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HORIZON *handout*

The Berenberg Capital Markets Outlook • Wealth and Asset Management

March | 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 February 2022.

Table of contents

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

01

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 (27/01/22 - 24/02/22)	YTD (31/12/21 - 24/02/22)	24/02/21 24/02/22	24/02/20 24/02/21	24/02/19 24/02/20	24/02/18 24/02/19	24/02/17 24/02/18
Brent	9.4	27.2	74.9	-9.0	-1.8	13.1	2.5
Gold	5.5	5.7	14.6	-2.9	30.4	8.5	-9.2
Industrial Metals	4.9	12.2	36.5	30.2	-8.4	-2.4	1.7
Global Convertibles	0.9	-8.0	-8.7	36.6	17.1	8.4	-6.5
Eonia	0.0	0.0	-0.4	-0.5	-0.4	-0.4	-0.4
USDEUR	-0.4	1.6	8.7	-10.8	4.4	8.5	-14.1
REITs	-1.5	-11.3	21.4	-18.3	20.6	19.7	-16.7
EUR Sovereign Debt	-1.5	-2.0	-2.7	0.0	3.8	1.4	0.4
MSCI World	-1.8	-8.2	14.3	9.4	18.8	7.8	1.8
MSCI Emerging Markets	-3.3	-4.3	-6.9	19.3	6.7	-3.3	13.2
EUR Coporates	-3.3	-4.2	-4.6	0.7	5.8	0.9	1.4
MSCI Frontier Markets	-4.0	-6.1	17.4	-3.4	9.9	-6.3	10.2

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; Eonia: Eonia Capitalizaiton Index; USDEUR: Price of 1 USD in EUR.

Sources: Bloomberg, Berenberg.
Note: The historical performance presented here is not a reliable indicator of future performance.

Time period: 24/02/2017 – 24/02/2022.

Overview of capital markets
Outlook by asset class

Economics
- Pandemic severity is easing thanks to Omicron variant. Russia-Ukraine crisis delays recovery.
- Inflation remains at a high level. As the year progresses, inflation will fall less than hoped.
- Central banks are forced to turn around. Will the ECB follow the Fed and the BoE? First interest rate step probably in 2022.

Equities
- First the interest rate concerns and now Russia are weighing on stock markets. EM equities are holding up comparatively well.
- Silver linings are the very pessimistic sentiment, already priced risks and the still good economic outlook.
- We remain positioned for a recovery with a slight equity overweight, even though the market is likely to remain volatile.

Bonds
- Government bonds are in demand again as a safe haven. Increasing flattening of US yield curves.
- High-yield bonds now offer higher narrowing potential. Emerging market bonds with attractive yields.
- We are underweight bonds and remain cautiously positioned on credit risk. Duration: short.

Alternative investments / commodities
- Russia-Ukraine escalation dominates energy markets. Brent is at over USD 100 per barrel. Gas prices spike.
- Gold is in demand and recently decoupled from real interest rates. Upside potential is limited in the medium term.
- Industrial metals markets are in the crossfire of Russia. Strong long-term increase in demand are still in sight.

Currencies
- Safe haven currencies (US dollar, Swiss franc) in demand again due to Russia-Ukraine crisis.
- The euro gives back its gains resulting from ECB President Lagarde's press conference.
- For the euro, the way up is rocky. The ECB would have to tighten to boost the euro exchange rate.

Overview of Berenberg's asset allocation

Current positioning within asset classes

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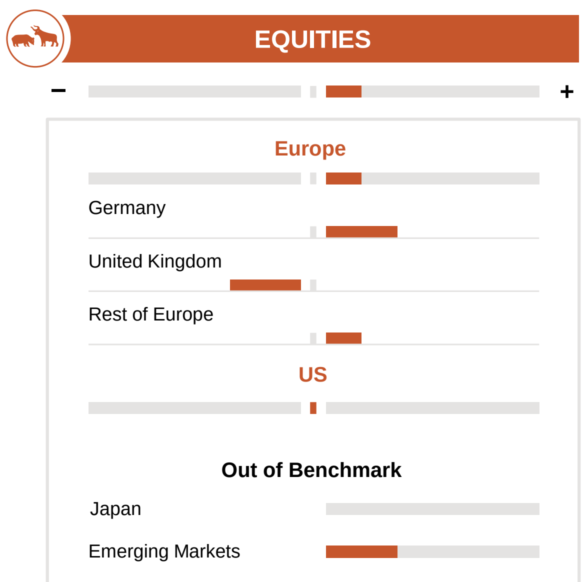
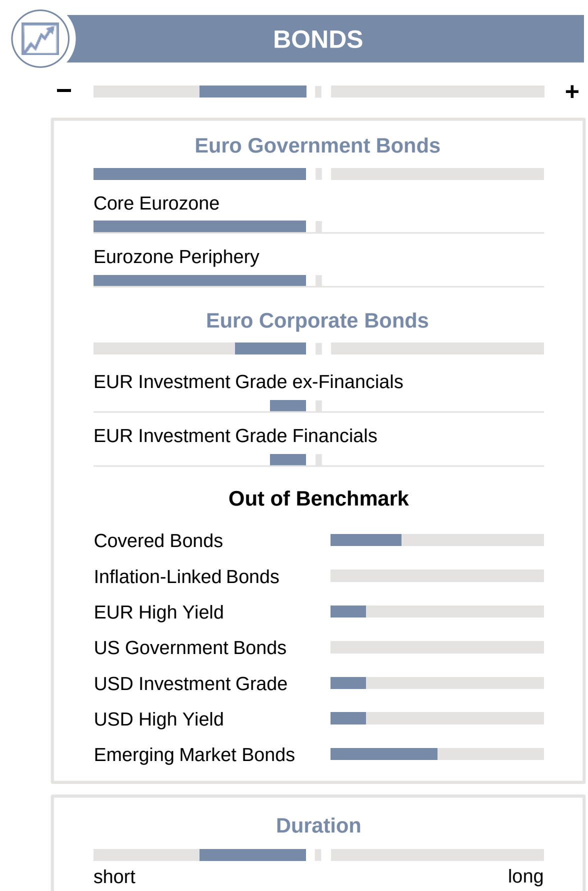
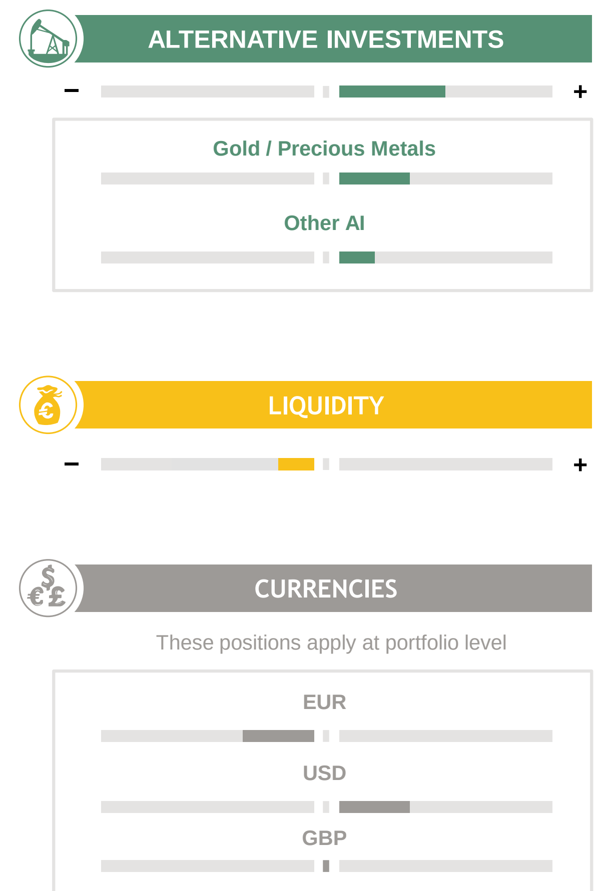
Portfolio positioning of a balanced mandate at a glance







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

− Underweight ▮ Neutral + Overweight

Source: Berenberg.

As of 24/02/2022.

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

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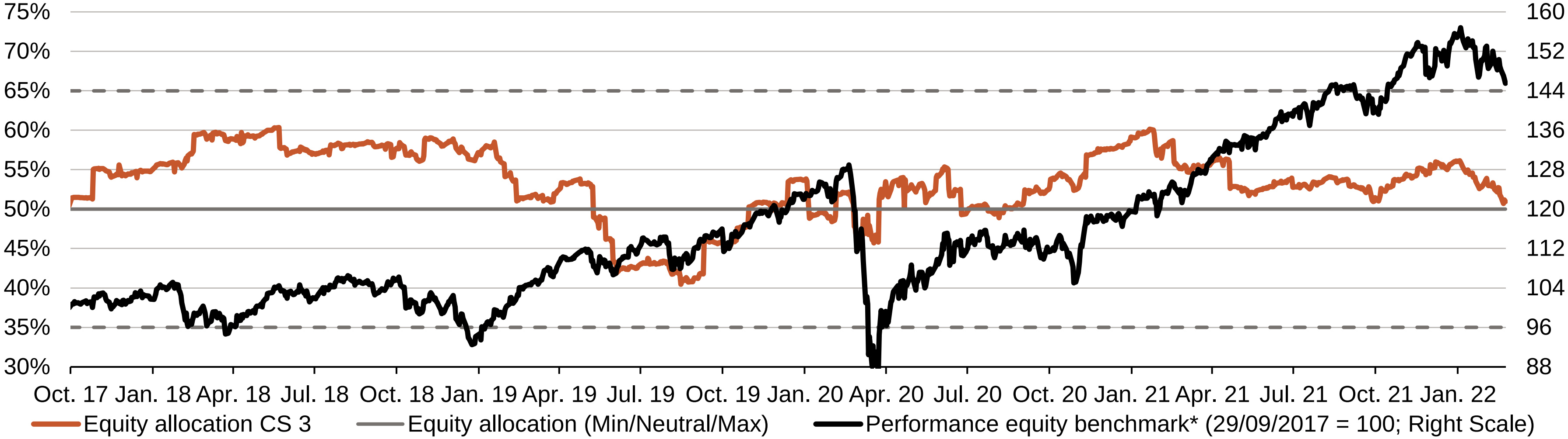
Management of the equity allocation of a balanced multi-asset mandate since inception

Performance equity benchmark	23/02/17 - 23/02/18	23/02/18 - 23/02/19	23/02/19 - 23/02/20	23/02/20 - 23/02/21	23/02/21 - 23/02/22
	1.90%	4.98%	21.52%	-3.01%	18.15%



Sources: SimCorp, Bloomberg, Berenberg. *The "equity benchmark" is 70% STOXX Europe Net Return Index and 30% S&P 500 Net Return Index. Time period: 23/02/2017 – 23/02/2022.
Note: The historical performance presented here is not a reliable indicator of future performance.

- We started the new year with a medium overweight in equities. The strong equity market rotation (out of growth stocks and into value stocks) due to the quick and clear shift in the Fed's communication towards more restrictive monetary policy has clearly weighed on our high-growth quality companies. As a result, our equity weighting has fallen to a slight overweight in equities - also because other parts of the portfolio such as commodities were able to make gains.
- We have used the last few weeks to make our multi-asset portfolios even more robust in light of the geopolitical and monetary policy uncertainties. For example, we invested in a tail hedge certificate in order to be at least partially hedged in the event of significant equity market dislocations. In addition, we have reduced tech exposure in order to expand investments in commodity-rich equity indices (UK and Latin America).

02 Economics

Eurozone
GDP and inflation

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Inflation is surprisingly higher than expected

- Expectations were high that inflation rates would automatically fall back from the beginning of the year (from 5.0 % in December to 4.4 % in January according to consensus estimates). In fact, the inflation rate continued to rise moderately to 5.1%. However, the core inflation rate, which is adjusted for volatile components such as energy prices, declined slightly (2.3 % vs. 2.6 % in December).
- The persistent upward pressure on prices is increasing the pressure on the ECB to tighten monetary policy more quickly. The ECB could raise key interest rates for the first time as early as the fourth quarter of 2022.

Germany: Rays of hope in economic indicators

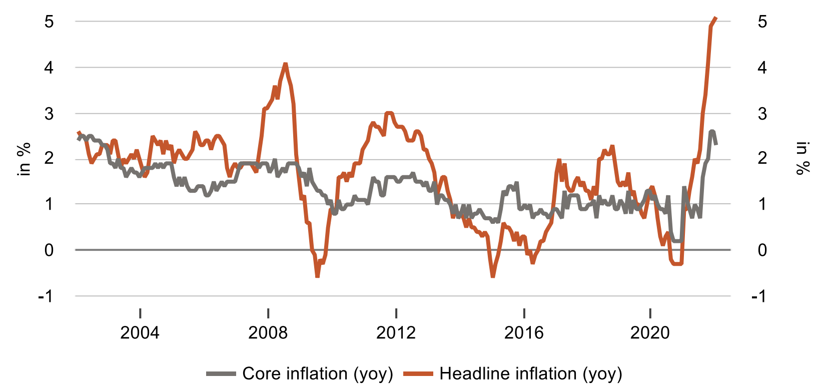
- ZEW-Index: Both the current situation assessment (from -10.2 to -8.1 points) and the expectations (from 51.7 to 54.3 points) improved slightly in February.
- The Ifo index increased noticeably in February, from 96.0 to 98.9 points. Both the assessment of the situation and expectations improved.
- The Russia-Ukraine conflict poses a short to medium-term risk to the German economy. In purely economic terms, however, the risk remains moderate. Only 1.9% of German goods exports go to Russia.

Eurozone GDP growth and industrial confidence

Source: Macrobond

Period: 02/2002 - 02/2022

Eurozone Inflation



Source: Macrobond

Period: 01/2002 - 01/2022

UK
GDP and inflation

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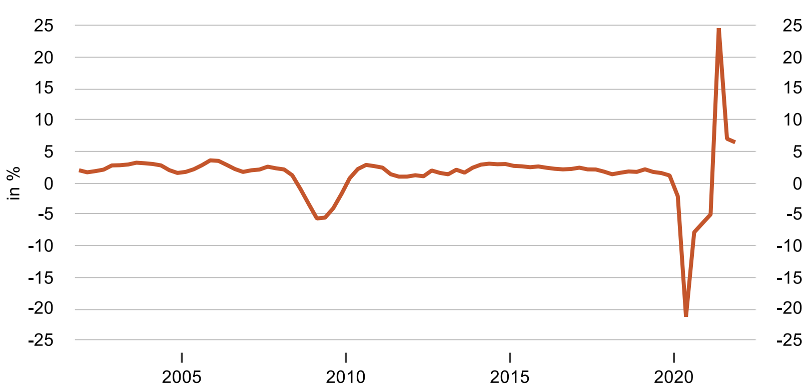
UK retail sales increase in January

- UK retail sales rose 1.7% in January, above consensus.
- Since the beginning of the pandemic, consumer spending has moved inversely to the waves of infections: When infections go up, spending goes down. The good news is that the negative impact on consumption has decreased with each of the waves. Meanwhile, retail sales are far less affected than in previous waves of infection.
- The pandemic is losing its severity of impact on the economy.

Bank of England tightens the reins

- As expected, the Bank of England (BoE) has raised the key interest rate by 25 basis points to 0.5%.
- In addition to the rate hike, monetary policy will also be tightened via bond purchases. Flows on maturing bonds will no longer be reinvested ("passive" tightening). An "active" tightening of quantitative monetary policy could begin as soon as the key interest rate reaches the 1.0% mark.
- We now expect two further interest rate hikes in May and August, so that the key interest rate would stand at 1.0% at the end of 2022, as well as two interest rate steps of 25 basis points each for 2023 and 2024.

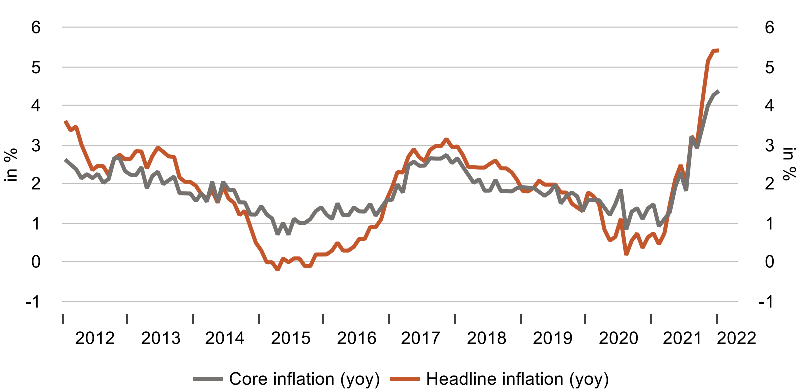
UK GDP growth (yoy)



Source: Macrobond

Period: 12/2001 - 12/2021

UK Inflation



Source: Macrobond

Period: 01/2012 - 01/2022

USA
GDP and inflation

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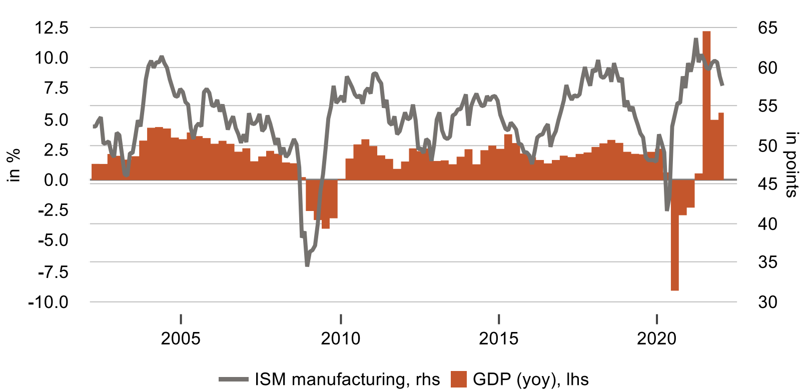
Industrial production continues to grow

- US industrial production rose by 1.4% in January, driven by a steep increase in utilities output.
- Production rose across the board in most industries, although automotive production continues to lag due to shortages of components and semiconductors.
- Nevertheless, industrial production is expected to strengthen further as companies strive to meet strong demand and replenish inventories.
- For 2022 we expect GDP growth of 3.9% followed by 3.3% in 2023.

Retail sales rise in January

- US retail sales rose by 3.8% in January (December: -2.5%). This suggests that the US economy has largely weathered the effects of the omicron wave and the real economy was only marginally affected.
- Retail sales growth in January was particularly supported by rising sales at vehicle and parts dealers.
- The positive economic data are another argument for the Fed to tighten monetary policy. In view of the Russia-Ukraine crisis, a larger step of 50 basis points is now unlikely again.

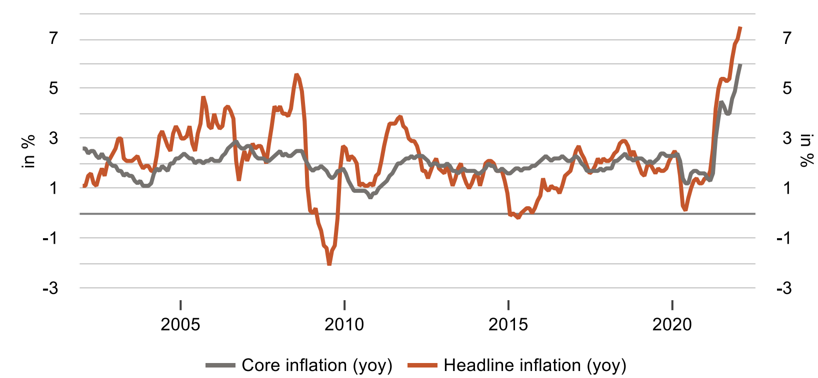
US GDP growth and Purchasing Managers Index



Source: Macrobond

Period: 01/2001 - 01/2022

USA Inflation



Source: Macrobond

Period: 01/2002 - 01/2022

Economic forecasts
Important estimates at a glance

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	GDP growth (in %)						Inflation (in %)					
	2021		2022		2023		2021		2022		2023	
		Ø**		Ø**		Ø**		Ø**		Ø**		Ø**
USA	5.7	5.7	3.9	3.7	3.3	2.5	4.7	4.7	6	5.1	3.7	2.5
Eurozone	5.2	5.2	4.3	4.0	3.0	2.5	2.6	2.6	3.5	3.8	1.9	1.7
Germany	2.8	2.7	3.8	3.7	3.2	2.6	3.2	3.2	3.6	3.7	2.0	1.8
France	7.0	6.9	4.3	4.0	2.8	2.3	2.1	2.1	2.6	2.7	1.9	1.6
Italy	6.5	6.3	4.4	4.2	2.3	2.2	1.9	1.9	4.0	4.0	1.9	1.4
Spain	5.0	4.8	6.3	5.5	3.9	3.5	3.0	3.0	4.4	4.0	2.1	1.5
United Kingdom	7.5	7.2	4.8	4.3	2.5	2.1	2.6	2.6	5.8	5.3	2.6	2.4
Japan	1.7	1.7	2.9	2.8	2.4	1.7	-0.2	-0.2	0.9	0.9	0.7	0.7
China	8.1	8.1	5.0	5.2	4.7	5.2	0.9	0.9	1.9	2.1	2.3	2.2
World*	5.7	-	4.2	-	3.5	-	-	4.0	-	4.5	-	3.0

Source: Bloomberg. Berenberg as of 24/02/2022.
* 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
No respite for stocks

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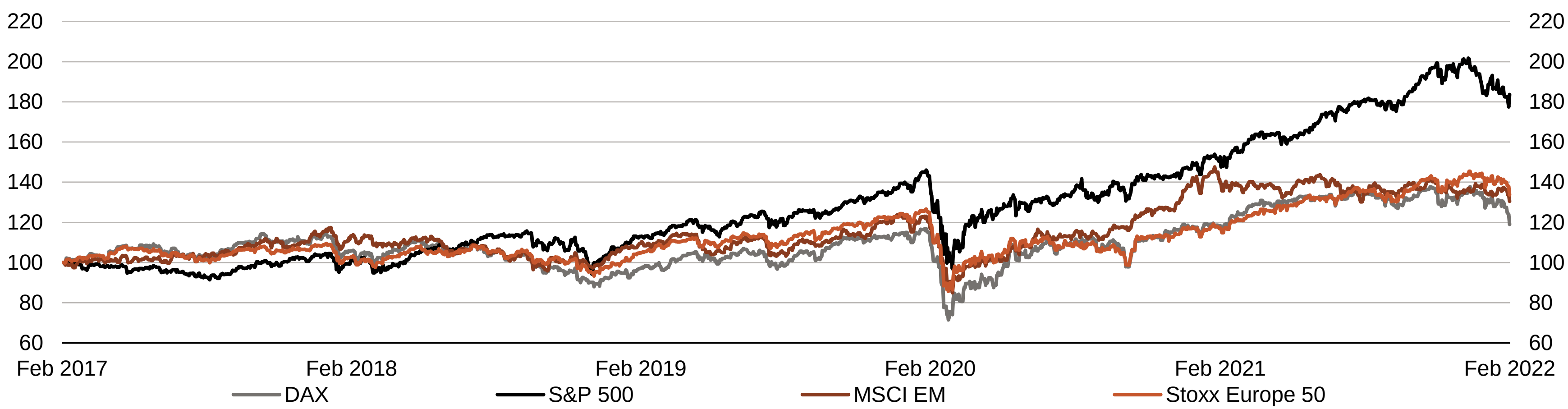
Stock markets in the maelstrom of interest rate and Russia concerns

- Global stock markets have fallen by more than 10% on average from their peak in January. While markets were still dominated with the development of interest rates and inflation at the beginning of February, it was the Russia-Ukraine conflict that was the most recent cause of concern. In addition to the economic damage caused by the war and sanctions, an energy shock might also hurt. While the development of the Russia-Ukraine crisis leads to a temporary increase in market volatility, a more restrictive monetary policy and the resulting recession risks also remain a risk for equities that should not be neglected.
- However, there are also bright spots. Investor sentiment is already pessimistic, and the Russia-Ukraine war is already partly priced in. Moreover, the war could lead to a more cautious interest rate policy, which should support growth stocks. The economic outlook also still looks good. Even if the medium-term impact of the Ukraine escalation on the economy (sanctions, consumer confidence) is not yet clear. In the recent past, geopolitical disputes have often been good buying opportunities for equities.

Performance of selected equity indices



Source: Bloomberg; performance in EUR scaled to 100.

Time period: 24/02/2017 – 24/02/2022.

Corporate earnings

Latin America tops the list of earnings revisions

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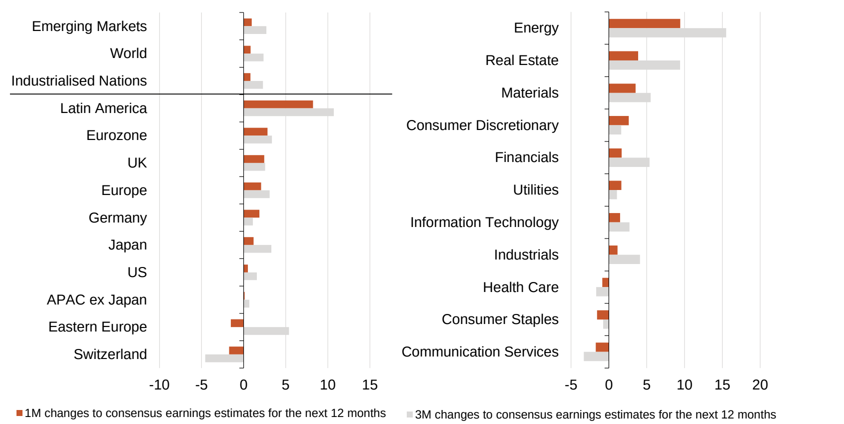
Earning revisions are strongest in Latin America

- Regionally, Latin America and the Eurozone saw significantly positive earnings revisions, while Switzerland saw slightly lower earnings forecasts. Latin America should benefit in particular from the strong increase in commodity prices.
- The energy, real estate and basic materials sectors saw the largest positive earnings revisions over the past four weeks. Telecommunication brought up the rear.

Japan and Asia with highest 2022 earnings growth

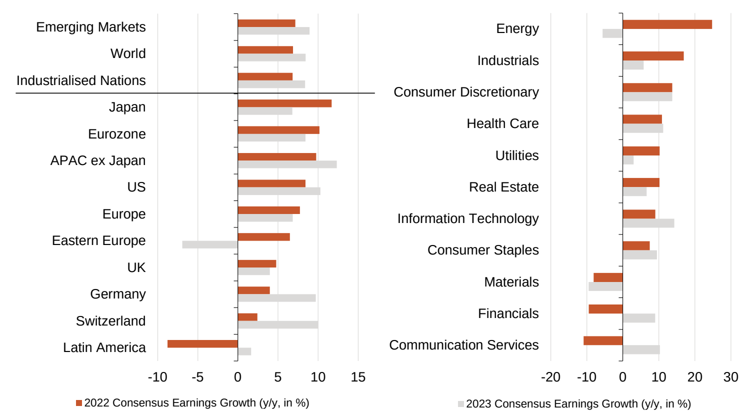
- Japan and the Eurozone see the largest earnings growth in 2022, at around 10% each, according to consensus figures. But th Asia ex Japan and the US are also likely to see significantly rising profits.
- Among European sectors, the energy and industrial goods sectors should see the highest profit growth. The telecom sector is likely to struggle with earnings headwinds.

LatAm with the most positive earnings revisions



Source: FactSet; MSCI regions and European sectors. As of 24/02/2022.

Japan and Eurozone with significant profit growth



Source: FactSe; MSCI regions and European sectors. As of 24/02/2022.

Valuation & Sentiment

European equities now favourably valued

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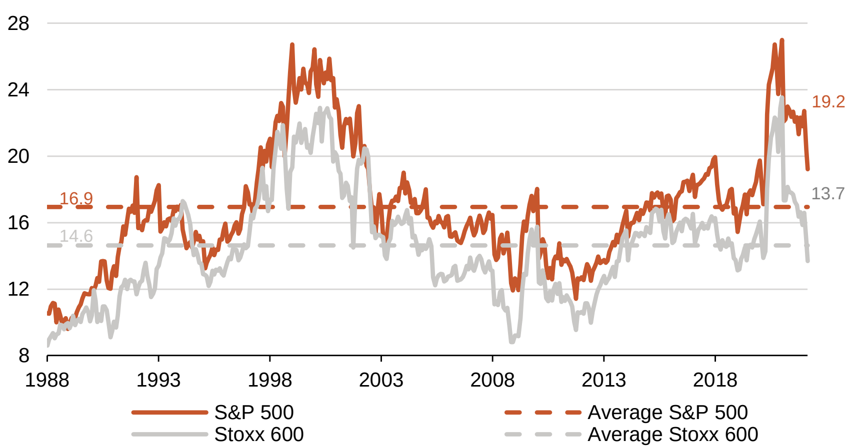
Valuation adjustment has continued

- Valuations of European equities have continued to fall amid rising earnings on average in the Q4 reporting season and falling markets. The current valuation level is now historically attractive again for long-term investors. In the short term, however, increased input costs could weigh on earnings.
- US equities have also become cheaper. However, they are still expensive by historical standards. However, US equities are likely to be less affected by the Russia-Ukraine war.

Interest rate hike cycle weighs on valuation

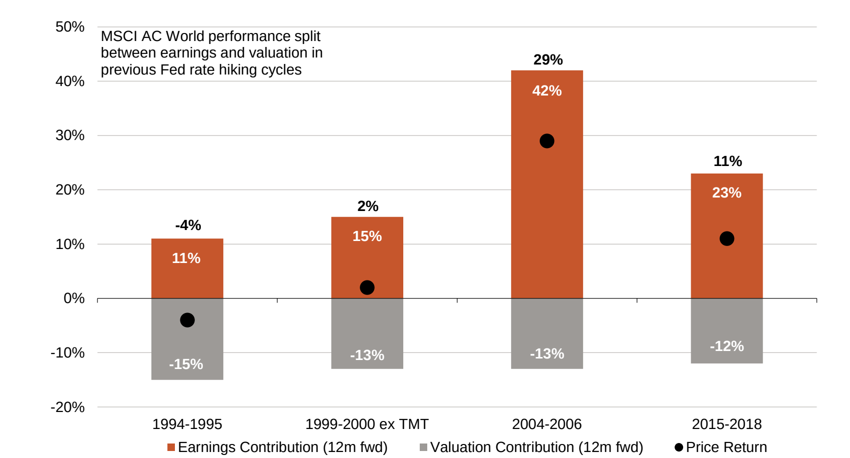
- In past interest rate hike cycles, equities always experienced valuation squeezes. As interest rates rise, so do the discount rates for future corporate profits. Nevertheless, equities managed to generate a positive return in 3 out of 4 cases thanks to solid earnings growth.
- Markets are currently pricing in a strong cycle of interest rate hikes. This is weighing on valuations, especially of growth companies. However, profits continue to grow with a robust economy. However, the return potential remains limited.

European equities historically cheap



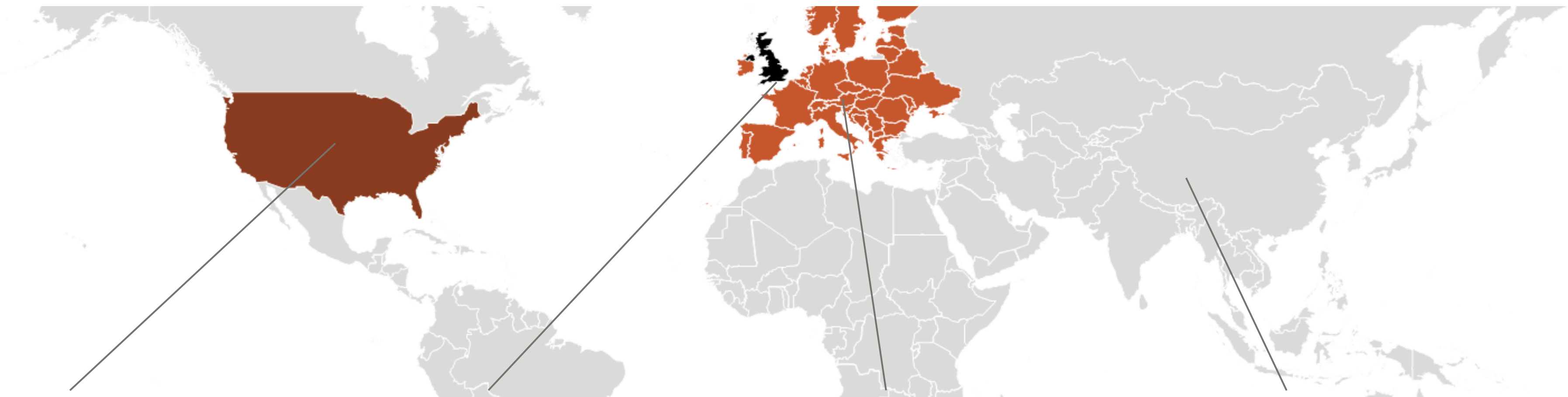
Source: Bloomberg, own calculations. Time period: 31/12/1987– 24/02/2022.

Interest rate hike cycles put the brakes on equity returns



Source: Goldman Sachs. Time period: 01/01/1994– 31/12/2018.

Equity allocation
Adding UK and LatAm equities



US
Underweight
- Rising bond yields are likely to weigh on highly valued US equities, while structural growth strength provides security against emerging growth concerns.
- Within equity regions, we are underweight US equities.

United Kingdom
Neutral
- UK equities are cheap compared to many other regions. At the 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 recently reduced the underweight by buying a FTSE100 ETF.

Europe ex. UK
Overweight
- The weaker euro, the agreed fiscal packages and the ECB's monetary policy should continue to support European equities.
- European equities are comparatively cheap and thus less sensitive to interest rates.
- We remain overweight.

Emerging markets
Overweight
- Emerging market equities outside 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.
- We have recently included Latin American equities as they should benefit from higher commodity prices and have also seen the strongest earnings revisions in recent weeks.

Equity market forecasts
Estimates for selected indices

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Index forecasts	Current 24/02/2022	30/06/2022	31/12/2022	Ø* in 12 months
S&P 500	4,289	4,850	4,950	5,251
Dax	14,052	16,500	17,000	19,349
Euro Stoxx 50	3,829	4,400	4,600	5,036
MSCI UK	2,054	2,125	2,200	2,475

Index potential (in %)				
S&P 500	-	13.1	15.4	22.4
Dax	-	17.4	21.0	37.7
Euro Stoxx 50	-	14.9	20.1	31.5
MSCI UK	-	3.5	7.1	20.5

Source: Bloomberg. Berenberg. as of 24/02/2022.
*Average based on bottom-up estimates.

04 Bonds


U.S. Treasuries
Coupon
Maturity Date
Current Price Yield
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
6m 1y 2y 3y 4y 5y 6y 7y 8y 9y 10y 15y 20y

Government bonds
Safe government bonds back in demand

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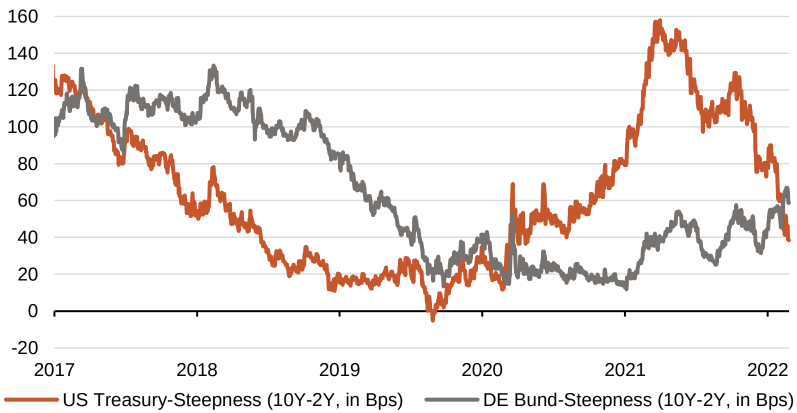
Uncertainty increases demand for government bonds

- The main driver of global bond markets recently has been the escalating Russia-Ukraine conflict. The resulting uncertainty in the wake of airstrikes on Ukrainian cities prompted investors to seek the relative safety of government bonds, which led to a decline in yields. Faced with fading prospects of a de-escalation scenario, the US yield curve recently flattened, reaching its lowest level in 22 months at +38 bps. The move towards negative territory points to recession fears in markets.

Markets expect rapid tightening of monetary policy

- Markets now expect 6 rate hikes by the Fed in 2022. After consumer prices in the USA recorded their biggest increase since 1982 in January, many investors are now expecting a faster tightening of monetary policy. The Fed's first rate hike is already being priced in March.
- For the ECB, markets are pricing in the end of the PEPP programme in March and up to 40 basis points of rate hikes in 2022.

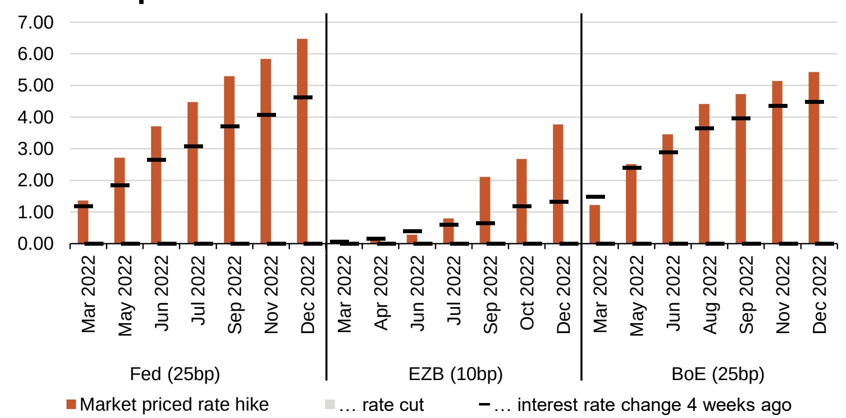
US yield curves at lowest level in almost 2 years



Source: Bloomberg

Time period: 01/01/2017 – 24/02/2022

Markets price 6 rate hikes for the Fed in 2022



Source: Bloomberg

Time period: 24/01/2022 – 24/02/2022.

Corporate & EM bonds

Asian bonds with potential

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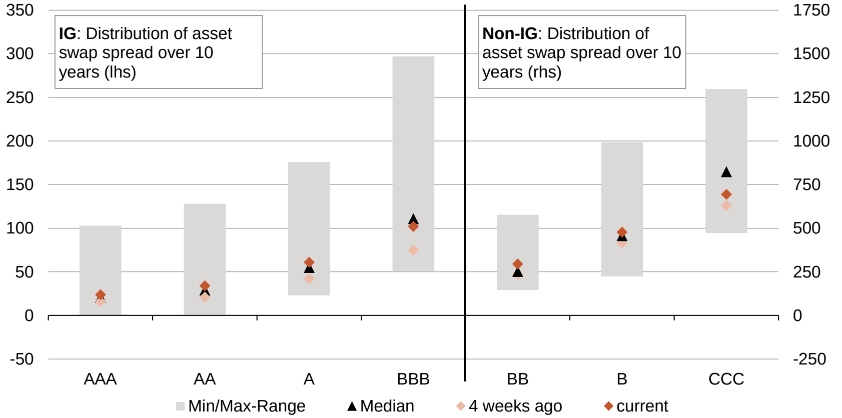
Increasing attractiveness with spread widening

- Risk premiums on investment grade corporate bonds have risen over the last few weeks but are not yet historically high. Although IG corporate bonds remain vulnerable to rising interest rates, they have now become slightly more attractive due to the recent widening of spreads.
- EUR high-yield bonds now offer higher narrowing potential again. Due to the higher current yield and often shorter duration, they can provide better interest rate protection. However, in case of further escalation, the higher market risk cannot be neglected.

Emerging market bonds with attractive valuations

- Emerging market high-yield bonds have seen a noticeable increase in risk premiums in recent weeks. Risk premiums are now above the 10-year median. EM high-yield bonds are thus slightly favourably valued on historical comparison.
- Spreads on US high-yield bonds have also increased significantly over the past four weeks but remain below the historical median. Asian bonds are becoming increasingly attractive due to attractive yields and the ongoing easing of Chinese monetary policy.

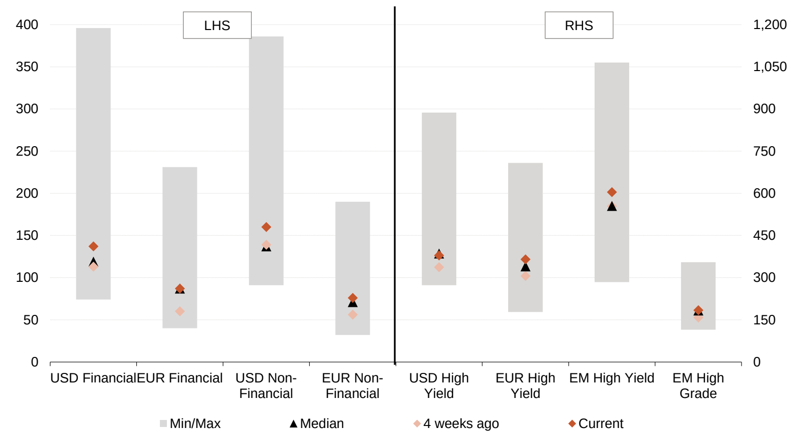
No longer historically expensive after spread increase



Source: Factset, 10Y distribution of EUR corporate bond risk premiums by rating

Time period: 24/02/2012 – 24/02/2022

EM high yield spreads above historical median



Source: Factset, 10Y spread distribution

Time period: 24/02/2012 – 24/02/2022

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

- Loose monetary policy and low yields on government bonds make us prefer corporate bonds to government bonds, despite the now limited spread margins.
- 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.
- We see the Asian region as having an advantage over others; the local currency component in particular seems opportune to us here.

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

Base interest rates and government bond yields (in %)	24/02/2022 Current	30/06/2022	30/06/2022 Ø*	31/12/2022	31/12/2022 Ø*
US					
Base interest rate	0.00-0.25	0.75-1.00	0.85	1.50-1.75	1.35
10Y US yield	1.97	2.10	2.03	2.60	2.21
Eurozone					
Base interest rate	0.00	0.00	0.00	0.25	0.05
10Y Bund yield	0.17	0.30	0.20	0.70	0.34
United Kingdom					
Base interest rate	0.50	0.75	0.90	1.00	1.10
10Y Gilt yield	1.45	1.40	1.44	1.90	1.54

Source: Bloomberg. Berenberg as of 24/02/2022.
*Average of estimates by other experts (Bloomberg) consensus.

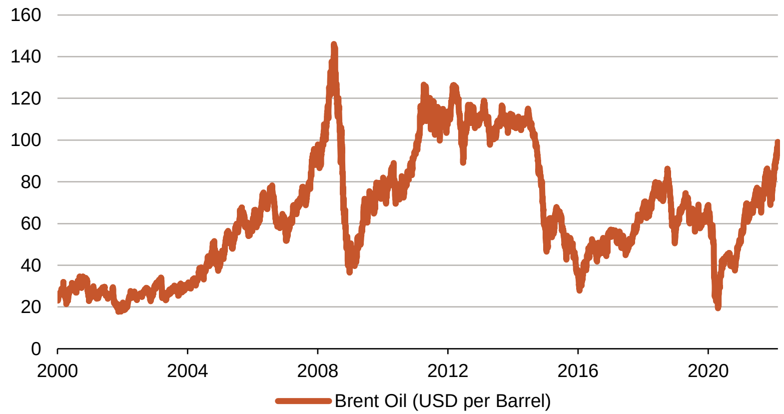
05 Commodities

Crude oil
Russia-Ukraine escalation boosts oil price

Much depends on Russia

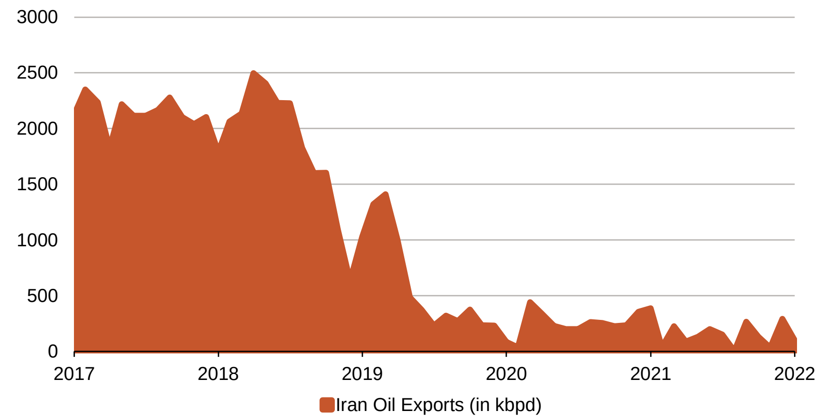
- The oil price continued its rally in February and is now trading at over USD 100 per barrel (Brent). This corresponds to a return of more than 30% since the beginning of the year and the highest level since 2014. The oil price was mainly boosted by the escalation of the conflict between Russia and Ukraine. If Russia (the world's second largest oil producer) were to completely stop its exports of energy commodities to the West, this would significantly exacerbate the supply situation, especially in energy-dependent Europe. Even during the Cold War there was no supply freeze. If the situation eases, the risk premium that has built up should be priced out again to some extent.
- Meanwhile, according to unofficial statements by some member states, OPEC+ still sees no need to accelerate its production quota expansions. Nevertheless, with scheduled increases, the imbalance between supply and demand should gradually ease, even though some member states are having difficulties meeting their quotas.
- More supply could soon come from Iran, as it seems to be making progress towards a new nuclear deal with the US. But here, too, a lot depends on Russia. So far, the Russians have acted as the decisive mediator between the US and Tehran.

Oil price back above USD 100 per barrel



Source: Bloomberg. Time period: 01/01/2000 – 24/02/2022.

Iran's oil exports to rise under new nuclear deal



Source: Bloomberg. Time period: 01/01/2017 – 31/01/2022.

Precious and industrial metals
Gold decoupled from real interest rates

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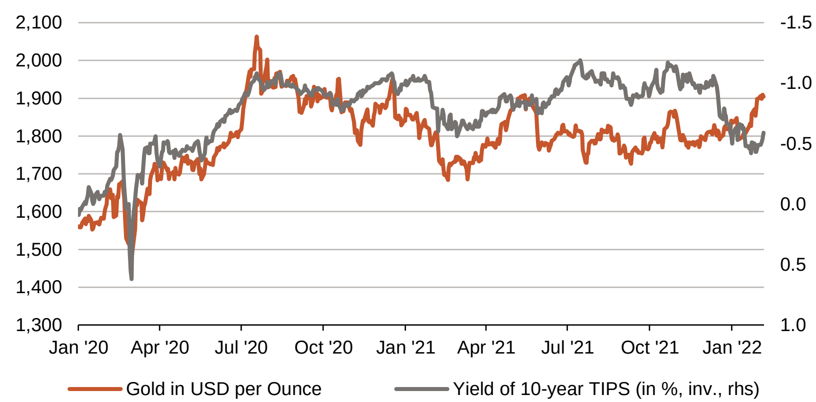
Gold still in demand as a safe haven

- Gold is one of the few investments that has posted a positive return since the beginning of the year. At over USD 1,900 per ounce, the precious metal is currently trading at its highest level since the beginning of last year.
- The Russia-Ukraine conflict is providing a strong tailwind, and inflation data that continue to surprise to the upside are also driving investors into the safe haven. More than 2 million ounces have already flowed into gold ETFs since the beginning of the year.
- In view of the sharp rise in real interest rates since the beginning of the year, however, the potential in the medium term seems limited, as gold and real interest rates have recently decoupled.

Metals in the crossfire of the Russia-Ukraine conflict

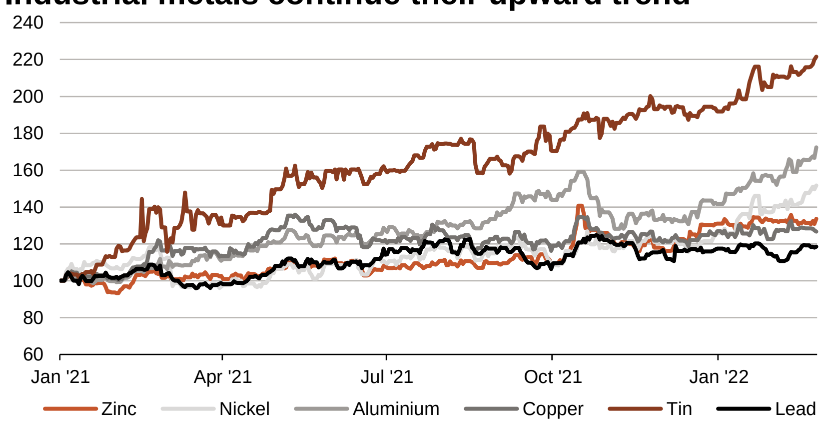
- Industrial metals markets are also feeling the impact of the Russia-Ukraine conflict. Nickel and aluminium in particular, both up about 20% since the beginning of the year, are benefiting from the geopolitical tensions, as Russia accounts for 7% and 6% of global production, respectively.
- Copper, on the other hand, looks rather weak. There are likely to be some supply expansions this year and next, but the list of planned mines is short beyond this period. On the other hand, demand is expected to rise strongly, because copper, like many other metals, plays a key role in the decarbonisation of our society.

Gold decoupled from real interest rates



Source: Bloomberg, own calculations. Time period: 01/01/2020 – 24/02/2022.

Industrial metals continue their upward trend



Source: Bloomberg, own calculations. Time period: 01/01/2021 – 24/02/2022.

06 Currencies

Market Development
Interest rates and currencies

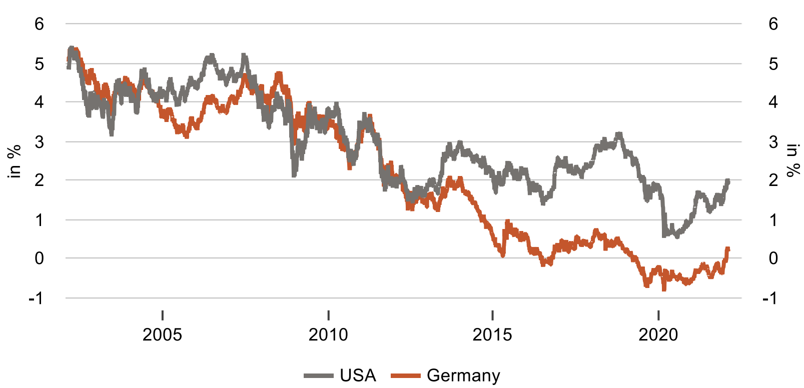
Inflation drives up interest rates

- Monetary policy is driving yields in bond markets. The yield on the ten-year Bund had already risen to a good 0.3% in the meantime.
- Bunds trail in the wake of the US market. Ten-year US treasuries are currently trading at just under 2%. As central banks gradually withdraw from the bond markets, interest rates will continue to rise. However, both U.S. government bonds and German Bunds are safe havens. The Russia-Ukraine crisis is again putting pressure on interest rates.

Euro exchange rate seeks direction

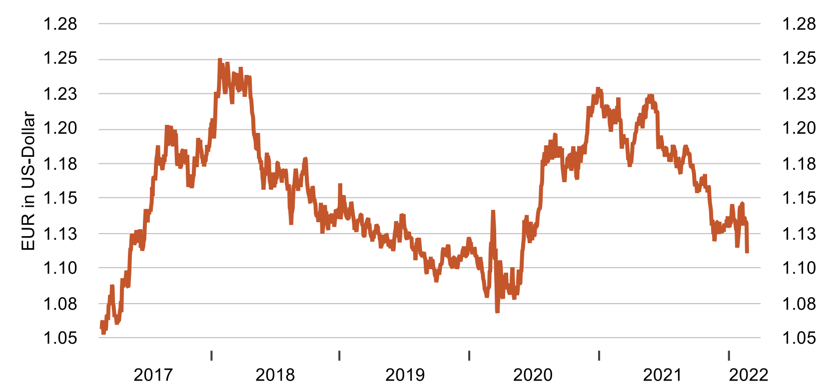
- The ECB press conference had given the euro a tailwind. However, the gains have since melted away again. This is also due to the fact that markets can only speculate about the ECB's course - we now expect the first interest rate step in the fourth quarter of 2022. In particular, however, the US dollar is in demand because of the Russia-Ukraine crisis.
- The crypto market is also going up and down. Bitcoin had a weak start to the year and initially fell to around USD 35,000. This was followed by a rise to almost 45,000. In the course of the market turmoil, bitcoin fell back to around USD 35,000.

Yields: 10-year government bonds



Source: Macrobond Period: 02/2002 - 02/2022

Exchange rate: Euro/US-Dollar



Source: Macrobond Period: 02/2017 - 02/2022

Forecasts

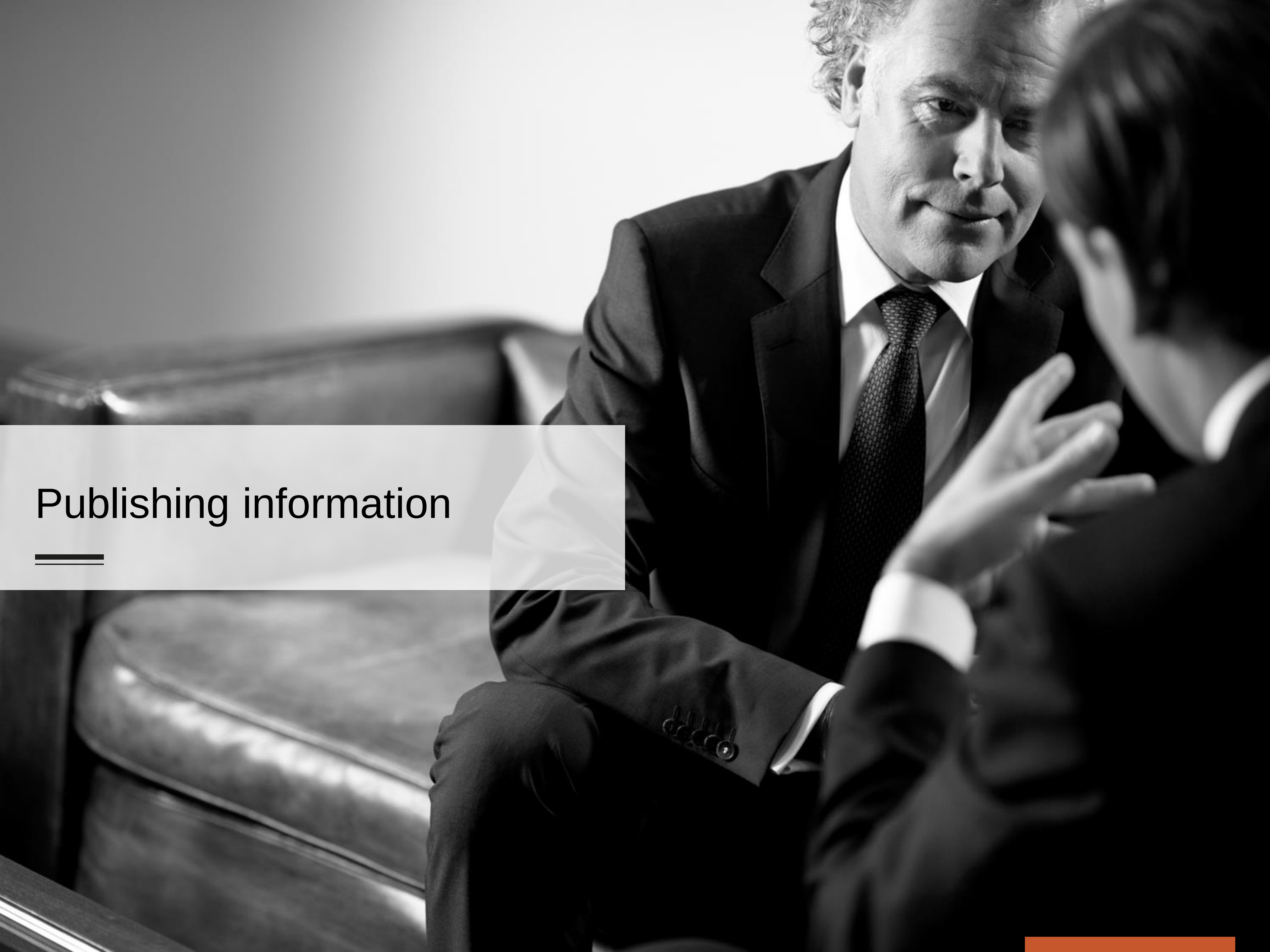
Estimates of key currencies

	24/02/2022	30/06/2022		31/12/2022	
Exchange rate forecasts	**Current**		**Ø***		**Ø***
EUR/USD	1.12	1.14	1.13	1.18	1.16
EUR/GBP	0.84	0.85	0.83	0.85	0.84
EUR/CHF	1.04	1.05	1.06	1.08	1.08
EUR/JPY	129	128	130	129	132

Change against the Euro (in %)					
USD	-	-1.8	-1.0	-5.2	-3.5
GBP	-	-1.6	0.8	-1.6	-0.4
CHF	-	-1.3	-2.3	-4.1	-4.1
JPY	-	1.0	-0.5	0.2	-2.1

*Source: Bloomberg. Berenberg as of 24/02/2022.
*Average of estimates of other experts (Bloomberg); consensus.

Publishing information



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