

19 OCT. 2003

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**Annual Report Permanent Fund**

Dear Mr. President Kirsan Iljuzhnikov  
Dear Delegates

Stock and bond markets experienced very difficult times from June 2002 to June 2003 due to an unfavourable economic environment in the US and in Europe. However our fund did not suffer under those circumstances for two reasons:

- The fund was mainly invested in swiss bonds
- I did not have the opportunity to actively manage the fund because the handing over from Mr. Bricola took a long time as the bank needed very many different documents from Fide and from me.

At the end of June 2003 the Fund had an estimated value of approximately 87'000.—CHF and the net income for the period from June 2002 to June 2003 has been approximately 1'500.—CHF. This sum however has not yet been paid to Fide.

Right now the fund owns more than 20'000.—CHF in cash which I intend to invest either in swiss equities or swiss bonds. Not more that 25% of the funds shall be invested in equities at any time, and if do so I will try to track the market. For safety reasons we will stay in swiss francs with all our investments.

Yours sincerely



Lucas Brunner

**Permanent Fund 2002/03**

	<b>Income</b>	<b>Cost</b>	<b>Sales of Stocks</b>
	70.35	10.00	3'814.80
	1'611.50	114.55	134.75
	6.95	8.95	2'479.00
		59.65	4'372.80
			10'763.45
<b>Total</b>	<b>1'688.80</b>	<b>191.15</b>	<b>21'564.80</b>

Total Income	1'688.80
Total Cost	191.15
<b>Net Income</b>	<b>1'497.65</b>

<b>Total Cash 30.06.02</b>	<b>2'158.95</b>
Income	1'688.80
Cost	191.15
Payment to Fide	1'933.35
Sales of Stocks	21'564.80

**Total Cash 30.06.03 23'288.05**

<b>Cash</b>	<b>23'288.05</b>
55 Units UBS Bond Fund	62'398.00
87 Shares Chugai	1'335.00
<b>Total Assets 30.06.03</b>	<b>87'021.05</b>