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## SILICON VALLEY BANK, SIGNATURE BANK AND SILVERGATE FALL OUT: THE CONSEQUENCES

What a spectacular and historical reversal.

One week ago, we were about to write that the global economy was performing decently, that inflation was likely to stay stubbornly higher for a little longer, that rates would stay higher for a little longer: USD interest rates were expected to stay at around 5.4% for the next 12 months, before trending lower. The US Federal Reserve was expected to hike rates by 25 basis points at each of its next two meetings before pausing, while the European Central Bank was expected to hike by 50 basis points at its March meeting. Equities, particularly European ones, could continue to perform well, driven by an improving economy that avoided a recession in Q4 2022, China's reopening, solid financial performances, lower energy prices, attractive dividends, and valuations.

Then a little-known bank, at least to outsiders, called Silicon Valley Bank found itself in difficulty due to an asset-liabilities mismatch: to cover withdrawals, the banks had to sell a bond portfolio at a loss, and then tried and failed to raise share capital. Problems for U.S. banks with exposure to the frothiest asset classes of the Covid pandemic crypto and tech startups — boiled over the last two weeks with the wind down of cryptocentric Silvergate Bank, which was in difficulty ever since the collapse of crypto exchange FTX. While that firm's demise had been long expected, it helped ignite a panic over banks with high levels of uninsured deposits. Venture capital investors, such as Pieter Thiel, urged their companies to withdraw their Silicon Valley Bank accounts: last Thursday alone, the withdrawals were estimated at 42 billion USD, leading to its seizure by the government by midday Friday: the second-largest bank failure in US history. Signature Bank, another crypto-friendly bank, also suffered a run on its deposits, and was similarly taken over by the authorities on the same day. At first the US FDIC, (which insures banks deposits), and the US Treasury, only guaranteed deposits of up to 250'000 USD: they backtracked last Sunday, by guaranteeing all deposits, and announced the creation of a new Bank Term Funding Program, (BTFP), which would accept any eligible collateral at par, while offering loans of up to one year under preferential terms to make sure that any institution has the ability of to 'meet the needs of all their depositors'.

The market was suddenly worried about a domino effect of withdrawals at smaller institutions, such as regional and community banks, which quickly extended to worldwide fears of a repeat of the 2008 banking crisis, and the market started to price-in a worldwide recession:



- The interest rate market went as far as discounting no further rate hikes and two 25 basis points cuts in the US over the Summer, along with an expected one-year rate of 3.55%: the entire US rate curve, 3 months to 30 years shifted below the FED current upper bound of 4.75%.
- No further rate hikes from the European Central Bank.
- The largest ever move of the 2-year German Bund over three days: close to 1%, yields moved from 3.4% to 2.4%.
- The largest move of 2-year US Treasuries over three days since 1987
- The highest volatility in bond markets since 2008.
- Financial institutions were heavily sold off, but so were industrials and cyclicals.
- The USD came under pressure, crude oil sold off, while Gold was lifted higher.
- Perhaps ironically, the government take-over of Signature Bank, and the guarantee of all deposits, led to a rally in crypto assets: Bitcoin has risen 25% since last Friday.

How did we arrive to this situation?

In 2018, several Republicans, along a few democratic bipartisan senators, decided to ease some regulations from the Dodd-Frank act, which was introduced after the 2008 crisis, and Trump signed it into law. It freed up mid-sized firms like Silicon Valley Bank (SVB) from some of the strictest post-crisis regulations and cut their compliance costs. The new regulations reduced the frequency of stress tests for banks whose assets total between 100 and 250 billion. In 2019 they went a step further, when they allowed banks with less than \$700 billion in assets to opt out of recognizing swings in so-called accumulated other comprehensive income in their regulatory capital. That was meant to make key capital ratios less volatile but may have helped make smaller lenders more comfortable taking risk in their bond portfolios, since losses there would be less likely to immediately endanger stock buybacks and dividends.

That certainly played out at SVB. In late 2020, the firm's asset-liability committee received an internal recommendation to buy shorter-term bonds as more deposits flowed in. The shift would have reduced the risk of sizable losses if interest rates rose. But it would have a cost: an estimated \$18 million reduction in earnings. Executives balked. Instead, the company continued to plow cash into higher-yielding assets. That helped profit jump 52% to a record in 2021 and helped the bank's valuation reach 40 billion dollars. But as rates soared in 2022, the firm racked up more than \$16 billion of unrealized losses on its bond holdings, ultimately leading to the collapse of a firm that had \$175 billion in assets at the end of 2022.

SVB had quite a unique business, and seems more like an idiosyncratic story:

- Over 90% of deposits were from corporates, of which 50% were early-stage technology companies. Less capital flows to the sector over the last 12-18 months led the companies to withdraw funds to pay for on-going operations, such as salaries.
- Over 95% of deposits exceeded the 250'000 USD insurance limit of the FDIC, and thus the bank was at risk in the case of a bank run.



This is not a repeat of 2008, the big systemic banks are well capitalized and highly regulated. European banks are in far better shape compared to the GFC, and do not face the same risks that US regional and community banks are exposed to. We believe that the issue for the sector, rather than solvability and systemic risk will be profitability: banks, for example, will likely be forced to compete for depositors and increase their deposit rates.

So, what's next for central banks?

In the short term, and in view of the above comment on deposits, and current market conditions, financial conditions are tightening, thus helping the central banks in their fight against inflation. The ECB and the US Federal Reserve might thus hold off on raising rates at their next meeting. Also, raising rates now would probably go against their efforts, particularly in the US, of containing the fallout from SVB and Signature. The aim in the US is to soothe the nerves of the clients of those regional banks, not the clients of JP Morgan or Bank of America.

Medium term the outlook for central banks and the economy will likely be dictated by consumer and business confidence: if it does fall sharply, it could have negative consequences on consumption, economic growth and therefore inflation. We say "if", because since the pandemic those surveys have become quite unreliable, and, quite often, negative sentiment indicators were not accompanied by reduced spending or investment, in the case of corporates.

If this confidence crisis dissipates rapidly, we will be going back to the scenario described in the first paragraph: the economy is doing fine and improving, accompanied by a declining but somewhat stubborn inflation. This implies that equities will respond more favorably to the brightening outlook, enabling them to better cope with higher interest rates, particularly in Europe.



## **STRATEGY**

Currently our positioning is underweight equities, overweight Europe, and Asia, and underweight the US. We own a partial protective put maturing in September on European equities and are long Gold.

### **POSITIONING**

## **Overall Exposure**

We are Underweight Equities, and Neutral Fixed Income, with a Gold position, partially USD and JPY hedged. Long a partial protection on European equities.

### **Equity: Underweight**

We have a very sizeable Overweight to Continental Europe and a very sizeable Underweight in US equities, Neutral UK, Neutral Japan, Overweight Asia ex Japan.

## **Thematic Equities**

Health Improving Technologies and Services, Asian Technology, European Family Holdings, European COVID Recovery, the UN's 17 Sustainable Development Goals, Emerging Markets Healthcare.

#### **Fixed Income: Neutral**

Underweight High Yield in EUR and USD. Overweight Investment Grade EUR and USD Bonds, Underweight Sovereigns. Long US Municipal Infrastructure Bonds, Long Hybrids, long Financial Credit & Long Asian Bonds.

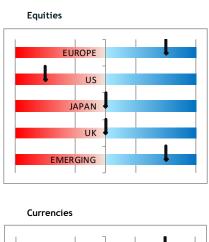
**Currencies**: Portfolios have a 5% USD exposure.

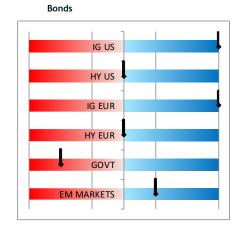
**Commodities: Overweight** 

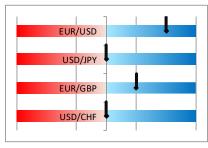
Long Gold.

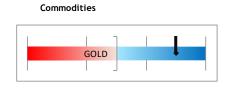


## **CONVICTION THERMOMETER**









\*Negative view / Positive view



# MARKET OVERVIEW AS OF 28TH FEBRUARY 2023

EQUITIES (local ccies)	Level	5D	MTD	YTD	2022
MSCI WORLD	2 714,57	-0,89%	-2,36%	4,58%	-17,719
GERMANY DAX	15 365,14	-0,21%	1,57%	10,35%	-12,359
FRANCE CAC40	7 267,93	-0,56%₫	2,63%	12,43%	-6,71
UK FTSE100	7 876,28	-1,02%	1,76%	6,18%	4,57%
BELGIUM BEL20	3 902,21	0,05%	1,10%	5,55%	-11,479
SWISS MARKET INDEX	11 098,35	-1,63	-1,66%	3,44%	-14,299
EUROPE EURO STOXX 50	4 238,38	-0,28%	1,94%	1,2,07%	-8,55%
US S&P500	3 970,15	-0,64%	-2,45%	3,68%	-18,139
NASDAQ 100	12 042,12	-0,13%	-0,37%	10,26%	-32,389
RUSSELL 2000	1 896,99	0,51%	-1,69%	7.89%	-20,469
JAPAN TOPIX	1 993,28	-0,18%	0,94%	5.41%	-2.48%
MSCI EMERGING	964,01	-3.111%	-6.48%	0.91%	-19.829
BRAZIL IBOVESPA	104 932	-8.89%	-7 49%	4.38%	4,69%
MEXICO MEXBOL	52 758,06	-0.77%	-3.18%	9.02%	-5,77%
HSTECH	3 925,06	-5.60%	-13.59%	4,93%	F26,669
CHINA CSI 300	4 563,77	-1,78%	-2.08%	5.14%	-19.839
INDIA SENSEX	58 962,12	-2,82%	-0,85%	2,92%	5,77%
KOREA KOSPI	2 663,34	-1,88%	-0,50%	7.89%	-23.369
HONG KONG HANG SENG	19 785,94	-3.62%	-9.41%	0.03%	-12,569
AUSTRALIA ALL-SHARE	4 304,48	-0,82%	1,52%	6.09%	0,23%
SAUDI ARABIA TADAWUL	10 102,70	-1.58%	-6.34%	3,51%	-4.96%
SAUDI AKABIA IADAWUL	10 102,70	-1,5070	-0, <u>0470</u>	5,51%	-4,30%
US: Sectors	Level	5D	MTD	YTD	2022
COMMUNICATION SVCS	173,53	-1.41%	-4,66%	9,16%	-39,899
CONSUMER DISCRETIONARY	1 130,01	0,01%	-2,16%	12,54%	0.639
CONSUMER STAPLES	751,73	11.91%	-2,40%	27%	-0,62%
ENERGY	638,01	-0,65%	-7,12%	51%	65,43%
FINANCIALS	593,02	0,18%	-2,30%	4,41%	-10,579
HEALTH CARE	1 480,18	-2.34%	-4,61%	39%	-1,95%
INDUSTRIALS	851,88	0,28%	-0,89%	2,80%	-3.51%
INFORMATION TECHNOLOGY	2 380,26	0,03%	0,45%	9,81%	<b>=28</b> ,199
MATERIALS	514,81	2,35%	-3,30%	5,38%	-12,289
REAL ESTATE	239,77	-1.70%	-5,99%	3,32%	26,219
UTILITIES	328,82	-3,24 %	-5,90%	78%	1,56%
UROPE: Sectors	Level	5D	MTD	YTD	2022
BASIC MATERIALS	2 979 85	-3.35%	<del>-4,</del> 63%	1,60%	-2#1%
CONSUMER GOODS	4 218,36	-1,20%	0.68%	1,80%	-773%
CONSUMER SERVICES	1 465,13	-0.97%	1,82%	15,03%	115 229
	869,19	1,46%	3.96%	15,11%	-1.93%
FINANCIALS		-2.80%	0.26%		
HEALTH CARE	3 314,10			0,31%	-3072%
INDUSTRIALS	3 319,48	0,06%	3,41%	12,40%	<b>-18</b> 889
OIL & GAS	1 535,41	0,61%	5,60%	6,42%	30,59%
TECHNOLOGY	1 466,57	-1,106	-109%	14,62%	-25 49%
TELECOMS	565,15	-0,15%	4,91%	12,29%	-113 249
UTILITIES	1 946,83	-1,[85%	1,42%	4,14%	-6199%
VORLD: Styles	Level	5D	MTD	YTD	2022
QUALITY	3 265,83	-1.01%	-2.55%	3.46%	-22.219
MOMENTUM	3 146,14	-1,36%	-3.23%	2,19%	-17,799
VALUE	11 233,24	-1.04%	-2.92%	1,61%	-6.52%
GROWTH	7 386,39	-0.76%	-1,87%	7.64%	-29,219
VOLATILITY	7 828,24	-1.32%	-2.73%	2.30%	-15,749
SIZE	7 507,93	-0.92%	-2.63%	4,73%	
DIVIDEND	4 436,11	-1.43%	-2.95%		
			-2,3370	1,91%	
	Toward.	<b>CD</b>		1.91%	-9,62
	Level	5D	MTD	1,91% YTD	-9,62¶
Pan-Euro 3-5 yrs IG	193,12	-039%	MTD	YTD 0,22%	-9,62¶ 2022 -11[379
Pan-Euro 3-5 yrs IG Euro Aggregate	193,12 221,74	-0 <b>3</b> 89%	MTD -1,22 <b>%</b> -2,09%	1,91% YTD 1 0,22% 0,08%	-9,62¶ 2022 -11[379
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur	193,12 221,74 384,28	-0189% -0166% -0182%	MTD -1,22% -2,09% 0,02%	1,91% YTD 0,22% 0,08% 3,16%	-9,62% 2022 -11[379 -17,189 -10,729
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR	193,12 221,74 384,28 232,82	-0,89% -0,66% -0,62% -0,07%	MTD -1,22% -2,03% 0,02% -2,06%	1,91% YTD 10,22% 10,08% 13,16% 1-0,12%	-9,62% 2022 -11,375 -17,185 -10,725 -18,945
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield	193,12 221,74 384,28 232,82 2 264,90	-0089% -0066% -0082% -0,07% 1,16%	MTD -1,22% -2,09% 0,02% -2,06% -1,29%	7,91%  YTD  0,22% 0,08% 3,16% -0,12% 2,47%	-9,62% 2022 -11,375 -17,185 -10,725 -18,945 -11,195
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR	193,12 221,74 384,28 232,82 2 264,90 1 260,87	-0189% -0166% -0162% -0.67% 1,16% 0,52%	MTD -1,22*6 -2,09% 0,02% -2,05% -1,29% -2,23%	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 2,47% 0,90%	-9,62% 2022 -11,379 -17,189 -10,729 -11,199 -15,269
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27	-0.89% -0.66% -0.62% -0.67% 1,16% 0,32%	MTD -1,22% -2,05% 0,02% -2,05% -1,29% -1,29% -2,23%	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 2,47% 0,90% 0,29%	-9,62% 2022 -11(375 -17,185 -10,725 -18,945 -11(19) -15,265 -8,44%
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy	193,12 221,74 384,28 232,82 2 264,90 1 260,87	-0189% -0166% -0162% -0.67% 1,16% 0,52%	MTD -1,22*6 -2,09% 0,02% -2,05% -1,29% -2,23%	0.22% 0.08% 3.16% -0.12% 2.47% 0.29% 0.29%	-9,62% 2022 -11(379 -17,189 -10,729 -11(199 -15,269 -8,44% -12,639
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27	-0.89% -0.66% -0.62% -0.67% 1,16% 0,32%	MTD -1,22% -2,05% 0,02% -2,05% -1,29% -1,29% -2,23%	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 2,47% 0,90% 0,29%	-9,62% 2022 -11(379 -17,189 -10,729 -11(199 -15,269 -8,44% -12,639
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86	-0189% -0166% -0162% -0167% 1,16% 0,92% -0199% -0166%	MTD -1,22% -2,05% -0,02% -2,05% -1,29% -2,23% -3,67% -1,78%	0.22% 0.08% 3.16% -0.12% 2.47% 0.29% 0.29%	-9,62¶ 2022 -11[37] -17,18 -10,725 -18,945 -11,199 -15,265 -8,449 -14,635 -20,388
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99	-0.\$9% -0.02% -0.07% 1, 16% -0.32% -0.06% -0.06% -0.06%	MTD -1,22% -2,09% -0,02% -2,08% -1,29% -1,29% -1,29% -1,78% -1,78% -2,55% -3,32%	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 2,47% 0,90% 0,29% 2,90% -0,15% -0,15%	-9,62% 2022 -11(375 -17,138 -10,172 -18,945 -11,195 -15,265 -8,443 -12,633 -20,385 -16,255
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99	-0189% -0186% -0182% -0.87% 1.186% -0186%	MTD -1,22% -2,09% 0,02% -2,05% -1,29% -2,23% -3,67% -1,78% -7,55%	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 2,47% 0,90% 0,29% 2,90% -0,15% -0,15%  YTD	-9,62% 2022 -11[379 -11,718 -10,722 -18,945 -11,199 -15,265 -8,443 -12,633 -20,385 -16,255
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  OMMODITIES  GOLD	193,12 221,74 384,28 22,82 2264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level	-0\$9% -0\$2% -0\$2% -0.\$7% 1,\$6% 0.\$2% -0\$9% -0\$6% -0\$6%	MTD -1,22% -2,05% 0,02% -2,05% -1,29% -1,29% -1,29% -3,67% -1,78% -2,55% MTD	0,22% 0,08% 3,16% -0,15% 0,29% 2,47% 0,29% 2,90% -0,15% YTD	-9,62% 2022 -11[379 -17,185 -10,729 -18,949 -11,195 -15,203 -14,635 -16,255 2022
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Infaition hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  OMMODITIES  GOLD COPPER	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level	-0.\$9% -0.7% -0.\$7% -1.\$6% -0.\$2% -0.\$2% -0.\$6% -0.\$6% -0.\$6% -0.\$6%	MTD -1,226 -2,09% 0,02% -2,05% -1,29% -2,23% -3,67% -1,78% -2,55% -3,32%  MTD -5,26%	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 0,90% 0,29% 0,29% -0,15% -0,15%  YTD  0,16% 7,53%	-9,62% 2022 -11(3/7) -17,185 -10,1/25 -18,943 -11,1195 -15,265 -8,443 -12,633 -20,385 -16,255
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  OMMODITIES GOLD COPPER OIL WTI	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05	-0.59% -0.6% -0.7% -1.16% -0.19% -0.16% -0.16% -0.16% -0.45% -1.17%	MTD -1,22% -2,09% -0,02% -2,08% -1,29% -1,29% -1,29% -1,78% -1,78% -2,35% -3,32% MTD -5,26% -3,02% -2,31%	1,91%  YTD  1,022% 0,08% 3,16% -0,12% 0,90% 1,0,29% 2,90% -0,15% -0,15%  YTD  0,16% 7,53%	-9,62% 2022 -11,379 -11,189 -10,172 -18,949 -11,179 -15,265 -8,443 -12,639 -16,259 2022 -3,64% -26,84% -55,01%
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate COMMODITIES GOLD COPPER OIL WII OIL BRENT	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89	-0.89% -0.86% -0.97% 1.16% 0.32% -0.96% -0.66% -0.66% 5D -0.45% 1.17% 1.01%	MTD  -1,22% -2,09% 0,02% -2,08% -1,29% -1,29% -1,29% -1,78% -3,57% -1,78% -2,55%  MTD  -5,26% -3,02%  -2,31% -0,71%	0,22% 0,08% 3,16% -0,12% 2,47% 0,90% 0,29% 2,90% -0,15%  YTD 0,16% 7,53% -0,00%	-9,62% 2022 -11[37] -17,185 -10,725 -18,943 -11[195 -15,265 -8,41% -14,635 -20,385 -16,255 2022 -3,64% -26,84% -55,01% -50,15%
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  COMMODITIES  GOLD COPPER OIL WITI OIL BRENT	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89	-0.99% -0.96% -0.92% -0.97% 1.16% 0.32% -0.96% -0.66% -0.66% -0.45% -1.17% -1.01%	MTD  -1,22% -2,09% 0,02% -2,08% -1,29% -1,29% -1,29% -1,78% -3,87% -1,78% -2,56% -3,32%  MTD  -5,26% -0,71%   MTD	0,22% 0,08% 3,16% -0,12% 0,29% 0,29% 0,29% 0,29% -0,15%  YTD 0,16% 7,53% -0,15%  YTD	-9,62% 2022 -11[37] -17,18] -10,[72] -18,143] -11,119] -15,26] -8,443] -12,633] -16,25] 2022 -3,64% -26,849 -55,015 -2022
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Infaition hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  COMMODITIES GOLD COPPER OIL WITI OIL BRENT EURRENCIES EURUSD	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576	-0.89% -0.66% -0.02% -0.97% -1.16% -0.192% -0.166% -0.166% -0.45% -1.1794 -1.01%	MTD  -1,276 -2,09% -0,02% -2,08% -1,296 -1,296 -2,23% -3,67% -1,78% -2,56% -3,32%  MTD  -5,26% -0,71% -0,71% -0,71%	1,91%  YTD  1,02% 0,08% 3,16% -0,12% 0,90% 1,029% 1,029% 2,90% 1-0,15%  YTD  0,16% 7,53%  YTD  1,11%	-9,62% 2022 -11[37] -17,189 -10,725 -18,944 -11,199 -15,265 -8,447 -12,633 -20,389 -16,255 2022 -3,649 -550,1159 2022 -6,939
Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  COMMODITIES GOLD COPPER OIL WTI OIL BRENT  CURRENCIES  EURUSD GBPUSD	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576 1,2022	-0.\$9% -0.96% -0.07% -1.\$6% -0.\$2% -0.16% -0.16% -0.16% -0.45% -1.17% -1.01% -0.68% -0.05% -0.45% -0.45% -0.45% -0.45% -0.45% -0.45% -0.45% -0.45% -0.45% -0.45% -0.45%	MTD  -1,22% -2,05% -0,02% -2,08% -1,29% -1,29% -1,29% -1,75% -3,67% -1,75% -2,37% -3,32%  MTD  -5,26% -3,04% -0,71%  MTD	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 2,47% 0,90% 0,29% 2,90% -0,15%  YTD  0,16% 7,753% -1,21% -0,50%	-9,62% 2022 -11[37] -17,185 -10,725 -18,949 -11[19] -15,265 -8,44% -12,639 -16,255 -16,255 -20,22 -3,64% -5,5,01% -50,15% -20,22
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Infaition hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  COMMODITIES GOLD COPPER OIL WITI OIL BRENT EURRENCIES EURUSD	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576	-0.89% -0.66% -0.02% -0.97% -1.16% -0.192% -0.166% -0.166% -0.45% -1.1794 -1.01%	MTD  -1,276 -2,09% -0,02% -2,08% -1,296 -1,296 -2,23% -3,67% -1,78% -2,56% -3,32%  MTD  -5,26% -0,71% -0,71% -0,71%	1,91%  YTD  1,02% 0,08% 3,16% -0,12% 0,90% 1,029% 1,029% 2,90% 1-0,15%  YTD  0,16% 7,53%  YTD  1,11%	-9,62% 2022 -11,379 -11,785 -10,729 -11,1195 -15,265 -8,44% -14,635 -20,385 -16,255 2022 -3,64% -26,84% -55,015% -2022 -3,93% -1,01% -11,86% -11,86%
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  COMMODITIES GOLD COPPER OIL WTI OIL BRENT  CURRENCIES  EURUSD GBPUSD	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576 1,2022	-0.\$9% -0.96% -0.07% 1.\$6% -0.\$2% -0.16% -0.16% -0.16% -0.45% -1.17% -1.01% -0.6886 -0.76%	MTD  -1,22% -2,09% -0,02% -2,08% -1,29% -2,123% -2,123% -1,74% -1,74% -2,55% -3,32%  MTD  -5,26% -0,71% -0,71% -1,74% -1,74% -1,74% -1,74% -2,31% -0,71% -1,74% -2,34%	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 2,47% 0,90% 0,29% 2,90% -0,15%  YTD  0,16% 7,753% -1,21% -0,50%	-9,62% 2022 -11,379 -10,729 -11,189 -11,179 -12,633 -20,338 -16,255 2022 -3,64% -26,849 -55,0159 2022 -5,939 -1,11,1969
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate COMMODITIES GOLD COPPER OIL WTI OIL BRENT EURRENCIES EURUSD GBPUSD USDJPY	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576 1,2022 136,17	-0.\$9% -0.\$2% -0.\$2% -0.\$7% 1,\$6% 0,\$2% -0.\$9% -0.\$6% -0.\$6% -0.\$6% -0.\$1	MTD  -1,22% -2,09% -0,02% -2,08% -1,29% -2,123% -2,123% -1,74% -1,74% -2,55% -3,32%  MTD  -5,26% -0,71% -0,71% -1,74% -1,74% -1,74% -1,74% -2,31% -0,71% -1,74% -2,34%	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 0,29% 0,29% 2,47% 0,90% -0,15%  YTD  0,16% 7,53% -0,15%  YTD  1,21% -0,50% 3,85%	-9,62% 2022 -11[37] -10,725 -18,943 -11,119 -15,263 -8,442 -12,633 -16,253 -20,385 -16,255 -20,22 -3,64% -26,849 -550,159 -20,22 -3,64% -1,01%
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR EM Aggregate TR EM Aggregate TR EM Aggregate TR EU GOVT HEDGED EUR Global Aggregate  COMMODITIES  GOLD COPPER OIL WTI OIL BRENT  CURRENCIES  EURUSD GBPUSD USDJPY USDCHF	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576 1,2022 136,17 0,9422 0,6729	-0.89% -0.97% -0.92% -0.97% -1.16% -0.16% -0.16% -0.16% -0.45% -1.17% -1.17% -1.01% -0.86% -0.86% -0.86% -1.155% -1.181%	MTD  -1,22% -2,09% -0,02% -2,08% -1,29% -1,29% -1,29% -1,29% -3,67% -1,78% -3,67% -1,78% -2,36%  MTD  -5,26% -3,02% -0,71%  MTD  -3,04% -2,3 1% -0,71% -1,74% -2,3 1% -0,71% -2,3 1% -0,71% -2,3 1% -0,71% -2,3 1% -2,	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 2,47% 0,90% 0,29% 2,90% -0,15%  YTD  0,16% 7,53% YTD  -1,21% -0,50% 1,35% 1,91% -1,23%	-9,62% 2022 -11[37] -10,725 -18,943 -11[19] -15,265 -1,26,349 -26,349 -26,349 -55,019 -50,159 -1,019 -1,019 -1,069 -3,1369 -1,019 -3,1369 -5,500
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  COMMODITIES  GOLD COPPER OIL WTI OIL BRENT  CURRENCIES  EURUSD GBPUSD USDJPY USDCHF AUDUSD EURCHF	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576 1,2022 136,17 0,9422 0,6729 0,9841	-0.\$9% -0.62% -0.92% -0.97% 1,16% 0,52% -0.16% -0.16% -0.16% -0.45% -1,17% -1,01% -0.68% -0.68% -0.74% -0.88% -1,55% -1,55% -1,30% -1,55% -1,30% -1,55% -1,30% -1,30% -1,55% -1,30% -1,3	MTD  -1,226 -2,0996 0,02% -2,0996 -1,2966 -1,2966 -2,2396 -3,6776 -1,7896 -3,3296  MTD  -5,2896 -3,0496 -3,0496 -4,9796 -4,9796 -2,8496 -4,979	1,91%  YTD  0,22% 0,08% 3,16% -0,12% 0,29% 0,29% 2,47% 0,29% -0,15%  YTD  0,16% 7,53% -0,15%  YTD  1,21% -0,50% 3,85% 1,91% -1,23% 1,91% -1,23% 1,91% -1,23% 1,91% -1,23% -1,71%	-9,62% 2022 -11,379 -10,729 -11,159 -15,265 -8,449 -12,633 -16,255 -20,388 -16,255 -20,388 -16,255 -20,388 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159 -17,159
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  OMMODITIES GOLD COPPER OIL WTI OIL BRENT  URRENCIES  EURUSD GBPUSD USDJPY USDCHF AUDUSD EURCHF USDCNY	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576 1,2022 136,17 0,9422 0,6729 0,9841 6,9356	-0.89% -0.96% -0.07% -1.16% -0.19% -0.16% -0.16% -0.45% -0.45% -1.17% -1.01% -0.68% -0.74% -0.86% -0.74% -0.86% -0.86% -0.86% -0.88% -1.155% -1.187% -	MTD  -1,22% -2,09% -0,02% -2,08% -1,29% -2,123% -2,123% -1,74% -1,74% -2,31% -0,71%  MTD  -3,04% -2,31% -0,71% -1,74% -2,31% -0,71% -2,31% -0,71% -2,31% -1,74% -2,31% -1,74% -2,31% -1,74% -2,31% -1,74% -2,31% -2,	1,91%  YTD  1,92% 0,08% 3,16% -0,12% 0,90% 1,0,29% 1,0,29% 1,0,15% -0,15%  YTD  0,16% 7,53%  -1,21% 1,0,50% 1,91% -1,23% 1,91% -1,23% 1,0,71% 1,0,54%	-9,62% 2022 -1137-117.185-10.725 -18.945-117.195 -15.265 -8,447-12.633 -16.255 2022 -3,64% -55,019 -50,159 2022 -6,939 -1,114,69 -3,13% -5,60% -118.685 -5,80% -118.685 -5,28% -5,28% -5,28% -5,28% -5,28%
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  OMMODITIES GOLD COPPER OIL WTI OIL BRENT  URRENCIES  EURUSD GBPUSD USDLPY USDCHF AUDUSD EURCHF USDCNY USDCKW	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576 1,2022 136,17 0,6729 0,9841 6,9356 1 318,40	-0.89% -0.97% -0.92% -0.97% -1.16% -0.16% -0.16% -0.16% -0.45% -1.17% -1.17% -1.01% -0.68% -0.74% -0.86% -0.86% -0.86% -0.88% -1.87% -1	MTD  -1,22% -2,09% -0,02% -2,08% -1,29% -1,29% -1,29% -1,75% -1,75% -1,75% -2,37% -1,76% -3,32%  MTD  -5,26% -3,04% -2,37% -0,71%  MTD  -2,37% -0,71% -0,71% -0,4% -2,37% -0,14% -2,37% -0,14% -2,37% -0,14% -2,37% -0,14% -2,37% -1,14% -2,15% -1,14%	0,22% 0,08% 0,16% -0,12% 0,29% 0,29% 0,15% -0,15%  YTD  0,16% 7,53% -0,15%  YTD  -1,21% -0,50% 1,385% 1,91% -1,23% 0,71% 0,54% N.A.	-9,62% 2022 -11[37] -10,725 -18,943 -11,193 -15,263 -16,253 -20,383 -16,253 -16,253 -20,364 -26,364 -26,364 -26,364 -1,106 -3,13% -1,1196 -1,1108
Pan-Euro 3-5 yrs IG Euro Aggregate Pan-Euro HY Hedged Eur Global Inflation hedged EUR US Corp High Yield EM USD Aggregate TR EM Aggregate TR Local Ccy EUR Banks CoCo Tier 1 EU GOVT HEDGED EUR Global Aggregate  OMMODITIES GOLD COPPER OIL WTI OIL BRENT  URRENCIES  EURUSD GBPUSD USDJPY USDCHF AUDUSD EURCHF USDCNY	193,12 221,74 384,28 232,82 2 264,90 1 260,87 137,27 140,86 199,50 2 554,99 Level 1 826,92 409,75 77,05 83,89 Rate 1,0576 1,2022 136,17 0,9422 0,6729 0,9841 6,9356	-0.89% -0.96% -0.07% -1.16% -0.19% -0.16% -0.16% -0.45% -0.45% -1.17% -1.01% -0.68% -0.74% -0.86% -0.74% -0.86% -0.86% -0.86% -0.88% -1.155% -1.187% -	MTD  -1,22% -2,09% -0,02% -2,08% -1,29% -2,123% -2,123% -1,74% -1,74% -2,31% -0,71%  MTD  -3,04% -2,31% -0,71% -1,74% -2,31% -0,71% -2,31% -0,71% -2,31% -1,74% -2,31% -1,74% -2,31% -1,74% -2,31% -1,74% -2,31% -2,	1,91%  YTD  1,92% 0,08% 3,16% -0,12% 0,90% 1,0,29% 1,0,29% 1,0,15% -0,15%  YTD  0,16% 7,53%  -1,21% 1,0,50% 1,91% -1,23% 1,91% -1,23% 1,0,71% 1,0,54%	-11[37] -11[37] -11[37] -10[72] -18[945] -11[19] -15[26] -8,44% -12[63] -20[38] -16[25] -3,64% -26,84% -55,01% -50,15%



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