

SWISSCANTO (CH) ALTERNATIVE FUND – DIRECTIONAL

Subfund of SWISSCANTO (CH) ALTERNATIVE FUND

Contractual investment fund under Swiss law involving special risk of the «other funds for alternative investments» type, an umbrella fund with several subfunds

Annual Report as at 31 October 2012

Table of contents

	Page
Organisation and management	2
Sales organisation	2
Report on activities / Portfolio manager's report	3
End-of-period figures	4-11
Additional information and off-balance-sheet business	12
Management fee	12
Reinvestment of net income	12
Benchmark	12
TER and PTR	12
Explanation of footnotes	12
Principles for the valuation and calculation of net assets values	13
Report of the audit company	14

Under the name of SWISSCANTO (CH) ALTERNATIVE FUND, an umbrella fund has been established under Swiss law in the "special risk" category. As a fund of funds, each subfund invests primarily in foreign target funds which undertake alternative investments and use investment techniques, the risks of which are not comparable with those of conventional securities funds. These investments are generally known as hedge funds or non-traditional funds. The attention of investors is drawn specifically to the risks explained in the Prospectus. In particular, investors must be prepared to sustain significant price losses. The fund management company and the investment advisors will, however, make every effort to minimize these risks by the strict selection of target funds and a broad diversification of individual investment strategies.

Further information is available at www.swisscanto.ch.

Swisscanto Asset Management AG

Berne, 19 February 2013

Organisation and management

Fund management company	Swisscanto Asset Management AG Nordring 4, CH-3000 Bern 25
Board of Directors	Dr. G. Fischer, Chairman CEO Swisscanto Holding AG, Bern H. Frey, Member Chief Executive Officer Swisscanto Asset Management AG, Bern O. Simeon, Member Managing Director Swisscanto Vorsorge AG, Zürich
Executive Board	H. Frey, Chairman Head of the division «Corporate Services» P. Bänziger, Head of the division «Asset Management» R. Tarregghetta, Head of the division «Swiss Market»
Investment adviser	Albourne Partners Ltd., London Antarctica Asset Management Ltd., Tortola
Central order collecting point	Swisscanto Funds Centre Limited, London
Fund administration	GERIFONDS SA, Lausanne
Custodian bank	Banque Cantonale Vaudoise, Lausanne
Audit company	KPMG AG, Zürich

Sales organisation

Swiss sales	Selling and paying agents	all cantonal banks and Bank Coop AG, Basel
Foreign sales		
Liechtenstein	Selling and paying agent	Valartis Bank (Liechtenstein) AG Schaaner Strasse 27 FL-9487 Gamprin-Bendern

Report on activities (unaudited)

Portfolio manager's report

For accounting year 2012 as at the end of October the SWISSCANTO (CH) ALTERNATIVE FUND – DIRECTIONAL achieved a marginally positive return both in gross terms and on a dollar basis. The net performance in CHF was slightly negative. The HFRX Equity Hedge Index USD recorded a small profit of 3.84% over the same period, while the HFRI Equity Hedge Index USD posted a 5.28% gain in value.

L/S equity strategies provided the lion's share of profits in the reporting period, while Managed Futures target funds also delivered a positive contribution, and event-driven strategies finished the year marginally above breakeven:

L/S equity:	+0.68%
Event driven:	+0.09%
Managed futures:	+0.24%

At the end of the previous reporting period in October 2011, European and global strategies were still weighted most heavily, followed by US-focused managers and sector specialists. Towards the end of 2011, the focus was shifted primarily in favour of US strategies, and the weighting was expanded up to around one third. The strongest absolute performance was delivered by US strategies, which were the only long/short equity strategies to make a positive contribution and able to offset losses in other regions. US managers as well as global and sector funds generally had a rather constructive view of the markets, while against the backdrop of the EU crisis the European managers in the portfolio were positioned more cautiously, and Asia managers held mixed exposures. The market environment was treacherous and challenging for managers, as cautious risk management during corrections such as those in May called for a reduction in exposures, just when markets were seeing a turnaround – and vice versa. Although this observation does not apply to all managers it is representative for understanding the performance. Directional event-driven strategies contributed mostly positive performances. However, this performance was eroded by one Asia manager, which was then redeemed in the course of the year, owing to the difficulties. Managed futures ultimately achieved a positive attribution, thanks primarily to two strong months in May and July, and fulfilled their function as portfolio stabilizers.

Overview	Accounting period	Class currency	01.11.11 31.10.12	01.01.11 31.10.11	01.01.10 31.12.10	01.01.09 31.12.09
Net fund assets at the end of the accounting period	consolidated	CHF	53'304'046.87	41'093'329.46	36'509'603.76	37'996'590.76
Portfolio Turnover Rate (PTR)			84.28%	82.84%	110.03%	158.30%
Net fund assets at the end of the accounting period	class CHF B	CHF	3'237'210.52	4'859'146.91	5'266'822.29	7'297'385.70
Units outstanding at the end of the accounting period	class CHF B		3'993.261	5'860.979	5'909.002	8'290.557
Net asset value per unit at the end of the accounting period 1)	class CHF B	CHF	810.67	829.07	891.32	880.20
Distribution per unit	class CHF B	CHF	–	–	0.00	2.54
Reinvestment per unit	class CHF B	CHF	1.39	4.47	–	–
Total Expense Ratio (TER)	See remarks under explanatory note					
Net fund assets at the end of the accounting period	class CHF J	CHF	50'066'836.35	36'234'182.55	31'242'781.47	30'699'205.06
Units outstanding at the end of the accounting period	class CHF J		59'863.666	42'574.92	34'296.052	34'296.052
Net asset value per unit at the end of the accounting period 1)	class CHF J	CHF	836.35	851.07	910.97	895.12
Distribution per unit	class CHF J	CHF	–	–	0.00	2.58
Reinvestment per unit	class CHF J	CHF	1.44	4.04	–	–
Total Expense Ratio (TER)	See remarks under explanatory note					

The figures and data contained in this report relate to the past and may not be construed as giving an indication of future results or future developments.

Performance	YTD	2011	2010	2009
Class CHF B	–0.79%	–8.15%	1.55%	1.04%
Class CHF J	–0.38%	–7.69%	2.06%	1.55%
Benchmark (see explanatory note)	–	–	–	–

Past performance is no indication of current or future performance. The performance data not take account of the commissions and costs incurred on the issue and redemption of units.

Statement of net assets (Market values)

	31.10.12	31.10.11
Due from banks		
at sight	2'935'203.52	10'485.16
Securities		
Units of other collective alternative investment schemes	50'181'515.06	38'587'282.82
Other securities and rights	0.00	1'785'140.00
Derivative financial instruments	282'775.93	886'656.30
Other assets	234.22	1'520'829.92
Total fund assets at the end of the accounting period	53'399'728.73	42'790'394.20
Short-term bank liabilities	0.00	–57'270.43
Other liabilities	–95'681.86	–1'639'794.31
Net fund assets at the end of the accounting period	53'304'046.87	41'093'329.46

Change in units outstanding class CHF B	Accounting period	01.11.11 31.10.12	01.01.11 31.10.11
Balance at the beginning of the accounting period		5'860.979	5'909.002
Units issued		181.561	0.000
Units redeemed		-2'049.279	-48.023
Balance at the end of the accounting period		3'993.261	5'860.979

Change in units outstanding class CHF J	Accounting period	01.11.11 31.10.12	01.01.11 31.10.11
Balance at the beginning of the accounting period		42'574.920	34'296.052
Units issued		17'288.746	8'278.868
Units redeemed		0.000	0.000
Balance at the end of the accounting period		59'863.666	42'574.920

Change in net fund assets

Net fund assets at the beginning of the accounting period	41'093'329.46	36'509'603.76
Reinvestment; 35 % Swiss withholding tax	-32'144.96	-69'410.66
Balance from unit transactions	13'133'880.00	7'273'963.59
Overall net income	-891'017.63	-2'620'827.23
Net fund assets at the end of the accounting period	53'304'046.87	41'093'329.46

Statement of income	Accounting period	01.11.11 31.10.12	01.01.11 31.10.11
Income			
Income from bank assets			
at sight		812.08	1'156.02
at term		-2.62	3.01
Income from securities			
Units of other collective alternative investment schemes 4)		91'842.74	92'972.38
Current net income received on issued units		-61'743.32	-35'588.60
Total income		30'908.88	58'542.81
Expenses			
Interest paid		-2'203.24	-2'502.30
Regulatory fees			
Management fee 4)		-722'667.00	-470'141.20
Partial transfer of expenses to realised capital gains and losses 4)		16'284.03	17'193.19
Current net income disbursed on redeemed units		12'584.87	188.86
Total expenses		-696'001.34	-455'261.45
Net income before adjustment		-665'092.46	-396'718.64
Tax related adjustment linked to income on target funds 4)		756'935.20	489'691.02
Net income		91'842.74	92'972.38
Realised capital gains and losses		-5'198'433.36	3'368'351.01
Partial transfer of expenses to realised capital gains and losses 4)		-16'284.03	-17'193.19
Transfer of tax compensation linked to income on target funds 4)		-848'777.94	-582'663.40
Realised net income		-5'971'652.59	2'861'466.80
Unrealised capital gains and losses		5'080'634.96	-5'482'294.03
Overall net income		-891'017.63	-2'620'827.23
Allocation of result class CHF B			
Net income		5'579.89	10'999.86
Balance brought forward from the previous period		0.00	15'194.67
Net income available for distribution		5'579.89	26'194.53
Reinvestment; 35 % Swiss withholding tax		1'952.96	9'168.09
Reinvestment; 65 % net amount		3'626.93	17'026.44
Total		5'579.89	26'194.53
Allocation of result class CHF J			
Net income		86'262.85	81'972.52
Balance brought forward from the previous period		0.00	90'149.12
Net income available for distribution		86'262.85	172'121.64
Reinvestment; 35 % Swiss withholding tax		30'192.00	60'242.57
Reinvestment; 65 % net amount		56'070.85	111'879.07
Total		86'262.85	172'121.64

The footnotes are explained at the end of the report.

Statement of fund assets at the end of the accounting period

ISIN	Description	Number/Nominal value	Currency	Price	Market value	in %
Securities not traded on stock exchange						
Units of other collective alternative investment schemes					50'181'515.06	93.97
Trend Followers					3'333'254.26	6.24
18067497	Lynx (Bermuda) Class D Series 01/12	500.00000	USD	920.36140	428'520.26	0.80
BMG572201991	Lynx (Bermuda) Class D	750.61000	USD	1'197.86160	837'266.97	1.57
KYG1366F1054	BlueTrend Fund Class B (USD) Redeemable Part. Voting Shares	7'889.03320	USD	281.43094	2'067'467.03	3.87
Bi-Directional					3'333'254.26	6.24
Event-Driven Equity					3'430'186.13	6.43
KYG2523E1301	Contrarian Fund I Offshore -B- Series 1 Retired Investors	141.19320	USD	162.04040	21'304.92	0.04
KYG2523E1483	Contrarian Fund I Offshore Retired Investors Class B2 R Seri	105.44970	USD	103.62700	10'175.63	0.02
XD0104500976	Alden Global Distressed Opportunities Fund dtt de vente	199'409.00000	USD	0.75000	139'267.25	0.26
XD0149854875	Corvex Offshore Series 02/12 Unrestricted	400.00000	USD	1'064.44930	396'486.08	0.74
XD0181766748	Corvex Offshore Series 12/11 Initial Unrestricted	1'800.00000	USD	1'091.83420	1'830'088.81	3.43
XD0195180225	Corvex Offshore Series 09 2012 Unrestricted	500.00000	USD	1'005.07910	467'964.83	0.88
XD0198463354	Corvex Offshore Series 10 2012 Unrestricted	600.00000	USD	1'011.05850	564'898.61	1.06
Event Driven (Merger Arbitrage)					107'446.83	0.20
4016129	Senrigan Fund Class B Initial Unrestricted dtt de vente	9'838.83000	USD	1.00000	9'161.92	0.02
XD0199990140	Senrigan SPV Feeder Fund Class P Series 1	103.53090	USD	1'019.46870	98'284.91	0.18
Event Driven					3'537'632.96	6.63
Long / Short Equity Asia					6'565'191.85	12.29
4002036	Amazon Market Neutral Fund Equalization	137.85000	USD	0.00000	0.00	0.00
KYG037A11014	Amazon Market Neutral Fund Class A (USD)	6'356.00070	USD	344.16000	2'036'982.49	3.81
XD0124278306	Kylin Offshore Fund Ltd. Class AAA Series 1 (Initial)	8'981.84900	USD	105.82000	885'067.66	1.66
XD0139166025	Kylin Offshore Fund Class AAA Series 3 September 2011	10'000.00000	USD	83.99400	782'152.13	1.46
XD0180180586	Value Partners Hedge Fund Series 55	70'621.46800	USD	28.19000	1'853'850.82	3.47
XD0182344669	Value Partners Hedge Fund Series 56	17'445.91700	USD	28.19000	457'964.53	0.86
XD0199026754	Value Partners Hedge Fund Series 62	20'920.50200	USD	28.19000	549'174.22	1.03
Long / Short Equity Europe					8'284'626.42	15.51
2251798	AKO Fund Class A1	24'867.36000	USD	137.28000	3'178'922.35	5.95
4015515	AKO Fund Class A1 Equalization	16'948.90000	USD	1.00000	15'782.82	0.03
10373886	Zebedee Focus Fund Class B (USD)	12'486.37000	USD	197.30000	2'294'067.82	4.30
XD0144364664	Amber Global Opportunities Class B U Series 11/11	18'000.00000	USD	98.89130	1'657'576.41	3.10
XD0181528767	Amber Global Opportunities Class B U Series 02/12	6'000.00000	USD	102.10390	570'474.91	1.07
XD0199536380	Amber Global Opportunities Class B U Series 10/12	6'000.00000	USD	101.62552	567'802.11	1.06
Long / Short Global					6'775'012.53	12.69
KYG5477A1031	Levanto Participating Interests Class A	1'902.16320	USD	1'030.20240	1'824'791.71	3.42
XD0110714173	Global Undervalued Securities Fund Series 01/10	130.00000	USD	8'462.30000	1'024'412.19	1.92
XD0112741257	Discovery Global Opp. Fund Class A Subclass 2 Equalization	15'599.68000	USD	1.00000	14'526.42	0.03
XD0112741257	Discovery Global Opportunity Fund Class A Subclass 2	20'940.02630	USD	123.35100	2'405'264.63	4.50
XD0114480334	Discovery Global Opportunity Fund -B- Sub-Class 2	3'530.00000	USD	122.76700	403'551.83	0.76
XD0121246843	Global Undervalued Securities Fund Series 11/10	100.00000	USD	7'195.38400	670'034.16	1.25
XD0185206790	Global Undervalued Securities Fund Series 03 2012	50.00000	USD	9'287.62000	432'431.59	0.81
Long / Short Sector					3'576'052.35	6.69
KYG5378B1279	Lansdowne Global Financials Fund Ltd. Class N (USD)	7'825.64460	USD	251.63000	1'833'688.26	3.43
XD0046086902	Ecofin Global Utilities Hedge Fund SI Shares (USD)	580.89000	USD	113.52000	61'405.78	0.11
XD0149613362	JAT Capital Offshore Fund Series A 01/12	1'253.66520	USD	1'162.72370	1'357'378.80	2.54
XD0149911634	JAT Capital Offshore Fund Series A 02/12	298.77860	USD	1'163.02370	323'579.51	0.61

The footnotes are explained at the end of the report.

ISIN	Description	Number / Nominal value	Currency	Price	Market value	in %		
Long / Short Equity US					18'109'744.69	33.92		
4016117	Alden Global Value Recovery Fund (Cayman) drt de vente	22'204.83000	USD	1.00000	20'677.14	0.04		
11756956EQU	Seminole Offshore Fund Class C Series 1 Equalization	104.79000	USD	1.00000	97.58	0.00		
XD0108263886	Lafayette Street Fund Offshore Ltd. Class B1 Series 8	13'763.47660	USD	125.52670	1'608'819.15	3.01		
XD0111778300	Scopus Fund Series One 2010 Sub-Series B	358.00000	USD	1'231.63620	410'590.07	0.77		
XD0115676062	Scopus Fund Series 7 2010 Sub Series A	1'502.26170	USD	964.61770	1'349'409.58	2.53		
XD0116734613	Scopus Fund Series Eight 2010 Sub-Series A Unrestricted	250.00000	USD	958.83080	223'215.81	0.42		
XD0117569562	Seminole Offshore Fund Class C Series 1	25'273.42510	USD	113.32254	2'667'002.18	4.99		
XD0120151218	Lafayette Street Fund Offshore Class B1 Series 7	1'945.80610	USD	124.91760	226'342.53	0.42		
XD0125038055	Stelliam Offshore Fund Series A 0709 Non Restricted	1'385.18360	USD	1'486.21089	1'917'038.11	3.59		
XD0131703676	Impala Fund Class D Series 6 2011 Unrestricted	1'693.10100	USD	1'075.57000	1'695'760.49	3.18		
XD0137609653	Omega Overseas Partners Class A-1 Unrestricted	32'199.43030	USD	121.92180	3'655'716.60	6.85		
XD0180050938	Stelliam Offshore Fund Series A /NR 0212	400.00000	USD	1'070.92730	398'899.00	0.75		
XD0180530343	Lafayette Street Fund Offshore Class B1 Series 10	3'060.82130	USD	124.34770	354'420.39	0.66		
XD0180936136	Impala Fund Class D Series 16 11 Unrestricted	0.05000	USD	1'087.13700	50.62	0.00		
XD0180981173	Impala Fund Class D Series 5 12 Unrestricted	559.71200	USD	1'103.42300	575'108.27	1.08		
XD0193152952	Vinik Offshore Fund Class A Series I27 MSG	2'292.83111	USD	980.99310	2'094'502.99	3.92		
XD0198341071	Stelliam Offshore Fund Series A NR 1012	400.00000	USD	996.46954	371'164.98	0.70		
XD0199027109	Lafayette Street Fund Offshore Class B1 Series 1/11	4'656.38220	USD	124.75238	540'929.20	1.01		
Long / Short Equity Global					43'310'627.84	81.10		
Derivative financial instruments					282'775.93	0.53		
ISIN	Maturity	Currency	Amount	Currency	Amount	Change	Market value	in %
DAT011054	30.11.12	USD	-36'315'000.00	CHF	34'085'259.00	0.93078	283'994.19	0.53
DAT011264	28.12.12	USD	-20'825'000.00	CHF	19'371'415.00	0.93026	-1'218.26	0.00
Forward foreign exchange					282'775.93	0.53		
Due from banks at sight							2'935'203.52	5.50
Units of other collective alternative investment schemes							50'181'515.06	93.97
Derivative financial instruments							282'775.93	0.53
Other assets							234.22	0.00
Total fund assets at the end of the accounting period							53'399'728.73	100.00
Other liabilities							-95'681.86	
Net fund assets at the end of the accounting period							53'304'046.87	

Exchange rate USD 1 = CHF 0.9312

List of transactions during the accounting period

ISIN	Description	Purchases 2)	Sales 3)
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Open positions at the end of the accounting period

Units of other collective alternative investment schemes

2251798	AKO Fund Class A1	8'249.42000	
4002036	Amazon Market Neutral Fund Equalization	137.85000	
4015515	AKO Fund Class A1 Equalization	16'948.90000	
4016117	Alden Global Value Recovery Fund (Cayman) drt de vente	22'204.83000	
4016129	Senrigan Fund Class B Initial Unrestricted drt de vente	113'369.76000	103'530.93000
10373886	Zebedee Focus Fund Class B (USD)	37'459.11000	35'380.34000
18067497	Lynx (Bermuda) Class D Series 01/12	500.00000	
11756956EQU	Seminole Offshore Fund Class C Series 1 Equalization	4'916.79000	4'812.00000
KYG037A11014	Amazon Market Neutral Fund Class A (USD)	25'366.49534	19'010.49464
KYG1366F1054	BlueTrend Fund Class B (USD) Redeemable Part. Voting Shares	7'889.03320	
KYG2523E1301	Contrarian Fund I Offshore -B- Series 1 Retired Investors		40.84560
KYG2523E1483	Contrarian Fund I Offshore Retired Investors Class B2 R Seri		10.03630
KYG5378B1279	Lansdowne Global Financials Fund Ltd. Class N (USD)	1'309.76710	
KYG5477A1031	Levanto Participating Interests Class A	4'301.82460	4'722.03580
XD0046086902	Ecofin Global Utilities Hedge Fund SI Shares (USD)		1'716.00000
XD0104500976	Alden Global Distressed Opportunities Fund drt de vente	199'409.00000	
XD0111778300	Scopus Fund Series One 2010 Sub-Series B	358.00000	
XD0112741257	Discovery Global Opportunity Fund Class A Subclass 2	23'145.44070	16'192.94700
XD0112741257	Discovery Global Opp. Fund Class A Subclass 2 Equalization	15'599.68000	
XD0114480334	Discovery Global Opportunity Fund -B- Sub-Class 2	3'530.00000	
XD0117569562	Seminole Offshore Fund Class C Series 1	25'273.42510	
XD0125038055	Stelliam Offshore Fund Series A 0709 Non Restricted	1'385.18360	
XD0137609653	Omega Overseas Partners Class A-1 Unrestricted	73'222.54600	57'705.75560
XD0144364664	Amber Global Opportunities Class B U Series 11/11	18'000.00000	
XD0149613362	JAT Capital Offshore Fund Series A 01/12	1'253.66520	
XD0149854875	Corvex Offshore Series 02/12 Unrestricted	400.00000	
XD0149911634	JAT Capital Offshore Fund Series A 02/12	298.77860	
XD0180050938	Stelliam Offshore Fund Series A/NR 0212	400.00000	
XD0180180586	Value Partners Hedge Fund Series 55	70'621.46800	
XD0180530343	Lafayette Street Fund Offshore Class B1 Series 10	3'060.82130	
XD0180936136	Impala Fund Class D Series 16 11 Unrestricted	0.05000	
XD0180981173	Impala Fund Class D Series 5 12 Unrestricted	559.71200	
XD0181528767	Amber Global Opportunities Class B U Series 02/12	6'000.00000	
XD0181766748	Corvex Offshore Series 12/11 Initial Unrestricted	1'800.00000	
XD0182344669	Value Partners Hedge Fund Series 56	17'445.91700	
XD0185206790	Global Undervalued Securities Fund Series 03 2012	50.00000	
XD0193152952	Vinik Offshore Fund Class A Series I27 MSG	6'878.49236	4'585.66125
XD0195180225	Corvex Offshore Series 09 2012 Unrestricted	500.00000	
XD0198341071	Stelliam Offshore Fund Series A NR 1012	400.00000	
XD0198463354	Corvex Offshore Series 10 2012 Unrestricted	600.00000	
XD0199026754	Value Partners Hedge Fund Series 62	20'920.50200	
XD0199027109	Lafayette Street Fund Offshore Class B1 Series 1/11	4'656.38220	
XD0199536380	Amber Global Opportunities Class B U Series 10/12	6'000.00000	
XD0199990140	Senrigan SPV Feeder Fund Class P Series 1	103.53090	

Forward foreign exchange

ISIN	Maturity	Change	Currency	Bought	Currency	Sold
DAT011054	30.11.12	0.93860	CHF	34'085'259.00	USD	36'315'000.00
DAT011264	28.12.12	0.93020	CHF	19'371'415.00	USD	20'825'000.00

Annual report as at 31.10.12	
SWISSCANTO (CH) ALTERNATIVE FUND – DIRECTIONAL	
Security number class CHF B:	2 300 415
Security number class CHF J:	2 300 416
Fund currency:	CHF
	10

ISIN	Description	Purchases 2)	Sales 3)
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Closed positions at the end of the accounting period

Units of other collective alternative investment schemes

4001868	Sprott Offshore Fund Class A Unr. Series 01/02 drt de vente		36'265.83000
4001920	Clairvoyance Asia Fd Unrestr. Cl. A Sie 01/10 drt de vente		22'843.02000
4016085	Occitan Feeder Fd Red. Pref. Shs/Reg. USD Class Equalization		935.62000
4016099	Newland Offshore Fund drt de vente	150'501.08000	150'501.08000
4025163	dbX CTA 8 Fund Units/Class A USD Equalization		6'108.46000
4025203	Miura Global Fund Class B drt de vente		90'244.60000
4270848	Newland Offshore Fund Ltd. Class A Series 3 (USD)		1'750.00000
BMG5957Y1185	Meditor European Hedge Fund (B) Unrestricted Shares	3'525.30900	7'051.84100
GB00B0388959	Lyxor Paulson Advantage Fund Class B		4'863.63820
JE00B3CGLF84	dbX CTA 8 Fund Units /Class -A- USD		1'693.91990
KYG2326E1052	Clive Fund Class B (USD)		7'642.57240
KYG2726Z1616	Cygnus Utilities Infr. & Renewables Class A Series 02/07		1'207.19330
SE0000885550	Futuris Fund Units	11'823.48865	15'110.91565
XD0104500976	Alden Global Distressed Opportunities Fund Class A Unres	11'223'355.76149	12'182'549.62149
XD0106533108	Triskele China Fund Class B (USD)	64'488.39200	107'243.67000
XD0114534957	Alden Global Value Recovery Fund (Cayman) Class A Series 05/		241.64100
XD0119967533	Dragon Billion China Fund Class C		18'170.45100
XD0122303346	Occitan Feeder Fund Red. Pref. Shs Regular USD Class Unrestr		14'953.21900
XD0125681342	Stelliam Offshore Series A Unrestricted	2'200.00000	2'200.00000
XD0126367784	Senrigan Fund -B- Initial Series Unrestricted		1'908.37210
XD0132442258	Sonterra Capital Offshore Fund Class A SC 1 Series 2011 06		1'800.00000
XD0136461668	MSG Overseas Fund Clas I Series 27 New Issues		1'800.00000
XD0145296378	Impala Red. Ptg. Shs -D- Series 21 11 14 Unrestricted	0.05100	0.05100
XD0145486201	Corvex Offshore Red. Ptg. Shs Series 12/11 Unrestricted	1'800.00000	1'800.00000
XD0149552099	Stelliam Offshore Red. Ptg. Shs Series A NR 1211	3'185.18361	3'185.18361
XD0180359263	Sonterra Capital Offshore Fund Class A Sub Class 1 02/12	400.00000	400.00000
XD0185989064	MSG Overseas -I- Series 32 New Issues	500.00000	500.00000
XD0194854119	Contrarian Red. Ptg. Shs -A- Series 1 August 2012 New Issues	40.84560	40.84560
XD0194854846	Contrarian Red. Ptg. Shs -A2- Series 1 August 2012	10.03630	10.03630

Subscription rights

4015986	Amber Global Opportunities Fund drt	1'800'000.00000
4016080	Omega Overseas Partners drt	250'000.00000

Forward foreign exchange

ISIN	Maturity	Change	Currency	Bought	Currency	Sold
DAT008428	31.01.12	0.90845	CHF	25'302'149.40	USD	27'852'000.00
DAT008429	30.12.11	1.34615	USD	1'837'494.75	EUR	1'365'000.00
DAT008659	31.01.12	1.29835	USD	1'791'723.00	EUR	1'380'000.00
DAT008660	31.01.12	0.93425	CHF	32'698.75	USD	35'000.00
DAT008661	29.02.12	0.93350	CHF	17'874'658.00	USD	19'148'000.00
DAT008950	30.03.12	0.91870	CHF	34'013'948.80	USD	37'024'000.00
DAT008951	29.02.12	1.30905	USD	2'271'201.75	EUR	1'735'000.00
DAT009247	30.04.12	0.89995	CHF	20'380'267.70	USD	22'646'000.00
DAT009248	30.03.12	1.33770	USD	2'216'568.90	EUR	1'657'000.00
DAT009493	30.04.12	0.90340	CHF	8'130.60	USD	9'000.00
DAT009494	31.05.12	0.90300	CHF	34'217'379.00	USD	37'893'000.00
DAT009495	30.04.12	1.33170	USD	2'141'373.60	EUR	1'608'000.00
DAT009707	31.05.12	0.90715	CHF	1'675'506.05	USD	1'847'000.00
DAT009708	29.06.12	0.90685	CHF	18'701'060.70	USD	20'622'000.00
DAT009709	31.05.12	1.32355	USD	2'239'446.60	EUR	1'692'000.00
DAT010059	31.07.12	0.96990	CHF	32'220'078.00	USD	33'220'000.00
DAT010060	29.06.12	1.23645	USD	2'118'038.85	EUR	1'713'000.00
DAT010382	31.07.12	1.26920	USD	2'174'139.60	EUR	1'713'000.00
DAT010383	31.08.12	0.94465	CHF	19'171'671.75	USD	20'295'000.00
DAT010600	28.09.12	0.97400	CHF	32'544'262.00	USD	33'413'000.00
DAT010776	31.10.12	0.95135	CHF	19'380'902.20	USD	20'372'000.00

The footnotes are explained at the end of the report.

Risk derivatives of Commitment II

Net amount													
Total exposure-increasing											0.00		
Risk	Transaction type	Description	Expiry	Contract size	Currency	Amount / Number	Price / Strike	Market risks			Credit risk	Currency risk	
								Share price risk		Interest rate risk			
								CHF	5)	CHF	5)	CHF	5)
	Classes CHF												
	DT	Sale USD against CHF	30.11.12	1	USD	36'315'000.00	0.9312	0.00	0.00	0.00	0.00	33'816'528.00	63.44
	DT	Sale USD against CHF	28.12.12	1	USD	20'825'000.00	0.9312	0.00	0.00	0.00	0.00	19'392'240.00	36.38
	Total before compensation							0.00	0.00	0.00	0.00	53'208'768.00	99.82
	Compensation											53'208'768.00	99.82
	Total after compensation											0.00	0.00

Brut amount

Total exposure-increasing												0.00		
Risk	Transaction type	Description	Expiry	Contract size	Currency	Amount / Number	Price / Strike	Market risks			Credit risk		Currency risk	
								Share price risk	Interest rate risk					
								CHF	5)	CHF	5)	CHF	5)	
exposure-reducing	Classes CHF													
	DT	Sale USD against CHF 0.93860	30.11.12	1	USD	36'315'000.00	0.9312	0.00	0.00	0.00	0.00	0.00	33'816'528.00	63.44
	DT	Sale USD against CHF 0.93020	28.12.12	1	USD	20'825'000.00	0.9312	0.00	0.00	0.00	0.00	0.00	19'392'240.00	36.38
Total								0.00	0.00	0.00	0.00	0.00	53'208'768.00	99.82

Transaction type

FI (Index Futures)
FT (Interest Futures)

OI (Index Options)
OA (Equity Options)

DT (Forward Currency)
WA (Equity Warrants)

The footnotes are explained at the end of the report.

Additional information and off-balance-sheet business

Securities on indefinite loan at the end of the accounting period:	0.00
Securities under repurchase agreement at the end of the accounting period:	0.00
Amount of the account for income retained for reinvestment:	0.00
Information concerning soft commission agreements:	The fund management company has not concluded any agreements in respect of soft commissions.
Performance fee:	0.00

Management fee

Management fee at the end of the accounting period:	class CHF B	1.90% p.a.
	class CHF J	1.40% p.a.

Swiss Funds Association (SFA) Guidelines on Transparency with Regard to Management Fees of 7 June 2005.

A portion of the management fee is used to pay distributors for the distribution of the investment fund. The fund management company may also use the management fee to pay retrocessions to institutional investors who hold fund units on a fiduciary basis for third parties.

Reinvestment of net income 2011 / 2012 as at 31.10.12

Class	Affidavit	Currency	Reinvestment to unitholders domiciled				EU savings tax	
			in Switzerland			abroad	TID-CH	TID-EU
			Gross per unit	Less 35% federal withholding tax	Net per unit	Net per unit		
Class CHF B	Yes	CHF	1.3973	0.4891	0.9082	1.3973	0.0000	0.0000
Class CHF J	Yes	CHF	1.4410	0.5044	0.9366	1.4410	0.0000	0.0000

Benchmark

The prospectus does not contain any details on the benchmark.

TER and PTR

The PTR was calculated in accordance with the "Guidelines on the Calculation and Disclosure of TER and PTR", which were issued by the Swiss Funds Association (SFA) on 16 May 2008.

Since no current TER is available from a proportional majority of the target funds in the case of the present hedge fund (fund of funds), no calculation of the TER can be made in accordance with the aforementioned SFA guidelines.

Explanation of footnotes

- 1) Rounded off or not according to the contract of fund current in the closing date
- 2) Purchases include among others the following transactions: purchases / bonus securities / conversions / changes of corporate name / splits / stock-cash-dividends / demergers / transfers / exchanges between companies / allotments from subscription/option rights
- 3) Sales include among others the following transactions: sales / draws by lot / cancellations as a result of expiry / exercises of rights/options / conversions / reverse-splits / repayments / transfers / exchanges between companies
- 4) According to a communication issued by the Swiss Federal Tax Administration
- 5) As a percentage of net fund assets

Principles for valuing and calculating the net asset value

1. The net asset value of each subfund and the share of the individual classes (quotas) are each calculated in the unit of account of the corresponding subfund at the market value on the last bank working day of the month. On days on which the stock exchanges in a subfund's main investment countries are closed (e.g. on bank and stock exchange holidays), the valuation date of the subfund will be brought forward to the last banking day of the current month.
2. Investments traded on an exchange or other regulated market open to the public must be valued at the current prices paid on the primary market. Other assets or investments for which no current price is available must be valued at the price that would probably be obtained in a diligent sale at the time of valuation. In such cases, the fund management company will use appropriate and recognised valuation models and principles to determine the market value.
3. Open-ended collective investment schemes are valued at their redemption price or net asset value. If they are regularly traded on an exchange or other regulated market open to the public, the fund management company may value them in accordance with para. 2.
4. The value of money market instruments that are not traded on an exchange or other regulated market open to the public is determined as follows: the valuation price of such investments, based on the net acquisition price, shall be progressively adjusted to the redemption price whilst keeping the resulting investment return constant. If there are significant changes in the market conditions, the valuation principles for the individual investments will be adjusted in line with the new market returns. If there is no current market price in such instances, the calculations are as a rule based on the valuation of money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, term to maturity).
5. Bank deposits are valued on the basis of the amount due plus accrued interest. If there are significant changes in market conditions or credit ratings, the valuation principles for bank deposits on demand will be adjusted in line with the new circumstances.
6. The net asset value of a unit in a particular class of a subfund is obtained by calculating the share of that class in the market value of assets of such subfund attributable to the class, minus any liabilities of the subfund attributable to that unit class, and dividing the result by the number of units of that class in circulation. It will be rounded to the nearest 0.01 of the subfund's unit of account.
7. The shares in the market value of a subfund's net assets (assets of a subfund less liabilities) which are to be allocated to the individual unit classes will be determined – on the basis of the portion accruing to the subfund in question for each unit class – for the first time upon the initial issue of several unit classes (if this occurs simultaneously) or the initial issue of a further unit class. The share is recalculated when one of the following events occurs:
 - a) upon the issue and redemption of units;
 - b) on the pertinent date for distributions, provided (i) such distributions relate only to individual unit classes (distribution classes) or provided (ii) the distributions made by the various unit classes differ when expressed as a percentage of their respective net asset value or provided (iii) differing costs or commissions, calculated as a percentage of the distribution itself, are to be charged on the distributions of different unit classes;
 - c) when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued costs and commissions) to the various unit classes, provided the liabilities of the various unit classes differ when expressed as a percentage of their respective net asset value, especially if (i) different commission rates are applied for the various unit classes or if (ii) class-specific costs are charged;
 - d) upon the calculation of the net asset value in connection with the allocation of earnings or capital gains to the various unit classes, if the earnings or capital gains result from transactions that were undertaken in the interests of only one unit class or of several unit classes, but not in proportion to their share of the net assets of a subfund.

Short form report of the audit company for collective investment schemes to the Board of Directors of the Fund Management Company on the financial statements of

SWISSCANTO (CH) ALTERNATIVE FUND

As audit company for collective investment schemes, we have audited the accompanying financial statements of the investment fund SWISSCANTO (CH) ALTERNATIVE FUND, with the subfunds

- SWISSCANTO (CH) ALTERNATIVE FUND – DIVERSIFIED
- SWISSCANTO (CH) ALTERNATIVE FUND – DIRECTIONAL

which comprise the statement of net assets and the income statement, the statement of the appropriation of available earnings and the disclosure of the total costs as well as the supplemental disclosures in accordance with article 89 paragraph 1 lit. b-h of the Swiss Collective Investment Schemes Act (CISA) for the financial year ended 31 October 2012.

Responsibility of the Fund Management Company's Board of Directors

The Board of Directors of the Fund Management Company is responsible for the preparation of the financial statements in accordance with the requirements of the Swiss Collective Investment Schemes Act, the related ordinances as well as the investment fund agreement and the prospectus. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors of the Fund Management Company is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Responsibility of the audit company for collective investment schemes

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the existence and effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 October 2012 comply with the Swiss Collective Investment Schemes Act, the related ordinances as well as the investment fund agreement and the prospectus.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and article 127 CISA as well as on independence (article 11 AOA) and that there are no circumstances incompatible with our independence.

KPMG AG

Yvan Mermod
Licensed Audit Expert
Auditor in Charge

Markus Schunk
Licensed Audit Expert

Zurich, 19 February 2013