

Current market commentary

After the stock markets staged a V-shaped recovery and ended August largely on a positive note, there was a trend reversal recently. Negative economic surprises intensified growth concerns and led to falling equity markets and interest rates. Yields on 10-year German government bonds recently fell below 2.2%, the lowest level since January. Accordingly, defensive and interest-sensitive equity sectors such as utilities and real estate companies have recently been ahead. Gold also benefited from falling yields and is now close to its all-time high. Cyclical sectors such as automotive and semiconductor companies, on the other hand, have recently lagged behind. The further direction of the market is likely to depend largely on how the central banks react to the increased probability of a growth slowdown and on the new insights gained from the TV debate between the US presidential candidates Harris and Trump on 10 September.

Short-term outlook

The next two weeks will be dominated by central banks. The ECB meets on 12 September and the market is expecting a 25 bp cut. The US Federal Reserve and the Bank of England will follow on 18 and 19 September. Market expectations for the Fed are between a 25 bp and 50 bp cut. In addition to presidential elections in Jordan (10 September), Romania (15 September) and Sri Lanka (17 September), state elections will be held in Brandenburg on 22 September.

On the economic front, US consumer and producer price inflation (Aug.) on Wednesday and Thursday and initial jobless claims (7 Sep.) on Thursday will be key. Eurozone industrial production data (Jul.) and preliminary consumer confidence from the University of Michigan (Sep.) will follow on Friday. Next week's focus will be on US retail sales (Aug.) and eurozone inflation data (Aug.).

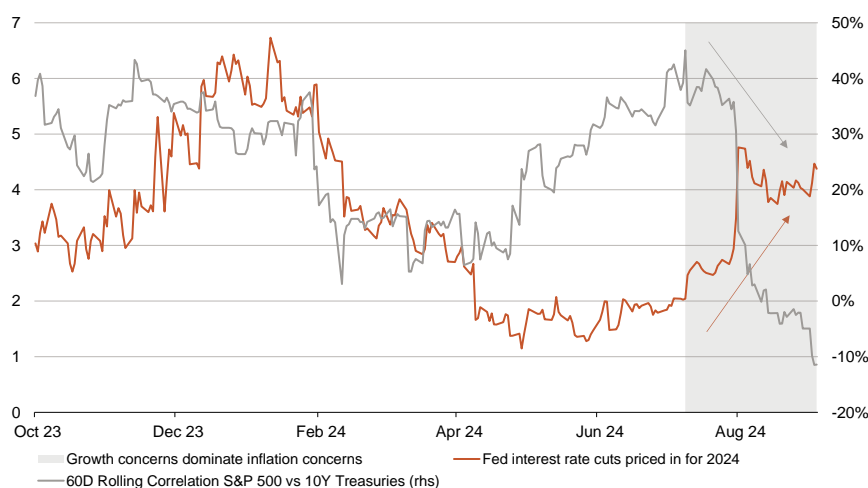
The bi-weekly **Monitor** gives you a structured overview of the current capital market environment and highlights important developments:

- Performance
- Positioning
- Sentiment
- Surprise Indicators
- Economics
- Foreign Exchange
- Equities
- Sovereign Bonds & Central Banks
- Corporate Bonds
- Commodities

Central bank policy and elections in the focus of the markets.

Inflation and labour market data for investors.

Growth concerns bring back negative equity-bond correlation

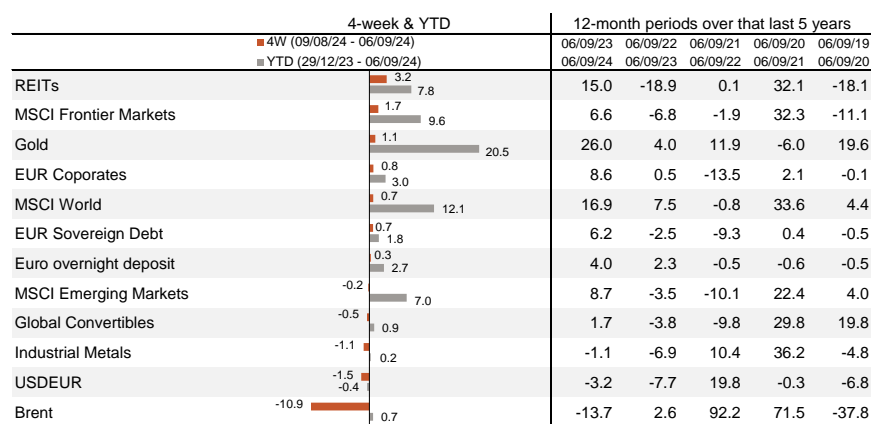


- US equities and US Treasuries have recently become less correlated as growth concerns, rather than inflation fears, have become the focus of market attention. The correlation between the two over the last 60 days has recently turned negative.
- While in April of this year, only one interest rate cut was priced in by the end of the year, the market now expects the Fed to cut rates more than four times. However, if economic data does come in better than expected, there is a risk that the correlation will turn positive again.

Source: Bloomberg, Time period: 02/10/2023 - 06/09/2024



Multi Asset



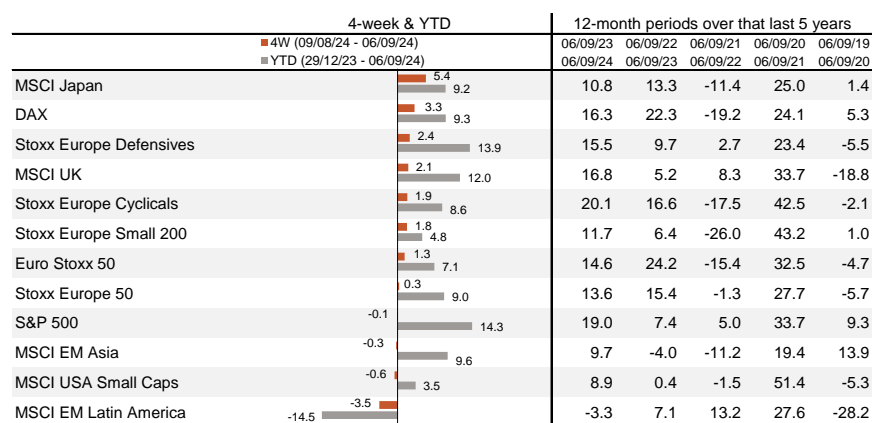
MSCI World: MSCI World Net Return; MSCI Emerging Markets: MSCI EM Net Return; MSCI Frontier Markets: MSCI Frontier Markets Net Return;
 REITs: MSCI World REITs Index; EUR Sovereign Debt: IBOXX Eurozone Sovereign 1-10Y TR; EUR Corporates: IBOXX Euro Corporates Overall TR;
 Global Convertibles: SPDR Convertible 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.

- Increased expectations of rapid interest rate cuts by the Fed in the face of a weakening US labor market have boosted interest rate-sensitive REITs in particular over the past four weeks and weighed on the US dollar.
- Last month, the precious metal gold benefited from both increased expectations of interest rate cuts and a weaker US dollar.
- Growth concerns and a possible agreement to restore Libyan oil production have recently weighed on Brent crude oil.

Total return for selected asset classes, in euros and in percent, sorted by 4-week performance.

Source: Bloomberg, Time period: 06/09/2019 - 06/09/2024

Equities



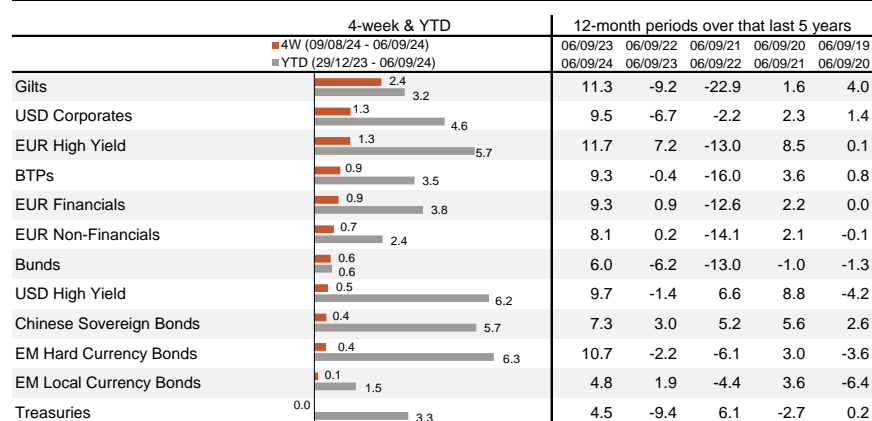
S&P 500: S&P 500 TR (US-Equity); Stoxx Europe 50: Stoxx Europe 50 TR; Euro Stoxx 50: Euro Stoxx 50 TR; MSCI Japan: MSCI Japan TR;
 Stoxx Europe Small 200: Stoxx Europe Small 200 TR; MSCI USA Small Caps: MSCI USA Small Caps TR; Stoxx Europe Cyclical: Stoxx Europe Cyclical TR;
 Stoxx Europe Defensives: Stoxx Europe Defensives TR; DAX: DAX TR; MSCI United Kingdom: MSCI UK TR; MSCI EM Asia: MSCI EM Asia TR;
 MSCI EM Eastern Europe: MSCI EM Eastern Europe TR.

- The stock markets have tended to recover over the last four weeks following the sell-off at the beginning of August. In addition to Japan, defensive stock markets and small caps in particular made gains, while the German DAX reached a new all-time high.
- In contrast, shares in Latin American emerging markets have suffered in the last four weeks due to economic concerns and the associated fall in commodity prices.

Total return (including reinvested dividends) for selected stock indices, in euros and in percent, sorted by 4-week performance.

Source: Bloomberg, Time period: 06/09/2019 - 06/09/2024

Fixed Income



Bunds: IBOXX Euro Germany Sov TR; BTPs: IBOXX Euro Italy Sov TR; Treasuries: ICE BofA US Treasury TR;
 Gilts: IBOXX Sterling Gilts Overall TR; Chinese Gov Bonds: ICE BofA China Govt; EUR Financials: IBOXX Euro Fin. Overall TR;
 EUR Non-Financials: IBOXX Euro Non-Fin. Overall TR; EUR High Yield: ICE BofA EUR Liquid HY TR; USD Corporates: ICE BofA USD Corp TR;
 USD High Yield: ICE BofA USD Liquid HY TR; EM Hard Currency: JPM EMBI Glo Div Unh. EUR TR; EM Local Currency: JPM GBI-EM Glo Div Comp Unh. EUR TR

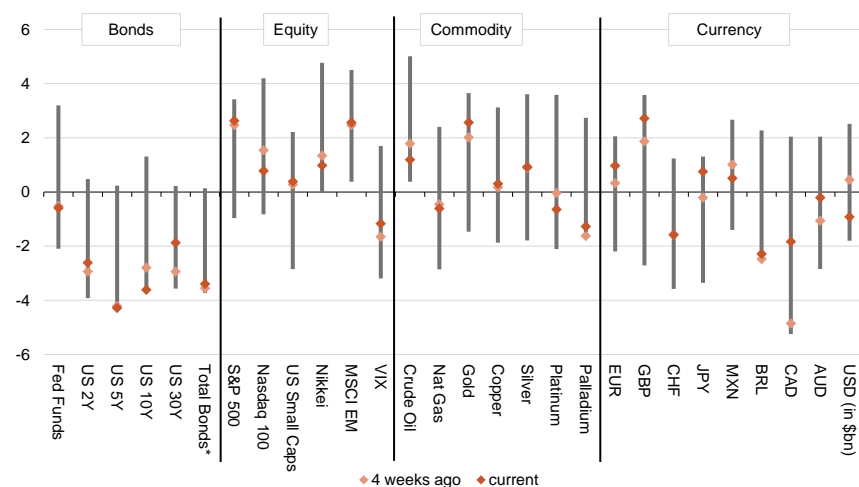
- The bond markets recorded price gains across the board last month thanks to increased expectations of interest rate cuts. British government bonds performed best thanks to the stronger pound.
- A weaker US dollar weighed on the performance of US government bonds denominated in euros, which brought up the rear in the performance rankings over the last four weeks.

Total return (including reinvested coupons) for selected bond indices, in euros and in percent, sorted by 4-week performance.

Source: Bloomberg, Time period: 06/09/2019 - 06/09/2024



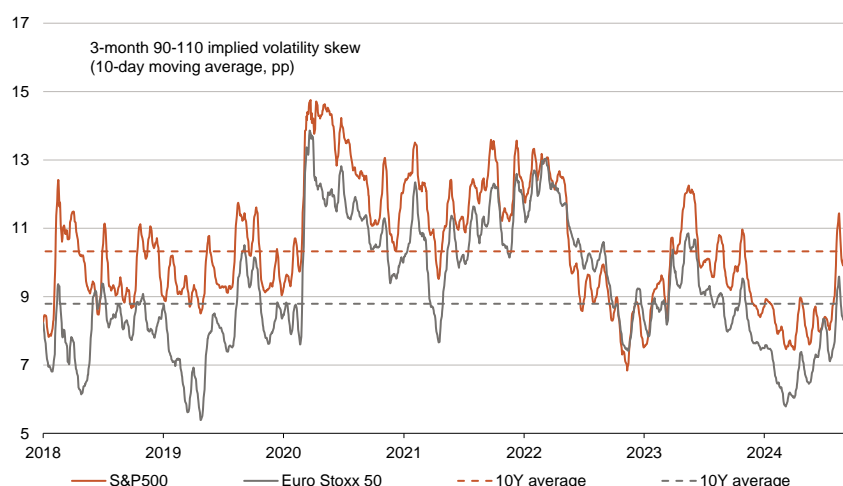
Non-Commercial Positioning



- Hedge funds have largely reduced their USD exposure over the past four weeks. They are now net short the currency for the first time since February this year.
- Speculative investors have also built more positions in gold ahead of the Fed's first rate cut in mid-September.

The Commodity Futures Trading Commission (CFTC) publishes the Commitments of Traders report every Friday. The chart shows the historical, normalised distribution in standard deviations and focuses on the net futures position (long positions minus short positions) of "non-commercial traders" (bonds, currencies), "asset managers/institutional" & "leveraged funds" (equities) and "managed money" (commodities) and shows how speculative investors are positioned. *Weighted with the respective duration
Source: Bloomberg, CFTC, Time period: 03/09/2014 - 03/09/2024

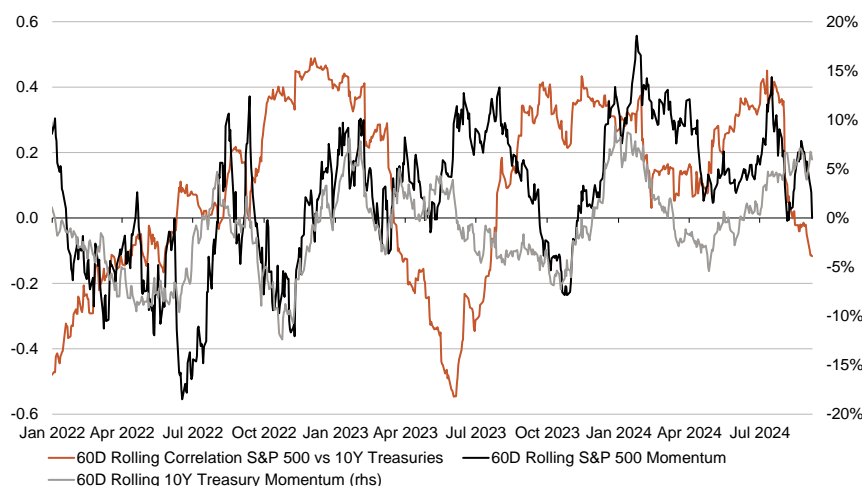
Put-Call-Skew



- The put-call skew has recently risen slightly again in both Europe and the US and is close to the average for the last 10 years.
- The complacency in the options markets of the first half of the year is a thing of the past. Investors are once again willing to pay a noticeable premium for hedging.

The put-call skew (90-110) indicates the difference in implied volatility of puts versus calls whose strike is 10% away from the current underlying in each case. It is a measure of how much more investors are willing to pay for hedging (puts) versus upside participation (calls). The higher (lower) the skew, the more cautious (optimistic) market participants are. Moreover, the skew typically increases with the level of implied volatility.
Source: Bloomberg, period: 06/09/2014 - 06/09/2024

60-Day Momentum and Correlation

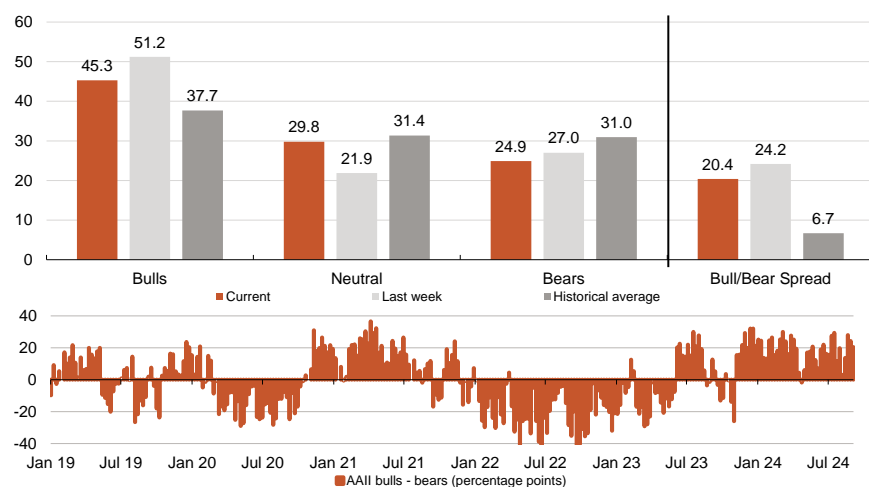


- The recent focus on growth concerns has ended the positive correlation between equities and bonds. Bonds are once again diversifying equities.
- Momentum for US equities has also slowed noticeably. The first trend-following strategies have likely already cut equity exposure.

The 60-day momentum indicates the rolling return of the last 60 days. The more the momentum rises (falls), the more systematic momentum strategies build up (reduce) their positions in the corresponding asset class. Changes in the sign of the return mark important turning points. The 60-day correlation indicates how equitably stocks and bonds move. The higher (lower) the correlation, the fewer (more) equities demand risk-based investment strategies.
Source: Bloomberg, Time period: 31/12/2021 - 06/09/2024



AAll Sentiment Survey (Bulls vs Bears)

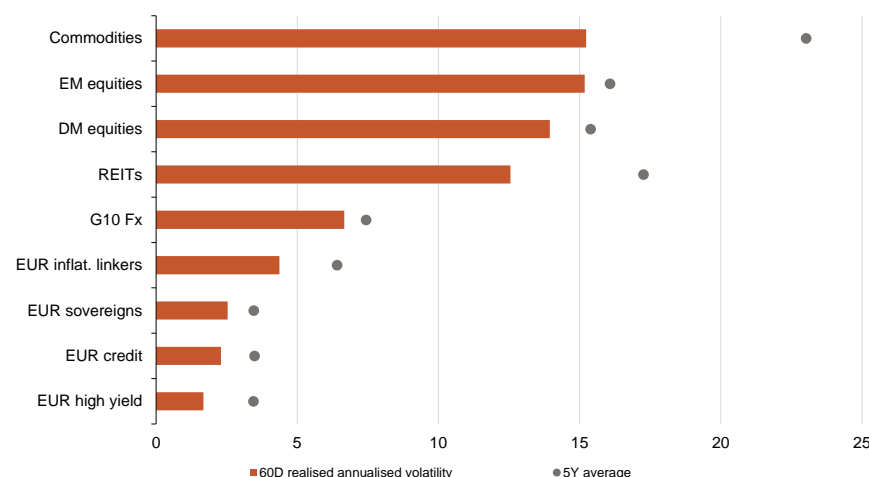


- While optimism in the US market is down from a fortnight ago, the number of bears has hardly increased. Instead, the neutral camp has grown. Many private US investors seem to be lacking a clear opinion in the face of the US elections and uncertainty about the path of interest rates and growth.

The Sentiment Survey, conducted by the American Association of Individual Investors, determines the percentage of individual investors who are optimistic, pessimistic or neutral about the US stock market over a six-month period. It has been conducted since 1987. The survey is conducted from Thursday to Wednesday and the results are published every Thursday. For the stock market, it tends to be supportive when there is a high proportion of bears and a low proportion of bulls. On the other hand, it tends to be negative when there are significantly more optimists than pessimists.

Source: Bloomberg, AAll, Time period: 23/07/87 - 05/09/2024

Realised Volatilities

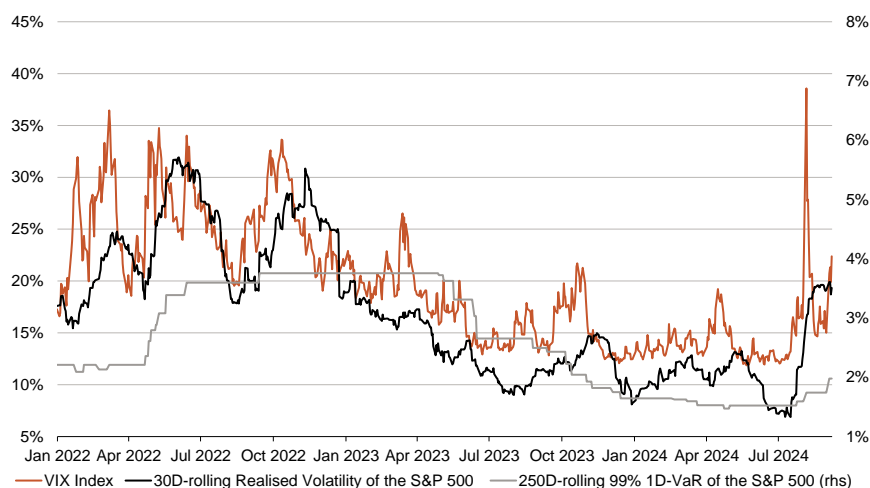


- Growth fears and concerns about China have led to more volatility in commodities over the past 60 days, but this is still well below the 5-year average.
- Overall, realised volatility over the past 60 days for all assets is below the 5-year average.

The realised volatility (in per cent) measures the fluctuation range of a time series and is defined here as the standard deviation of the daily return over the last 60 trading days. Volatility is often used as a measure of risk.

Source: Bloomberg, period: 06/09/2019 - 06/09/2024

Volatility and Value-at-Risk of the S&P 500



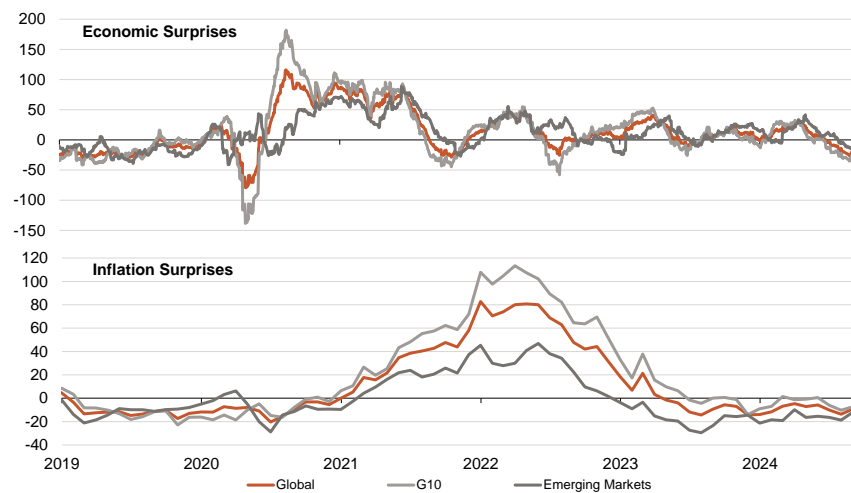
- After the significant increase since the beginning of August, the realised volatility of the S&P 500 over the last 30 days is just below 20%, the highest level since December 2022. The VIX index has also risen recently, but at 22% is still well below its peak in early August.

The VIX index is a measure of the implied volatility of the S&P 500 priced in options over approximately the next 30 days. Realised volatility indicates the range of variation in daily returns. The historical 99% value-at-risk indicates the minimum loss of the days that belong to the worst 1% of the observation period. The higher (lower) the VIX, realised volatility and value-at-risk, the fewer (more) stocks demand risk-based investment strategies.

Source: Bloomberg, period: 31/12/2021 - 06/09/2024



Global

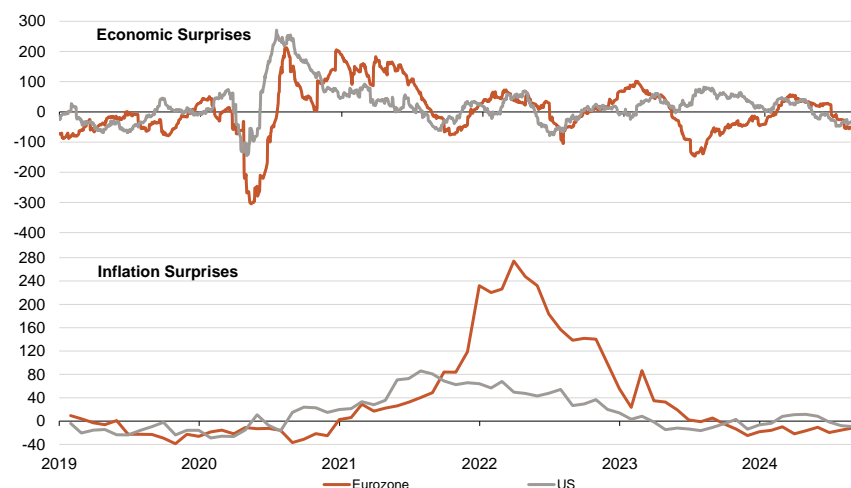


- The negative economic surprises in both the industrialized and emerging markets have diminished in the last two weeks.
- In Canada, economic growth in the second quarter exceeded expectations, while the current account deficit surprised to the downside. In Switzerland, the KOF economic indicator exceeded expectations in August.
- In India, the GDP growth rate in the second quarter surprised slightly on the downside, while in Brazil it clearly exceeded expectations.

See explanations below.

Source: Bloomberg, Time period: 01/01/2019 - 06/09/2024

Eurozone and US

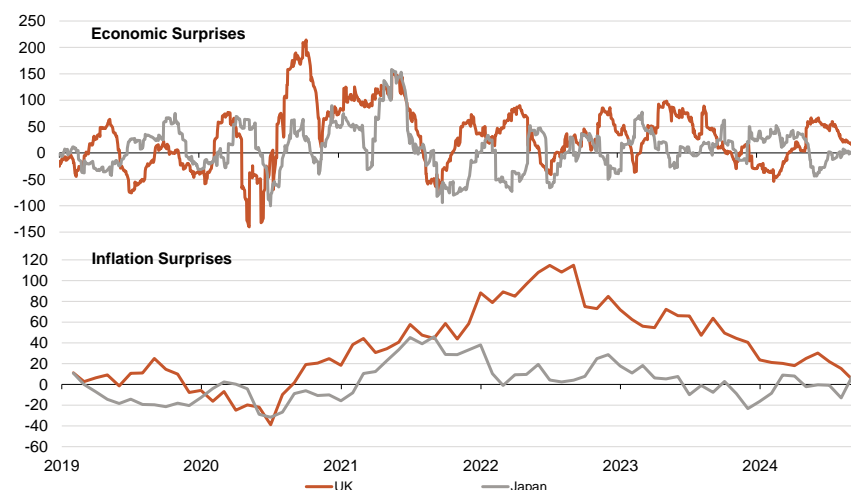


- The negative economic surprises in both the eurozone and the US have eased slightly in the last two weeks. In the US, industrial orders exceeded expectations in July, while new orders for durable goods surprised slightly on the downside. The latest number of initial jobless claims and the number of new hires in August were below expectations.
- In the eurozone, industrial confidence in August was above expectations, while the unemployment rate surprised to the downside.

See explanations below.

Source: Bloomberg, Time period: 01/01/2019 - 06/09/2024

UK and Japan



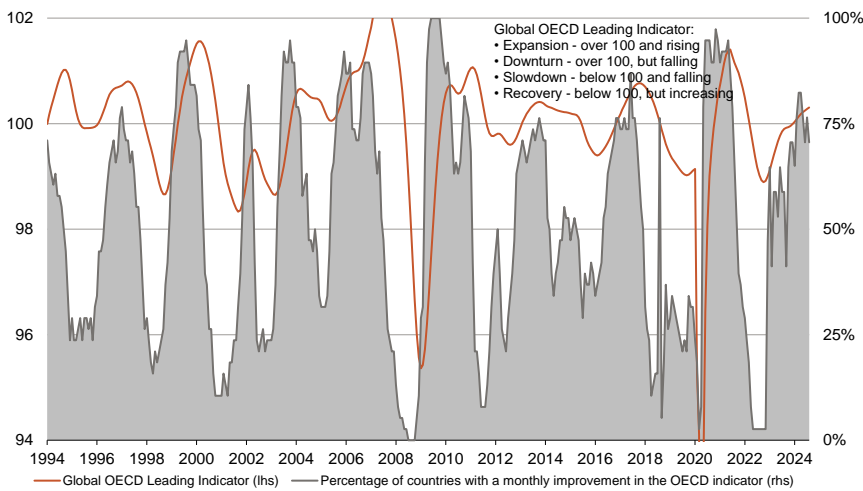
- In the UK, the nationwide house price index surprised to the downside in August, while the manufacturing PMI index was in line with expectations.
- In Japan, consumer price inflation surprised to the upside in August.

The Citigroup Economic Surprise Indices are defined as weighted historical normalised data surprises (actual releases vs. Bloomberg survey median) over the past three months. A positive value of the index indicates that, on balance, economic data have outperformed consensus. The indices are calculated daily in a rolling three-month window. The indices use a time decay function to replicate the markets' limited memory, i.e. the weight of a data surprise decreases over time.

Source: Bloomberg, Time period: 01/01/2019 - 06/09/2024



OECD Leading Indicator

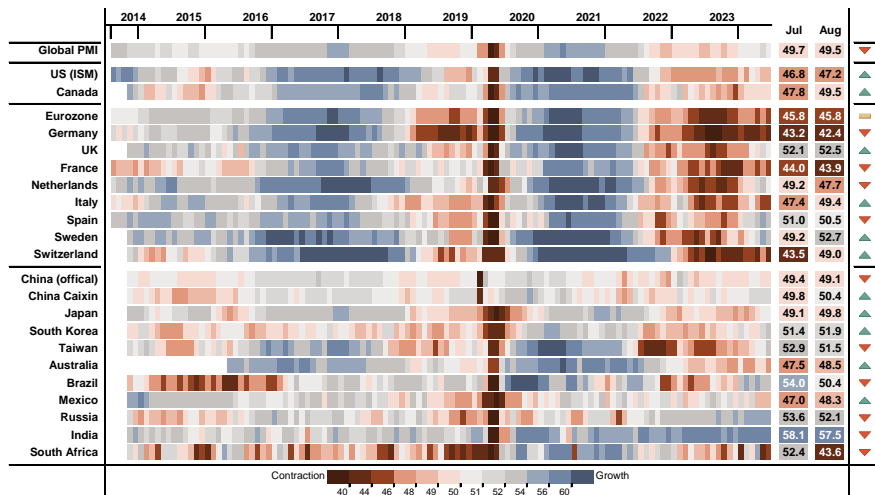


- The global economic expansion is continuing. The revised OECD leading indicator was above the 100 mark for the eighth time in a row in August with a value of 100.3.
- The leading indicator shows that the economic situation improved in 71% of the countries surveyed in June compared to the previous month, with Canada recording the strongest increase and Mexico and Spain the strongest decline.

The OECD Leading Indicator is composed of a set of selected economic indicators whose composition provides a robust signal of future turning points. A turning point usually signals a turning point in the business cycle in 6-9 months. However, lead times are sometimes outside this range and turning points are not always correctly identified.

Source: Bloomberg, Time period: 31/01/1994 - 06/09/2024

Manufacturing Purchasing Managers Index (Manufacturing PMI)

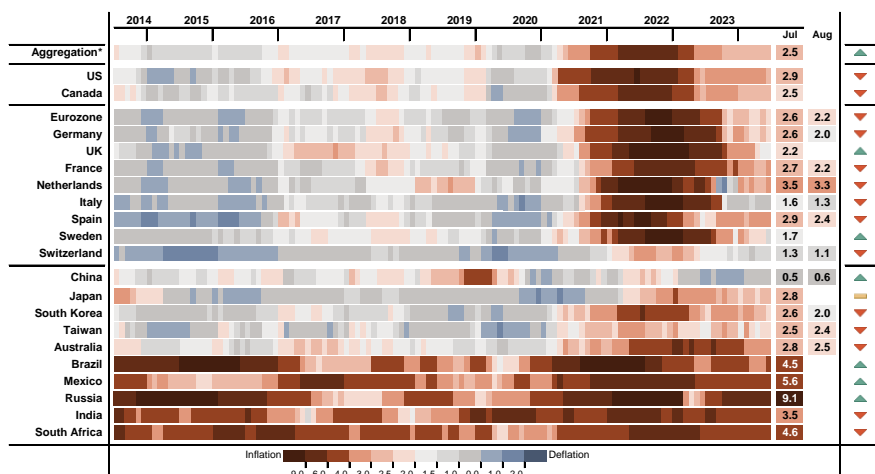


- Global PMI data in August indicated a slight slowdown in industrial activity compared to the previous month for the second month in a row. In Germany, the Purchasing Managers' Index signaled a decline in industrial activity for the 26th consecutive month.

The PMI is an overall index that provides a general overview of the economic situation in industry. The PMI is derived from a total of eleven sub-indices, which reflect the respective change from the previous month. A value of 50 is regarded as neutral, a value of over 50 points as an indicator of rising and a value of under 50 points as an indicator of declining activity in industry compared to the previous month. On average, the index has a lead time before actual industrial production of three to six months. The PMI is based on a survey of a relevant selection of purchasing managers on the development of key indicators such as new orders.

Source: Bloomberg, Time period: 01/01/2014 - 06/09/2024

Headline Inflation



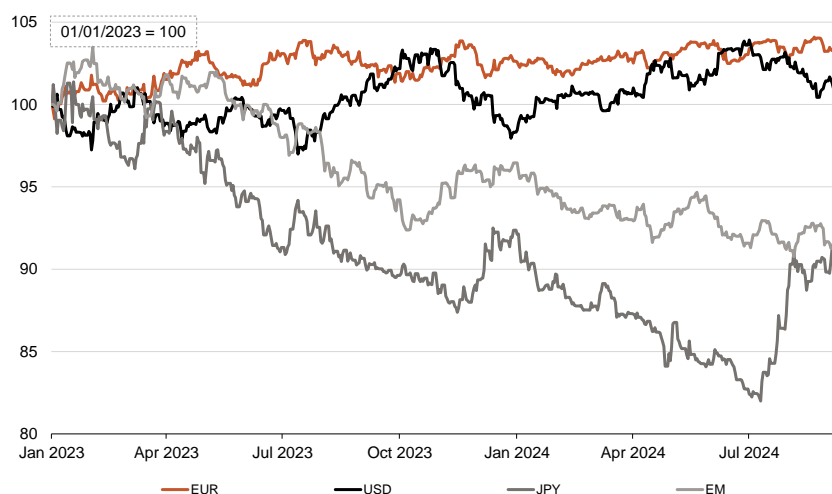
- The first consumer price data in August continue to point to a global disinflation trend. In Japan, annual consumer price inflation remained unchanged for the third month in a row and thus at its highest level since February of this year. In the eurozone, lower energy prices in particular led to a fall in the inflation rate.

Inflation (in %, compared to the previous year) is measured using a consumer price index, also called a basket of goods. This basket contains all goods and services that a household purchases on average per year. * = Weighting according to gross domestic product.

Source: Bloomberg, Time period: 01/01/2014 - 06/09/2024



Trade-Weighted Currency Development

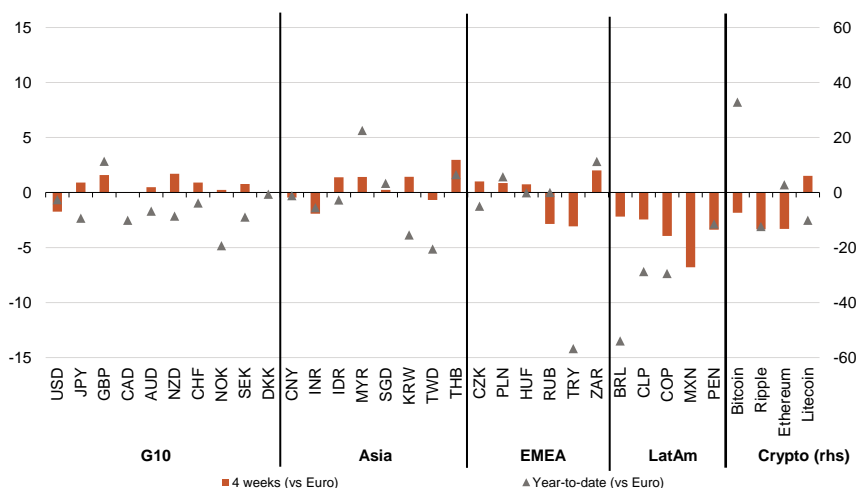


- Concerns about the weakness of the US labor market and a possible recession in the US increased expectations regarding the extent and pace of interest rate cuts by the Fed, which weighed on the US dollar in August.
- Higher than expected consumer price inflation in August and an upward surprise in real wages in July recently gave the Japanese yen an additional tailwind.

A trade-weighted index is used to measure the effective value of an exchange rate against a basket of currencies. The importance of other currencies depends on the share of trade with the country or currency zone.

Source: Bloomberg, Time period: 01/01/2023 - 06/09/2024

Currency Moves vs Euro

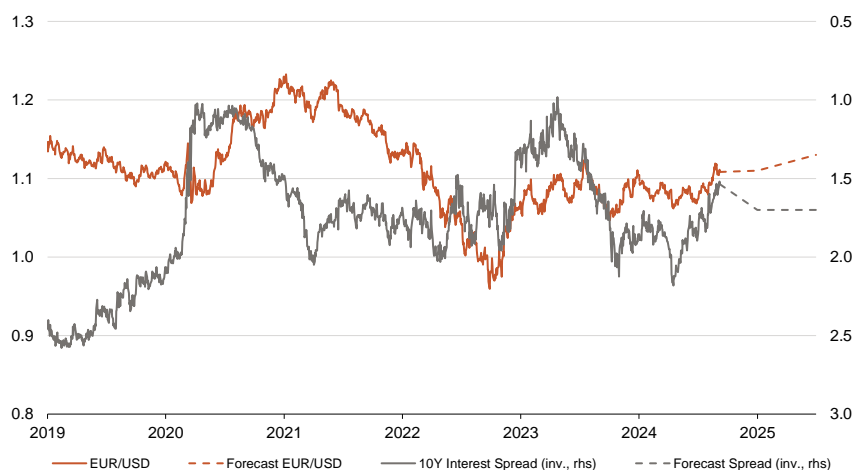


- Disappointing economic data from Turkey for the second quarter weighed on the Turkish lira, which has been weakening since the beginning of the year.
- Statements by the head of the Czech central bank about the need for higher interest rates in the longer term recently supported the Czech koruna.
- As expected, the Canadian central bank lowered its key interest rate by 25 basis points in order to contain the risks of a weakening economy despite stubbornly high rental prices.

Performance of selected currencies against the euro, in percent.

Source: Bloomberg, Time period: 31/12/2023 - 06/09/2024

EUR/USD Exchange Rate and Interest Rate Differential of 10Y Bonds



- Recession risks and fears that the US Federal Reserve might lag behind the curve after refraining from cutting interest rates in July led to increased expectations of interest rate cuts by the Fed for the rest of the year, resulting in a narrowing of the interest rate differential between 10-year US government bonds and Bunds to just under 150 basis points.

EUR/USD exchange rate and interest rate differential (in percentage points) of 10-year US government bonds and 10-year Bunds. The forecasts were prepared by Berenberg Economics.

Source: Bloomberg, Time period: 01/01/2019 - 30/06/2025



European Sector & Style Performance

	4-week & YTD		12-month periods over that last 5 years					
	4W (09/08/24 - 06/09/24)	YTD (30/12/23 - 06/09/24)	06/09/23	06/09/22	06/09/21	06/09/20	06/09/19	06/09/20
Utilities	7.0	7.4	16.3	5.7	-6.0	17.9	6.8	
Telecommunications	5.9	14.4	21.3	-0.3	-8.3	27.7	-19.1	
Finance	5.0	15.9	27.4	19.4	-5.5	40.7	-16.8	
Consumer Staples	3.3	3.3	2.3	-0.7	1.8	15.6	-8.8	
Value	3.1	9.8	16.7	14.2	-2.4	31.9	-14.7	
Health Care	1.1	19.1	17.9	11.4	-2.9	22.5	5.1	
Industrials	0.8	7.7	20.1	20.8	-19.5	42.4	0.3	
Consumer Discretionary	-2.0	0.7	0.5	19.4	-18.6	44.2	-5.2	
Materials	-0.8	0.4	9.0	8.1	-12.9	39.9	6.6	
Growth	-0.1	6.4	11.6	11.3	-15.5	34.9	2.4	
Energy	-5.1	-2.6	-2.3	12.9	50.7	34.5	-38.6	
Information Technology	-5.5	3.4	14.7	20.9	-30.3	53.6	13.4	

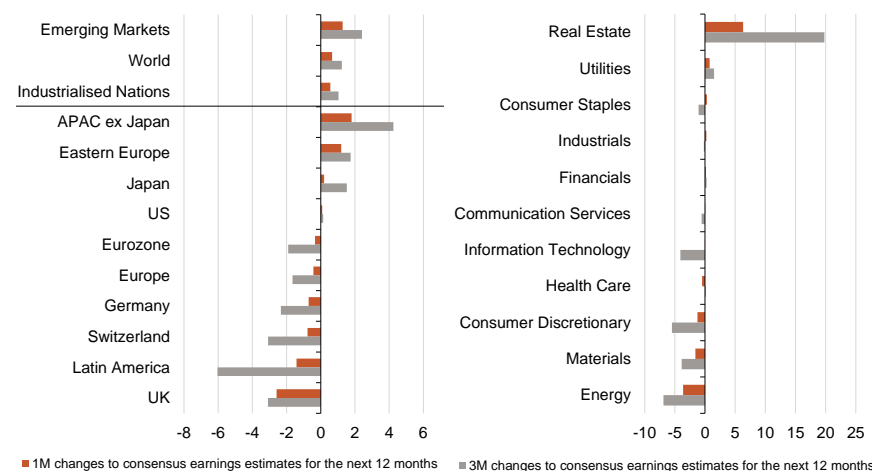
Consumer Discretionary: MSCI Europe Consumer Discretionary NR; Consumer Staples: MSCI Europe Cons. Staples NR; Energy: MSCI Europe Energy NR; Finance: MSCI Europe Financials NR; Health Care: MSCI Europe Health Care NR; Industrials: MSCI Europe Industrials NR; Information Tech.: MSCI Europe Inform. Tech. NR; Materials: MSCI Europe Materials NR; Communication Services: MSCI Europe Communication Services NR; Utilities: MSCI Europe Utilities NR; Value: MSCI Europe Value NR; Growth: MSCI Europe Growth NR.

- Ahead of the Fed's first interest rate cuts in September, interest rate sensitive sectors in Europe have rallied over the past four weeks.
- Europe's financials, telecoms and utilities sectors have led the way over the past four weeks, while energy – also in the wake of the recent weakness in oil prices – and IT have been the laggards. Value stocks outperformed growth stocks.

Total return of European equity sectors and European style indices, in euros and in percent, sorted by 4-week performance. The difference between Value and Growth lies in the valuation. A growth stock is highly valued because the company is expected to grow strongly. Value stocks usually have less growth potential and are valued lower.

Source: Factset, Time period: 06/09/2019 - 06/09/2024

Changes in Consensus Earnings Estimates

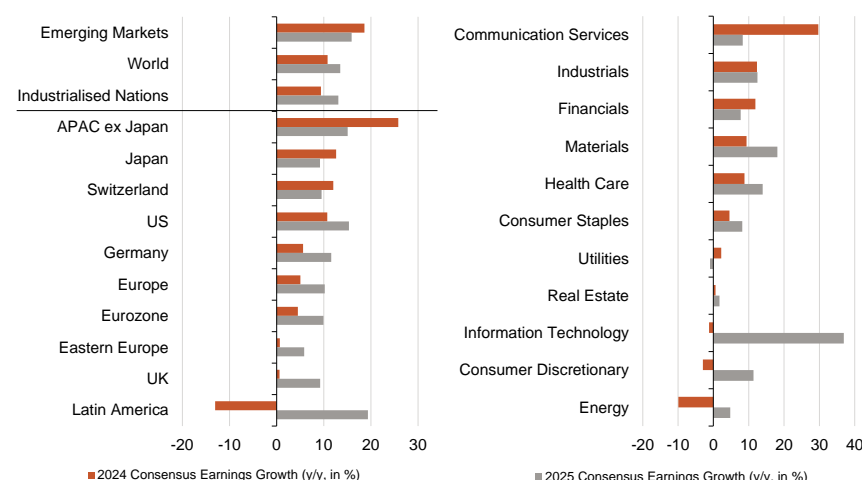


- Analysts continued to revise their global earnings estimates upwards last month.
- Emerging markets in particular – especially Asia and Eastern Europe – saw positive earnings revisions. In contrast, earnings revisions were negative for UK and Latin American equities.
- At a sector level, analysts have become more optimistic, particularly for the interest rate-sensitive property sector.

1-month and 3-month changes in consensus earnings estimates for the next 12 months of the regional and Europe sector MSCI indices, in per cent.

Source: FactSet, as of 06/09/2024

Earnings Growth



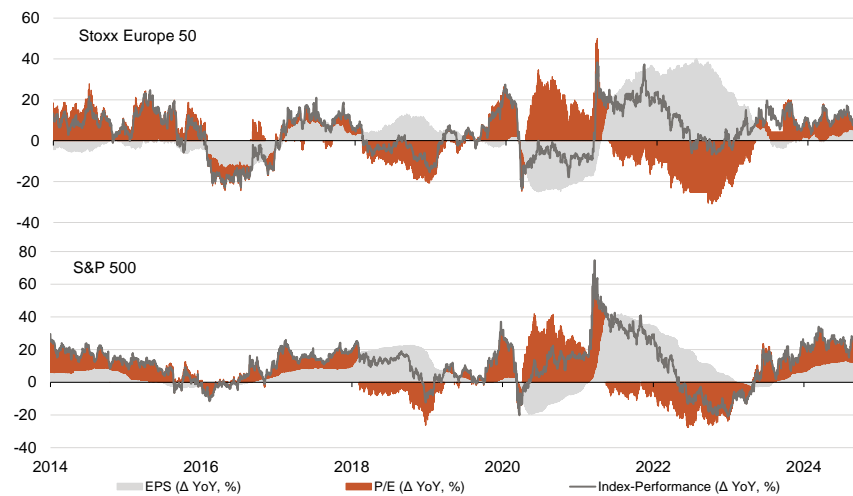
- Despite recent disappointing economic data and a weak outlook for consumer demand in China, analysts continue to expect strong earnings growth of around 25% for Asia ex-Japan this year.
- In Latin America, analysts expect profits to decline this year due to political unrest and a less constructive outlook for commodities.

Consensus expected calendar year earnings growth for selected equity regions, year-on-year and in percent. The earnings estimates of the individual companies are aggregated upwards using the index weights ("bottom-up"). Regional and Europe Sector MSCI Indices. APAC ex Japan = Asia Pacific excluding Japan

Source: FactSet, as of 06/09/2024



Contribution Analysis

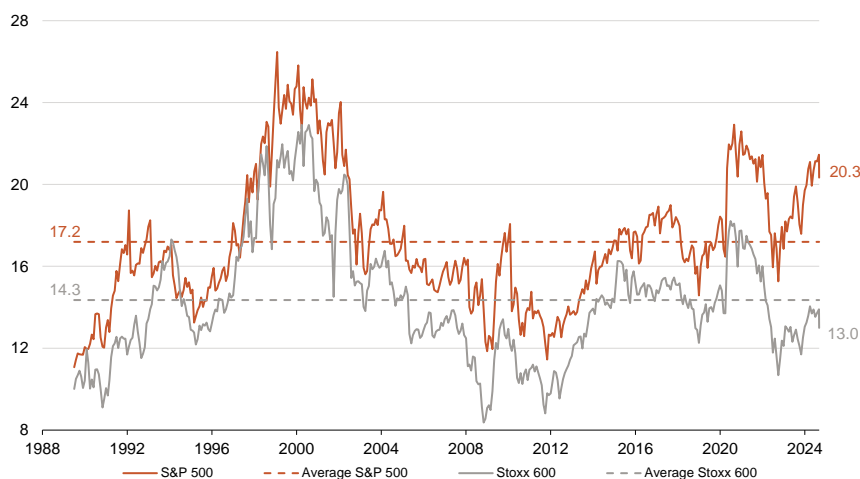


- The S&P 500 has gained more than 20% over the past 12 months. This positive performance has again been driven in equal parts by a widening of valuations and a positive earnings trend.
- The Stoxx Europe 50 has also posted double-digit gains in the low teens. Valuation expansion has been the dominant driver over the past 12 months.

Analysis of the drivers of stock market development over the last 12 months. The change in earnings estimates and the change in valuation (price-earnings ratio) are taken into account. EPS = earnings per share

Source: Bloomberg, Time period: 01/01/2014 - 06/09/2024

Price-Earnings Ratio (P/E Ratio) of European and US Equities

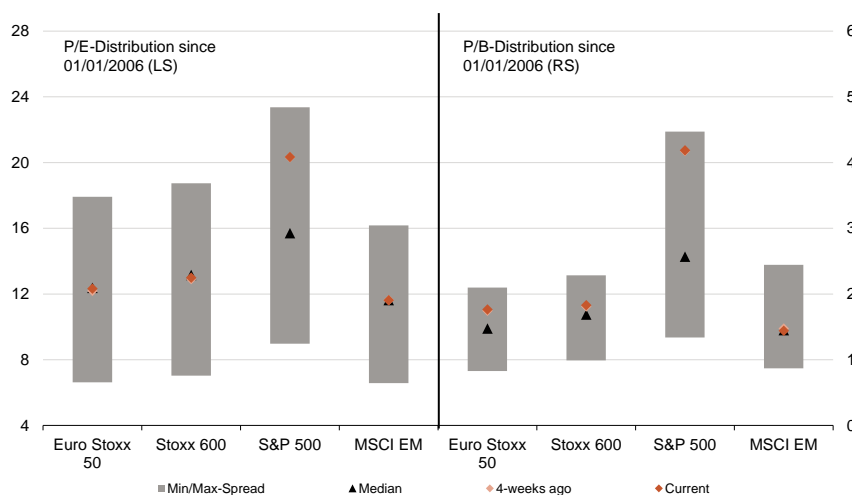


- Both US and European equities have experienced rapid valuation contraction since the end of August. US equities have recently fallen to 20.3x this year's high in July.
- European equities have also recently become cheaper. At 13.0x, they are the cheapest they have been since November 2023.

P/E valuation based on earnings estimates for the next twelve months of European and US equities as well as the respective P/E average since 1988. *For the Stoxx 600, the history before 2000 was taken from MSCI Europe.

Source: Bloomberg, Factset, Time period: 31/12/1987 - 06/09/2024

Historical Distribution: Price/Earnings and Price/Book Ratio



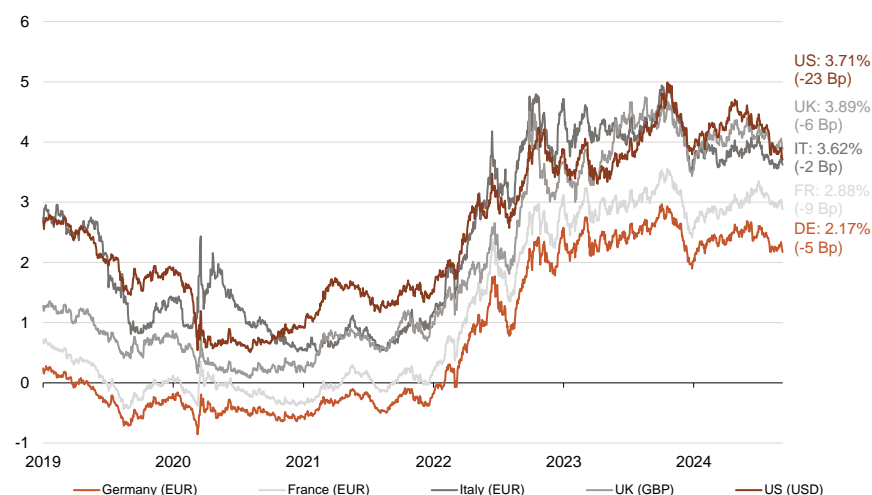
- On a four-week basis, there has been little change in the valuation levels of European, US and emerging market equities.
- When current P/E valuation levels are placed in a historical context since 2006, European and emerging market equities are fairly valued by historical standards, while US equities are expensive.

Historical distribution of valuation ratios for selected equity regions since 2006. In addition to the current value, the observation four weeks ago and the historical median, the maximum (upper limit of the grey bar) and minimum (lower limit of the grey bar) are shown.

Source: Bloomberg, Time period: 01/01/2006 - 06/09/2024



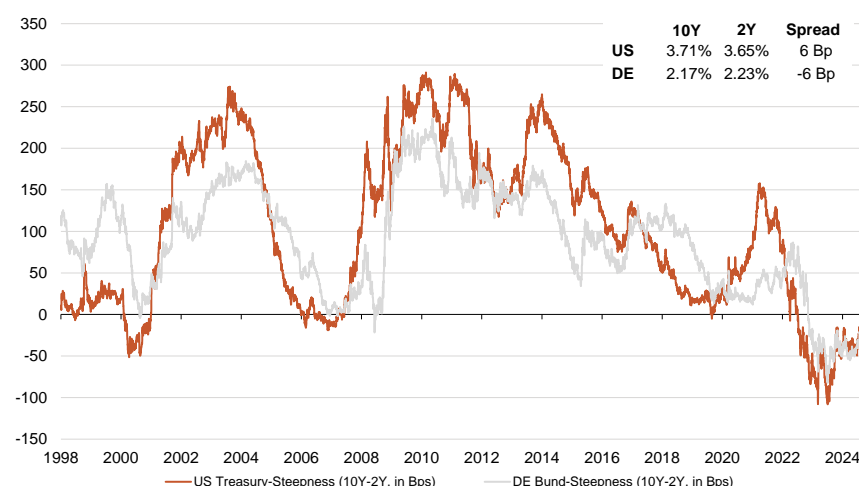
10-Year Government Bond Yields



- Over the past two weeks, the focus has remained increasingly on US economic data. Mixed data led to a further slight decline in yields.
- US government bonds recorded the largest drop in yields, falling by 4 basis points to 3.7 %. Italian government bonds developed in the opposite direction in the same period, with yields also rising by 11 basis points.

Effective yield on 10-year government bonds and change over the last four weeks in basis points (in brackets).
Source: Bloomberg, Time period: 01/01/2019 - 06/09/2024

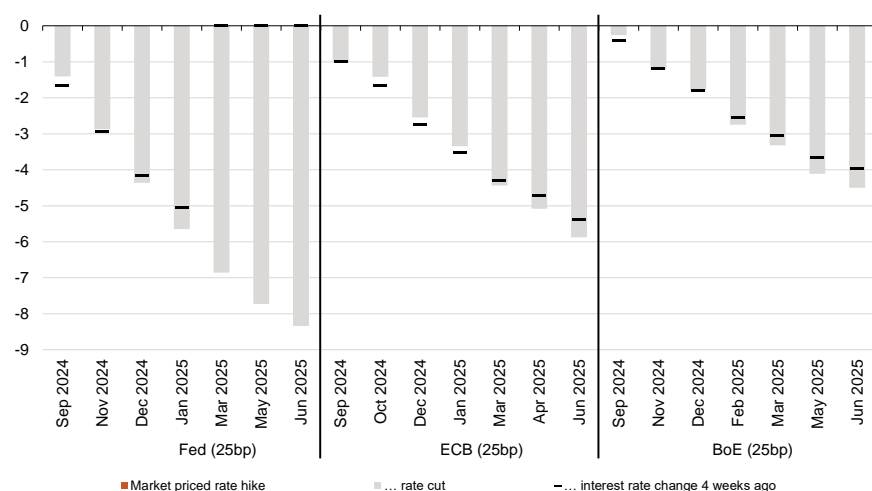
Yield Curve Steepness (10Y - 2Y)



- Over the past two weeks, the US yield curve has steepened further and is trading slightly in positive territory for the first time since July 2022 following the US labour market data.
- The steepening of the structural curve was caused in particular by a decline in yields at the short end of the curve.

The yield curve distinguishes between the so-called short end and the long end. The reason for this is the way in which factors influence yields. Central banks control the short end of the curve through their monetary policy and key interest rates. In contrast, the long end is influenced less by central banks and more by inflation expectations, supply, demand and risk premiums.
Source: Bloomberg, Time period: 01/01/1998 - 06/09/2024

Implicit Changes in Key Interest Rates

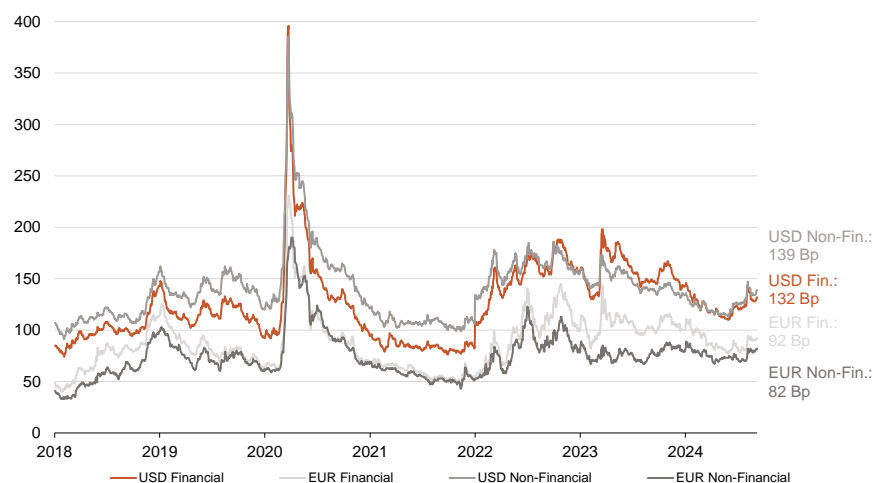


- Despite disappointing economic data from the US, expectations of future interest rate cuts have changed only slightly. Compared to four weeks ago, the market is still pricing in around four interest rate cuts by the end of the year.
- The market expectation for a Fed rate cut in September lies exactly in the middle between a rate cut of 25 bp and one of 50 bp.

Derivatives on money market interest rates - such as the fed funds futures - can be used to determine the change (number of steps) in the key interest rate priced by the market.
Source: Bloomberg, Time period: 22/02/2024 - 06/09/2024



Credit Spreads Financial and Non-Financial Bonds

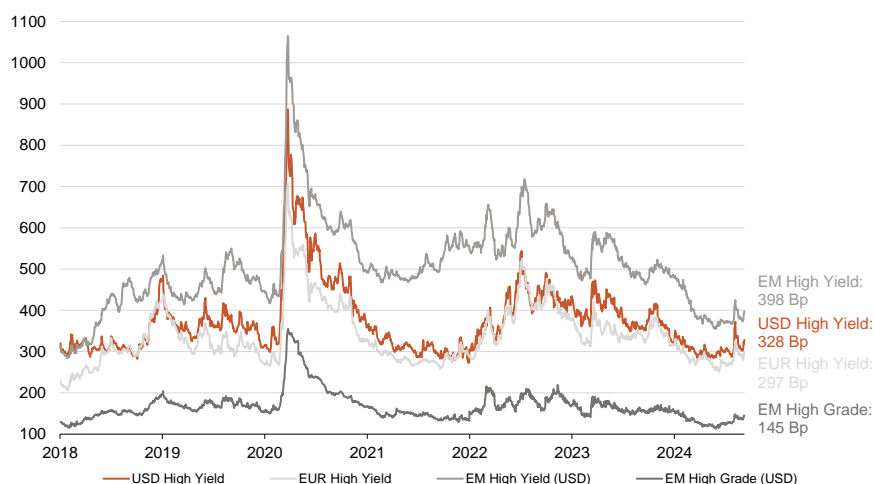


- The widening of spreads in the investment grade segment has been only modest over the past two weeks. At the beginning of August, risk premiums had risen on the back of strong growth concerns. As the month progressed, these growth concerns were gradually priced out of the bond market and only widened slightly in the last week.
- Spreads on USD and EUR IG corporate bonds widened by 4 and 3 basis points respectively last week.

Explanations: see middle and lower figure.

Source: FactSet, Time period: 01/01/2019 - 06/09/2024

Credit Spreads High Yield and Emerging Markets Bonds



- Risk premiums in the high-yield segment also rose sharply at the beginning of August, only to fall again as growth concerns were priced out.
- Last Friday's labor market data revived concerns about an economic slowdown. Spreads widened again accordingly. Spreads on USD and EUR high-yield bonds widened by 19 and 5 basis points respectively in the past two weeks.

How high the risk associated with the corporate bond is shown by its asset swap spread (in bp). This indicates the yield that the issuer must pay in addition to the swap rate for the respective term as compensation for its credit risk. See further explanation below.

Source: FactSet, Time period: 01/01/2019 - 06/09/2024

Bond Segments Overview

	Key figures			Asset Swap Spread			Total Return (% local)						
	Yield (in %)	Δ-1M	Modified Duration	Spread (Bps)	Δ-1M	10Y-Per-centile	1M	YTD	06/09/23 06/09/24	06/09/22 06/09/23	06/09/21 06/09/22	06/09/20 06/09/21	06/09/19 06/09/20
EUR Government	2.71	-0.10	7.2	-	-	-	0.7	1.5	7.4	-4.4	-15.1	0.2	-0.2
Germany	2.18	-0.06	7.3	-	-	-	0.3	0.7	6.0	-6.2	-13.0	-1.0	-1.3
EUR Corporate	3.42	-0.13	4.5	86	0	67	0.8	3.1	8.7	0.5	-13.3	2.2	-0.1
Financial	3.60	-0.15	3.7	92	-2	60	0.8	3.6	8.7	1.2	-11.4	1.9	0.2
Non-Financial	3.32	-0.12	4.9	82	1	74	0.8	2.8	8.6	0.0	-14.4	2.3	-0.2
EUR High Yield	6.30	-0.37	3.1	297	-24	31	1.7	5.7	11.7	7.2	-13.0	8.5	0.1
US Treasury	3.75	-0.25	6.4	-	-	-	1.6	4.2	8.7	-2.3	-11.9	-2.2	7.2
USD Corporate	4.84	-0.30	6.9	137	-5	52	2.4	5.3	12.1	1.4	-15.9	2.7	7.7
Financial	4.90	-0.34	5.1	132	-8	60	2.2	6.0	12.1	1.8	-13.1	2.3	7.7
Non-Financial	4.82	-0.28	7.7	139	-4	49	2.5	4.9	12.1	1.1	-17.1	2.8	7.7
USD High Yield	7.52	-0.43	3.9	328	-22	26	2.4	6.6	13.3	6.8	-10.9	10.7	3.3
EM High Grade	4.85	-0.26	5.5	145	0	17	1.8	5.7	10.8	1.6	-14.7	2.8	4.8
EM High Yield	8.04	-0.39	3.9	398	-17	16	2.1	9.9	16.1	7.4	-22.1	6.6	8.3

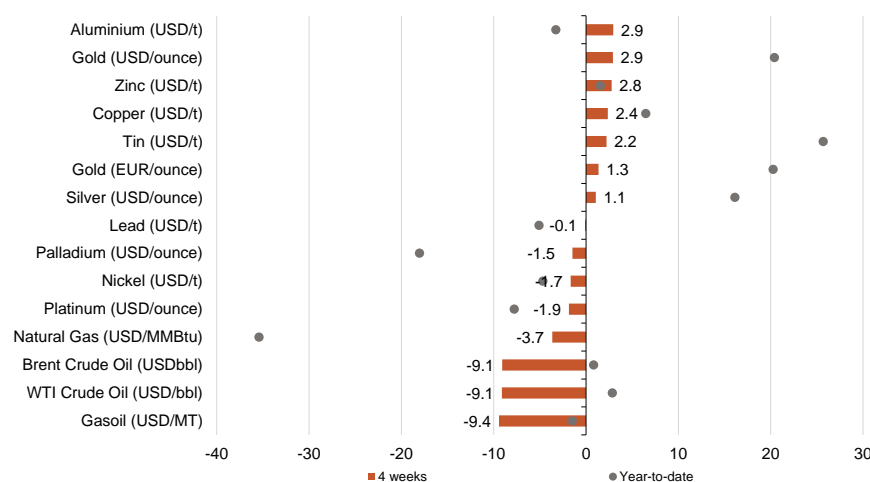
- In the last four weeks, all of the bond segments shown here recorded declines in yields. Bonds in the high-yield segment in particular saw yields fall.
- The strongest bond segment in local currency in the last four weeks was USD non-financial bonds.

ICE BofA indices in the following sequence: Euro Government; German Government; Euro Corporate; Euro Financial; Euro Non-Financial; Euro High Yield; US Treasury; US Corporate; US Financial; US Non-Financial; US High Yield; High Grade Emerging Markets Corporate Plus; High Yield Emerging Markets Corporate Plus. EM indices are hard currency bonds.

Source: FactSet, Time period: 06/09/2014 - 06/09/2024



Commodities Performance

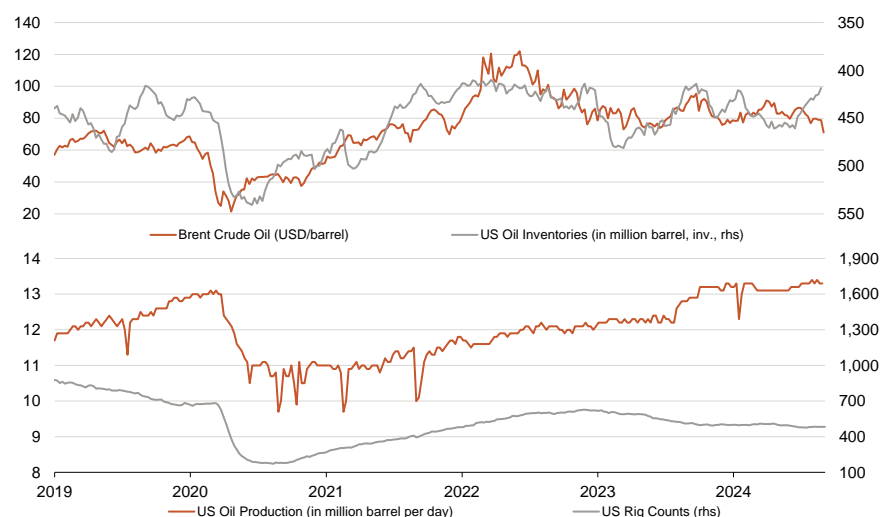


- While energy commodities have weakened over the past four weeks, industrial metals in particular realised gains.
- Within the precious metals, the individual commodities performed very differently. While gold in USD gained almost 3%, platinum fell by almost 2%. Indeed, the drivers of the two metals are very different. While gold is primarily an interest-sensitive safe haven, more than half of the demand for platinum comes from manufacturing.

Total return of selected commodity indices, in percent, sorted by 4-week performance.

Source: Bloomberg, Time period: 31/12/2022 - 06/09/2024

Crude Oil

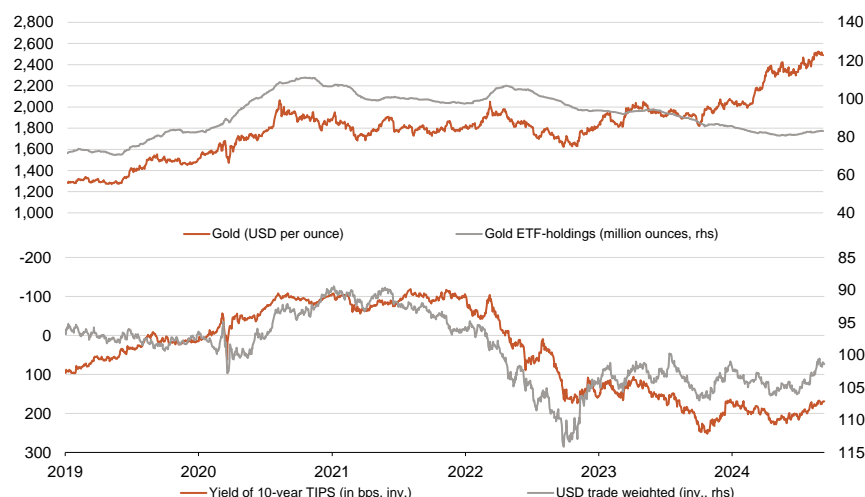


- The oil market has had a turbulent month. Concerns over Chinese demand and uncertainty about the future production policy of OPEC+ put pressure on prices. Even reports of production shortfalls due to unrest in Libya were unable to stop prices from falling.
- In the end, OPEC+ decided to postpone their production increase for at least two months, but the oil price still did not rise.

Higher oil production and higher inventories tend to weigh on oil prices and vice versa. An increase in active oil wells indicates higher oil production in the future.

Source: Bloomberg, Time period: 01/01/2019 - 06/09/2024

Gold



- Gold, which has gained more than 20% since the beginning of the year, outperforming even US equities (S&P 500), has been fluctuating sideways in recent weeks.
- Since major disappointments in economic data have recently been absent, real interest rates have also stagnated, leaving the precious metal somewhat lacking in momentum.

The US dollar and the real, i.e. inflation-adjusted, interest rate are among the fundamental price factors of the gold price. Rising real interest rates tend to weigh on the gold price, while falling real interest rates have a supportive effect. The same applies to the US dollar. The development of gold ETF holdings reflects financial investors' demand for gold.

Source: Bloomberg, Time period: 01/01/2019 - 06/09/2024

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