

Mutual Fund

Segment: CHF

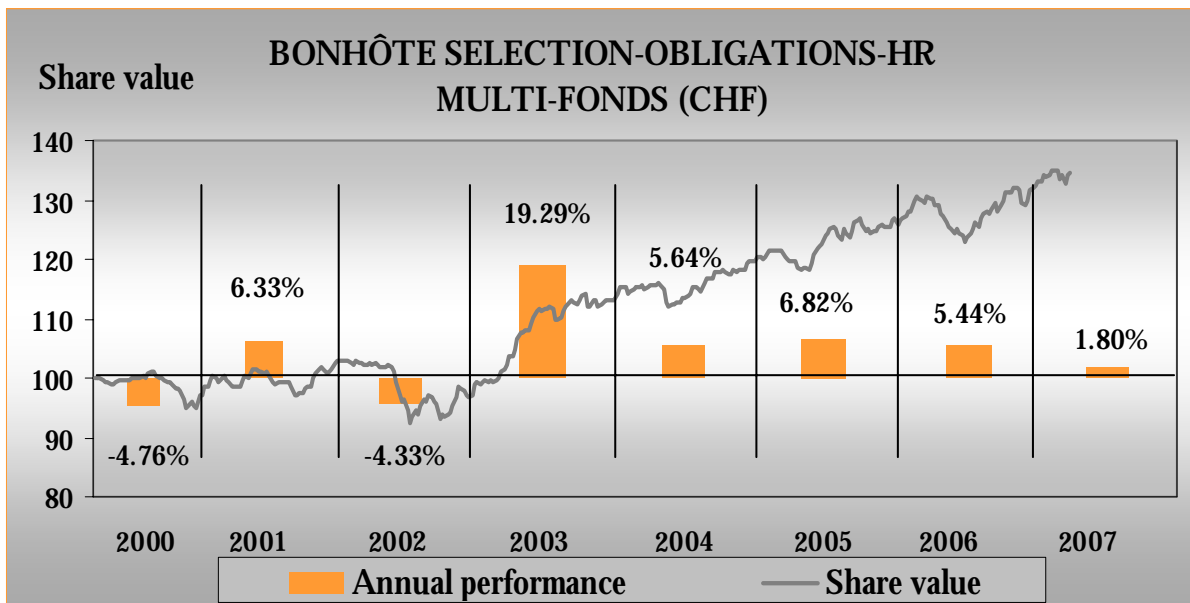
1st Quarter 2007

PERFORMANCE: YTD + 1.80 %  1st Quarter +1.80 %  Since launch + 38.00% 

INVESTMENT STRATEGY

The fund invests in bonds with ratings of BBB- or less from major rating agencies, such as Standard & Poor's and Moody's, or in emerging market debt. Depending on the Manager's assessment of the foreign exchange risk, currency hedges may be used. This fund is particularly suited to investors seeking to diversify their bond portfolio through more dynamic fixed income instruments. It provides the opportunity to benefit from the interest rate differential between lower rated bonds and investment-grade paper while maintaining a good level of security as a result of broad diversification. Reference benchmarking is not applicable.

PERFORMANCE



ANNUAL RETURNS

2000*	2001	2002	2003	2004	2005	2006	2007
-4.76%	+6.33%	-4.33%	19.29%	5.64%	6.82%	+5.44%	+1.80%

*since April

6 TOP HOLDINGS

PAM Bonds Higher Yield	9.61%	SGAM Bonds Europe High yield	7.34%
UBS Latin American Bonds	8.49%	Goldman Sachs Global High Yield	7.31%
ABN Global Emerging Mkt	8.02%	Battery Park High Yield Op.	6.76%

NET ASSET VALUE

Unit value: CHF 134.61

PERFORMANCE SINCE LAUNCH

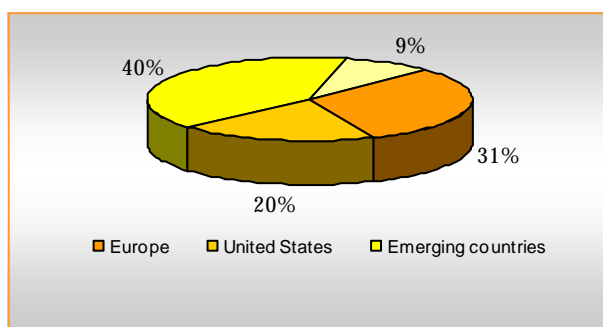
+ 38.00 %

MANAGEMENT REPORT

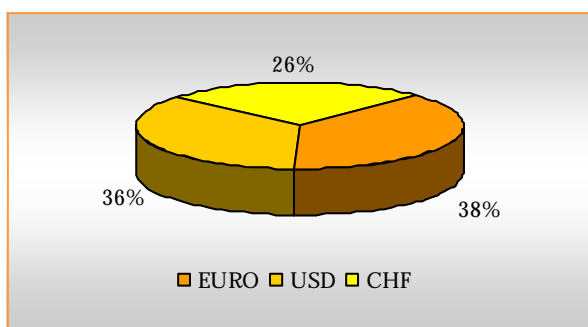
The Fund put on 1.80% in the first quarter. Investor appetite for high yield bonds remained strong, with credit spreads close to their historical lows. Currency effects were slightly positive on balance, as the 1% rise in the euro against the Swissie offset the weak dollar.

Uncertainties over the strength of U.S. economic growth resurfaced in February, and global equity markets suffered a sharp correction, generating greater volatility in high yield bond prices. In the U.S., junk bonds, particularly in the financial sector and construction, were hit by the rising defaults on subprime mortgages and fears of a knock-on effect in other sectors. But the top rated bonds held up well, as investors remained confident about credit fundamentals in the high yield bond market. On the whole, the negative impact was contained, with credit spreads widening only 20 bp before returning rapidly to their end-2006 positions. There was no shortage of liquidity and new issues were quickly snapped up by the market. The solid fundamentals of emerging markets, with inflation under control, should underpin performance. The investment weighting in emerging Europe was reduced in favour of Latin American bonds and borrowings in local currencies, where we sense greater potential for a drop in interest rates. The outlook for high yield bonds remains positive for the rest of 2007, although in view of the tight spreads performance will have to rely mainly on coupon income.

ASSET ALLOCATION



CURRENCY ALLOCATION



CHARACTERISTICS

Legal structure: Fund governed by Swiss law
Management Co: FidFund Management SA
Custodian: Banque Bonhôte & Cie SA
Investment advisor: Banque Bonhôte & Cie SA
Auditors: PricewaterhouseCoopers S A

Launch date: 1st of April 2000
Minimum investment: 1 share
Initial charges: 5% maximum
Management fees: 0.9%
Price quoted in: Financial Times, Le Temps, NZZ

CONTACT

Florian Tombet

Tel. +41 (0)32 722 10 23

e-mail: ftombet@bonhote.ch

DISCLAIMER

"Bonhôte Selection" is a fund of funds in Swiss law falling within the category of "other funds" with multiple segments within the meaning of Article 35 of the Federal Law on investment funds of 18 March 1994 (LFP). Potential investors are specifically warned of the risks described in the prospectus and must be prepared to accept the possibility of not getting back the total amount originally invested. The offer and sale of fund units may require authorization in certain jurisdictions. Every investor must seek information on the relevant statutory provisions in the jurisdictions concerned, notably those applicable in his country of domicile and/or origin. The full prospectus is made available upon request. Investors should be aware that past performance is never a guide to future performance and does not take account of fees and expenses deducted when shares are issued or redeemed. The full prospectus and management reports are available upon request from FidFund Management SA, Belvédère 121, C.P. 67, 1264 St-Cergue. Share subscription and redemption: Banque Bonhôte & Cie SA—fax +41 32 722 10 75 Tél. +41 32 722 10 21.



Banque Bonhôte & Cie SA
16, rue du Bassin / quai Ostervald 2001 Neuchâtel Suisse www.bonhote.ch