

Company News 1/2008

February 2008



**KEPPLER ASSET MANAGEMENT  
NAMED BEST FUND COMPANY BY CAPITAL  
FOR THE FOURTH CONSECUTIVE YEAR**

In January, *Kepler Asset Management* was, for the fourth consecutive year, named **Best Fund Company** in the Fund Specialists' category by *Capital*, a leading German business magazine. Our firm once again received the **highest five-star rating** based on an independent evaluation of fund quality, management, and customer service by *Feri Rating & Research* and *Steria Mummert Consulting*.

## Top Fund Companies for All Market Conditions



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**Convincing Performance.** The investment firm founded by **Michael Kepler** tops the ranking among the niche players.

KEPPLER ASSET MANAGEMENT: BEST FUND SPECIALIST 2008 2/4

A detailed description (in German) of the test methods used to arrive at the Best Fund Company ratings is included in the cover story of Capital 04/08 by Dörte Jochims and Dirk Wohleb (pages 30 – 40), on which the following information is based.

For the sixth time, Capital put the 100 most important fund companies operating in Germany through an exhaustive test to determine to whom investors can entrust their money for the long term and which funds are leaders in their field. Together, the companies tested by the fund experts from Feri Rating & Research and Steria Mummert Consulting cover more than 95 percent of the German market and offer over 3000 fund products.

Ever since Capital included niche players (that focus on particular investment segments, themes, regions or strategies) in their annual Best Fund Company rating four years ago, Keppler Asset Management has led this table.

### How the Specialists Compare

Fund boutiques focus on individual investment segments or strategies. Among the 14 companies tested, Keppler Asset Management won by a clear margin.

As with the generalists, Feri Rating & Research analyzed every single fund.

- 1 **Fund quality.** Keppler Asset Management again reached the maximum number of points (55), with a convincing fund performance over one, three and five years.
- 2 **Management.** Up to 20 points are awarded to experienced managers who work in seasoned teams.

- 3 **Service.** Steria Mummert Consulting tested the quality of the company web pages and conducted test inquiries. The maximum number of points was 25.
- 4 **Capital Rating.** The highest five-star rating is awarded to companies with the top scores. While some fund companies with a one or two-star rating offer good products, they have shortcomings in other areas.

2008 Rank	2007 Rank	Fund Company	Number of funds	1 Fund Quality		2 Management		3 Service		Overall Score	4 Capital Rating
				Points (max. 55)	Compared to 2007	Points (max. 20)	Compared to 2007	Points (max. 25)	Compared to 2007	Points (max. 100)	
1	1	<b>Keppler Asset Management</b>	2	55,0	→	11,6	↑	18,3	↑	84,9	★★★★★
2	10	Alger	8	53,8	↑	10,6	↑	12,3	↓	77,9	★★★★
3	2	First Private	3	24,6	↓	7,5	↑	18,0	↓	50,6	★★★
4	4	Vitruvius	10	21,0	↓	20,0	↓	7,8	↓	49,3	★★★
5	7	Davis Selected Advisors	3	15,4	↓	11,6	↔	15,1	↑	42,4	★★★
6	13	Lupus Alpha	3	21,3	↑	1,0	↑	18,3	↓	41,1	★★★
7	8	Jo Hambro C. M.	4	10,2	↓	10,1	↑	16,1	↑	36,7	★★
8	neu	Mainfirst	3	11,6	–	6,1	–	16,4	–	34,4	★★
9	6	Comgest	10	12,3	↓	8,7	↓	10,3	↑	31,5	★★
10	12	Martin Currie	4	19,0	↓	1,0	↑	10,2	↓	30,6	★★
11	11	W.P. Stewart & Co. Inc.	4	13,6	↓	7,7	↓	8,0	↓	29,7	★
12	3	Tweedy Browne Value Funds	3	4,2	↓	13,0	↓	11,1	↑	28,4	★
13	5	Griffin Capital Management	2	1,0	↓	6,1	↑	16,6	↓	23,7	★
14	9	Magna	2	7,8	↓	1,0	↑	13,2	↑	22,0	★

All equity, bond and mixed funds registered for distribution in Germany were included in the Rating. Compared to the previous year, the company's score deteriorated slightly ↘ or significantly ↓. The company's score improved slightly ↗ or significantly ↑. The score was unchanged →. Sources: Feri Rating & Research, Steria Mummert Consulting.

## KEPPLER ASSET MANAGEMENT: BEST FUND SPECIALIST 2008 3/4

The most important factor in the fund company test is fund quality, which accounts for 55 percent of the overall score with the specialists. Feri Rating & Research analyzes how the funds have performed over one, three and five years. Only funds that perform better than the peer group average in both up and down markets score points.

However, offering top quality funds is not enough to excel in the endurance test. Other long-term success factors included in the test are the professional experience and continuity of fund management and the quality of the companies' customer service. First-rate investment companies, according to *Capital*, are "characterized by a disciplined investment approach, a high degree of continuity and quality service."

We are pleased about the favorable assessment of our performance in the Capital Rating Test and the complimentary comments of the editors:

Among the specialists, Keppler Asset Management once again stands out. In particular, the company's new web page contributes to its score. It offers a good introduction to and overview of the funds and the investment philosophy of the Bavarian-born manager. Test inquiries by the experts from Steria Mummert were answered quickly and extensively. But above all, Keppler's investment approach has proved successful over the years. For his emerging markets fund, he seeks out the countries whose markets are most undervalued. Currently, he is betting on Israel, Turkey, Poland, Taiwan, Thailand, South Korea and Malaysia. "For some time now, we have been avoiding China and India, whose stocks have long been significantly overvalued," Keppler points out. That put a drag on performance last year, yet the fund has shown its strength also in times of market weakness.

In view of impending tax changes affecting fund investments made after December 31, 2008, the editors of *Capital* magazine point out that the Fund Company Rating is particularly valuable for investors this year. "By investing in funds in 2008 and holding their positions long term, investors ensure that their gains are exempt from tax. Investors who postpone their investments till 2009 will have to pay a flat rate tax of 25 percent on gains. For this reason, it is essential to know today which fund companies are offering quality products suitable for long-term investment, supported by good service and an experienced management team."

Keppler Asset Management  
 The Individualist

Investment professionals: 6  
 Fund volume: USD 5 billion  
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The New York fund boutique scored 85 out of 100 possible points and secured the top spot among all fund specialists.

Ever since Feri Rating & Research and Steria Mummert Consulting included niche players in their Best Fund Company rating five years ago, Keppler Asset Management has led this table. **The firm's Global Advantage Major Markets Fund, which invests in equities worldwide, and Global Advantage Emerging Markets Fund have secured the maximum number of points year after year.** Both portfolios lost less than their benchmarks in bear markets since they were launched in 1993. Keppler avails himself of a vast database from which he selects the most attractively valued markets. Only in the second step are stocks selected. Both funds have top ratings and are excellent long-term core investments.

Funds	Isin	Performance*
<b>GAF Emerging M.</b>	<b>LU 004 7906267</b>	<b>32.4</b>
<b>GAF Major Markets</b>	<b>LU 004 7906267</b>	<b>16.4</b>

\*3-year performance per annum in percent

**Disclaimer:**

There is no guarantee that future results will conform to past performance or be profitable. Total return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Please read the Prospectus carefully before investing in any of the funds we advise. The Prospectus can be downloaded from our website and is available free of charge from State Street Bank Luxembourg, S.A. (49, avenue J.F. Kennedy, 1855 Luxembourg). The Global Advantage Funds are registered for distribution in certain countries and are currently not available to United States Persons under the U.S. Code.