EUR EUR			150.000 60.837

**Annual Report at 31 December 2012**  
**BayernInvest Bond Global Select-Fonds**  
 ISIN: DE000A0YF280

**Transactions executed during the reporting period if they are no longer shown in the statement of assets:  
 - Purchases and sales of securities, investment units and promissory notes (market allocation as per reporting date):**

Asset type	ISIN	Unit or shares currency in 1,000	Purchases and additions	Sales and disposals	Volume in 1,000
<b>Options</b>					
<b>Options on securities</b>					
<b>Options on stocks</b>					
Sold put options: (Underlying(s): ALLIANZ SE VNA O.N.)		EUR			841,79
<b>Options on stock index derivatives</b>					
<b>Options on stock indices</b>					
Purchased call options: (Underlying(s): ESTX 50 PR.EUR, NIKKEI 225 ST-AVERAGE)		EUR			42.806,03
<b>Options on interest rate derivatives</b>					
<b>Options on interest futures contracts</b>					
Sold call options: (Underlying(s): FUTURE EURO-BUND 06.09.12, FUTURE EURO-BUND 06.12.12, FUTURE EURO-BUND 07.03.13)		EUR			5.570,19
Sold put options: (Underlying(s): FUTURE EURO-BUND 06.12.12)		EUR			880,32
Purchased put options: (Underlying(s): FUTURE EURO-BUND 06/09/2012)		EUR			200,32



**Annual Report at 31 December 2012**  
**BayernInvest Bond Global Select-Fonds**

ISIN: DE000A0YF280

**Transactions executed during the reporting period if they are no longer shown in the statement of assets:  
 - Purchases and sales of securities, investment units and promissory notes (market allocation as per reporting date):**

Asset type	ISIN	Unit or shares currency in 1,000	Purchases and additions	Sales and disposals	Volume in 1,000
<b>Options on currency derivatives</b>					
<b>Options on currencies</b>					
Sold put options: (Underlying(s): exchange rate CAD into JPY, exchange rate EUR into JPY, exchange rate NOK into JPY)		EUR			4.935,39
Purchased put options: (Underlying(s): exchange rate EUR into JPY)		EUR			1.093,50
Sold call options: (Underlying(s): Exchange rate USD into NOK)		EUR			830,50
Purchased call options: (Underlying(s): Exchange rate USD into NOK)		EUR			103,51

# Annual Report at 31 December 2012

## BayernInvest Bond Global Select-Fonds

ISIN: DE000A0YF280

### Statement of income and expenses (including income equalisation) for the period from 1 July 2012 to 31 December 2012

<b>I. Income</b>		
1. Interest from domestic securities	EUR	730.443,23
2. Interest from foreign securities	EUR	5.203.043,16
3. Interest from domestic liquid investments	EUR	368.644,40
4. Interest from foreign liquid investments	EUR	-12,64
<b>Total income</b>	<b>EUR</b>	<b>6.302.118,15</b>
<b>II. Expenses</b>		
1. Interest from borrowings	EUR	-56,82
2. Management fee of which performance-related management fee EUR 9,543,124,29	EUR	-13.236.819,53
3. Custodian bank charges	EUR	-266.650,97
4. Audit and publication expenses	EUR	-13.218,78
5. Other expenses of which custodian fees EUR 12,773,87	EUR	-17.719,07
<b>Total expenses</b>	<b>EUR</b>	<b>-13.534.465,17</b>
<b>III. Ordinary net income</b>	<b>EUR</b>	<b>-7.232.347,02</b>
<b>IV. Sale transactions</b>		
1. Realised gains	EUR	81.483.627,43
2. Realised losses	EUR	-30.939.213,32
<b>Result of sale transactions</b>	<b>EUR</b>	<b>50.544.414,11</b>
<b>V. Result of the short fiscal year</b>	<b>EUR</b>	<b>43.312.067,09</b>

# Annual Report at 31 December 2012

## BayernInvest Bond Global Select-Fonds

ISIN: DE000A0YF280

### Total expense ratio (BVI total expense ratio (TER))

The total expense ratio expresses the sum of expenses and fees (without transaction costs) as a percentage of the average Fund volume within a fiscal year.

3,09 %

### Performance-related fee as % of average net asset value

2,17 %

0,00 EUR

### Transaction costs:

Total amount of the ancillary expenses of acquisition (ancillary acquisition costs) and the costs of selling the assets.

For some types of transactions (e.g. bond and currency transactions) the transaction costs cannot be individually determined as a price component and are thus not included in the figure above.

### Transactions with affiliated companies and persons

Portion of the transactions that were executed during the reporting period for the account of the Fund via brokers which are affiliated companies or persons.

### Transactions in the period from 1 July 2012 to 31 December 2012

	Volume in EUR	Quantity
Total transaction volume	3.338.146.842,13	133
Transaction volume with affiliated companies	10.123.691,11	1
Ratio in %	0,30%	0,75%

### Information on costs in accordance with Section 41 (5) and (6) of the German Investment Act

In the short fiscal year from 1 July 2012 to 31 December 2012, BayernInvest Kapitalanlagegesellschaft mbH did not receive on behalf of the BayernInvest Bond Global Select-Fonds any refunds of fees or reimbursements of expenses paid to the custodian bank or to third parties out of the Fund, except for financial information provided by brokers for research purposes.

# Annual Report at 31 December 2012

## BayernInvest Bond Global Select-Fonds

ISIN: DE000A0YF280

### Performance of the Fund

	2012
I. Value of the Fund at the beginning of the short fiscal year	EUR 371.064.120,85
1. Tax deduction for the previous year	EUR 0,00
2. Cash inflow/outflow (net)	EUR 26.292.107,31
a) Cash inflows from unit certificate sales	EUR 62.244.737,99
b) Cash outflows from unit certificate redemptions	EUR -35.952.630,68
3. Income equalisation	EUR -2.497.682,12
4. Ordinary net income	EUR -7.232.347,02
5. Realised gains	EUR 81.483.627,43
6. Realised losses	EUR -30.939.213,32
7. Net change in unrealised gains/losses	EUR 19.299.156,47
II. Value of the Fund at the end of the short fiscal year	EUR 457.469.769,60

# Annual Report at 31 December 2012

## BayernInvest Bond Global Select-Fonds

ISIN: DE000A0YF280

### Calculation of reinvestment (total and per unit)

Result of the short fiscal year

Allocation from the Fund

Available for reinvestment

Tax liquidity made available

Reinvestment

	Total	per unit
EUR	43.312.067,09	12,12
EUR	0,00	0,00
EUR	43.312.067,09	12,12
EUR	0,00	0,00
EUR	43.312.067,09	12,12

**Annual Report at 31 December 2012**  
**BayernInvest Bond Global Select-Fonds**

ISIN: DE000A0YF280

**Development of Fund assets and unit price in a three-year comparison**

Fiscal year	Fund assets at the end of the fiscal year	Unit price
30.06.2011 <sup>*)</sup>	266.195.558,01 EUR	111,57 EUR
30.06.2012	371.064.120,85 EUR	110,29 EUR
31.12.2012	457.469.769,60 EUR	128,05 EUR

<sup>\*)</sup> Launch date 12.10.2010

Munich, in March 2013

**BayernInvest Kapitalanlagegesellschaft mbH**

Reinhard Moll, Spokesman

Dr. Oliver Schlick



# Annual Report at 31 December 2012

## BayernInvest Bond Global Select-Fonds

ISIN: DE00A0YF280

### KAPITALANLAGEGESELLSCHAFT

Company: BayernInvest Kapitalanlagegesellschaft mbH  
Registered office: Karlstraße 35, 80333 Munich  
Equity capital pursuant to Section 10 KWG: EUR 10,099,000 (31.12.2012)

### MANAGEMENT

Reinhard Moll, Spokesman  
Dr. Oliver Schlick

### CUSTODIAN BANK

Company: BNP Paribas Securities Services S.A.  
Registered office: Europa-Allee 12, 60327 Frankfurt am Main  
Equity capital pursuant to Section 10 KWG: EUR 557,000,000 (31.12.2012)

### SUPERVISORY BOARD

Nils Niermann, Chairman  
Oliver Dressler, Deputy Chairman  
Dr. Rudolf Fuchs  
Dr. Detlev Gröne  
Georg Jewgrafow  
Bernd Mayer  
Walter Pache  
Richard Wagner  
Dr. Markus Thamerus  
Bayerische Landesbank, Munich  
Bayerische Landesbank, Munich  
Sparkasse Mainfranken Würzburg  
Bayerische Landesbank, Munich  
Bayerische Landesbank, Munich  
Bayerische Landesbank, Munich  
Sparkasse Günzburg-Krumbach  
Versicherungskammer Bayern, Munich  
Bayerische Landesbank, Munich

As at: 31 December 2012