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HORIZON *handout*

The Berenberg Capital Markets Outlook • Wealth and Asset Management

June | 2022

Horizon Handout – Capital Market Outlook
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Please refer to the online glossary at www.berenberg.de/glossar for definitions of the technical terms used in this document.

Date: 25 May 2022.

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An online glossary with definitions of technical terms is available at www.berenberg.de/en/glossary

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Overview of capital markets outlook and asset allocation

Overview of capital markets

Performance review

Performance of selected asset classes

Total return of asset classes in the last 4 weeks, year-to-date and over 5 years (%, EUR)

	4-week & YTD		12-month periods over that last 5 years				
	4W (25/04/22 - 23/05/22)	YTD (31/12/21 - 23/05/22)	23/05/21 23/05/22	23/05/20 23/05/21	23/05/19 23/05/20	23/05/18 23/05/19	23/05/17 23/05/18
Brent	9.4	66.1	123.1	60.4	-44.2	-9.4	45.2
USDEUR	0.2	6.4	13.9	-10.5	2.6	4.6	-4.4
Euro overnight deposit	0.0	-0.2	-0.6	-0.5	-0.4	-0.4	-0.4
MSCI Emerging Markets	-0.6	-9.8	-9.4	34.2	-3.2	-6.8	10.4
EUR Sovereign Debt	-0.9	-5.8	-5.8	0.7	1.3	2.3	0.3
EUR Coporates	-1.7	-8.9	-8.8	4.9	-0.8	3.1	0.9
Gold	-2.1	7.8	12.3	-3.0	38.7	3.8	-1.2
MSCI World	-5.5	-10.2	6.2	29.0	3.7	4.9	8.6
MSCI Frontier Markets	-6.7	-11.5	2.2	24.6	-9.1	-0.5	5.0
Industrial Metals	-7.1	15.5	38.6	42.9	-9.8	-11.7	16.5
Global Convertibles	-7.5	-13.6	-6.8	31.9	11.9	0.8	3.9
REITs	-11.3	-10.9	12.6	16.6	-13.3	19.0	-6.3

MSCI World: MSCI World Net Return; MSCI Emerging Markets: MSCI EM Net Return; MSCI Frontier Markets: MSCI Frontier Markets Net Return;
REITs: MSCI World REITs Index; EUR Sovereign Debt: IBOXX Eurozone Sovereign 1-10Y TR; EUR Corporates: IBOXX Euro Corporates Overall TR;
Global Convertibles: SPDR Convertible Securities ETF; Gold: Gold US Dollar Spot; Brent Crude: Bloomberg Brent Crude Subindex TR;
Industrial Metals: Bloomberg Industrial Metals Subindex TR; Euro overnight deposit: ICE BofA Euro Overnight Deposit Rate Index; USDEUR: Price of 1 USD in EUR.

Sources: Bloomberg, Berenberg. Time period: 23/05/2017 – 23/05/2022.

Note: The historical performance presented here is not a reliable indicator of future performance.

Overview of capital markets

Outlook by asset class

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Economics

- Russia invasion delays recovery. Uncertainty and higher prices weigh on the economy.
- Price increases continue. Energy and food prices are drivers. Several months of stagflation loom.
- Central banks are forced to reverse course. Monetary policy is tightened, in Europe however, only moderately so far.

Equities

- Recession worries dominate stock markets, even if hard economic data is still surprisingly positive.
- Analysts have slightly reduced profit expectations. However, they still expect positive growth for 2022 and 2023.
- Investor outlook and sentiment have been clouded noticeably. Positive news could provide upward pressure.

Bonds

- Safe government bonds with tailwinds amid rising recession fears. Flattening of the yield curve.
- Risk premiums on corporate bonds continue to rise. Emerging market bonds with widening spreads.
- We are underweight bonds and remain cautiously positioned on credit risk. Short duration.

Alternative investments / commodities

- Oil embargo is imminent. However, supply is already tight. Prices and volatility are likely to remain elevated.
- Gold benefits from all kinds of uncertainties. Rising real yields slow it down, but are less dangerous with a restrictive Fed.
- Industrial metals are temporarily weaker due to lockdowns in China. Long-term supply shortage remains unaffected.

Currencies

- The ECB remains hesitant. The euro will therefore probably remain under pressure until the ECB changes its key interest rate.
- The exchange rate had fallen to below 1.04 US dollars per euro. Last week there was now a recovery to 1.07.
- After initial gains at the beginning of the war, the yen has dropped significantly. The BoJ is stuck in a low interest rate trap.

Overview of Berenberg's asset allocation

Current positioning within asset classes

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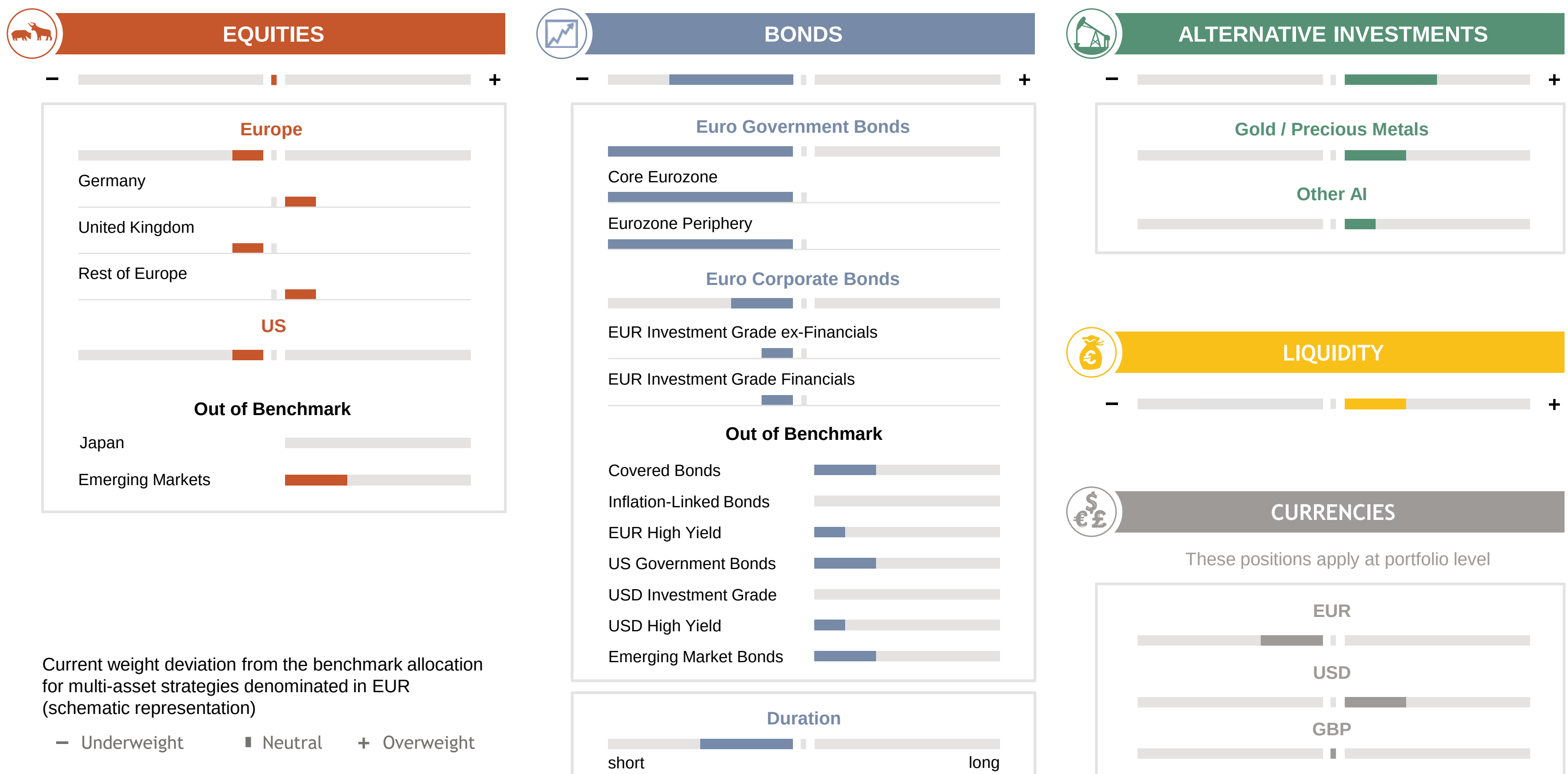
Portfolio positioning of a balanced mandate at a glance



Current weight deviation from the benchmark allocation for multi-asset strategies denominated in EUR (schematic representation)

Source: Berenberg

As of 24/05/2022.

Overview of Berenberg's asset allocation
Review of Core Strategy 3

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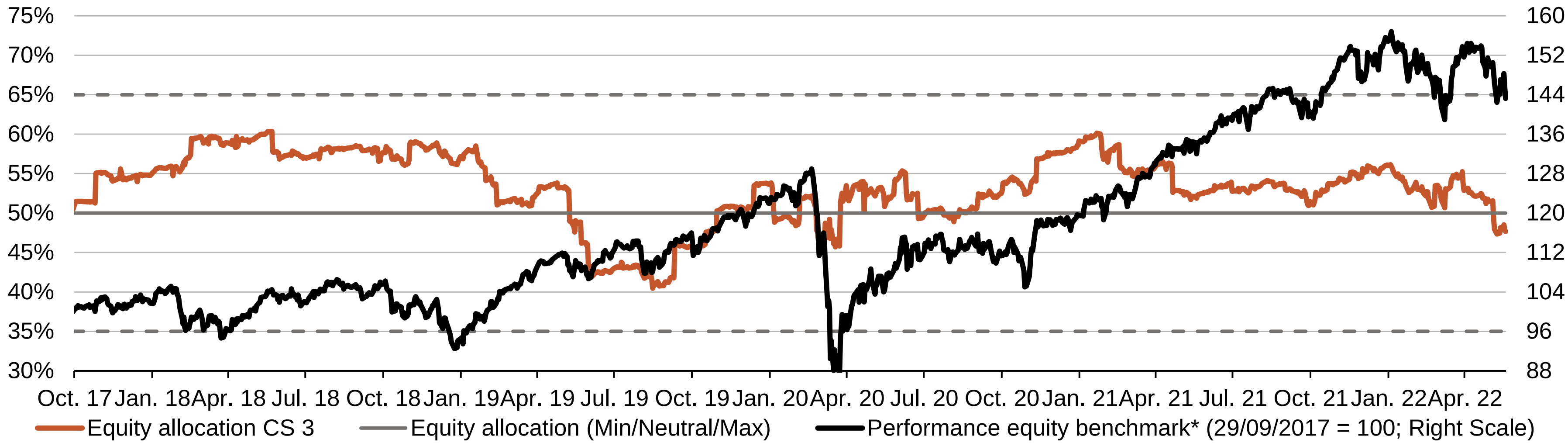
Management of the equity allocation of a balanced multi-asset mandate since inception

Performance equity benchmark	19/05/17 - 19/05/18	19/05/18 - 19/05/19	19/05/19 - 19/05/20	19/05/20 - 19/05/21	19/05/21 - 19/05/22
	3.39%	5.85%	-2.98%	23.65%	8.52%



Sources: SimCorp, Bloomberg, Berenberg. *The "equity benchmark" is 70% STOXX Europe Net Return Index and 30% S&P 500 Net Return Index. Time period: 19/05/2017 – 19/05/2022.
Note: The historical performance presented here is not a reliable indicator of future performance.

- We took advantage of the significant sell-off in the equity markets following Russia's invasion and the associated negative investor sentiment to successively increase our equity allocation to a moderate overweight. Within our multi-asset portfolios, we have invested in commodity-rich equity regions such as the UK and Latin America. These balance our "quality growth" style of European equities well, resulting in lower portfolio volatility. We then used the strong rally in March to take profits, including the reduction of Latin America after the strong YTD performance.
- As the economic outlook continued to deteriorate, partly due to renewed lockdowns in China, we used the short rally after the Fed meeting in May to reduce our equity allocation to neutral. Taking into account our position in the tail hedge certificate, we are now de facto underweight equities. In addition, we have built up a position in US Treasuries after the rise in interest rates in the US, while we have reduced our exposure to Chinese government bonds.

02 Economics

Eurozone
GDP and inflation

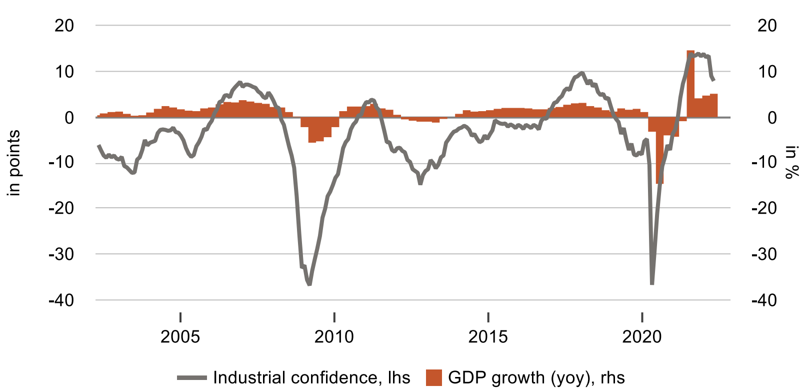
Energy prices permanently higher than before the war

- Inflation in the Eurozone was 7.4 % in April, the same as in March.
- Above all, oil and gas prices recently reached new highs after the start of the war. Spot prices have partly fallen again in the last two months and a further decline is forecast for the coming years. Nevertheless, energy prices are expected to remain permanently higher than before the war began.
- The core rate of inflation (excluding volatile energy, food, alcohol and tobacco prices) rose from 3.0 to 3.5 % in April.

Significant upward pressure on prices

- Putin's war and the resulting rise in energy and food prices are keeping the Eurozone in stagflation.
- While growth has stalled, Eurozone inflation now exceeds our pre-war estimate by over three percentage points.
- It is possible that stagflation will be replaced by renewed growth in Q3. However, the war remains a major risk to the near-term outlook, adding to the risks emanating from China and the US.

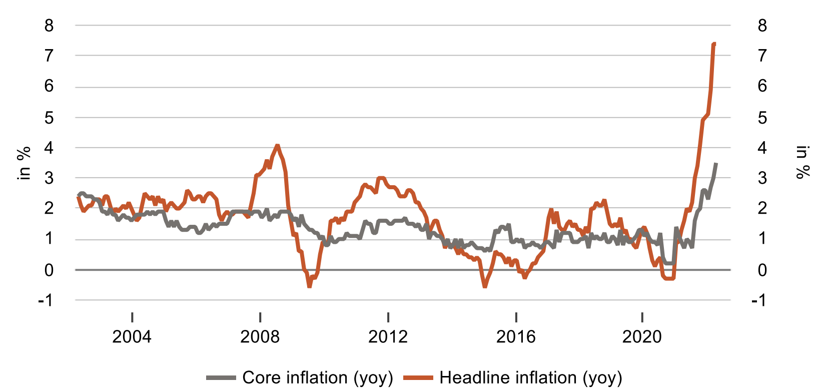
Eurozone GDP growth and industrial confidence



Source: Macrobond

Period: 05/2002 - 05/2022

Eurozone Inflation



Source: Macrobond

Period: 04/2002 - 04/2022

United Kingdom
GDP and inflation

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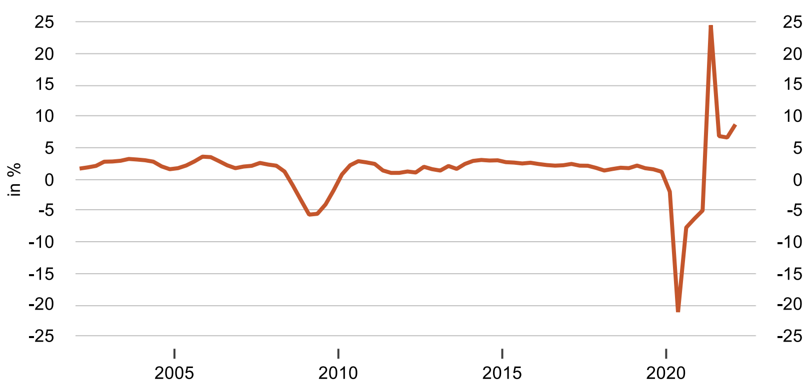
Positive labour market report

- Positive news on the UK economy is scarce at the moment. So the labour market report comes just in time. Key indicators such as employment, unemployment, wages and labour demand are all pointing in the right direction.
- Even though labour market data cannot be relied on too much - they often lag economic trends - the March report is in line with some other surveys such as the purchasing managers' indices, which remain above 50.

Unemployment rate falls below pre-pandemic level

- The unemployment rate fell to 3.7% from 3.8% in February and is now below the pre-pandemic low of 3.8% in November 2019.
- The number of claims for unemployment benefits fell by 56.9k in April.
- Wage growth (including bonuses) surprised on the upside, rising to 7.0% yoy in March from 5.6% in February. Given the tight labour markets, bonus payments have risen sharply since August 2021.

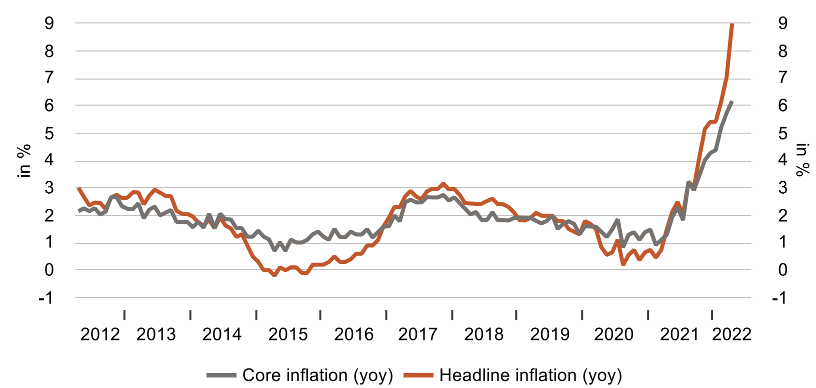
United Kingdom GDP growth (yoy)



Source: Macrobond

Period: 03/2002 - 03/2022

United Kingdom Inflation



Source: Macrobond

Period: 04/2012 - 04/2022

USA
GDP and inflation

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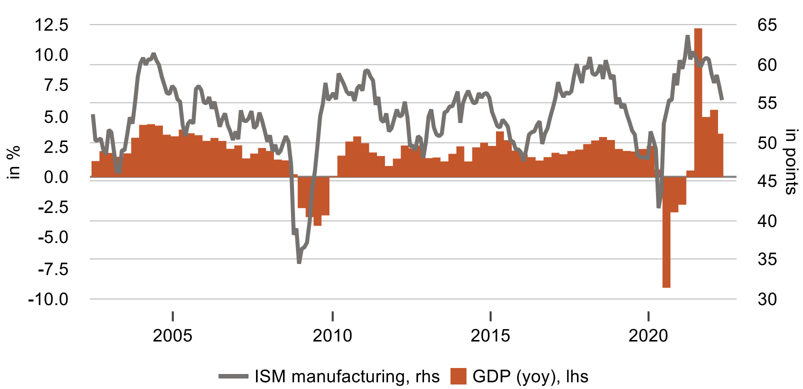
Robust industrial production

- Industrial production rose by 1.1 % in April compared to the previous month, marking the fourth consecutive monthly increase. Growth was broad-based across all sectors.
- Purchasing manager and business survey results point to robust production and stable order books.
- Consumer goods output rose 0.8% from the previous month, supported by an increase in the production of consumer electronics and motor vehicles, bringing consumer goods output to 4% above the January 2020 level.

Weaker data from the housing market

- Existing home sales fell for the third consecutive month in April, reaching an annualised 5.6 million, the lowest level since 2020.
- The decline was particularly evident in the South and West of the country, where sales fell by 120,000 and 70,000 respectively, while they increased in the Northeast and Midwest. The median existing home sales price increased to 390,000 US Dollars.
- Demand continues to be supported by favourable demographic and mobility trends, while supply remains limited.

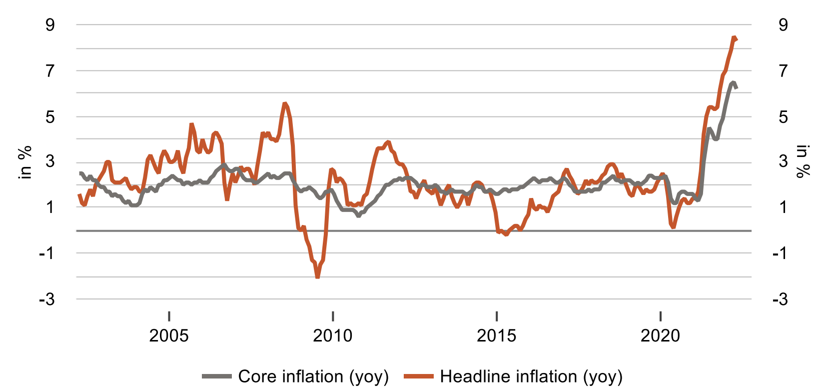
US GDP growth and Purchasing Managers Index



Source: Macrobond

Period: 04/2001 - 04/2022

US Inflation



Source: Macrobond

Period: 04/2002 - 04/2022

Economic forecasts

Important estimates at a glance

	GDP growth (in %)						Inflation (in %)					
	2022		2023		2024		2022		2023		2024	
		Ø**		Ø**		Ø**		Ø**		Ø**		Ø**
USA	2.5	2.7	1.7	2.0	1.8	1.9	7.2	7.1	3.7	3.0	3.0	2.4
Eurozone	2.7	2.7	2.6	2.3	2.3	1.9	7.0	6.7	2.7	2.7	2.3	2.0
Germany	1.9	2.0	2.8	2.5	2.4	2.0	6.9	6.8	2.7	2.8	2.4	1.9
France	3.1	3.0	2.6	1.9	2.4	1.7	5.5	4.8	2.2	2.4	2.1	1.6
Italy	2.5	2.7	1.9	1.9	1.5	1.6	6.8	6.1	2.7	2.3	2.1	1.6
Spain	4.8	4.4	3.8	3.0	2.3	2.4	8.0	7.3	3.3	2.2	2.3	1.7
United Kingdom	3.8	3.8	1.5	1.4	1.7	1.5	7.7	7.7	3.9	4.0	2.3	2.0
Japan	1.7	1.9	1.9	1.8	1.4	1.1	1.6	1.7	0.8	1.1	0.7	0.8
China	4.3	4.8	4.9	5.2	4.5	5.2	1.9	2.2	2.3	2.2	2.3	2.3
World*	3.2	-	2.9	-	2.7	-	-	6.5	-	3.8	-	3.2

Source: Bloomberg. Berenberg as of 23/05/2022.
* At actual exchange rates. not purchasing power parity; PPP would give more weight to the fast-growing emerging-market countries.
** Average of estimates of other experts (Bloomberg); consensus.

03 Equities

Market developments
Equities in the wake of recession fears

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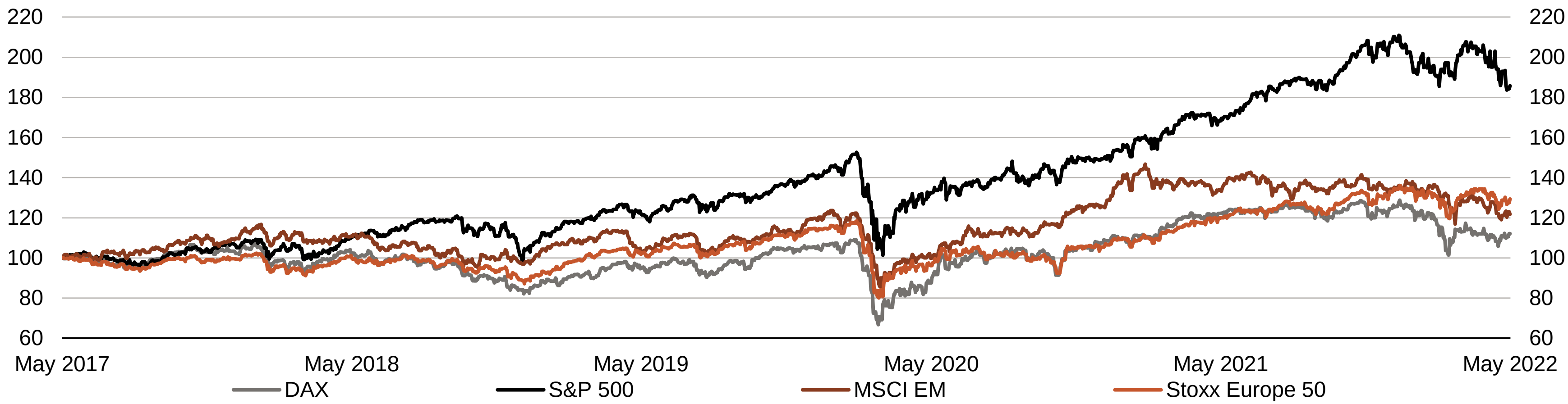
Recession fears continue to send stock markets tumbling

- Equity markets continued to fall in May, especially in the US. Weak economic data in China, early signs of a cooling US labour market and disappointing quarterly results from US retail companies that complained of lower demand for non-basic consumer goods and lower profit margins make a sharper slowdown more likely. What happens next depends mainly on China and Russia. A reopening of China's economy or an end to Putin's war would likely lead to fewer cyclical and, via easing supply constraints or energy/food prices, inflation concerns.
- However, if the recession scenario solidifies, stock markets are likely to slide downwards again. Technically, however, there is much to be said for at least a temporary recovery, as many indices appear oversold and investor sentiment and positioning have already reached low levels.

Performance of selected equity indices



Source: Bloomberg; performance in EUR scaled to 100.

Time period: 23/05/2017 – 23/05/2022.

Corporate earnings
Outlook is less rosy

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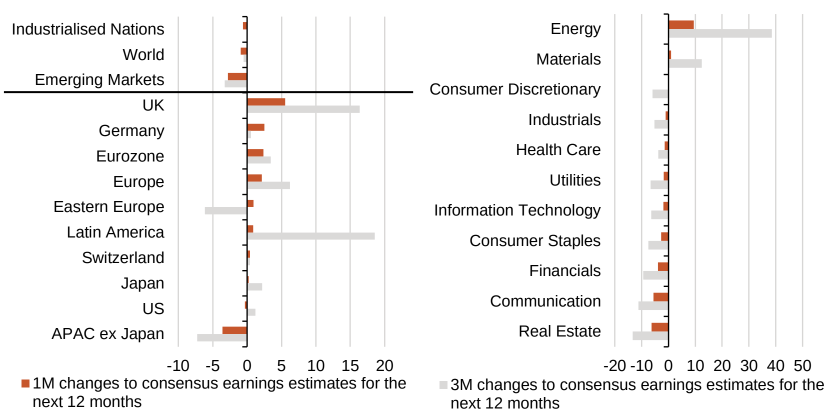
Negative profit revisions on the rise

- Consensus earnings estimates have also fallen over the past four weeks amid rising recession fears. As a result, both the 1M earnings revisions and the 3M earnings revisions for emerging and developed markets are now in negative territory. For the UK and Germany, earnings revisions are still noticeably positive.
- At a sector level, only energy, materials and consumer discretionary sectors recorded positive 1M earnings revisions.

Estimated earnings growth, however, still positive

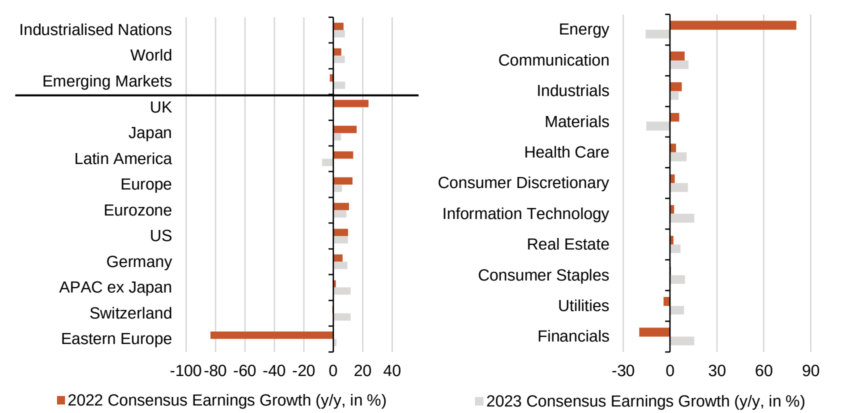
- Despite recent negative earnings revisions, analysts see positive earnings growth at a global level for 2022 and 2023. However, this also shows that there is still significant potential for negative revisions against the backdrop of a possible recession.
- The energy sector is expected to see the largest profit growth of all sectors in 2022. At a country level, the UK and Japan are expected to see the largest profit growth.

Negative profit revisions at global level



Source: FactSet; MSCI regions and European sectors. As of 23/05/2022.

Earnings growth still positive for 2022 and 2023



Source: FactSe; MSCI regions and European sectors. As of 23/05/2022.

Valuation & Volatility
Valuation levels are no longer extreme

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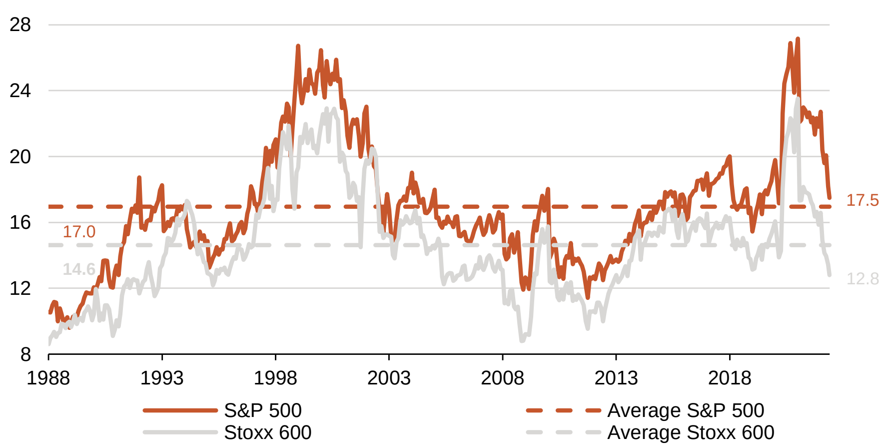
S&P 500 now no longer expensively valued

- After the recent correction, the S&P 500 is now historically fair but not cheaply valued. If corporate earnings do not develop as well as analysts expect, share prices are likely to come under further pressure, as only falling prices can keep the current valuation level stable.
- The Stoxx 600 continues to be favourably valued. However, the historical valuation lows are still notably away.

Sentiment low continues

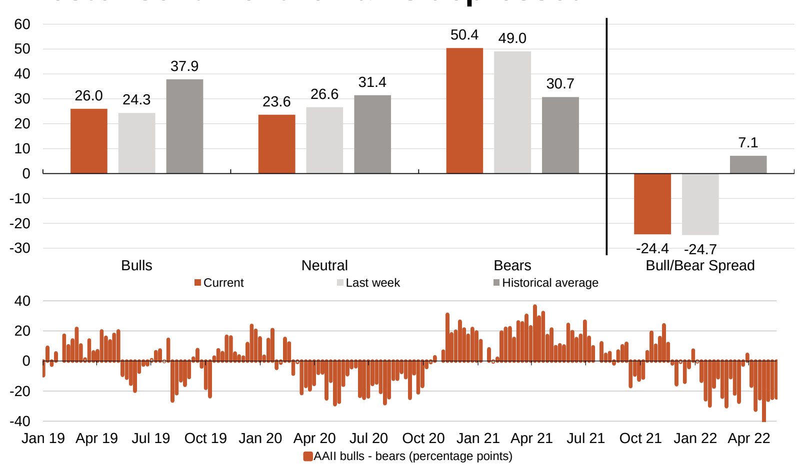
- Sentiment amongst US retail investors remains negative. Since the beginning of the year, the average bull-bear spread is around -20 ppts. Sentiment has not been this bad from January to May since the survey began in 1987.
- A brightening of mood through possibly economic or geopolitical positive news should therefore ensure a recovery in markets, at least temporarily.

Valuation adjustment has continued



Source: Factset, own calculations. Time period: 01/01/1988 – 23/05/2022.

Investor sentiment remains depressed



Source: Bloomberg, own calculations. Time period: 23/07/1987– 19/05/2022.

Equity allocation
Emerging markets attractive addition

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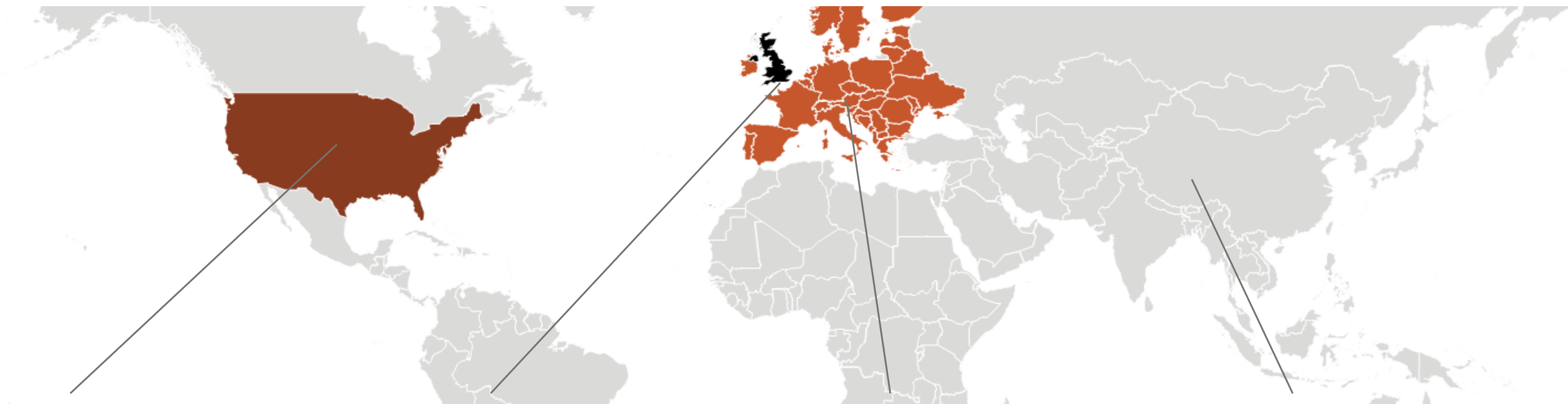

US
Underweight
- The restrictive monetary policy by the Fed and with it rising bond yields are likely to weigh on highly valued US equities.
- Within equity regions, we are underweight US equities.

United Kingdom
Underweight
- UK equities are cheap compared to many other regions. At an index level, UK equities have a rather defensive, as well as commodity-intensive profile, which should pay off in an environment of rising interest rates and geopolitical risks.
- We reduced the underweight in Q1 by buying a FTSE 100 ETF.

Europe ex. UK
Neutral
- The weaker euro, agreed fiscal packages and comparatively favourable valuations should support European equities.
- However, the Russia-Ukraine war and the associated rise in inflation, as well as China concerns are likely to weigh on European companies in particular. We have a neutral weighting on Europe ex UK.

Emerging markets
Overweight
- Emerging market equities outside of Eastern Europe should be one of the main beneficiaries of a global economic recovery and should also be less affected by the fallout from the Russia-Ukraine war.
- The chance of a market recovery in China has increased due to increasing stimulus programs to combat the economic damage caused by their still restrictive Covid policy.

Equity market forecasts

Estimates for selected indices

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	Current			Ø*
Index forecasts	**23/05/2022**	**31/12/2022**	**30/06/2023**	**in 12 months**
S&P 500	3,974	4,650	4,850	5,050
Dax	14,175	15,500	16,500	19,101
Euro Stoxx 50	3,708	4,150	4,400	4,853
MSCI UK	2,165	2,200	2,350	2,515

Index potential (in %)				
S&P 500	-	17.0	22.1	27.1
Dax	-	9.3	16.4	34.7
Euro Stoxx 50	-	11.9	18.6	30.9
MSCI UK	-	1.6	8.6	16.2

Source: Bloomberg. Berenberg. as of 23/05/2022.
*Average based on bottom-up estimates.

04 Bonds

6m 1y 2y 3y 4y 5y 6y 7y 8y 9y 10y 15y 20y
0.04
0.02
0
Coupon
Maturity Date
Current Price Yield
U.S. Treasuries
3-Month
6-Month
12-Month
2-Year
3-Year
5-Year
7-Year
10-Year
0.000
0.000
0.000
1.000
1.375
2.375
3.125
3.375
4.375
11/18/2010
10/31/2011
11/15/2012
10/31/2014
10/31/2016
11/15/2019
11/15/2039
0 / .01
0.13 / .13
0.26 / .26
11-16+ / .72
11/20
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Government bonds
Recession worries put pressure on yields

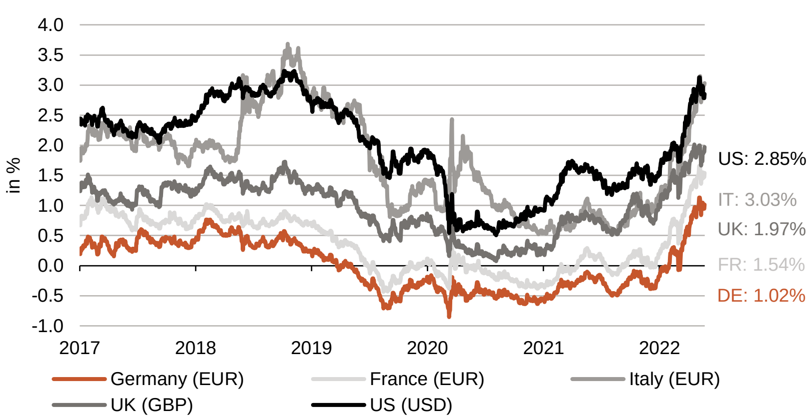
Government bonds are in demand as safe havens

- Safe-haven government bond yields have fallen slightly since the beginning of May, benefitting from increased demand for hedging. The main contributors were the increasing recession concerns due to first signs of a slowdown in the US labour market, weakening quarterly results of US retail companies and the mixed economic data from China.
- In the wake of this, 10-year German government bond yields recently traded at 1.02%. At 2.78%, yields on 10-year US government bonds meanwhile reached the level of mid-April.

Steepness of the yield curve in downward trend

- After the US yield curve (10Y-2Y) initially experienced tailwinds due to positive economic surprises after the inversion at the end of March, the steepness of the curve has recently decreased due to increasing recession fears in the risk-off environment. As a result, the US curve had recently stabilised at a value of around 23 bps.
- While markets are still pricing in just over 7 interest rate hikes of 25 bps each for the Fed until year end, the ECB is now pricing in over 10 interest rate hikes of 10 bps each – almost a doubling of the estimated rate hikes over the last month.

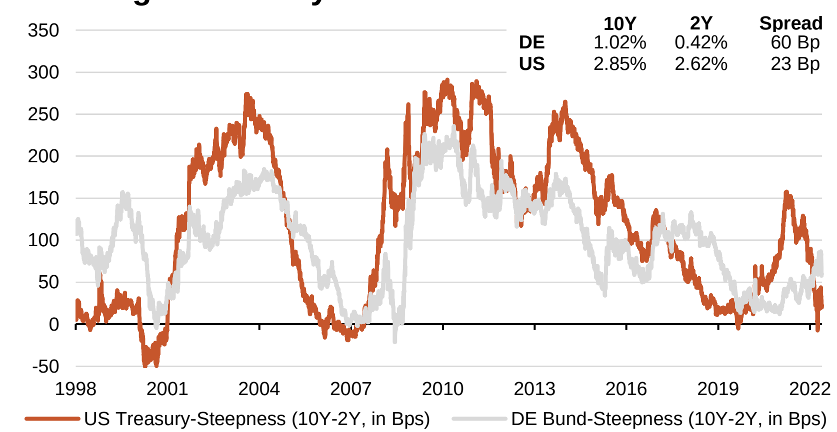
Safe government bond yields under pressure



Source: Bloomberg

Time period: 01/01/2017 – 23/05/2022

Flattening of the US yield curve



	10Y	2Y	Spread
DE	1.02%	0.42%	60 Bp
US	2.85%	2.62%	23 Bp

Source: Bloomberg

Time period: 01/01/1998 – 23/05/2022.

Corporate & EM bonds
Risk premiums continue their upward trend

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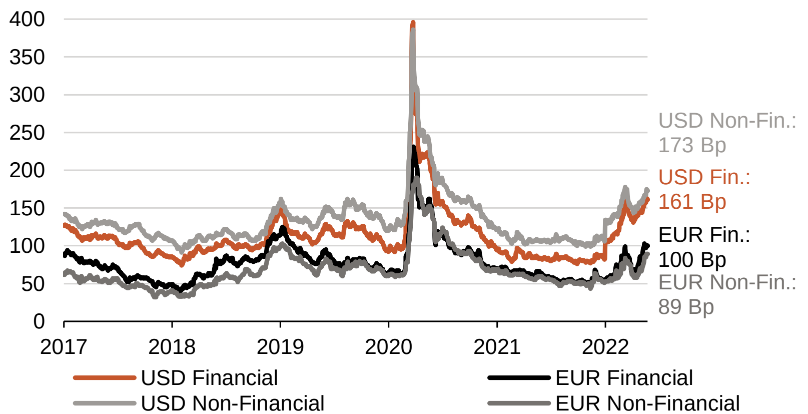
Spread widening due to risk-off environment

- Corporate bonds were recently heavily burdened by the risk-off environment and thus realised significant spread widenings. For USD investment grade bonds, for example, spreads on both financial and corporate bonds have widened by 16 bps over the last four weeks. For EUR investment grade bonds, financial bonds saw spreads widen by 20 bps, while corporate bonds widened by as much as 23 bps. Spreads on EUR investment-grade corporate bonds reached an annual high.

Emerging markets: light spread narrowing

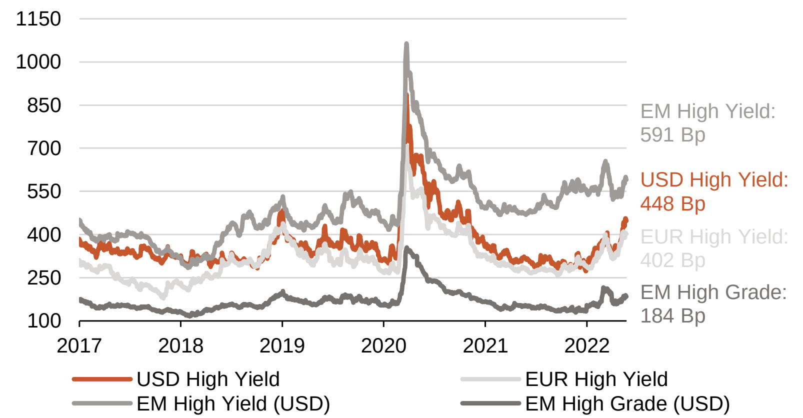
- The high-yield bond market is also coming under increasing pressure and experienced a notable spread widening. The risk premiums of USD high-yield bonds have increased by almost 100 bps over the last four weeks, while the risk premiums of EUR high-yield bonds have widened by 74 bps.
- Risk premiums on EM high-yield bonds also widened. EM high-grade and EM high-yield bonds each saw a widening of 56 and 21 bps, respectively.

Risk premiums rise again



Source: Factset Time period: 01/01/2017 – 23/05/2022

Spreads for EM high yield have risen slightly recently



Source: Factset Time period: 01/01/2017 – 23/05/2022

Capital market strategy
Bonds

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Core segments

Government bonds
Underweight

- In the case of high credit ratings, safe government bonds remain fundamentally in demand in risk-off phases.
- We expect yields to continue to rise, although the market has already priced in a lot. Duration should be kept short - interest rate risks are not sufficiently remunerated.

Corporate bonds
Overweight

- Corporate bonds have already started to gain in relative attractiveness compared to government bonds due to the widening of spreads.
- Within the corporate bond segment, we prefer securities with short maturities.

Other segments

Emerging market bonds
Overweight

- Attractive yield levels and a shortage of supply speak in favour of emerging market securities. In general, however, high inflation and rising interest rates, especially in the US, pose increased risks for emerging market investments, especially in hard currency bonds.
- We see the Asian region as having an advantage over others; the local currency component in particular seems opportune to us here, as well as in Latin America.

High yield bonds
Neutral

- For the time being, we are holding on to the addition of high-yield bonds, but are becoming more cautious, as the historically not very high-risk premiums with rising economic risks are making the risk-return ratio less attractive.
- In European high-yield bonds, we are positioning ourselves away from the usual papers.

Forecasts
Estimates for selected bond markets

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Base interest rates and government bond yields (in %)	23/05/2022	31/12/2022		30/06/2023	
	Current		Ø*		Ø*
US					
Base interest rate	0.75-1.00	2.25-2.50	2.65	3.00-3.25	3.10
10Y US yield	2.85	3.20	3.09	3.50	3.24
Eurozone					
Base interest rate	0.00	0.75	0.45	1.25	0.85
10Y Bund yield	1.01	1.40	1.04	1.60	1.17
United Kingdom					
Base interest rate	1.00	1.50	1.55	1.75	1.75
10Y Gilt yield	1.97	2.40	1.87	2.60	1.91

Source: Bloomberg. Berenberg as of 23/05/2022.
*Average of estimates by other experts (Bloomberg) consensus.

05 Commodities

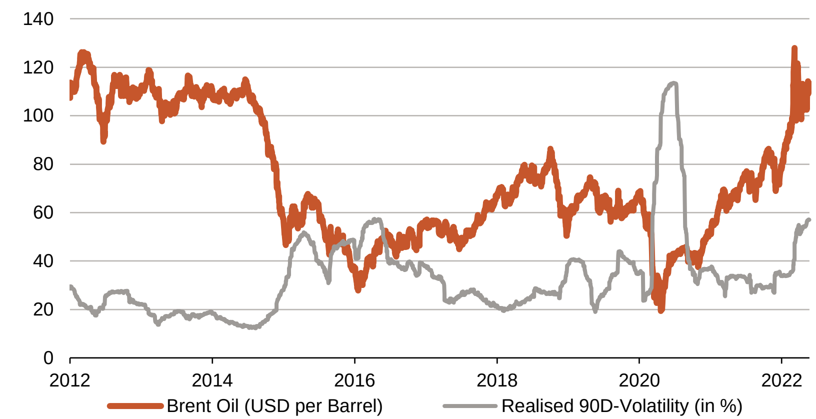
Crude oil

Supply remains tight and prices high

Supply expansions are difficult due to a lack of investment, demand is still robust

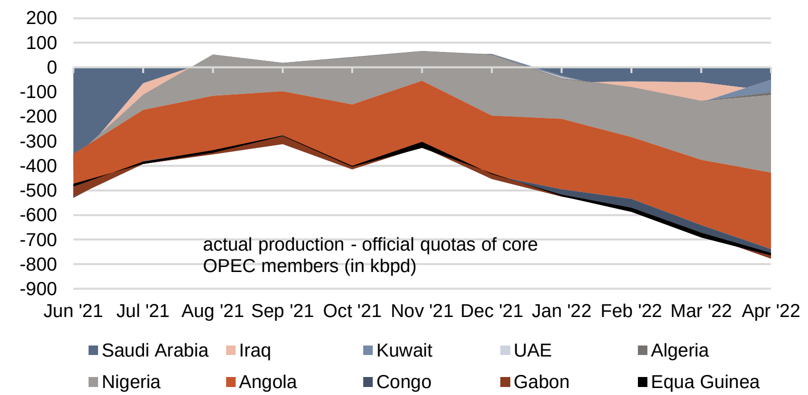
- Crude oil experienced another month of high volatility. Brent fluctuated between USD 102 and 116 per barrel in May. At times, supply concerns due to a possible EU oil embargo dominated, at other times, concerns about a global recession and further lockdowns in China dominated.
- At the beginning of May, OPEC+ met for its monthly committee and promised to further increase production. In fact, however, the oil market is unlikely to see much relief from the cartel. In the past few months, most members were already far behind their production quotas. Above all, a lack of investment in recent months and years has limited the producers' capacity to increase production. The same phenomenon can be observed in the US shale oil industry. Should the EU impose an embargo, the only remaining option is to redistribute Russian oil to Asia on a large scale.
- Regardless of an embargo, however, supply is already tight, even though China's demand is likely to have slumped. A recession would not leave the oil market unscathed, but in addition to the shortage, the low (strategic) stocks and moderate investor positioning argue for a robust starting point. If demand from China returns in full and a recession does not materialise, oil should have upside potential.

Crude oil at a multi-year high amid increased volatility



Source: Bloomberg. Time period: 01/01/2012 – 23/05/2022.

OPEC production continues to fall short of targets



Source: Bloomberg, own calculations. Time period: 01/06/2021 – 30/04/2022.

Precious and industrial metals

Industrial metals with only a short-term dampener

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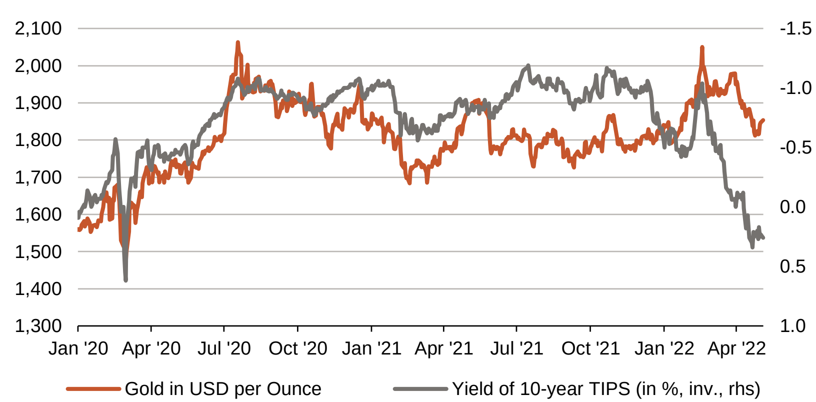
Restrictive central banks dominate

- Gold suffered from the strength of the US Dollar until mid-May and fell to a low of USD 1,800 per ounce. Recently, it was able to regain some ground with a slightly weaker Dollar.
- The growing fears of recession, however, have offered little support to the gold price so far. Although investors are increasingly worried about the economy, they still expect - untypically from a historical perspective - further restrictive measures by central banks. The latter should ensure that real interest rates continue to rise and thus limit the upside potential for gold, despite other risks (Putin's war, inflation, lockdowns in China).

Metals shortage likely to dominate in the long term

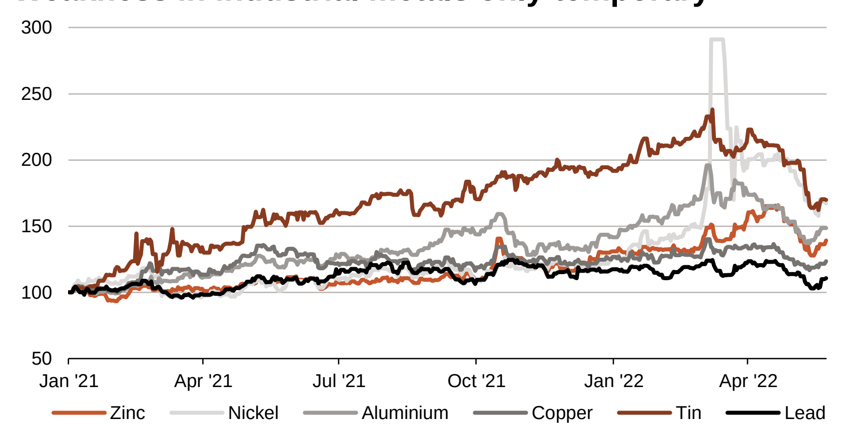
- Unlike crude oil, industrial metals clearly dominated last month by recession worries in the West and, above all, lockdowns in China. In total, the LME index fell by almost 6%.
- Even if headwinds dominate in the short term, industrial metals should gain even more in the medium to long term. On the one hand, an end to the lockdowns in China, coupled with generous stimulus measures, should see demand return strongly. Secondly, Putin's war has accelerated the trend towards green technologies that rely heavily on industrial metals. The supply side, however, remains insufficiently prepared for such a surge in demand due to low capex in recent years.

Rising real yields limit upside potential



Source: Bloomberg, own calculations. Time period: 01/01/2020 – 23/05/2022.

Weakness in industrial metals only temporary



Source: Bloomberg, own calculations. Time period: 01/01/2021 – 23/05/2022.

06 Currencies

Market Development
Interest rates and currencies

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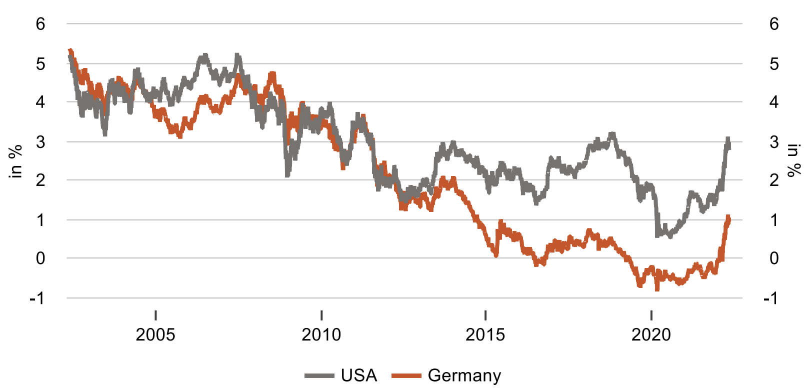
The euro recovers slightly

- The euro has recovered somewhat from its lows of the previous week at under 1.04 US Dollars per Euro and is trading at 1.07 at the beginning of the week. Overall, however, the common currency is still having a hard time on the foreign exchange market.
- The Dollar is benefitting from its status as a safe haven and from rising interest rates. The Euro is suffering from its proximity to the war zone (and the resulting economic slowdown) and from the ECB's reluctance to take decisive action against skyrocketing inflation rates.

The ECB seems to be moving after all

- The pressure on the ECB, to act as soon as possible, is increasing from all sides. We expect the ECB to take its first interest rate hike in July and two further interest rate hikes of 25 bps each this year (September and December).
- For 2023 we also expect three rate hikes and for 2024 two further rate hikes in the first half of the year (always by 25 bps each). In mid-2024, the key interest rate would then be 2.0 %.

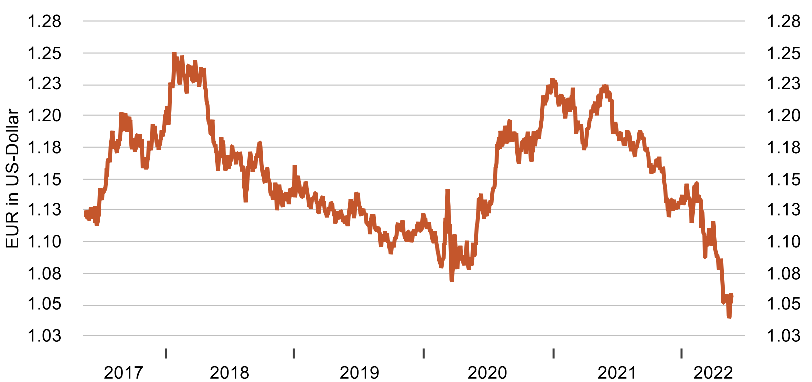
Yields: 10-year government bonds



Source: Macrobond

Period: 05/2002 - 05/2022

Exchange rate: Euro/US-Dollar



Source: Macrobond

Period: 05/2017 - 05/2022

Forecasts
Estimates of key currencies

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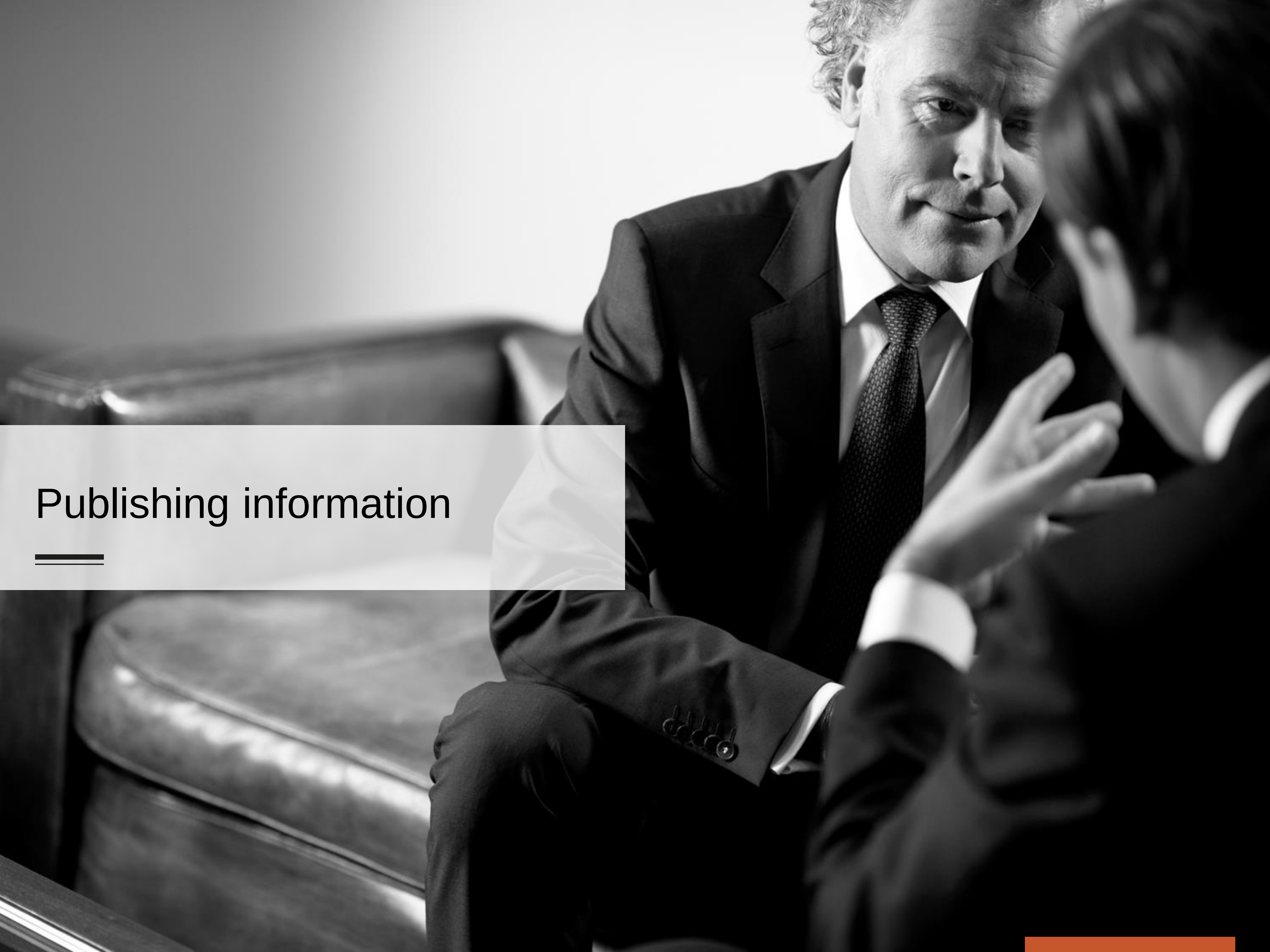
	23/05/2022	31/12/2022		30/06/2023	
Exchange rate forecasts	**Current**		**Ø***		**Ø***
EUR/USD	1.07	1.15	1.06	1.18	1.10
EUR/GBP	0.85	0.85	0.84	0.85	0.85
EUR/CHF	1.03	1.07	1.03	1.08	1.05
EUR/JPY	137	138	136	138	138

Change against the Euro (in %)					
USD	-	-7.0	0.9	-9.4	-2.8
GBP	-	-0.1	1.1	-0.1	-0.1
CHF	-	-3.5	0.2	-4.4	-1.7
JPY	-	-0.9	0.5	-0.9	-0.9

*Source: Bloomberg. Berenberg as of 23/05/2022.
*Average of estimates of other experts (Bloomberg); consensus.



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