

Wealth has **many**  
dimensions.

The value of  
**knowledge** and  
research.

What makes a  
country **rich**?

Wealth entails  
**responsibility**.

Which **assets** enable us  
to lead **a rich life**?

**Good health**  
is an **asset**.

Wealth:  
How can it be  
**protected**  
and **built**?

# About Wealth

Portrait 2013



# About Vontobel

Vontobel's mission is to protect and build the wealth our clients have entrusted to us over the long term. Specializing in active asset management and tailor-made investment solutions, we provide responsible and forward-looking advice. In doing so, we are committed to Swiss quality and performance standards. With their good name, our owner family has stood by these principles for generations.

## **Our core capabilities**

**Protect and build wealth:** Over the long term, we are committed to protecting and building the wealth our clients have entrusted to us. In doing so, we provide our clients with responsible and forward-looking advice, transcending generations.

**Manage assets actively:** As active asset managers, we create financial value-added for our clients. To accomplish this, we elaborate first-class solutions for optimizing returns and managing risk.

**Deliver tailor-made investment solutions:** We implement tailor-made investment solutions for our clients. Our forward-looking research, as well as our competence in developing products and processes, assure our clients that we are the right partner.

## **Our company values**

Forward thinking, responsible action and first-class engagement for our clients.

As of 31 December 2012, Vontobel held approximately CHF 150 billion of assets. Around 1'400 employees work for Vontobel at 21 locations worldwide. The registered shares of Vontobel Holding AG are listed on the SIX Swiss Exchange. The Vontobel families and the Vontobel Foundation hold the majority of shares and votes in the company.



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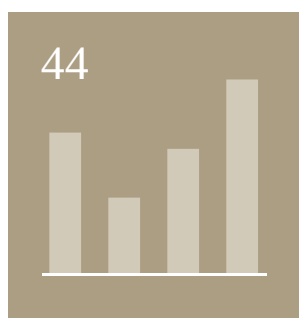
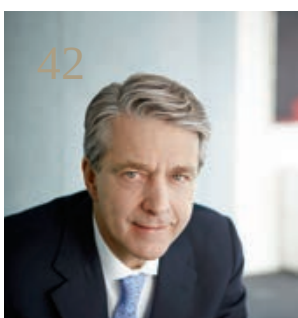
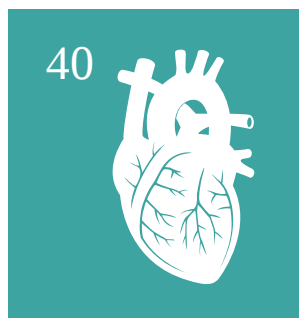
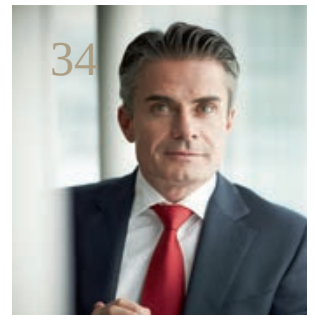
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“Citizens can demand freedoms but they have to pay for them by assuming responsibilities.”

## Dr. Zeno Staub

has been CEO of Vontobel since 2011. Prior to that, he served as CFO of Vontobel before being appointed Head of Investment Banking and later Head of Asset Management. Before joining the bank, Zeno Staub co-founded a consulting firm. He graduated with a degree in Economics from the University of St. Gallen, where he also completed a doctorate.

# Wealth exists in many forms.

Dr. Zeno Staub  
Chief Executive Officer

## **Mr. Staub, we are focusing on the topic of wealth. How is Switzerland currently performing in terms of wealth?**

Switzerland is doing well overall – or even very well in some areas. This is illustrated by numerous macroeconomic indicators, which show that it is performing impressively compared to other countries. This is a great achievement when viewed in the context of the European debt crisis. However, it is important not to think of wealth purely in material terms. A country's true wealth encompasses much more than that.

## **Can you give an example?**

The individual freedom enjoyed by Swiss citizens and Switzerland's ability and commitment to respect these freedoms – at least still to a large extent – is one example. Its ability to protect these freedoms has, thankfully, become less critical. Another example is the fact that our country has a properly functioning society – which is essential in order for its citizens to live together in a dignified manner and to benefit from equal opportunities. There is also the fact that as citizens, we still engage in a dialogue with the state, rather than being a disaffected group of stakeholders confronted with a system.

## **It sounds as if Switzerland has yet more strengths that you could list.**

If you have just spent the last weekend skiing with your family, you can't help but think about its magnificent mountain scenery. It is a privilege to be able to live together peacefully against the backdrop of this rich landscape and cultural diversity within such a small country.

Another of Switzerland's true strengths lies in its high standards of performance. In view of its limited natural resources, Switzerland learned at an early stage that it must compensate for this weakness by adopting a spirit of entrepreneurship and a willingness to engage with the rest of the world – coupled with a highly-motivated, well-qualified workforce. These are also aspects that contribute to a country's wealth.

## **What are the prerequisites for a country that wants to prosper?**

The largest proportion of people can enjoy wealth and prosperity in places where society, the state and the economy interact according to clear rules and where the citizens behind the abstract concepts of "society" and "the state" demand freedoms – in return for which they assume responsibilities. The effectiveness of this interaction depends on the institutions involved. It is probably in this area that some of Switzerland's

greatest strengths are to be found: federalism, subsidiarity, direct democracy and tax competition (if this term can still be mentioned in 2013) are, in the end, the key features of the Swiss model.

## **In other words: the usual liberal issues?**

Yes, they are essential – but they are not the only factors. Allow me to return to your previous question as part of my answer. Citizens should, can and must demand freedoms – but they must pay for them by assuming responsibilities. This means that they must take responsibility for the things they do or do not do. In extreme cases in a free economy, this includes the acceptance of failure. It also includes social responsibility and the knowledge that a certain degree of redistribution of wealth is not only necessary but also beneficial for everyone.

## **Let's turn to Bank Vontobel: In the case of any bank, its most valuable assets are its credibility and the trust placed in it by clients – would you agree?**

Trust and credibility are certainly of fundamental importance. What do we have to do to earn the trust of clients and maintain it over time? How can we gain credibility as a company? My answer is: We have to do what we say and deliver on our promises. In banking today, the claim "actions, not words" is more important than ever before.

The components of a country's wealth: the natural landscape, identity, an urbane and open-minded culture, and individual freedom.



### **Trust has to be earned.**

Prior to the financial crisis, I said that as a Swiss bank, we automatically enjoyed a certain level of trust, and we were then able to demonstrate over time that it was justified. However, the financial crisis changed a lot of things – such as the image of the financial world and the public perception of banks, as well as the role of regulators. It has also prompted international criticisms of banking confidentiality, to name but a few examples. The situation today is that the Swiss banks – like all foreign banks – are no longer automatically credited with trust; they have to start at the very beginning in order to earn the confidence of clients. Those banks that generate performance and added value will continue to inspire trust in clients, while others stand to lose it quite quickly.

### **How will Bank Vontobel ensure it can continue to gain client trust in the future?**

By focusing exclusively on what we do best. Private banks have always been places that are entrusted with wealth. They are places where assets are invested and managed professionally. Clients who entrust us with a specific portion of their liquid assets today should get back more than they deposited when they return to the bank ten years later. The objectives and expectations of clients may vary greatly in this context and depend on various factors – such as their preferred currency or personal circumstances. As a bank, we invest all our expertise and resources in ensuring that we realize these goals as effectively as possible. Our mandate is clear: we want to preserve and grow our clients' wealth.

There is no question about this – even if the economic environment is difficult at present and wealth is today exposed to many different pressures.

### **Is independence also an asset?**

Yes, most definitely. Anyone who is independent has the freedom to decide and remains in control. This represents a major advantage with regard to the future. During periods of uncertainty, such as those we have seen for the past few years, many clients are attracted by the concept of an independent private bank. Our bank's strong foundations are further reinforced by our family shareholders. For more than four generations, the Vontobel families have provided their own example of how to address wealth – and the duties it entails – in a responsible manner.





“It is a privilege to be able to live together peacefully against the backdrop of this rich landscape and cultural diversity within such a small country.”

**Is there still scope for innovation in the area of private banking, or has every possibility already been exhausted?**

In the recent past, there were periods in which individual providers launched far too many innovations in the market. It was evident that this approach would fail, since the core service offering in private banking is relatively stable: It is about protecting and building our clients' wealth. You can spend a long time looking for the “blue ocean effect” in the field of private banking; it will never be possible to completely reinvent this business. Our basic mandate is far too stable for this. However, there will always be people who are extremely wealthy and who want to know that their assets are being managed effectively – and there are several ways of doing this. Good investment ideas are

not easy to find in a globalized world: Extensive research and smart investment processes are needed to master this challenge. In addition, a lot of effort has to be invested in processes and in the area of settlement to meet the growing expectations of clients, since they want us to be a small, personally run company on the one hand, while expecting us to offer vast product expertise on the other.

**What is more important: the strength of the organization or the quality of its relationship managers?**

Both are important. In today's global environment, even the best relationship manager cannot deliver the performance expected of him unless he has the support of a well-structured organization. Every bank needs a strong engine – and a bank's engine consists of the organiza-

tion behind its relationship managers. If the engine is weak, even the most skilled relationship managers are unable to deliver good results. And if the engine runs well but the person advising clients doesn't have what it takes, then it won't work either. Every link in the value chain has to be strong to ensure that clients can benefit from excellent results. This is a renewed challenge we face every day, every week and every year. <

studied Chemistry and Biochemistry at the University of Graz. He taught and performed research in Vienna, at Cornell University in Ithaca/New York, and later at the "Biozentrum" at the University of Basel, which he also headed for several years. He has received numerous prizes for his discoveries on the formation of mitochondria. Gottfried Schatz has continued to publish his work since retiring. His most recent publication is entitled "Zaubergarten Biologie" (The Magic Garden of Biology), a collection of 19 essays in which he describes biological phenomena that shape our concept of humanity.

# Unseen riches.

## Professor Gottfried Schatz

"We are a poor country; we just happen to have a lot of money." An OPEC diplomat used this astute comment to defend his country when Western journalists demonized it in a televised debate in the wake of the 1973 oil embargo. This argument serves to remind us that we tend to gauge wealth solely on the basis of its visible benefits. However, these benefits are the products of the past or, in some cases, even of chance. The true wealth of a country is only revealed to those who know how new ideas are brought to life. These ideas are the source of true riches that guarantee the future as well as the present.

New ideas can no more be stored or passed on than electrical energy. Every generation must carve them out anew – and cannot rely solely on science and technology in doing so. Many of the most pressing problems we face as a society are of a social or political nature, against which science and technology are largely powerless. The battle for new ideas is now global, relentless and swift; an advantage patiently built up over decades can be squandered in the space of a few years.

New ideas require the courage to question generally accepted wisdom and, where necessary, to disregard it altogether. Knowledge is inertia and thus anathema to innovation. Europe refuses to believe this, however – perceiving knowledge and science as synonyms, as inseparable parts of a whole that share the same mission. And since fulfilling this mission is expensive, Europe wants to control the world of science as closely as it can.

This misconception is jeopardizing Europe's innovative strength and is creating many of the problems that are facing European science today. To resolve these problems, we have to understand that science and knowledge are fundamentally

different and therefore need to be fostered in different ways. After all, science concerns itself less with knowledge than with ignorance. It seeks to turn this ignorance into knowledge – and usually considers the act of transformation to be more important than its result. Many researchers regard the knowledge they generate almost as a by-product and are happy to leave it to others to deal with it. For a true chemist, a chemistry textbook is not "chemistry" but rather the history of chemistry – a summary of what one already knows or should know. Real chemistry, by contrast, would be a surprising result in the laboratory, an unexpected suggestion from a colleague, or a lecture on a new discovery. The birthplace of new ideas is not the safe haven of proven knowledge but is, instead, found on its fringes – where knowledge stares ignorance in the face.

## The mysterious world of the unknown

In the reality of everyday science, however, most scientists deal with the management and dissemination of knowledge. Only a small minority of active researchers work on transforming ignorance into knowledge. And of this minority, only a tiny elite is destined to attain the ultimate goal of any scientist: to create new ignorance – in other words, to find out something we didn't even know we don't know. When Christopher Columbus discovered North America for us Europeans, when Sigmund Freud revealed the subconscious, and when Max Planck identified the quantum nature of energy, they opened up mysterious new worlds of ignorance, the exploration of which led to fundamental changes in our view of ourselves and the world.

Knowledge is not a commodity that can be neatly packaged, labelled and put safely aside for all posterity. It is more like a zoo of wild animals: Hurling themselves at the bars of their cages, they often tear them down and then produce unexpected offspring. Jean Paul Sartre said: "We do



not make war. It is war that makes us." The same is true of knowledge. Amid the onslaught of scientific research, knowledge is constantly changing – and it changes us in the process. We may be able to temporarily control knowledge or even deliberately falsify it, but in the long run, it is inevitably stronger than we are. It obeys its own laws, which we can neither know precisely nor alter. Victor Hugo is supposed to have said: "Nothing is more powerful than an idea whose time has come." Although this quote may not be authentic, it is nevertheless true.

Science is not a guardian of stability and order but rather an incorrigible revolutionary that foments creative unrest through new ideas. It doesn't make our lives more peaceful – it makes them freer. Science disregards dogma and unsettles us, just like innovative art does. No wonder, then, that totalitarian states have always repressed both. The Russian poet Osip Mandelstam is said to have responded to Stalin's cultural terror with the bitter words: "Only in Russia is poetry respected – it gets people killed. Is there anywhere else where poetry is so common a motive for murder?" And in 1941, Ivan Maisky, the then Soviet ambassador to the UK, told the world: "There is no place in the USSR for pure science."

### **Think what no one has thought before**

For scientists, the fact that our knowledge is in a perpetual state of flux is by no means threatening. Several decades ago, the US bacteriologist George Packer Berry pointedly underlined this fact in a speech to his freshman students at Harvard Medical School: "Half of what we are going to teach you is wrong. Our problem is that we don't know which half." Scientists have an ambivalent relationship to knowledge: They do their utmost to create it, yet as soon as they have done so, they mistrust it and never cease calling it into question. The possession of knowledge is less important to them than the conviction that they can always generate it anew through observation and critical thinking. Knowledge has its roots in the past and, in a constantly changing world, can never guarantee the future. This power is reserved for the eternal youth of scientific inquisitiveness, which searches the present for the hypotheses of the future and thus presents us with new ideas. These rarely emerge from collectives or institutions; instead, they almost always emanate from creative lateral thinkers – individuals who swim against the tide and challenge generally recognized dogmas. They see what everyone sees but then think what nobody has ever thought before. Their new ideas stem from the intuitive recognition that the much sought-after path from A to C does not lead through B, as everyone thinks it will, but rather through X or Z. All this demands intellectual courage – the most important talent of any researcher. A researcher never hesitates to head for dangerous waters if they promise new knowledge, spurred on by the sentiment the American scholar John Augustus Shedd expressed in his maxim: "A ship in harbour is safe – but that is not what ships are built for."

Knowledge is precious but we shouldn't overrate it. By putting too much emphasis on knowledge, our schools, universities and political institutions stifle independent, critical thought – the very lifeblood of science. The general public and many of the politicians responsible for research-related matters see research as a strictly logical process in which researchers patiently put the pieces together, one block after the other, until the meticulously planned structure is complete. However, innovative research is almost the exact opposite: It is intuitive, scarcely predictable, full of surprises, and at times even chaotic – just like innovative art. Science and innovative art are not a stroll down carefully tended paths but rather an expedition into an uncharted wilderness, where both artists and researchers often lose their way. In an orderly, peaceful world, the maps have already been drawn and the creative researchers are already in another place – somewhere their intuition has led them.

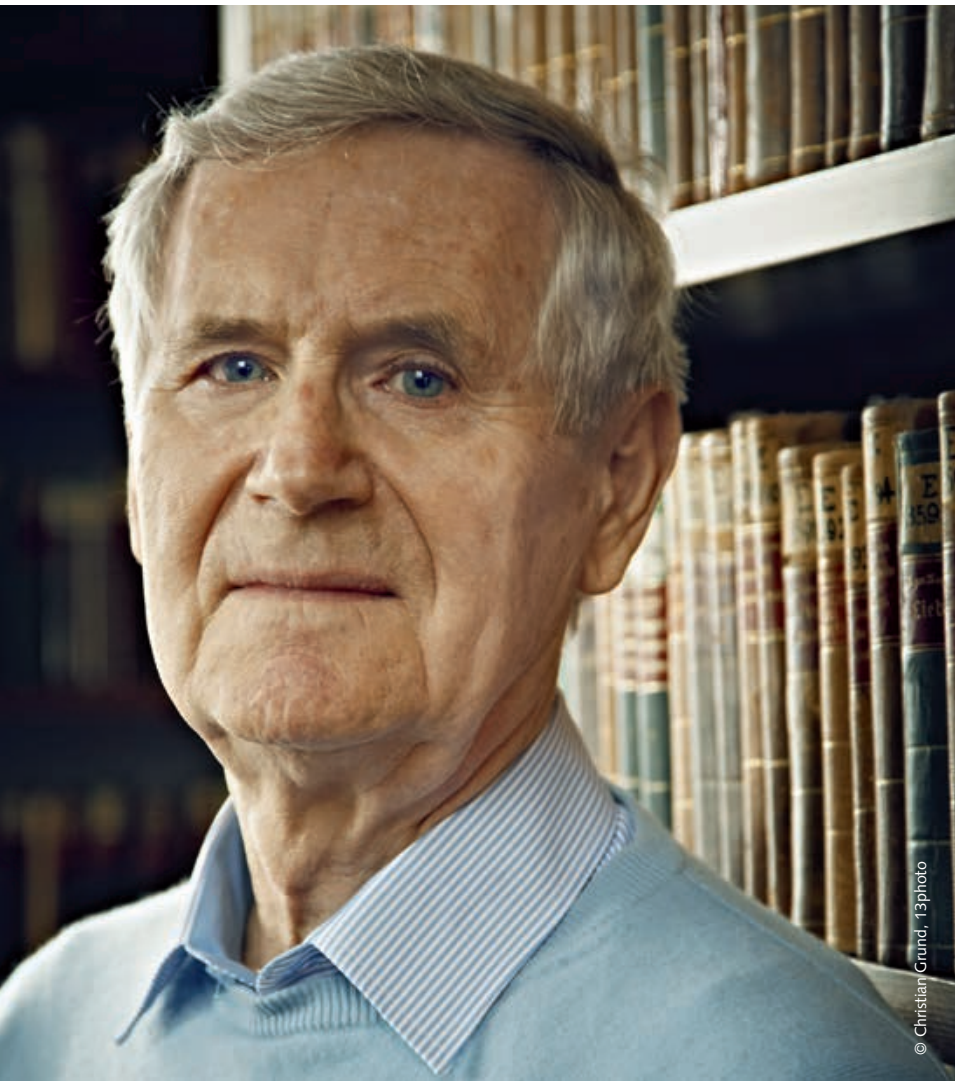
### **The fruits of unseen riches**

The true wealth of a country lies in its ability to innovate, both in thought and deed. Switzerland has reaped visible benefits from this ability, benefits that are the envy of the world. Such an ability cannot simply be bought or unleashed from one day to the next. Instead, it requires patience, coupled with painstaking care and gentle growth. It is nurtured by the talent gifted to us afresh by each generation, and which we must consistently promote. Talent cannot be planned or created but it can be curbed or even destroyed. Talent is highly vulnerable – and all too much of it is therefore lost. There is a commonly held view that "talent always rises to the top" but this is a dangerous misconception and a threat to all innovation. Another threat, particularly in egalitarian Switzerland, is a distorted understanding of democracy that finds it difficult to deal with unusual talents and deliberately marginalizes them.

We do not need elaborate research programmes if we wish to foster and increase Europe's unseen riches. We simply need to adhere to three basic rules:

- We must rigorously and fairly select the most talented researchers – even if such a selection contradicts a dubious understanding of democracy.
- We must then systematically give them the necessary means to do their work – even if that means there is less money for run-of-the-mill research.
- Finally, we must patiently allow them enough time to think freely and then pursue their ideas.

After all, the true worth of a country ultimately lies in the humility and respect it displays when dealing with the vulnerability of human creativity. <



“Ideas are the sources of true riches that guarantee the future as well as the present.”

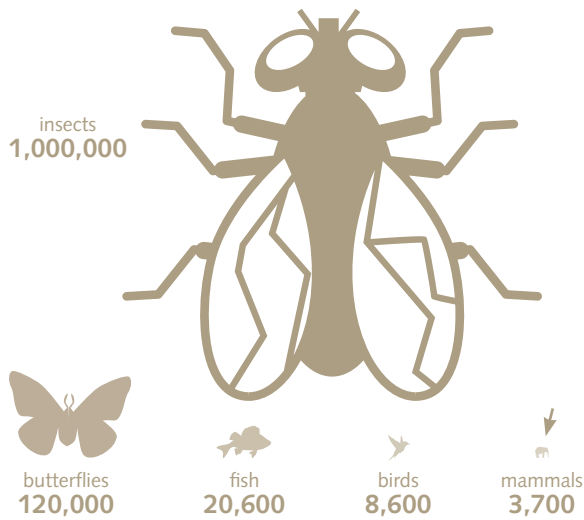
# Science and research.

Facts and figures

## Global biodiversity

Number (estimate)

Source: Rainer Flindt, Biologie in Zahlen



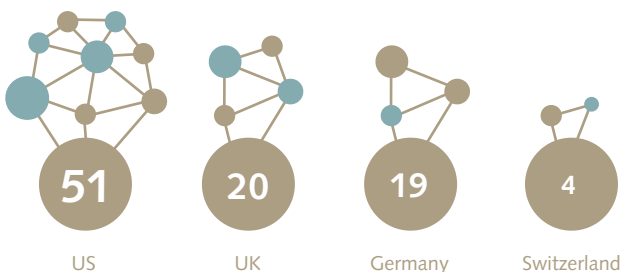
- We have so far identified around 2 million different animal species. According to experts, up to **20 million** species have not yet been discovered.
- Around **20,000** new species are discovered each year.
- Biologists estimate that up to **10 million** different species live in the oceans.
- Over the last 120 years, around **350** species that were believed to be extinct have been rediscovered.

Source: Beobachter Natur

## Nobel Prize in Physics

Prizes awarded in the period 1901–2011 according to the country of residence of the prizewinners.

Source: www.nobelprize.org



## The five largest islands in the world

Area in 1,000 square kilometres

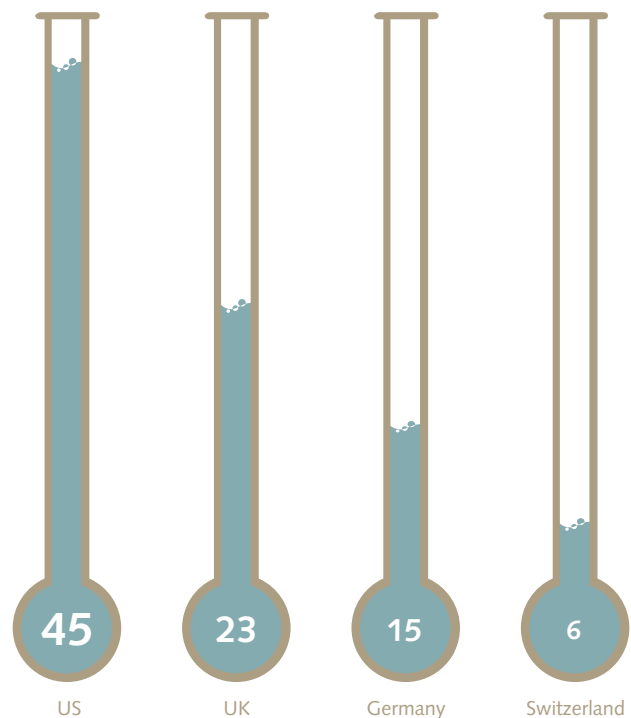
Source: The Economist, 2013



## Nobel Prize in Chemistry

Prizes awarded in the period 1901–2011 according to the country of residence of the prizewinners

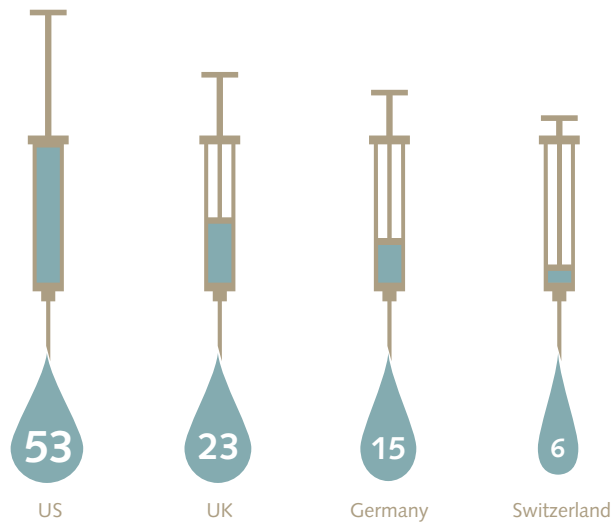
Source: www.nobelprize.org



## Nobel Prize in Medicine

Prizes awarded in the period 1901–2011 according to the country of residence of the prizewinners

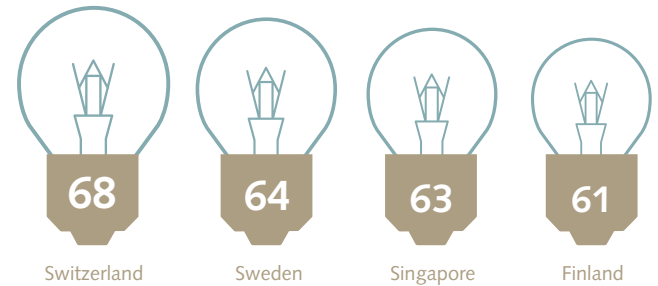
Source: www.nobelprize.org



## The four most innovative countries in the world

Global Innovation Index rankings 2012, score 0–100

Source: The Global Innovation Index / INSEAD, 2012



## Patents by country

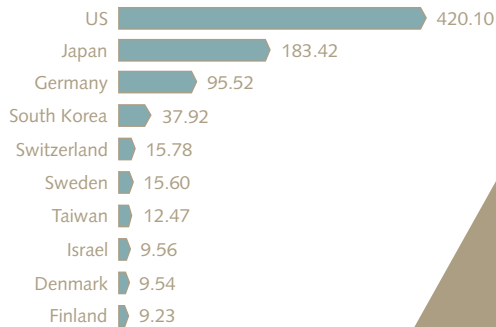
Number of patents per 100,000 people/country

Source: The Economist, 2010



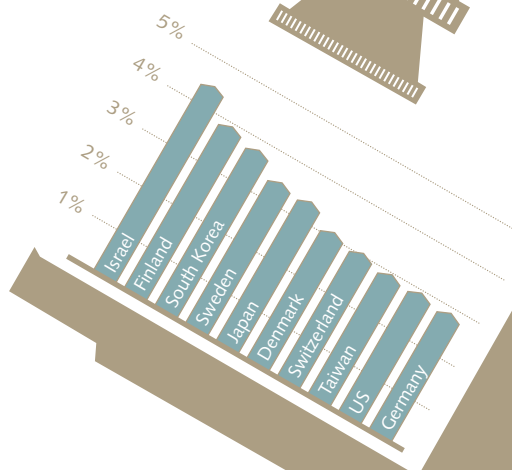
## Expenditure on research and development

in USD billions



## Top 10 in research and development

in % of GDP



Source: The Economist, 2010

## The Swiss Federal Institute of Technology (ETH) in Zurich – links to the entire world

- 17,187 students from 80 countries, of whom 30.8% are women, are currently being educated at the ETH.
- 36.1% of all students at the ETH come to study in Zurich from abroad.
- It is an attractive university for leading academics worldwide: 68% of its 462 professors are foreign nationals.
- A strong focus is placed on the practical application of learning: Around 240 spin-off companies were established in connection with the ETH between 1996 and 2011.
- The ETH Zurich registers around 80 patents each year.

Source: ETHZ, Annual Report 2011

**Christophe Bernard**  
is Vontobel's Chief Strategist. As Chairman of the Investment Committee, he is responsible for the bank's investment strategy. Christophe Bernard has more than 20 years of investment experience.

# In markets awash with liquidity, surprises are inevitable.

Christophe Bernard  
Chief Strategist of Vontobel

Who would have thought at the beginning of 2012 that the financial markets would enjoy an impressive rally despite the persisting crises in many parts of the world? And that the winners would include companies linked to the US real-estate market or the government bonds of countries on Europe's periphery, which most investors had been avoiding until recently? It was the central banks that set this development in motion by flooding the economy – and the markets – with cheap money. 2013, the sixth year since the outbreak of the crisis, is also likely to provide its fair share of surprises. But let us look first at the fundamentals. The global economy should pick up slightly in 2013. The driving force behind this growth will be the emerging markets, whose combined gross domestic product will rise by around 5.5%.

## **The Chinese dragon is soaring**

In view of the difficulties facing Western countries – with their ailing state finances and ageing populations – the emerging markets truly seem like a haven of economic solidity. In addition, the central banks in these regions were able to respond to a weakening of the economy by lowering interest rates – an option no longer available to Western nations. The global economy is increasingly dependent on the momentum of the emerging markets: While they accounted for around 30% of global economic growth in 1980, this figure has now increased to 50% and is likely to continue rising.

China plays a special role in this context. Accounting for 14% of global economic output, the country is already the

world's second-largest economy and, according to IMF estimates, could well become the global leader during the current decade. Although we are unlikely to see a repeat of the growth rates of over 9% recorded in the past, we believe that the Chinese economy could expand by an impressive 8% in 2013.

## **US displays potential**

The debt situation in the Eurozone will continue to preoccupy the markets for some time. Meanwhile, the contrast with the emerging markets is becoming ever more pronounced – with IMF member states now including many emerging economies that are at least co-financing industrial nations that are having difficulty paying their bills. An interesting aside: In the 20th century, Germany was the biggest debtor nation following two world wars. Its creditors – which included Greece at the time – waived a significant portion of Germany's debts, thus paving the way for its economic miracle of the 1950s.

We expect economic growth in developed economies in 2013 – ranging from around 0.5% (Eurozone) to 1.8% (US) – to be much lower than that of emerging markets. Among developed economies, the US has the potential to provide a positive surprise. The recovery in its housing market looks set to continue. The mounting importance of US shale oil and gas reserves will not only transform the energy supply of the world's largest economy but will also influence its current account and industrial policy.

## **Focus on prudent stock selection**

What does this mean for investors? We are advising them to aim for portfolios that are as robust as possible. Although





this may sound trivial, it is anything but. The key is to avoid losses wherever possible while adhering to the client's risk budget. For equities and other risk assets, the medium and long-term outlook remains intact. In the case of bonds, the upward trend now stretches back 30 years but this rise will come to an end at some point. However, picking the "right" securities is a challenge. As active asset managers, we see potential in particularly attractive, undervalued companies. In addition, we are seeking to identify promising themes – either in sectors or countries – and to also recognize fundamental trends at an early stage.

Generally speaking, investors should focus on quality investments offering good returns. However, they should exercise caution in the case of equities offering an apparently high dividend yield. Although they may be attractive at first glance, the dividends could fall in the future. It is therefore worthwhile backing stocks with good dividend prospects going forward. Turning to bonds: Government bonds issued by Eurozone states other than Germany cannot be regarded as safe. Bonds issued by emerging countries in US dollars are certainly more attractive. The credit ratings of the issuers may be lower, but the solid track record and the higher current yield of the asset class are strong points. Certain high-yield corporate bonds offer an alternative to equities, for example.

#### **Central banks enter new territory**

The central banks will very probably keep the monetary reins loose in 2013. Part of this liquidity is once again likely to flow into the financial markets. However, printing money is not without consequences in the long term. A quote from

Goethe may offer some insight here. In "Faust II", Mephistopheles suggests to the emperor to create money from nothing. The devil's advice is: "Such paper, in the place of pearls and gold, convenient is, we know how much we hold. No need for change or barter, each at will of love and wine may henceforth drink his fill." Jens Weidmann, President of Germany's Bundesbank, used this quote as a veiled warning against excessively generous injections of liquidity and, in so doing, prompted a furore in central bank circles. What can be said for certain, however, is that with their "fire-fighting exercises", the central banks have entered new territory.

Ultimately, we remain cautiously optimistic for 2013. The decisive factor for investors will remain the prudent selection of the most promising themes. <

“We are advising investors to aim for portfolios that are as robust as possible.”

is Managing Director of the Swiss think-tank Avenir Suisse. He previously spent around 30 years at the Swiss newspaper *Neue Zürcher Zeitung*, where he held various posts, including business correspondent in Paris, head of the business section from 1994, and deputy editor-in-chief from 2008 to 2010. Born in Austria, he studied Economics and Business Administration at the University of St. Gallen, where he also obtained a doctorate. His studies took him to Colombia and the US, where he completed the Advanced Management Program at Harvard Business School. Gerhard Schwarz has also been a part-time lecturer at the University of Zurich since 1989.

# Switzerland's riches go beyond money.

Dr. Gerhard Schwarz

Switzerland is a rich country. At some USD 50,000, it has the third highest per capita gross domestic product (GDP) in the world (based on 2012 prices). Its average wealth stands at USD 375,000 – which is more than that of any other country and is around 100 times higher than in India. In Switzerland, 9.5% of the population have assets totalling more than USD 1 million – a figure exceeded only by Singapore, Kuwait and Qatar. However, these monetary riches are spread more evenly among the population than in other nations due, in particular, to the Swiss occupational pension scheme (referred to as the “2nd Pillar”), which is based on the principle of saving rather than redistribution. Switzerland's wealth is seldom flaunted – despite the fact that its culture of understatement, which was once so important, has been eroded in recent decades under the influence of the US and the UK. The villas in Dallas are still bigger than those in Switzerland, members of the upper classes in France and Spain still enjoy a more feudal lifestyle, the consumption of luxury goods by Russian oligarchs is still showier, and oil sheikhs in Arab states are still more conspicuous.

## Caricatures and clichés

Crime writers, tabloid journalists and politicians the world over nevertheless still like to paint a mostly clichéd picture of Switzerland – portraying it as an extremely wealthy country that owes its prosperity almost exclusively to the somewhat sinister gnomes of Zurich. It is certainly the case that Swiss banks are assumed to hold private assets totalling around USD 2,250 billion – more than a quarter of the private assets under management worldwide. And Switzerland also boasts the largest number of globally active corporations per capita, with vast foreign assets (the figure is almost two-and-a-half times that of the Netherlands, which comes second in the

rankings). However, in both cases, the majority of ownership rights are not held by the Swiss. Another fact that is overlooked is that in terms of prosperity, Switzerland overtook the Netherlands and the UK – both colonial powers that became rich long before it – between the end of the 19th century and the period around the First World War, a time when the evasion of taxes was not really an issue. It should also be noted that Switzerland achieved this primarily through its “real economy” – especially thanks to industries such as chemicals and pharmaceuticals, foodstuffs and engineering, as well as the early internationalization of these four sectors.

If we go beyond all the figures and caricatures, a glimpse beneath the surface shows that Switzerland's true riches do not lie solely – or even predominantly – in private wealth. What makes Switzerland a strikingly rich country is much more those factors that the World Bank study “Where is the Wealth of Nations?” refers to as intangible capital (education, political leadership, quality of authorities, legal system), as opposed to its natural capital (land, commodities) and produced capital (machinery, buildings, infrastructure).

Taking all three forms of capital into account, the authors of the World Bank report calculated Switzerland's per capita wealth to be around CHF 700,000 in 2006. Switzerland thus led the rankings by a clear margin – coming before Denmark, Sweden, the US and Germany. While natural resources account for one third to one half of the wealth of the world's poorest countries, intangible capital is the dominant source of wealth in richer nations such as Switzerland and Germany, where it represents more than 80% of the total. This may make sense but the fact that natural riches are said to only account for roughly 1% of the wealth in these more affluent countries nevertheless raises some questions. After all, who would not also think



of Switzerland as a small area containing a natural environment of rare beauty? An environment that is painstakingly nurtured and maintained and is, at times, perhaps even rendered a little too pristine – the result being a mix of Balenberg and Disneyland?

However, there is no shortage of beautiful places in the world. Switzerland must therefore have riches that are more specific than just its natural beauty. One factor that should be mentioned here is the linguistic, cultural and religious diversity in such a small area, which makes living together a constant challenge – but also an enriching experience. It is also worth noting the interplay of various characteristics, scarcely any of which could be described as inherently Swiss but which, together, create something akin to “Swissness”: punctuality (not just the Swiss rail system), precision, reliability, cleanliness, orderliness, discretion, efficient use of resources, focus on quality, and a sense of tradition. In addition, there is Switzerland’s remarkably well developed infrastructure. Although it mostly eschews the (architecturally) spectacular, it works and can be maintained at a reasonable cost, unlike many prestigious projects in other countries that are falling into disrepair. The Swiss sense of thriftiness – which can sometimes border on parsimony – means that as a rule, the most significant expenses, i.e. the annually recurring operating costs, are also taken into account in capital spending. Hence, things are only built if they can be maintained. This lends a healthy sustainability to Switzerland’s riches.

#### **Social cohesion is alive and well**

Another of Switzerland’s riches is its social cohesion, which – for a long time – was stronger than in neighbouring countries. This is also likely to be a key reason why you can move around Switzerland fairly freely and safely – without an excessive police presence. The fact that members of the Swiss government can travel in the train or tram without a large security detail, or can go to their local shops at the weekend, strikes many foreign observers as highly unusual – and as a real asset. There are a lot of factors that have contributed to this social cohesion: compulsory national service; the “militia system” in which many political and public functions are performed by Swiss citizens on a part-time basis alongside their

regular professions; an education system with at least two ways of advancing – i.e. the academic route or vocational training; the willingness to compromise, which is absolutely essential in light of the country’s diversity; and a much more even distribution of income (as opposed to the redistribution of wealth by the state) than in countries such as Sweden. Unfortunately, these “social riches” have been massively harmed by the salary practices imported from the US and UK – but they have not yet been completely destroyed.

However, the greatest of all of Switzerland’s riches is probably still the mutual understanding within the Confederation of the concept of the state and the resulting political system in all its forms. The decentralized structure of the state – with its federalism and the autonomy of its municipalities – not only leads to a closer relationship with citizens and greater identification with the state. It also facilitates the search for the best solutions thanks to the permanent competition between local and regional authorities; tax competition is just one aspect of this, albeit an important one. Direct democracy is the embodiment of a state that is built from the bottom up – a state in which the people are the only sovereign; a state which is there to serve its citizens and shows few of the trappings of an authoritarian regime. In such a state, the bank accounts of its citizens only become an issue when there is reason to suspect a serious offence.

The high level of participation of Swiss citizens in all political decisions leads to a greater sense of responsibility, and also compels people to stay informed. This involvement is also a form of riches – an intrinsic wealth to some extent. This fact is borne out by the results of the research into happiness conducted by Bruno S. Frey and Alois Stutzer (“Happiness and Economics”, 2002). These two researchers looked at people from cantons with fewer opportunities to participate in the political process who then moved to cantons with greater democracy and a closer relationship between citizens and the state. They also compared foreigners without participation rights with fully enfranchised Swiss. The results are unequivocal: The more possibilities individuals have to participate directly in political decisions, the happier they are.

“Switzerland’s true riches do not lie solely – or even predominantly – in private wealth.”

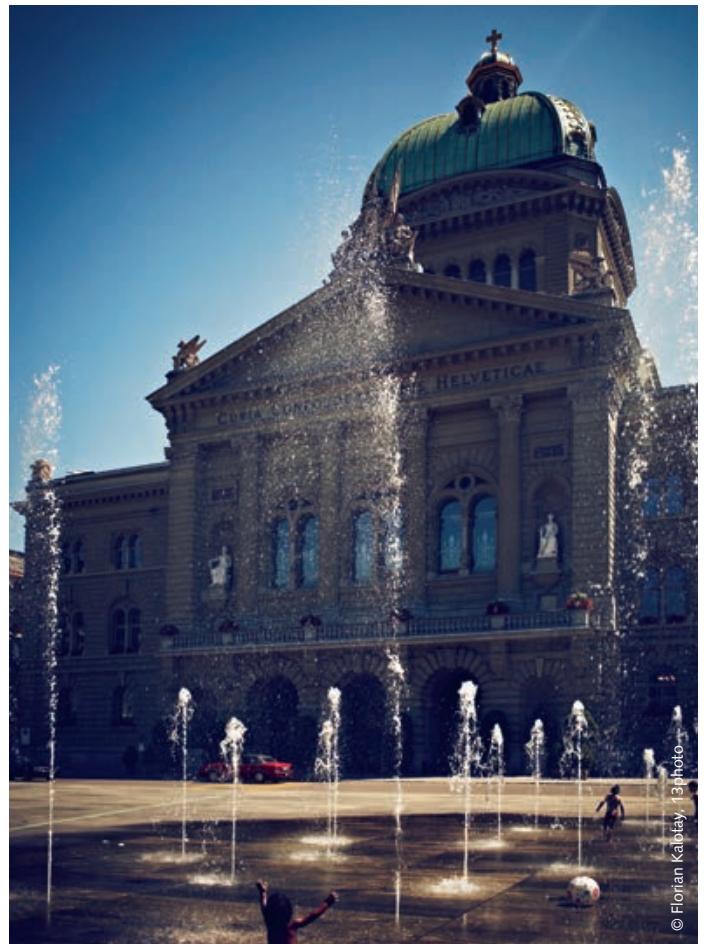


The People's Assembly in Appenzell. A traditional model of the direct democracy practiced in Switzerland, based on discussions, collective decisions and the shared assumption of responsibility.

### A supposed weakness is a true strength

Paradoxically, one aspect of the political system that is regarded by many as a weakness is probably one of Switzerland's greatest assets – namely the stability, constancy and slowness that are correctly associated with federalism and direct democracy. Although the inertia of the system occasionally means that reforms that are considered to be urgent are not addressed, it just as frequently prevents unnecessary or even detrimental developments from occurring. Furthermore, this inertia also gives the country a sedate form of stability. This is something that people seem to value greatly both in their private lives and in politics, and which they are scarcely likely to find anywhere else in the world in combination with legal certainty and democracy.

It is therefore no coincidence that with all its wealth, Switzerland fares very well in rankings of the best international locations – for example, it is listed as the small country with the best image in the Nation Brands Index. None of these outstanding results are based on Switzerland's "monetary riches" but, instead, always focus very strongly on numerous soft factors such as stability, good governance, a liberal environment, openness, the value system and quality of life. However, what applies in private is also relevant in politics.



The people have the final say. Even laws enacted by the Parliament in Berne are decided by the Swiss population in referendums.

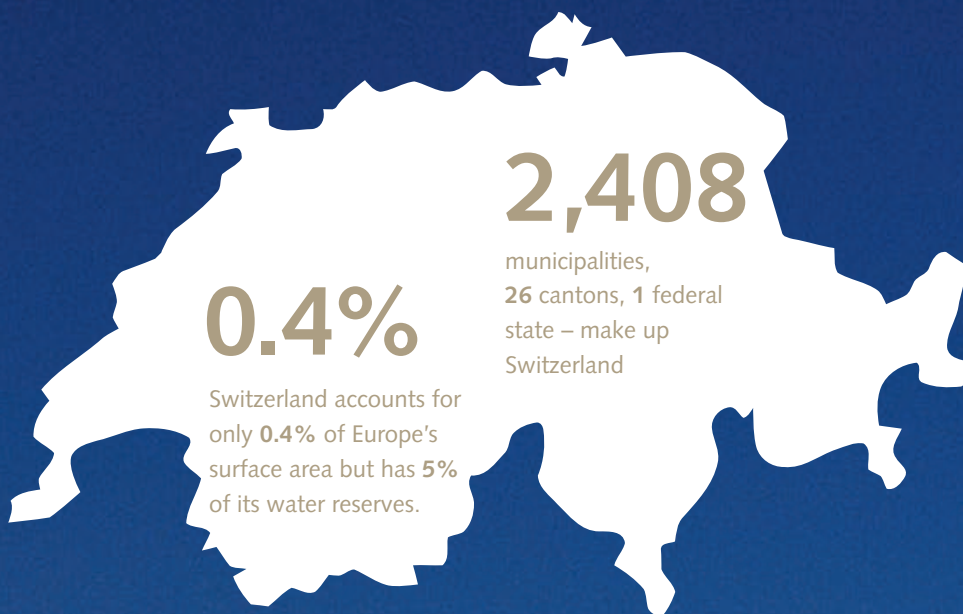
As Goethe had Faust say in his famous monologue: "What you have inherited from your fathers you must acquire to make your own." Switzerland is currently paying too little heed to its intangible riches; to the array of soft factors that make it unique. It runs the risk of losing its distinctiveness and becoming ordinary, of neglecting its social cohesion, its political system, and its constancy, stability and reliability, and of sacrificing itself to a changing environment driven by passing trends in the name of conformity. In so doing, it would also jeopardize its material riches and prosperity, since the two go hand in hand. Switzerland could not really be called rich if it were only to be successful in attracting large inflows of money. By the same token, it would scarcely have become rich without its special institutional, cultural and social facets. They are what make Switzerland rich, in both senses of the word. <

# Country, population and politics.

Facts and figures

Where Switzerland ranks among the world's 195 countries

Source: The Economist, 2013



hours of sunshine are enjoyed each year in Cimetta. The village close to Locarno is the sunniest place in Switzerland.



**18**

natural parks of national importance are to be found in Switzerland. That is equivalent to 14.7% of the country's surface area. Three more regions have applied for "natural park" status.



**8,875**

is the number of mountain peaks in Switzerland. 48 reach a height of over 4,000 metres.



million of the "REX" economy peeler – one of the most famous objects in Swiss design history – have been sold to date.



was the year in which Hans Hilfiker designed the Swiss railway clock.

Piz Basodino  
3,272 m

Monte Rosa  
4,634 m

Täschhorn  
4,491 m

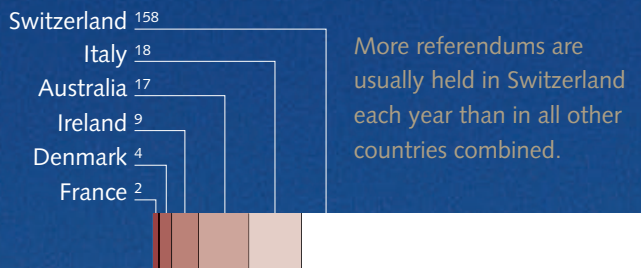
## Consumption of drinking water

The Swiss population uses water sparingly: 30 years ago, the amount of drinking water consumed per person per day was over 500 litres. Today, the figure is 325 litres.

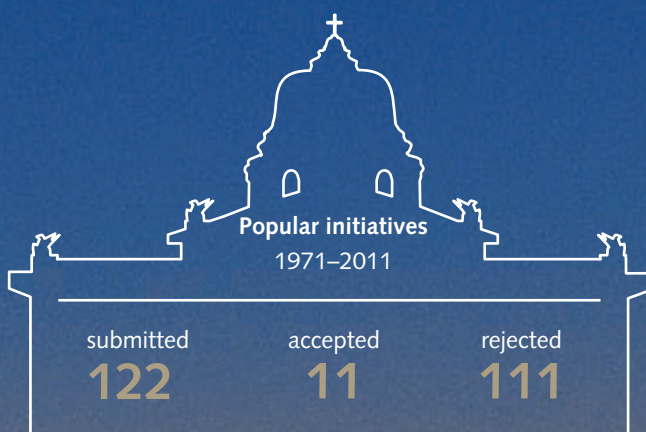


## National referendums: a comparison (1970–1990)

Source: Hans Hirter, Lexikon



More referendums are usually held in Switzerland each year than in all other countries combined.



Source: Federal Chancellery, 2012

## Political rights of citizens

Switzerland

EU

Source: Hirter, Lexikon; Federal Chancellery

Active electoral right: the right to elect someone.



Passive electoral right: the right to be elected.



Voting right: the right to vote on specific issues.



Right to launch a popular initiative: the right to propose changes to the Constitution and to have the proposals put to a public vote.



Right to request a referendum: The right to vote on laws and decisions by Parliament and to demand that a public vote be held.



Right of petition: The right to refer constitutional concerns directly to the state authorities and be heard.



# 34%

of young people in Switzerland aged between 16 and 25 engage in social initiatives.

Dom  
4,545 m

Chastelhorn  
2,973 m

Leckihorn  
3,068 m



## Strengths that endure – values that count.

Georg Schubiger  
Head of Private Banking

The Swiss financial centre remains the global leader in the international wealth management business: At the end of 2012, the assets held by foreign clients at Swiss banks totalled CHF 2,393 billion. According to statistics published by the Swiss National Bank, this represents an increase of CHF 231 billion compared to the previous year.

### Challenges in private banking

The private banking sector has, however, been transformed by the structural changes that have occurred since the financial crisis: Rising levels of government debt in industrialized nations and the subsequent pressure to increase tax revenues, as well as growing regulatory requirements and increased client demands for performance and transparency, represent major challenges for our industry. In addition, the financial crisis clearly exposed the fault lines in the international financial system. Even if the market environment appears positive at present, confidence in the markets and the finance industry remains weak.

These challenges have also had a lasting impact on Switzerland's private banking industry. Although the Swiss financial centre has lost little of its attractiveness, market stud-

ies indicate that around one-quarter of Swiss private banks closed the financial year 2012 with a loss. It is therefore important to consider how these issues can be actively and successfully addressed.

### Focus on clients

Structural changes are leading to inflection points across the entire private banking industry. Taking other sectors as an example, it becomes clear that the companies that emerge as winners from such periods of transformation are those that recognized and embraced the changes at an early stage – and adapted to the new environment or actively helped to shape industry developments. At Vontobel, we therefore strive to be the first to address new challenges in private banking, not the last. During this process, our thoughts and actions are firmly focused on our clients. They entrust us with their assets and expect us to protect and build their wealth over the long term. Wealthy private clients have sophisticated needs and high expectations – and rightly so. Only a wealth manager that is able to place clients at the centre of all that it does and to generate value for clients day after day will succeed in earning their trust.

The needs of our clients are continuously evolving. However, security remains an essential foundation of every client relationship. In addition, clients demand a high level of



**Georg Schubiger**

has been Head of Private Banking since 2012 and is a member of Vontobel's Group Executive Management. Prior to this, he held management positions at Danske Bank in Copenhagen and Sampo Group in Helsinki during a period of ten years. Georg Schubiger studied Finance and Accounting (lic. oec.) at the University of St. Gallen and obtained an M.A. in Political Science from the College of Europe in Bruges.

“We strive to be the first to address new challenges, not the last.”

expertise in the areas of investment, risk management and advice. And they want specific solutions and advice to meet their individual needs.

**Bank Vontobel is well positioned**

As a modern bank with an 85-year history – combined with a strong balance sheet, a very solid capital position and a stable shareholder base – Bank Vontobel is a sound and secure financial partner for its clients. The bank is forward thinking and acts responsibly – taking a long-term view rather than striving to achieve short-term gains.

Portfolio management is our core area of expertise and is founded on our know-how in the areas of investment and risk management. We apply active, state-of-the-art investment methodologies and concepts that enable us to respond swiftly to developments in the market. We also use dynamic risk management approaches to ensure that we can realize the objectives defined in conjunction with our clients. Through our integrated business model, we combine the knowledge and skills of the best analysts and portfolio managers from our institutional business (Asset Management) and from our award-winning Research unit to deliver successful investment results for our private clients.

Advisory expertise – coupled with a strong focus on service – will become more important in the coming years. Particularly in an environment in which the level of expected returns is continuing to decline, it is necessary to create value for clients by offering individually tailored solutions. A holistic advisory process that not only addresses abstract risk and return expectations but also takes account of the interests, preferred investment themes and concerns of clients is of key importance in this context. Additional services relating to wealth, tax and pension planning should also be discussed and incorporated into this process.

We develop our processes, services and expertise on an ongoing basis in order to adapt to changing conditions. For example, in the area of investment advisory, our offering is based on an innovative advisory and portfolio monitoring model that was introduced two years ago. The new Portfolio Mandate launched at the start of 2013 is based on a state-of-the-art investment approach that focuses on avoiding large losses while dynamically managing risks based on a defined risk budget.

Our relationship with our clients is founded on performance and trust. By systematically focusing on our clients and acting in a responsible and forward-looking manner, we are well positioned to support them – and to satisfy their growing needs – today and in the future. <

Dr. Hans Vontobel studied Law at the University of Zurich. He then embarked on a career in banking in Geneva – later becoming a partner and Chairman of the Board of Directors of Bank Vontobel. Now aged 96, Hans Vontobel is Honorary Chairman.

# Wealth entails responsibility.

Dr. Hans Vontobel  
Honorary Chairman

Wealth is created in various ways, such as through entrepreneurialism, talent, a willingness to take risks or family unity. Wealth can unquestionably also arise by chance – or it can be inherited or result from some other fortuitous event.

I have been fortunate to have had 96 years in which to learn about the world and my fellow human beings. That was a long enough period for me to see how fleeting material wealth can sometimes be and to discover how great wealth is often formed in places where you would least expect it.

However, 96 years is also a long enough period to observe with both pleasure and satisfaction how many wealthy individuals use their money in meaningful ways by financing projects and creating opportunities for others – especially those who are less fortunate than themselves and would be unable to access such opportunities through the state or via any other means. The world of patronage and charitable foundations is highly diverse and is driven by generosity. And, above all, it is not well known – this is a world in which good deeds are performed discreetly and only rarely become known to the public.

## The search for prosperity

I would like to share a few thoughts about this type of wealth, which is combined with social responsibility. First, however, I would like to touch briefly on another topic. History has taught us that even the greatest and most powerful empires – and the riches that they acquire at the height of their success – are not destined to last forever. The rise of the Roman Empire and its subsequent expansion was followed by its spectacular decline. While this collapse undoubtedly marked a painful end to the Romans' period in power, it

also heralded the start of a new era for the peoples and forces that were opposed to Rome. Similar rises and falls have been experienced by the Spanish, British, Ottomans, Russians, Mongols and Chinese, who built empires – only to later see them crumble. No matter how large and powerful empires, states or confederations may be, they all reach their historical “expiry date” sooner or later and disintegrate so that something new can develop in their place. There are both winners and losers in history. The comforting thing is that no one wins all the time and no one loses all the time. And wealth remains longest in the hands of those who know how to use it responsibly and intelligently.

## People and personal responsibility

As a private banker, I have spent my life engaging with people who are classed as rich or very wealthy by normal standards. Many of these individuals and families have established large numbers of charitable foundations, which have been endowed with billions in capital and generate regular income. Each year, these foundations distribute between CHF 1.5 billion and CHF 2 billion within Switzerland – a sum that is almost equivalent to the annual budget of 6 of the country's 26 cantons: Uri, Nidwalden, Obwalden, Glarus, Appenzell Innerrhoden and Appenzell Ausserrhoden.

I believe that this is an achievement that deserves respect, since all of the private individuals behind these foundations are giving away part of their wealth without expecting anything in return. Their contributions are motivated by their sole desire to make a difference and to help achieve something that the beneficiaries could not accomplish on their own. These benefactors share their wealth voluntarily because they want to do something for the good of society. Some of them fund projects to promote social cohesion. Others support the development of talented young people in the areas of science and research to help them benefit from better conditions when performing their work.



“Wealth remains longest in the hands of those who know how to use it responsibly and intelligently.”

Another set of benefactors use their wealth to support the elderly or to help conserve the natural environment or species that are threatened with extinction – or they focus on assisting people in remote mountain regions or on providing funding for development projects in Africa and Latin America, to name but a few examples.

#### **The happiness of others**

All of the individuals who establish charitable foundations share one common goal: They support measures that create benefits for other people. This philosophy is the very opposite of self-interest – and it is much more widespread among wealthy people than the insatiable desire for more. At least, this is what I have witnessed.

Within Europe, there is a much stronger tradition of establishing charitable foundations than people tend to think. Public opinion is all too often distorted by practices in the US, where both benefactors and their foundations play a prominent public role. The Americans do good and talk about it. In Europe, the opposite principle applied until recently: Do good but don't discuss it. Personally, I still welcome the basic European approach – but I also recognize that this can give rise to the misconception among the general public that much of the wealth in Europe takes the form

of wealth without social responsibility. That was not the case in the past and it is still not the case today.

At the beginning of the 20th century, Germany and the UK were the world's leading nations in terms of the number of charitable foundations they established: Both countries had very diversified foundation cultures and ranked far ahead of the US. And in Vienna at the end of the 19th century, the Foundation Handbook contained around 900 pages – demonstrating that charitable giving was also a thriving activity at the time of the Austro-Hungarian Empire. The situation in Switzerland is no different – apart from the fact that there has probably been greater continuity in the philanthropy and patronage of wealthy citizens than in neighbouring states since our country was spared two world wars. After 1945, the countries that had been ravaged by war had to rebuild their foundation cultures, together with many other things. Today, however, these cultures are flourishing again – and that is a good thing. And it is also good if states and their politicians sometimes recall the words of Antoine de Rivarol: “There are virtues that one can only practice when one is rich.” <

studied Philosophy in Zurich and Basel. In his postdoctoral thesis entitled "Acting and justifying", he examined the structure of practical rationality.

From 1994 until his retirement, Georg Kohler held the Chair of Political Philosophy at the University of Zurich. His principal areas of research included issues such as the foundations of political institutions and questions of common sense.

# A call for caring wealth.

Professor Georg Kohler

Who is rich? – A number of possible answers spring to mind. Answers that define wealth not in figures or monetary terms: A rich man is a man who leads a fulfilled life. A rich man is a man who is loved and who knows how to love in return. A rich man is someone who is able to develop his talents; someone who sees that his own existence has meaning – not just on one occasion but over and over again. And a rich man is also someone who displays an active interest in his own future and is not fearful about what it holds – and who retains an ability to be grateful for all he has.

These are not very philosophical answers. They come to us almost automatically if we think a little about the possible importance of "riches" in helping us to achieve a successful life – and the role that money and quantifiable ownership have to play in this context.

But what is "money"? Can money – a lot of money – ever be a final aim in itself? An ultimate purpose in life that gives meaning and legitimacy to all our other aims and intentions? Would it not be more accurate to say that this is not the case because money is always just a penultimate – and never the ultimate – goal? A means to an end and a quantifiable measure of possible actions (that money can buy)? Opportunities that have to be seized and realized in order to lead a good and successful life?...

## **Converting money into happiness: success or failure?**

One way or another: Money is basically defined as nothing more than a quantum of power to dispose of something, where this power is considered in abstraction from all concrete certainty. What is certain is that money is a source of power. However, in order for this (monetary) power to

become effective and be converted into actual happiness, it is first necessary to liberate it – and oneself – from its pure potentiality.

At the same time, we have to expose ourselves to the risk that this conversion process may fail. Without the courage to exercise freedom of choice – with all the inherent risks – we remain trapped in a vacuum of mere opportunities. If we are incapable of taking a decision, we will be left suffocating in a world consisting purely of chances.

This situation is illustrated by the ancient myth of King Midas, who foolishly wished that all he touched would turn to gold. This wish was granted to him by Dionysus, the god of pleasure, with such merciless precision that Midas would surely have died of hunger and thirst, had the god not saved him from the consequences of his own greed in the end. Anyone who is not capable of giving away a little of what they possess will be left with nothing: This is the moral of the story. This story is, however, at best a first step in my efforts to explain the relationship between riches, money and happiness.

## **Unbridled courage, inner independence**

The first thing that is needed in order for (monetary) power to be converted into true wealth is unbridled courage. The second requirement is the sense of inner independence that characterizes those people who have learned to lead a life in which they strike a balance between imagining what is possible and demanding what can be achieved in reality. This may sound abstract but these are words of wisdom that have been passed down from generation to generation for more than 2,000 years. To illustrate this point, I would like to recount an anecdote from the ancient world. It concerns a meeting between Alexander the Great and the philosopher Diogenes, who lived as a beggar.



To understand what the two men said during their encounter, it is important to know that the merry ascetic Diogenes was said to live in a barrel – in other words, in immense poverty. However, with humour and audacity, he demonstrated his conviction that minimal resources are needed to enjoy life. It is also necessary to consider who Alexander was: the epitome of power and greatness. And yet after meeting Diogenes, Alexander himself observed: “But truly, if I were not Alexander, I would be Diogenes.”

These were his words after he had asked Diogenes if there was anything he wished for and the philosopher had famously replied: “Stand a little out of my sun; that is all I need.” Anyone who is certain that they do not want something that makes them dependent on the goodwill of others will find it easy to achieve a balance between reality and fantasy. It means that the individual is rich enough because no one can dispute the riches in his soul. He will not be driven mad by excessive needs – even in the presence of the most powerful ruler. This is precisely what Alexander appeared to understand when he took his leave from the man in the barrel and uttered the remarkable and memorable line, suggesting that his type of existence and that of Diogenes were of equal value.

#### **Listening to the wonderfully intelligent words of Aristotle**

Since I am already in the process of recalling the wisdom of the ancient Greeks (which is not without intention; we have more to thank Greece for than the current Eurozone debt crisis), I would like to make a final reference to Aristotle – a man of wonderful intelligence and the unsurpassed master of compromise. Since he is not to be mistaken for either

Midas or Diogenes, he makes it possible to achieve a synthesis between the excesses of Midas’ obsession with gold and what I see as the excessively minimalistic ideal of frugality advocated by Diogenes.

The desire for ownership and material wealth still has a legitimate part to play in Aristotle’s doctrine about a good life. He believed that for the vast majority of us, radical asceticism is not a viable route to happiness – just like the endless sense of longing among people who always want more is unlikely to make them happy.

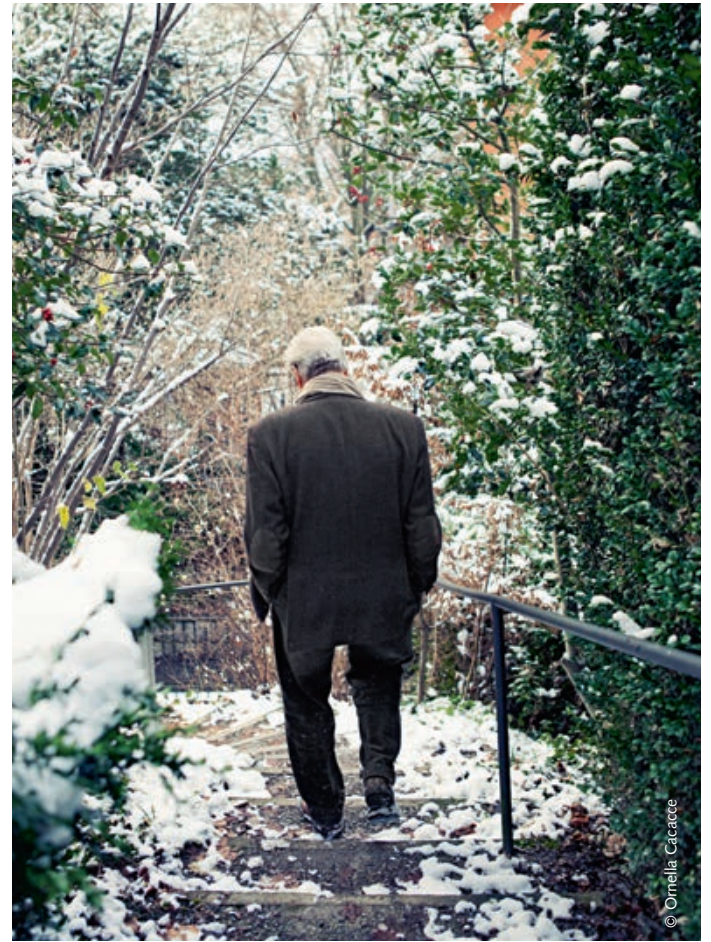
Going beyond these negative statements, what Aristotle said that is so important is his comment about the importance of two qualities, without which people are unable to lead a happy life: He underlined the important and essential nature of trust and friendship. Aristotle did do by referring to the core characteristics of human solidarity – i.e. the ability to empathize, the quality of fairness, and the willingness to see others as more than just dangerous rivals, indifferent strangers or as people seeking to exploit our shortcomings for their own gain.

Aristotle not only regarded trust and friendship as the vital keys that open the door to a meaningful existence. He believed that without them, it is not possible to enter the domain that connects material wealth with the thing that we all strive to achieve: an enjoyable life. <

“Happiness belongs to the self-sufficient.”  
Aristotle, Greek philosopher (384–322 B.C.)



© Interfoto



“Unbridled courage and inner independence are needed for (monetary) power to be converted into true wealth.”

**Axel Schwarzer**

is Head of Asset Management and a member of Vontobel's Group Executive Management. Before joining Vontobel in 2011, he held various management positions at Deutsche Bank in Frankfurt and New York. Axel Schwarzer studied Law in Mainz and Frankfurt.



## Which investment strategy meets client needs?

**Axel Schwarzer**

Head of Asset Management

The quarter of a century between 1982 and 2007 was an exceptionally long period of global economic prosperity that was shaped by a favourable interest rate environment and a stable upward trend in the equity markets. The monetary policy and spending habits of developed nations contributed to this positive economic climate, everything was fine, and returns – rather than risks – were the norm.

Since the turn of the millennium, we have, however, seen the start of the transformation of this investor-friendly environment. The reasons for this development can be found in the changed fundamental market conditions that began with the bursting of the dotcom or Nasdaq bubble. A second and much larger bubble burst in 2007, exposing a further dramatic misallocation of money to US real estate.

The result of this has been unusually strong market volatility and low interest rates, as well as asset classes that are moving in sync and no longer contribute sufficiently to risk diversification within portfolios. Experts also refer to this fundamental change as a new market regime. From Vontobel's perspective, there are six key points that must be taken into account in this context to protect and grow our clients' wealth while considering the risks involved.

### **1. Understand the prevailing market regime**

It can no longer be automatically assumed that equities and bonds will continue to generate the same level of reliable returns. The "risk-on" mentality that was prevalent among market participants from the early 1980s to 2007 has given way to a "risk-off" mindset that borders on the irrational. Deciding whether we are in a "risk-on" or "risk-off" scenario is crucial when it comes to constructing client portfolios.



# “If the risk landscape of the overall market changes, the defined risk yardstick soon loses its significance.”

## 2. Build robust, shock-resistant portfolios

In the past, a major proportion of the work involved in investing generally entailed the production of macroeconomic forecasts and the prediction of expected returns. Less time was dedicated to protecting client portfolios against large declines in value. It is, however, vital to construct portfolios that are robust in periods of severe stress in the markets. What does robust mean in this context? Essentially, it is about gaining a precise understanding of the long-term characteristics of asset classes, their behaviour in periods of inflation or deflation, and the extent to which they move in sync with other asset classes.

## 3. Make broad use of asset classes

It is also more important than ever to seek out investments that still offer attractive risk/return profiles. Which alternatives are available to us in this regard? Three asset classes that were previously given little attention have come to the fore in the current environment:

- High-yield emerging market bonds
- Corporate bonds
- Commodities

The broad, unlimited use of all available liquid asset classes is what distinguishes a good multi-asset-class portfolio.

## 4. Weight the asset classes according to their risk contribution

Investment decisions usually focus on maximizing returns and minimizing risks. Taking an index as their benchmark, investors often like to think that they have determined the extent of their risk-taking. However, if the risk landscape of the overall market changes, the risk yardstick they had previously defined soon loses its significance – resulting in the assumption of too much or too little risk. We believe that when constructing a portfolio, the focus must be on the risk budget defined with the client – which then provides the framework for the maximization of returns. Changes in the market environment must lead to an adjustment of risk-taking. This, in turn, gives deliberate momentum to the structure of the portfolio, since we weight an asset class in line with its contribution to the portfolio's overall risk. From this perspective, an approach that involves setting an allocation once and then maintaining a rigid portfolio with only minor deviations from that benchmark is now obsolete. The new benchmark for clients is the risk budget they define and the target return derived on that basis.

## 5. Focus on consistent performance

The construction of robust portfolios typically already produces a more consistent performance. Above and beyond this, Vontobel combines a returns-based approach with a risk-oriented approach. If the portfolio is far from the defined risk value and if market expectations are positive, the investment strategy is continuously optimized on the basis of a scorecard developed by Vontobel. However, if the defined risk threshold per calendar year is reached or if our risk indicator is red, the proportion of higher-risk investments is reduced and the likelihood of losses is thus minimized. After all, once a loss of 20% has been incurred, a gain of 25% is needed to recoup it. The key to sustainable investment success therefore lies in avoiding large losses and in not constantly pursuing every last point of performance. This is because our approach centres on the client's investment objectives and not on the apparent achievement of success because we have outperformed an abstract benchmark. Relative success is basically not enough to meet an investment target.

## 6. Assign priority to avoiding losses

To be prepared for all market scenarios, we have very large bandwidths in our asset allocation – for example, we can refrain from investing in an asset class altogether. This frees us from potentially damaging investment constraints and compulsions, and it gives us considerable flexibility. Our principle of only investing in liquid assets allows us to react quickly and decisively. In extreme cases, we would even hold 100% of the portfolio in cash.

Vontobel offers this unique investment approach as an investment solution for institutional and private investors, and is thus pursuing a pioneering approach in the field of multi-asset-class investing. We believe that an active, fundamentally-based approach is pivotal in order to address the new challenges in the markets. Investment experts must be able to interpret market developments in their overall historical and political contexts. A disciplined approach to risk is just as important, since our priority is to avoid large losses and to strive for consistent performance. <

**Roger Studer**

has been Head of Investment Banking since 2008 and is a member of Vontobel's Group Executive Management. He has held various management positions at the bank for almost 25 years. Roger Studer also gained management experience at DG Bank, ABN Amro and Swiss Life. He holds a Rochester-Berne MBA.

# Profiting from a wealth of ideas.

Roger Studer

Head of Investment Banking

The term "wealth" has many different meanings. At Vontobel, we focus on the very diverse individual needs of our clients. Based on their requirements, we define the investment solutions that are best suited to their profiles and objectives. In view of the very difficult market environment at present, it is essential for Investment Banking to meticulously and permanently monitor and analyze the markets. This gives rise to new and sustainable investment ideas as part of an ongoing process. Our considerable innovative strength reflects a combination of knowledge, analysis and technology.

In view of the changes occurring in the market economy, investors are increasingly seeking ways of protecting their assets from market, credit and inflation risks on a long-term basis while, at the same time, investing them profitably. We believe that both companies and investors require the professional support of a banking partner in order to make efficient use of customized financial products – reflecting the fact that value can only be generated for clients once their needs and the bank's know-how are brought together within the context of an integrated advisory approach.

**Strong service offering**

We possess a wealth of knowledge and experience in all our core areas of business. Lean structures and close collaboration create synergies and form the basis for financial solutions that inspire confidence in our clients. Whether we are serving private clients or professional financial intermediaries and institutional clients such as external asset managers,



banks, family offices, pension funds, investment managers or companies: We create tailored investment solutions and offer comprehensive services. Our Research team produces very accurate analyses and forecasts. Coupled with our product and process expertise, this makes us a strong partner in the "B2B" and "B2B4C" businesses when it comes to providing sophisticated investment solutions and partnerships.

**Our five strengths**

The Financial Products division uses structured products to implement individual investment solutions. We are active at every stage of the value chain – ranging from the provision of knowledge and information to product structuring, issuing, trading and after-sales services. The investment solutions we supply in the form of structured products enable our clients to participate in a broad range of markets, trends and investment themes. These solutions can be structured

in many different ways – meaning that they can be implemented very flexibly, quickly and cost effectively.

The Brokerage division offers institutional clients its knowledge and experience relating to the Swiss equity market. The accurate forecasts produced by our award-winning Research team – coupled with the expertise of our sales and sales trading experts – makes us the preferred partner of professional investors.

We provide external asset managers (EAMs) with a central point of access to the bank's full range of services and expertise. Our proven specialists and modern infrastructure ensure that we can provide holistic, personalized advice to our clients.

For banks seeking modular services in the area of banking operations – such as execution, global custody, payment operations, securities master data, and safekeeping services – Bank Vontobel's Transaction Banking team is an experienced B2B partner for the implementation of individual and modular value chains.

Our experienced Corporate Finance team implements customized and innovative capital markets and M&A solutions for corporate clients.

#### **Over 70,000 solutions**

One of our particular strengths in the area of Financial Products is to identify the most promising investment opportunities from a broad range of global themes and trends. The resulting investment solutions – which draw on the longstanding market expertise of our equities, fixed income and foreign exchange specialists – provide real added value for clients. Timing is of the essence in the field of structured

products. These instruments serve as building blocks that can be introduced in the market very rapidly, can be focused on an enormous range of themes and can be used as part of a long-term investment approach.

We have a broad product offering for private investors. In the European market alone, Investment Banking has more than 70,000 solutions across all asset classes and product categories. We provide transparency through our online platforms, which contain extensive information about our products that covers their entire lifecycle. From this diverse range of products, selected themes are explored each month in our client magazine "derinews/mehrwert", which provides background information on the topic and explains how the related products work. The offering is complemented by effective price setting in the secondary market as well as a high level of solidity – which is vitally important in the case of structured products.

Vontobel's issuing platform deritrade® enables relationship managers to independently create, simulate, issue and manage structured products on behalf of their clients. With the launch of the multi-issuer platform, deritrade® has been extended to include selected third-party issuers. As a result of increasing client-specific needs, there is a growing trend towards customization in the field of structured products. Clarity and comparability are also important factors in this context. The opening-up of the platform to external providers is Vontobel's response to these requirements. <

Further information is available at:

[www.deritrade.ch](http://www.deritrade.ch)

[www.derinet.ch](http://www.derinet.ch)

[www.derinews.ch](http://www.derinews.ch)

“The considerable innovative strength within Investment Banking reflects an intelligent combination of knowledge, analysis and technology.”

**Professor Dr. med. Dr. h.c. Paul Robert Vogt** passed the state medical exam at the University of Zurich in 1983, was certified for general surgery by the Swiss Board and worked for ten years under Professor Marko Turina at the Clinic for Cardiovascular Surgery at the University Hospital in Zurich, where he also received his doctorate and completed his postdoctoral thesis. From 2000 to 2006, Vogt was Professor and Senior Consultant at the University Hospital in Giessen and a visiting professor at various Chinese universities. Since August 2006, he has been working at the Cardiology Centre in "Klinik im Park" in Zurich, which is part of the Hirslanden Group. In 2006, Professor Paul Robert Vogt set up the EurAsia Heart Foundation. In 2011, he received an honorary doctorate from the Pavlov State Medical University in St. Petersburg.

# The gift of health.

Professor Dr. med. Paul Robert Vogt

**Professor Vogt, you've just come from performing heart surgery at the "Klinik im Park" in Zurich. Do you know how many operations you've now carried out?**

No, I don't keep track any more. I used to keep statistics but stopped at some point. I've probably performed somewhere between 9,500 and 10,000 operations.

**After so many operations, does it become routine – or even boring? Or does your fascination with the phenomenal organ that is the heart remain as strong as ever?**

There is a certain routine – but in a positive sense. The more experience you gain, the fewer unsolvable problems there are. But we can never allow operations to become routine in a negative sense – in our profession, that could have fatal consequences. Every patient is utterly unique and deserves our full attention. This is also important because any patient can die during heart surgery. Even just knowing that there is this thin line between success and failure makes every procedure something special and prevents it from becoming a negative routine.

**For many people, good health is something normal – almost something they**

**take for granted. As a doctor, you probably see it differently.**

People who enjoy good health have no idea what a gift it is. Individuals who are fit and well often don't attach the importance to their health that it deserves. People frequently only appreciate the value of good health when it is lost or diminished. In my opinion, good health and freedom are two extremely precious gifts that we should all appreciate more.

**Is good health an asset that we enjoy without investing in it?**

In hospital we see a lot of people with problems who have to cope with suffering and pain and have to endure complicated treatments. With each one, we see how important good health is and how much we should value it. Our health really isn't something we should take for granted by any means.

**Are cardiovascular diseases mainly a problem for people who take on too much stress and work in their everyday lives?**

No. Stress is a blanket term used to denote a lot of different problems and no longer has much meaning when it comes to describing specific phenomena. Even truly negative stress only contributes a few percent to the development of cardiovascular problems. Much more important are genes, hereditary

factors and the well-known risks associated with smoking, obesity and an unhealthy diet. These are all things that everyone can influence themselves if they really want to. And people who don't do any physical activity subject themselves to the biggest risk of all. Their risk of contracting cardiovascular disease or even dying from it is markedly higher than that of people who do sport and are sufficiently active in their everyday lives.

**Is cardiovascular disease more common in developed nations than in developing countries?**

No. In industrialized countries, the number of cases of cardiovascular disease leading to death is decreasing. 80% of all cardiovascular deaths worldwide occur in developing countries – it is a massive problem.

**Is that what prompted you to establish a foundation aimed at promoting greater knowledge and expertise in heart surgery in developing countries?**

It was certainly one of the factors that motivated me to set up EurAsia Heart. My first trip took me to China at the end of 2000, six years before the foundation was officially established. I was invited by a Chinese doctor whom I had worked with for a few years at the University Hospital in Zurich. After China, I went to Vietnam.



**What do western cardiac surgeons do on these trips?**

On my first trip to Wuhan in China, I was invited to perform an operation while being watched by Chinese surgeons. The operation was shown on a screen in an adjoining room, where it was watched by senior consultants from numerous Chinese university hospitals who subsequently invited me to their clinics.

**So the focus is on helping people to help themselves and on transferring knowledge?**

Exactly. We pass on our knowledge and expertise to doctors and nursing staff in Eastern Europe and Asia. We give lectures, demonstrate surgical procedures and, above all, we assist the local surgeons. Given that we generally spend two to three weeks on site, we are also there to assist with the all-important post-operative care. The objective is always the same: The local doctors themselves should be able to provide an adequate level of cardiovascular diagnostics and treatment as well as taking measures to prevent these diseases.

**Is helping people to help themselves enough?**

When it comes to making a lasting improvement to a healthcare system, there is nothing better than helping people to help themselves. The desire to solve the entire problem worldwide in one go is understandable at a human level but it is completely illusory. Improvements can only ever be made gradually, in a specific country, in a specific hospital, and with specific patients. We see the progress being made with every new mission we undertake, and we are delighted when the local surgeons put what they have learned into

practice once we return home. Our efforts will have succeeded once we become superfluous to their needs in the long term. That is how we help people to help themselves. Anything else is tantamount to surgical tourism, without any lasting impact.

**Doctors from developing countries also come to visit you in Zurich.**

Yes, the transfer of knowledge works in both directions. It is often the case that senior consultants from developing countries assist us here at the "Klinik im Park". We then travel to their countries and assist them there. And the pool of doctors at EurAsia Heart does not just consist of cardiovascular specialists from Zurich or Switzerland. We work together with colleagues from Yale, St. Petersburg, Tomsk, Vienna, Melbourne and Singapore. This permanent exchange of knowledge about current challenges in the field of medical technology works successfully across several continents. All of us profit from this exchange – including those of us here in Zurich.

**You pass on valuable knowledge and expertise. Is this unselfish sharing of know-how a characteristic among doctors?**

Two people played a pivotal role in pioneering heart surgery in Switzerland: Åke Senning and Marko Turina. One of them was Swedish, the other Croatian. Switzerland was fortunate to have excellent teachers from abroad. It is therefore now only right and proper that we pass on our knowledge to those countries that don't already have such fantastic teachers. The aim is to give as many heart patients as possible a fair chance of receiving appropriate treatment and to do so irrespective of economic incentives.

**Which country presents the biggest challenges for your team?**

Myanmar and Eritrea. In Myanmar, there is one paediatric cardiologist and one heart surgeon for 60 million people. In Zurich, it is almost the inverse – with about 60 cardiac surgeons (including junior doctors) per 1 million inhabitants.

**Where are medical advances coming from these days? From inspired physicians? Or from interdisciplinary teams?**

Progress requires teamwork. That said, anyone who thinks research and breakthroughs can be planned is mistaken. The best innovations almost always come about by chance. No matter how much money you pour in, you cannot force success in research. What is needed first and foremost are smart ideas and fortunate coincidences. Both of these are unrelated to money. Almost all major new therapies have stemmed from coincidences. <

For more information, please visit: [www.paulvogt.com](http://www.paulvogt.com)



The doctors from EurAsia Heart pass on medical knowledge, experience and surgical techniques to cardiac specialists from Asia and Eastern Europe.



Further training and the transfer of knowledge take place in the local operating rooms while surgeons are treating their own patients with their own equipment.

“When it comes to making a lasting improvement to a healthcare system, there is nothing better than helping people to help themselves.”

# Human health.

Facts and figures

## Definition of health

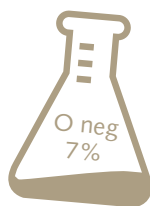
Source: WHO

“Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.”

## Rare blood group

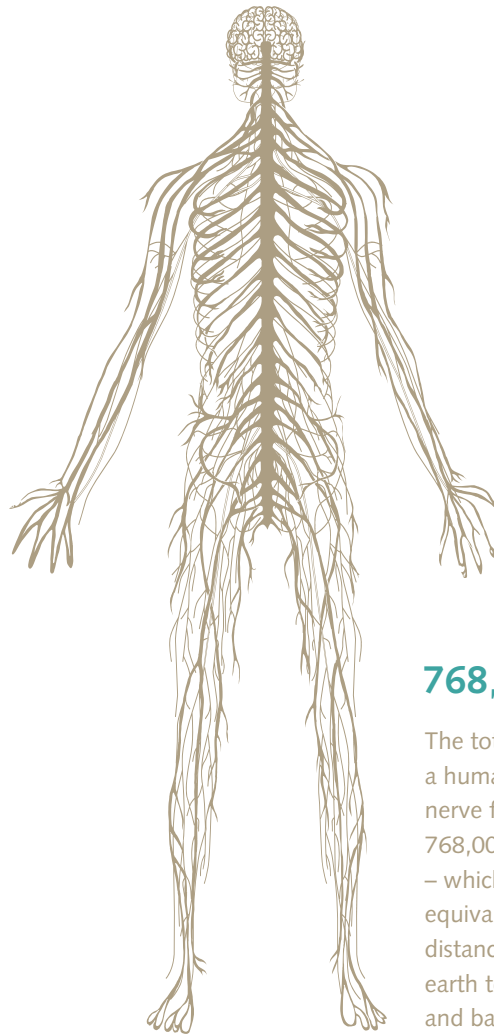
Source: CS, Global Investor, 2012

Decades have been spent researching ways of producing artificial blood. Only around 7% of the population has the blood group O negative but this rare blood type can be given to 98% of people. This means that it could become the universal blood group for use in emergencies.



## Human nerve fibres

Source: Kunsch, Mensch in Zahlen

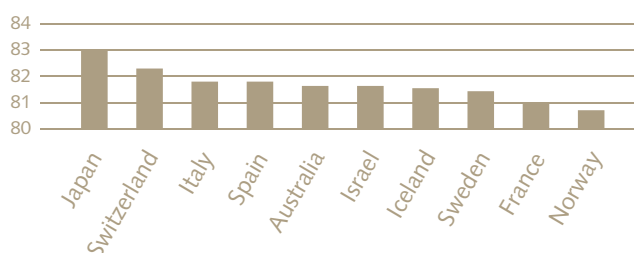


**768,000 km**

The total length of a human being's nerve fibres is around 768,000 kilometres – which is almost equivalent to the distance from the earth to the moon and back again.

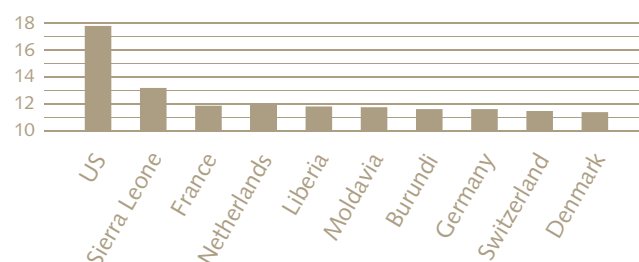
## The 10 countries with the highest life expectancy in years

Source: OECD, Health at a Glance, 2011



## The 10 countries with the highest expenditure on health in % of GDP, 2010

Source: The Economist, 2013





## Medical progress

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Source: CS, Global Investor, 2012



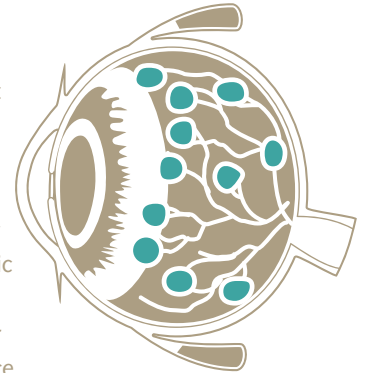
The process of decoding the around

**3 billion**

“letters” that make up the first human genome sequence cost around USD

**1 billion.**

In 2012, an Australian woman who was virtually blind received the first prototype of a bionic eye, which is fitted with 24 electrodes. Although it is not possible to completely restore her sight, the bionic eye provides sharper contrasts and has enabled her to regain her independence.



## The human heart

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Source: Kunsch, Mensch in Zahlen; EurAsia Heart; CS

The human heart beats an average of

**35,000,000**

times per year.

The heart of a 70-year-old man has already beaten around

**3 billion**

times.

While resting, the heart of a healthy young human being pumps about

**4.9 litres**

of blood around the body per minute.

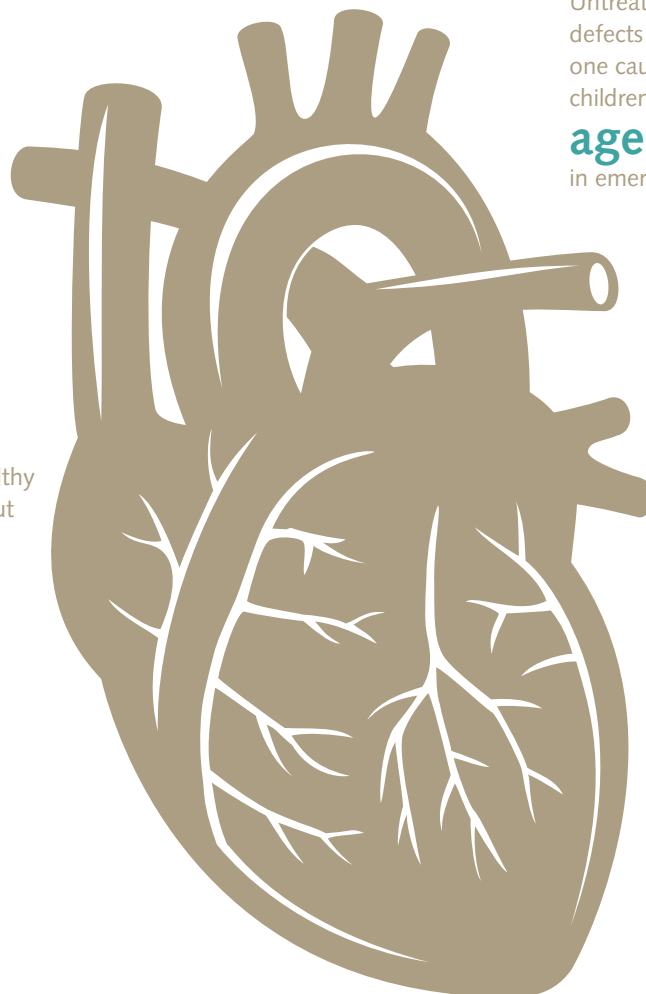
In the case of a 70-year-old man, the figure is

**2.5 litres.**

The heart of an embryo starts beating

**22 days**

after fertilization.



Untreated congenital heart defects are the number one cause of death in children under the

**age of 5**

in emerging countries.

In Western countries, around

**1,000**

people per million undergo a heart operation.

In emerging economies – depending on the country – only between

**16 and 60**

patients receive vital heart surgery.



“Each asset represents a quantum of what an individual client has accomplished in his life – and is now placing in our hands.”

## Herbert J. Scheidt

has been Chairman of the Board of Directors of Vontobel since 2011. He served as the company's Chief Executive Officer from 2002 to 2011. Prior to this, he held various international management positions at Deutsche Bank over a period of two decades. Herbert J. Scheidt holds an M.A. in Economics from the University of Sussex and an MBA from New York University.

# Assuming responsibility for wealth.

## Herbert J. Scheidt

Chairman of the Board of Directors

In the Vontobel Portrait 2013, selected authors provide rich and varied insights into the topic of wealth. They explore very different aspects of this theme: tangible and intangible, individual and social, and economic and cultural wealth. The authors look far beyond the conventional use of the term "wealth" as a synonym for money and assets. They show that riches can seldom be taken for granted, are rarely free from controversy and are never uncontested. Our guest authors – the biologist Gottfried Schatz, the economist Gerhard Schwarz, the philosopher Georg Kohler and the heart surgeon Paul Robert Vogt – write about wealth based on their own very distinctive perspectives and experiences. Gottfried Schatz believes, for example, that the true wealth of a country is only revealed to those who know how new ideas are brought to life. Unseen riches – particularly in the form of ideas – are what he considers most important. Gerhard Schwarz believes that in the case of Switzerland, the mutual understanding within the Confederation of the concept of the state and the resulting political system represent the country's greatest riches. From my perspective, this is an essential factor determining the success of the Swiss model. As for the heart surgeon Paul Robert Vogt, he regards good health and freedom as two extremely precious gifts that we should all appreciate more. I personally have found the different ideas and perspectives shared by the authors to be very "enriching" and I wish to thank them for their contributions.

Wealth is also – and above all – a term for the inner riches we possess. I am referring here to the happiness that people feel when they have achieved a great deal through their lives and actions. A fulfilling career in which you as-

sume responsibility and gain recognition for your work is one example. People can also find it very enriching to assume a social, cultural or political function alongside their professions. And deep relationships with family and friends are, of course, a fundamental ingredient of a rich life and make it worth living.

Aristotle once said: "He who wants to build high towers must dwell on the foundations for a long time." The same idea unquestionably applies to most areas of life – including the accumulation of significant wealth. Each asset entrusted to us always represents a quantum of what the individual client has accomplished in life and must therefore be treated very responsibly.

Like all other types of lifetime achievements, those that take the form of considerable wealth deserve our respect. After all, if our clients entrust us with their assets, they are placing a valuable part of their life's work in our hands. In doing so, they are automatically giving us their trust. In the current challenging period, it is more important than ever for us to handle our clients' assets with the utmost care by assuming personal responsibility for their wealth. And we must work each day to earn the corresponding trust of our clients. The evolving economic environment is transforming their needs and expectations. Our activities focus on their wish to protect and build their wealth over the long term. At Vontobel, our employees in 21 locations worldwide continuously strive to fulfil this requirement. Our strong family shareholder base – coupled with our very solid capital position – provide us with the necessary security to realize this goal and allow us to retain our long-term independence and to act in the best interests of our clients and future generations of their families. Our ability to assume this responsibility and to satisfy the needs of our clients – this represents Vontobel's true wealth.

# Record client assets – strong inflow of new money – robust performance.

Vontobel in figures, 2012

Vontobel's integrated business model – which is based on three complementary pillars – proved effective in the challenging operating environment of 2012. Following another record inflow of new money in the amount of CHF 8.6 billion, as well as good performance, client assets reached the CHF 150 billion mark for the first time. As a result, our Group now generates more than two-thirds of its income in the area of wealth and asset management. Net profit rose by 15% compared to the previous year. We are continuing to closely monitor costs and are systematically reducing the complexity of our business, while taking steps to improve

efficiency. In this context, we are focusing our business model on Switzerland and on selected markets in Europe and beyond.

In terms of our capital position, our BIS tier 1 ratio rose again to 27.2% – which is several times higher than the minimum requirement. The Board of Directors will propose an increased dividend of CHF 1.20 per share to the General Meeting of Shareholders. This proposal reflects both the solid performance of our business and the Board of Directors' confidence and trust in our company's strategy.

Key figures	31.12.2012	31.12.2011	31.12.2010
Earnings per share (CHF) <sup>1</sup>	2.05	1.78	2.31
Dividend per share (CHF)	1.20 <sup>2</sup>	1.10	1.40
Equity per share outstanding at the balance sheet date (CHF)	24.83	23.61	23.67
Share price at the balance sheet date (CHF)	28.20	21.00	35.60
Return on equity (%) <sup>3,4</sup>	8.5	7.5	9.8
Cost <sup>5</sup> /income ratio (%)	78.8	80.0	78.3
Equity ratio (%)	7.5	8.0	8.2
BIS tier 1 capital ratio (%) <sup>6</sup>	27.2	23.3	21.8
Headcount (full-time equivalents)	1,383	1,413	1,346

<sup>1</sup> Basic earnings per share; basis: weighted average number of shares.

<sup>2</sup> As per the proposal submitted to the General Meeting of Shareholders.

<sup>3</sup> Excl. minority interests.

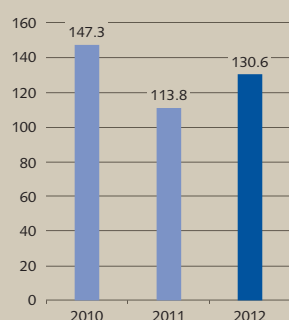
<sup>4</sup> Group net profit in % of average equity (monthly figures).

<sup>5</sup> Operating expense, excl. value adjustments, provisions and losses.

<sup>6</sup> Tier 1 capital in % of risk-weighted positions.

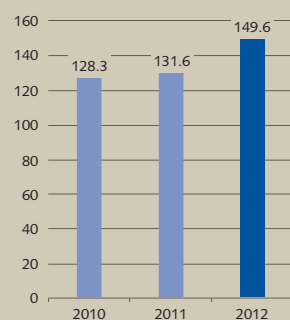
## Group net profit<sup>3</sup>

in CHF mns



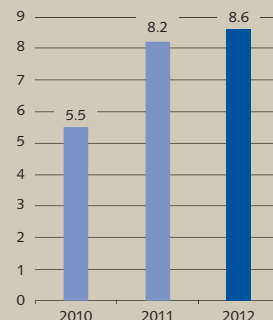
## Client assets

in CHF bns



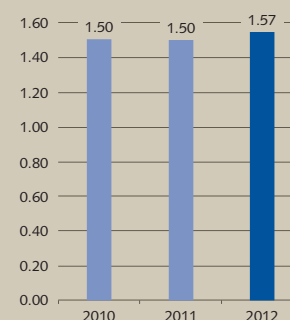
## Net new money

in CHF bns



## Shareholders' equity<sup>3</sup>

in CHF bns



### **Private Banking**

We are committed to operating a client-oriented Private Banking business that focuses on delivering high-quality service and advice and is founded on our proven capabilities in the area of wealth management. We are concentrating our activities on our Swiss home market and on a series of selected focus markets. Our German branch serves as the bridgehead for our operations in Europe. Despite the high level of political uncertainty in 2012, private clients entrusted us with substantial new assets totalling CHF 900 million. Client portfolios performed well – with growth portfolios, in particular, generating double-digit returns. Although financial market sentiment brightened considerably, many private investors continued to adopt a passive approach. This had a negative impact on income in Private Banking and led to a 14% decline in its pre-tax profit to CHF 28.8 million.

### **Investment Banking**

Vontobel Financial Products is a pioneer in the development of automated issuing platforms. The opening up of deritrade® to products from third parties in 2012 marked an innovative step forward. As a result, the platform now offers users a much broader range of possibilities for the creation of individual structures. Although our clients are executing an increasing number of transactions via the Vontobel platform, we remain one of the top-three providers of listed structured products with a market share of 18% on Scoach Switzerland. In Germany, we secured a place among the top-eight providers. Although conditions in the equity and bond markets were favourable, trading volumes declined significantly in 2012. Despite its strong market position, our Investment Banking business was not able to avoid the impacts of this trend. This resulted in a 14% decrease in pre-tax profit to CHF 68.6 million. In contrast, client assets grew by 19% to CHF 9.4 billion. Especially pleasing developments were reported in the business with external asset managers (EAMs).

### **Asset Management**

Asset Management's specialized approach – combined with an active investment philosophy and product-focused distribution – has proved successful. The excellent net inflows of new money recorded by the business reflect the high level of trust that clients around the world place in us due to our performance. Very pleasing developments were once again reported in the Quality Growth boutique based in New York, contributing significantly to Asset Management's results. Vontobel's extremely successful portfolio manager Rajiv Jain was named "International Stock Fund Manager of the Year" for 2012 in the prestigious Morningstar Awards. Investors are increasingly calling for an investment strategy that takes account of their risk budget. With our new investment approach in the Multi Asset Class boutique, we are responding to this client need and are thus laying the foundations for further growth. Client and fund assets totalled CHF 61.4 billion at the end of 2012 – an increase of 30% from the end of 2011 – reflecting strong inflows of new money and good performance. Pre-tax profit doubled to CHF 75.5 million.

# Vontobel in figures

Facts and figures as of 31 December 2012

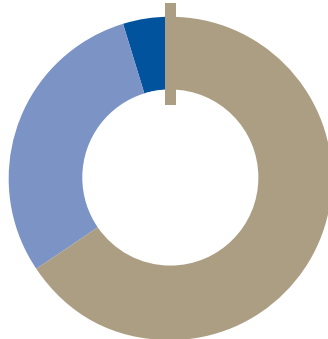
Client assets (in CHF billions)

**150**

**98.4** Assets under management

**44.2** Custody assets

**7.0** Structured products outstanding



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Shareholders' equity (in CHF billions)

**1.574**

BIS tier 1 capital ratio (in %)

**27.2**

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Net new money in 2012 (in CHF billions)

**8.6**

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Bank Vontobel AG ratings:

Moody's: A1

Standard & Poors's: A+

Further information: [www.vontobel.com](http://www.vontobel.com)

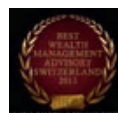
# Awards

At Vontobel, we deliver first-class performance in order to generate value for you – even in challenging periods. We have received the following awards in recognition of our expertise.

Vontobel Private Banking was named “Best Private Bank – Switzerland 2012” in the World Finance Awards 2012.



Vontobel Private Banking received the accolade “Best Wealth Management Advisory Switzerland 2012” from Global Banking & Finance Review in recognition of its advisory expertise.



“Best Asset Manager for Bond Funds in Switzerland” – award from the rating agency “Feri EurRating Services” and the news channel n-tv.



“Best Asset Manager Investing in ESG 2012” – award from the TBLI Group.



“Equities Manager of the Year” – European Pensions Awards (EPA).



Rajiv Jain received the prestigious awards “International Stock Fund Manager of the Year” from Morningstar in the US and “Global Equity Fund Manager of the Year” from Morningstar in Europe.



“1st place in four categories and no. 1 overall” – in the Thomson Extel Survey 2012, Vontobel Research achieved top-three rankings in six categories, including four gold medals.



“Swiss Derivative Award – Top Service 2012” – recognition from Stocks, Derivative Partners and Swissquote for the seventh year in succession.



“Best in Switzerland” – award from the renowned industry magazine Structured Products Europe for “Best Swiss Derivatives House 2012”.



# Our locations

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