

Current market commentary

The lack of an escalation in the trade war so far, weaker US economic data and a decline in momentum for Treasuries led to a fall in yields on US government bonds. At the same time, there was incremental positive news for Europe with the more likely peace in Ukraine and the German parliamentary elections. This and the need for increased European defence spending has led to a narrowing of the interest rate differential between the US and Europe and has tended to weigh on the US dollar. The probability of a (slight) economic slowdown in the US has increased recently in any case, favoured by the lagging effects of the strong dollar and high US interest rates in December/January, the new US government's austerity measures and increased political uncertainty. The equity market is already playing on this theme: defensive equity market segments have recently performed significantly better than cyclical and volatility has increased.

Short-term outlook

Things will be a little quieter over the next two weeks. Following the general election in Germany, coalition negotiations are now on the agenda, which are once again eagerly awaited. The ECB meets on Thursday, 6 March and is expected to cut interest rates by 25 basis points.

The week begins today with the preliminary consumer price index (Feb.) for the eurozone and the purchasing managers' index for the manufacturing sector (Feb.) for the USA. This will be followed on Wednesday by the ADP labour market report and the services purchasing managers' index (Feb.) for the US, retail sales (Jan.) for the eurozone on Thursday and non-farm payrolls (Feb.) and the unemployment rate (Feb.) for the US on Friday. Next week will see the publication of consumer prices (Feb.) for Germany and the USA as well as the monthly sentiment survey by the University of Michigan (Mar.).

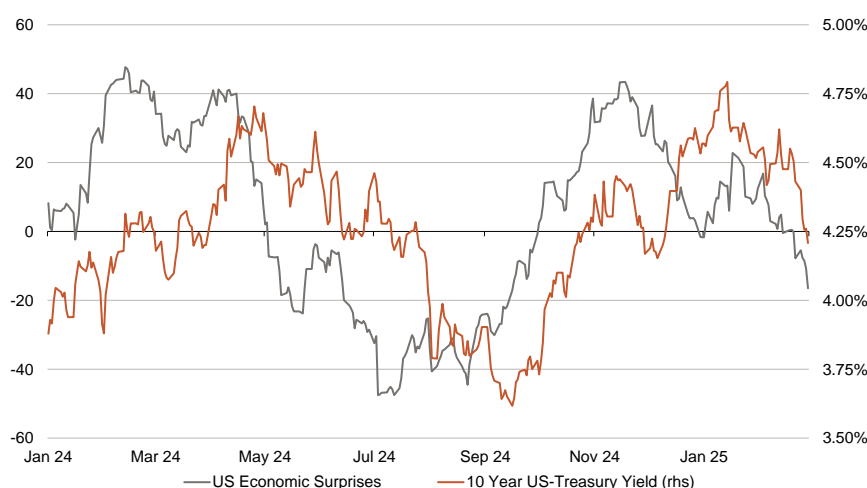
The bi-weekly **Monitor** gives you a structured overview of the current capital market environment and highlights important developments:

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

ECB meeting with focus on interest rate decision.

Consumer prices, purchasing managers' indices and the Michigan Consumer Index are in investors' sights.

Negative economic surprises, Trump and DOGE cause US rates to fall

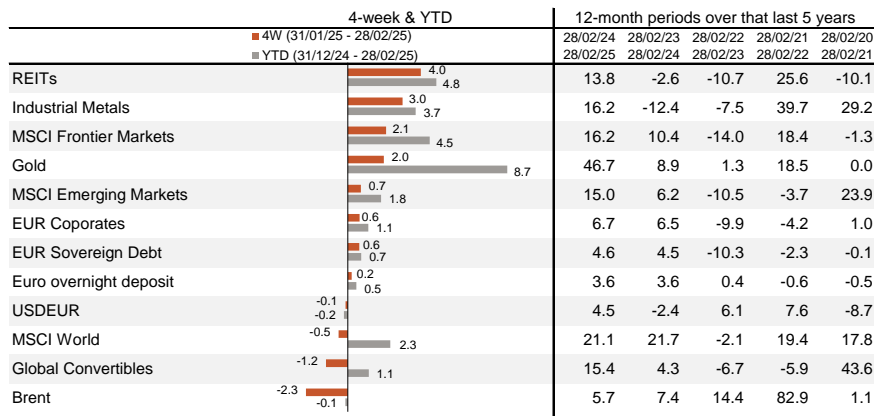


- The more restrictive financing conditions at the beginning of the year (high interest rates, strong dollar, high oil price) are now causing negative economic surprises with a delay.
- In addition, Donald Trump's tariff threats and the 'DOGE' austerity measures are increasingly weighing on consumer sentiment. Accordingly, growth risks have moved back into the focus of investors.
- As a result, yields on 10-year US Treasuries have also fallen significantly and equity markets are consolidating.

Source: Bloomberg, Time period: 01/01/2024 - 28/02/2025



Multi Asset



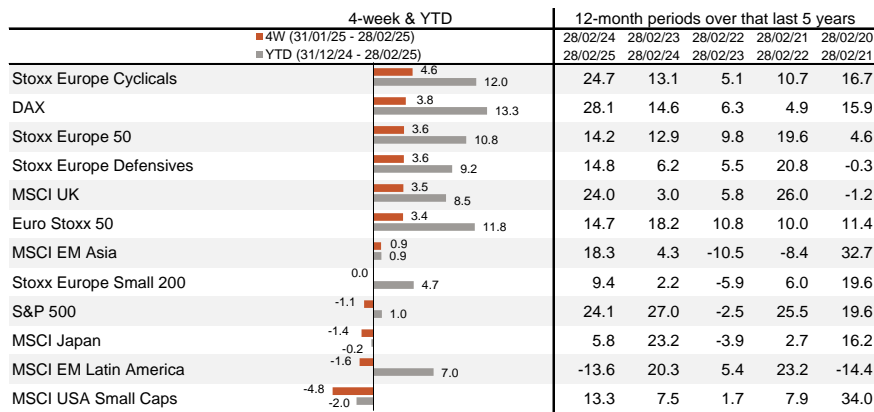
MSCI World: MSCI World Net Return; MSCI Emerging Markets: MSCI EM Net Return; MSCI Frontier Markets: MSCI Frontier Markets Net Return;
 REITs: MSCI World REITs Index; EUR Sovereign Debt: IBOXX Eurozone Sovereign 1-10Y TR; EUR Corporates: IBOXX Euro Corporates Overall TR;
 Global Convertibles: SPDR Convertible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

- Interest rate-sensitive REITs as well as government and corporate bonds have recently benefited from falling real yields.
- The precious metal gold, which has been the best performing asset class since the beginning of the year, has continued to rise in the last four weeks due to increased global uncertainty.
- The possibility of a normalisation of relations between the USA and Russia with the lifting of sanctions against Russia has 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: 28/02/2020 - 28/02/2025

Equities



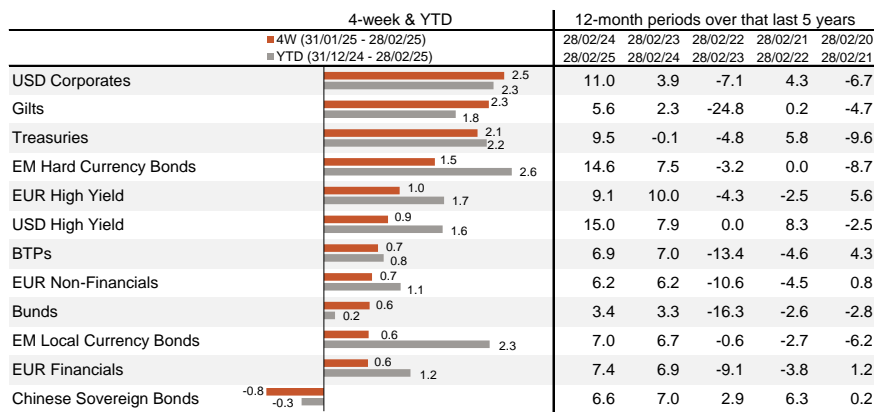
S&P 500: S&P 500 TR (US-Equity); Stoxx Europe 50: Stoxx Europe 50 TR; Euro Stoxx 50: Euro Stoxx 50 TR; MSCI Japan: MSCI Japan TR;
 Stoxx Europe Small 200: Stoxx Europe Small 200 TR; MSCI USA Small Caps: MSCI USA Small Caps TR; Stoxx Europe Cyclical: Stoxx Europe Cyclical TR;
 Stoxx Europe Defensives: 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 global equity markets have recorded a mixed performance over the past four weeks.
- European equities have continued their upward trend since the beginning of the year over the last four weeks.
- Negative economic surprises and the announcement of new tariffs by Donald Trump against Mexico, Canada and China increased investors' concerns about a trade war between the US and its trading partners, which, together with negative seasonality, has recently weighed on US equities.

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

Source: Bloomberg, Time period: 28/02/2020 - 28/02/2025

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

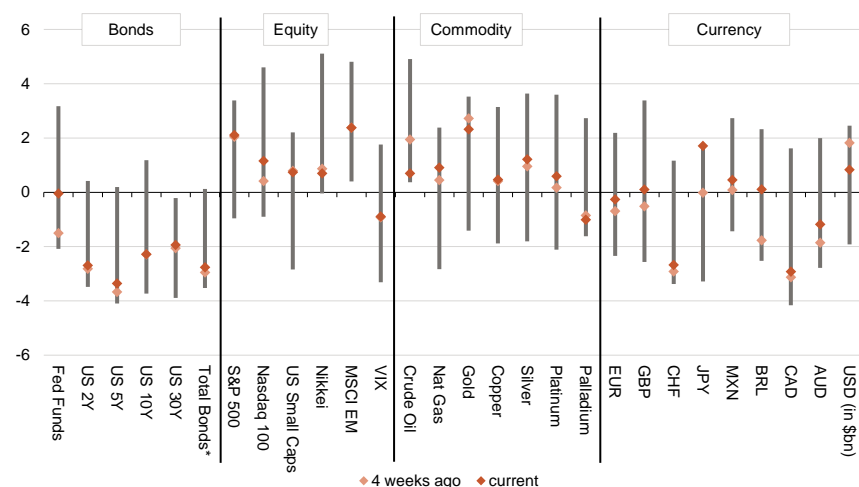
- Most bond markets performed positively last month.
- The GBP appreciation coupled with the BoE's interest rate cut on February 6 gave British government bonds a tailwind in the last four weeks.
- The announcement by the Chinese Ministry of Finance of a more proactive fiscal policy with a higher budget deficit and more issues recently weighed on Chinese government bonds.

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

Source: Bloomberg, Time period: 28/02/2020 - 28/02/2025



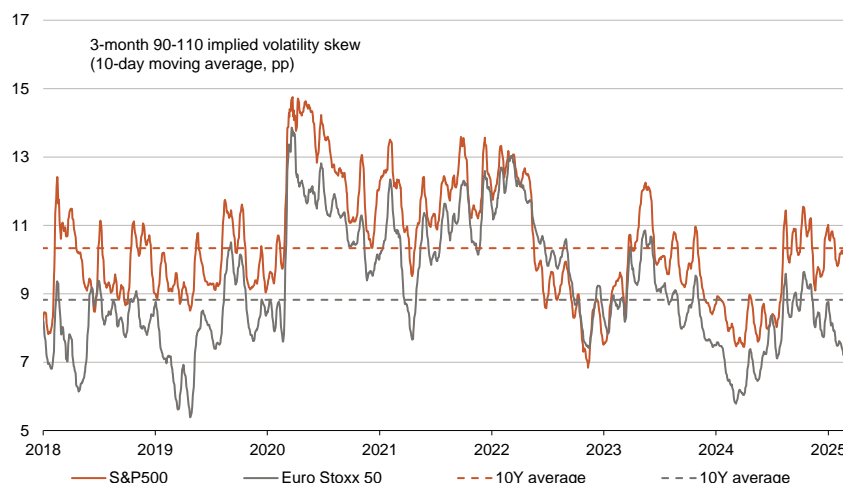
Non-Commercial Positioning



- Due to falling interest rates in the US and rising interest rates in Japan, hedge funds are currently betting heavily on a further appreciation of the yen.
- After the futures positioning in US tech stocks recently turned negative for the first time since 2023, speculative investors have recently turned bullish again and built up long positions.

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: 25/02/2015 - 25/02/2025

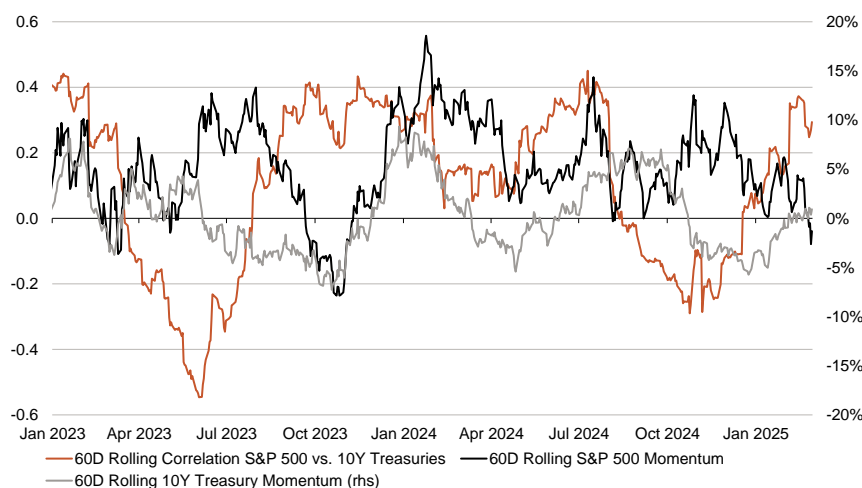
Put-Call-Skew



- The gap between the skew of the Euro Stoxx 50 and the skew of the S&P 500 has widened further in recent weeks. In Europe, the put-call skew is now very flat. In a comparison of the last 10 years, it is now only in the 15th percentile, which is due on the one hand to the relatively low implied volatility and on the other hand to the high willingness to pay for participation in rising prices.

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: 28/02/2015 - 28/02/2025

60-Day Momentum and Correlation

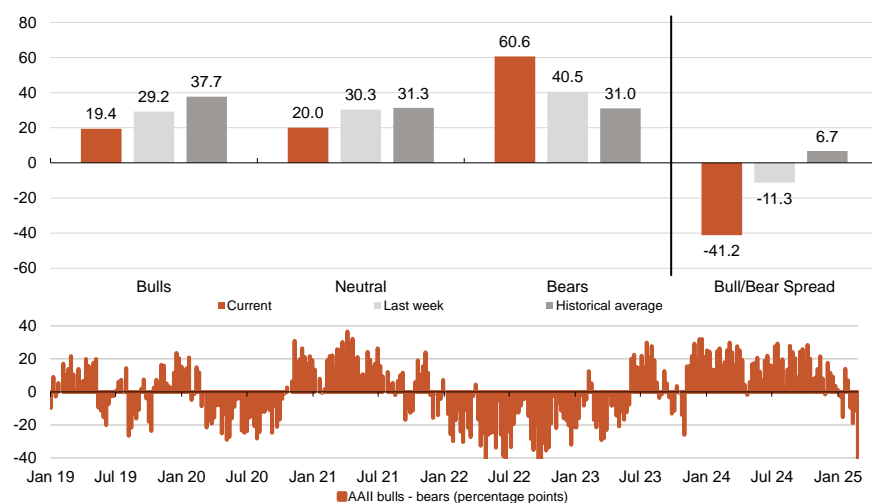


- Momentum in the US equity market over 60 trading days has turned negative for the first time since August last year amid waning US tech optimism and increased economic uncertainty.
- Momentum for US Treasuries, on the other hand, has turned positive. The correlation has therefore decreased recently.

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: 31/12/2022 - 28/02/2025



AAL Sentiment Survey (Bulls vs Bears)

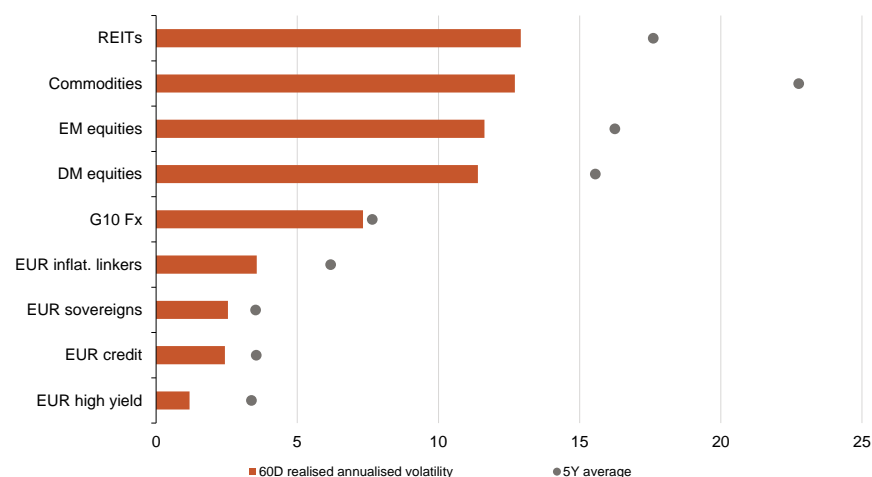


- There is extreme pessimism among US private investors. At -41ppts, the bull/bear spread is at its eighth-lowest level since records began in 1987.
- Historically, a spread of -40 or less is a good buy signal. The S&P 500 posted positive returns 90% of the time over the following six months, gaining almost 14% on average.

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, AAI, Time period: 23/07/87 - 27/02/2025

Realised Volatilities

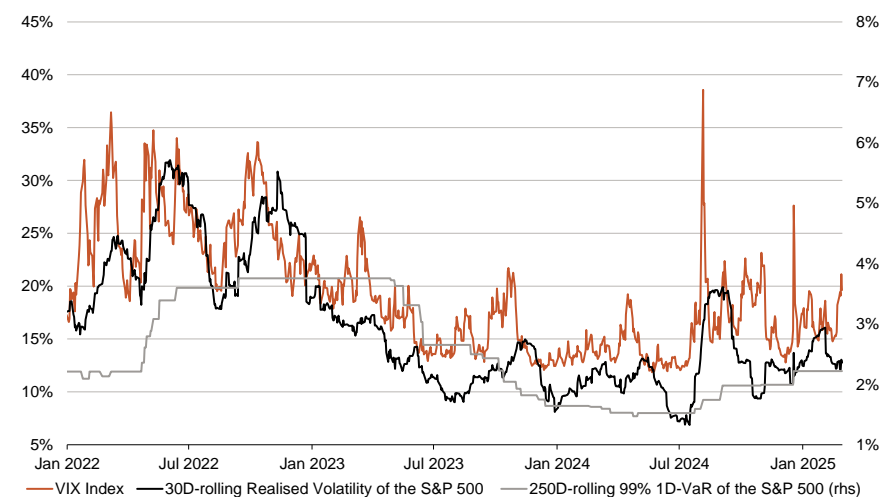


- Realised volatilities have barely changed over the last two weeks and remain quite low relative to the medium-term average.
- In view of the uncertain inflation outlook, weaker economic momentum in the US, Donald Trump's constant threatening behaviour and the complicated peace negotiations in the Russia-Ukraine war, the markets have remained surprisingly calm.

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: 28/02/2020 - 28/02/2025

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



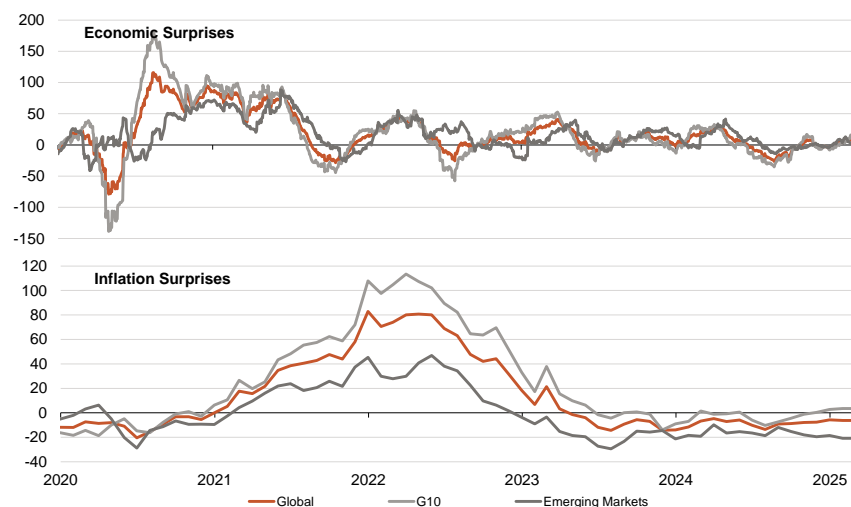
- Last week, the VIX exceeded the 20 mark for the first time this year, while realised volatility remains well below 15%.
- Investors appear to be anticipating an increase in volatility in the coming weeks in light of Donald Trump's ongoing tariff threats and the peace negotiations.

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 - 28/02/2025



Global

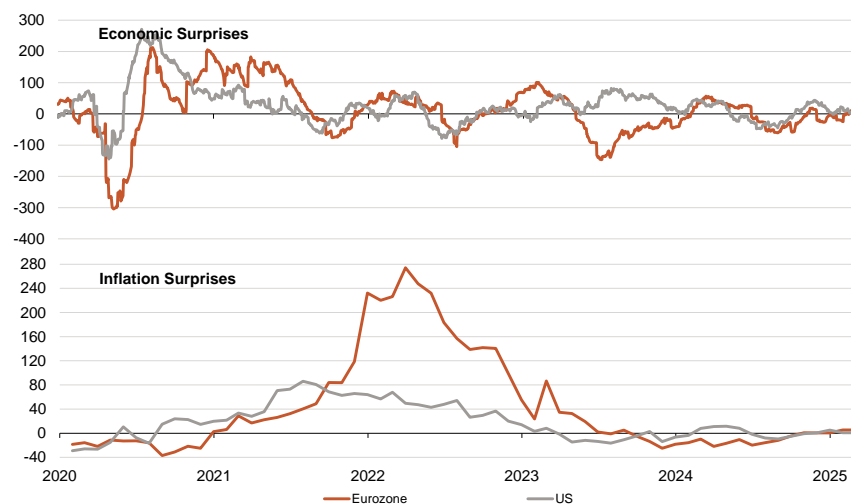


- Economic surprises have remained slightly positive at an aggregate level in both industrialised and emerging markets over the last two weeks.
- In Australia, employment figures surprised to the upside in January, while retail sales in Canada exceeded expectations in December.
- In Mexico, GDP growth in the fourth quarter was disappointing, while in Colombia it was well above expectations.

See explanations below.

Source: Bloomberg, Time period: 01/01/2020 - 28/02/2025

Eurozone and US

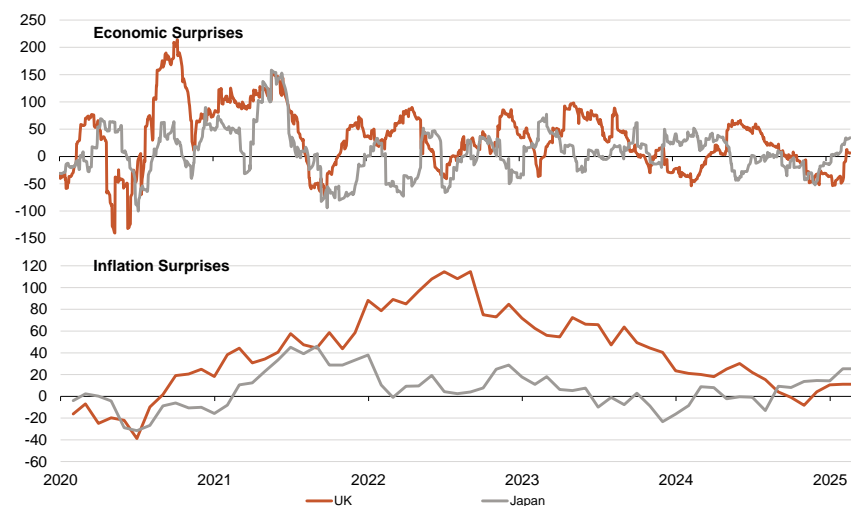


- In the US, economic surprises have turned negative in the last two weeks, while they have remained positive in the eurozone.
- In the US, the latest initial jobless claims surprised to the upside, while consumer confidence fell short of expectations in February. The Purchasing Managers' Index for the services sector fell below the 50 mark in February for the first time in two years.
- In the eurozone, consumer and industrial confidence were slightly above expectations in February.

See explanations below.

Source: Bloomberg, Time period: 01/01/2020 - 28/02/2025

UK and Japan



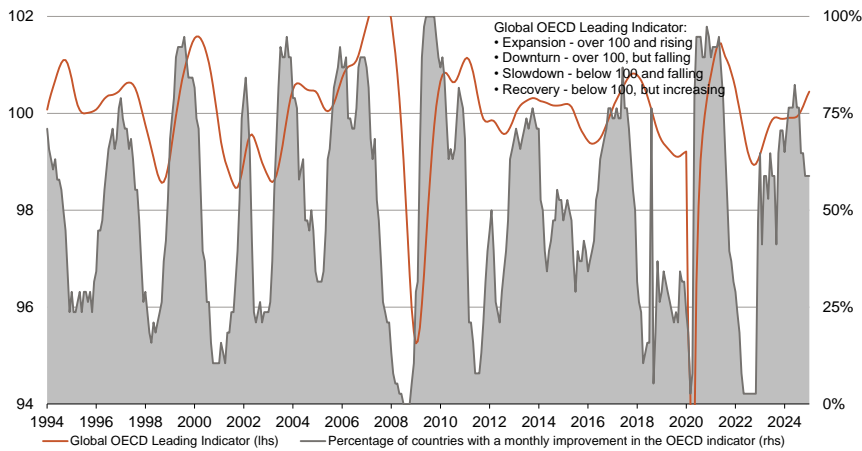
- In the UK, the unemployment rate surprised to the downside in the fourth quarter and consumer price inflation surprised to the upside in January.
- In Japan, industrial orders were below expectations in December, while consumer price inflation surprised to the upside in January.

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: 01/01/2020 - 28/02/2025



OECD Leading Indicator

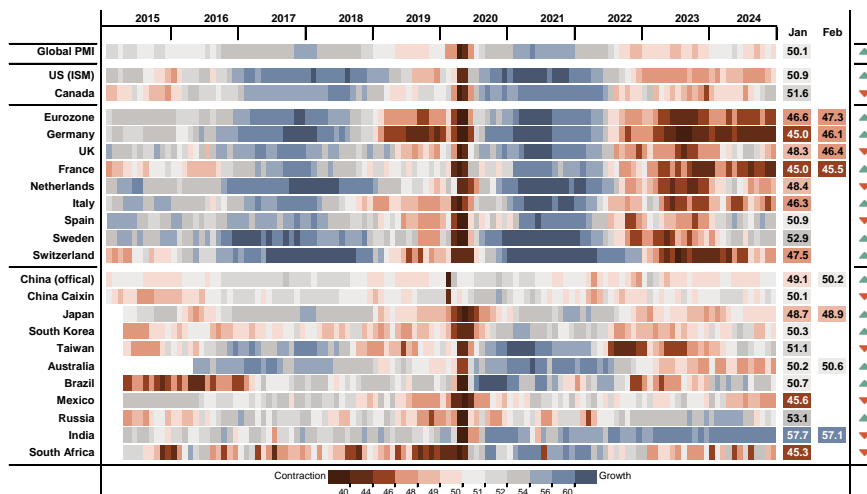


- The global economic expansion is continuing. The revised OECD leading indicator was above the 100 mark for the fifth time in a row in January with a value of 100.5.
- According to the revised leading indicator, the economic situation improved in 59% of the countries surveyed in January compared to the previous month, with Turkey and Canada recording the strongest increase and Brazil 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 - 28/02/2025

Manufacturing Purchasing Managers Index (Manufacturing PMI)

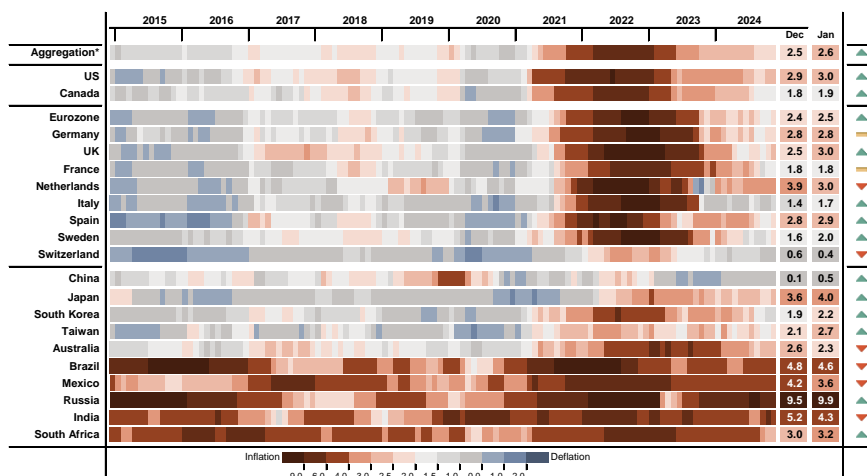


- The first PMI data for February point to regional differences. While industrial activity in the eurozone and Japan continues to weaken, the PMI data for February show an increase in industrial activity in Australia and Brazil, as in the previous month.

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: 01/01/2015 - 28/02/2025

Headline Inflation



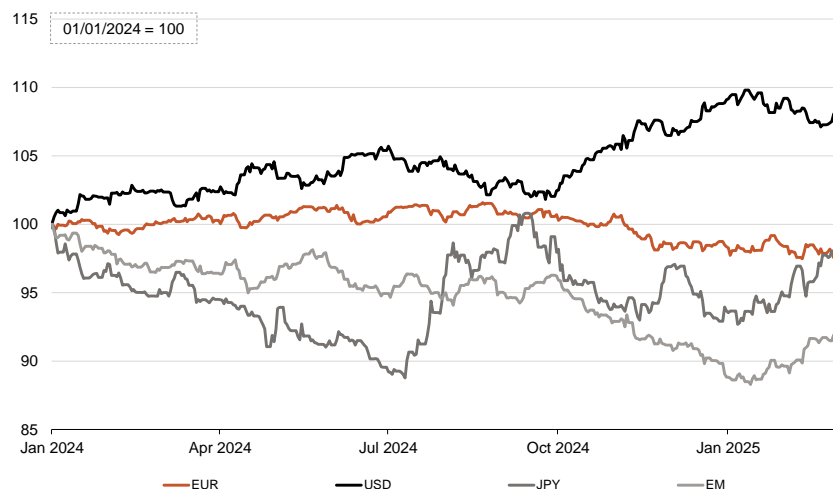
- The inflation data for January showed that the central banks' battle against inflation on both sides of the Atlantic is not yet over. In the USA, volatile components such as the prices of used cars, airline tickets and car insurance in particular contributed to surprisingly high consumer price inflation in January.

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: 01/01/2015 - 28/02/2025



Trade-Weighted Currency Development

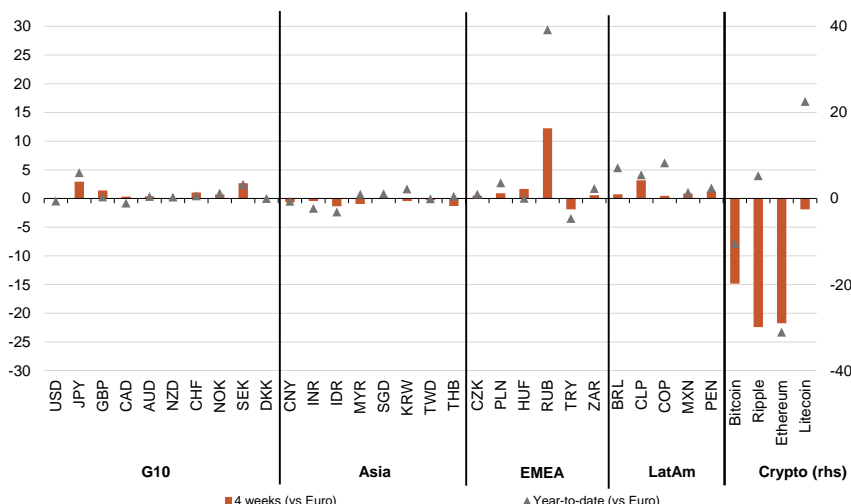


- Despite Donald Trump's announcement of further tariff plans against China, Canada and Mexico as well as tariff threats against the EU and unexpectedly high consumer and producer price inflation in the US in January, the trade-weighted US dollar index has fallen slightly in the last four weeks.
- Unexpectedly high consumer price inflation in Japan in January recently supported hopes of an interest rate hike by the BoJ and thus the Japanese yen.

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 - 28/02/2025

Currency Moves vs Euro

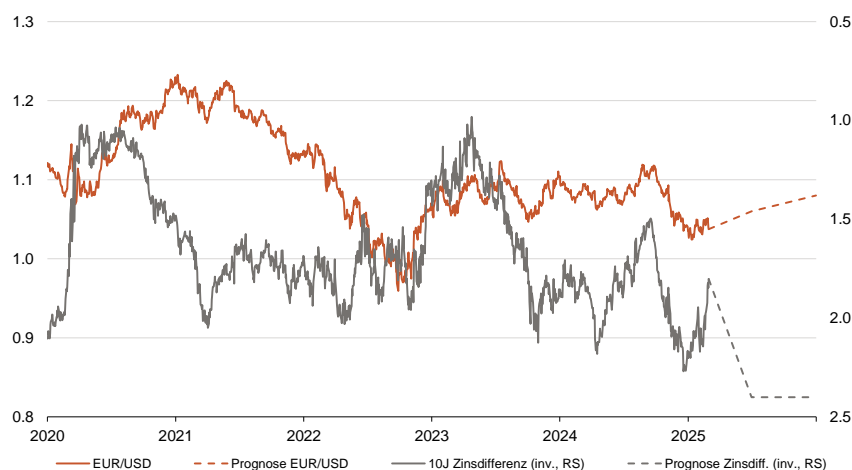


- As expected, the Reserve Bank of Australia cut its key interest rate by 25 basis points after its regular meeting in February. However, the RBA Council remained cautious about further easing, which has recently supported the Australian dollar.
- The Polish zloty recently appreciated against the euro to its highest level since July 2015 after the Polish central bank indicated in comments that interest rates could remain unchanged until well into the year.

Performance of selected currencies against the euro, in percent.

Source: Bloomberg, Time period: 31/12/2023 - 28/02/2025

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



- Donald Trump's economic and trade policy reorientation harbours increased inflation risks for the US, which are already reflected in higher inflation expectations.
- The EUR/USD exchange rate hovered around the 1.04 mark last week, while the interest rate differential between US and German government bonds fluctuated around the 1.9p mark.

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 - 31/12/2025



European Sector & Style Performance

	4-week & YTD		12-month periods over that last 5 years					
	4W (31/01/25 - 28/02/25)	YTD (31/12/24 - 28/02/25)	28/02/24	28/02/23	28/02/22	28/02/21	28/02/20	28/02/19
			28/02/25	28/02/24	28/02/23	28/02/22	28/02/21	28/02/20
Finance	8.1	17.1	42.6	8.9	16.6	13.7	3.2	
Telecommunications	5.6	14.6	29.2	2.5	0.6	11.5	-3.0	
Value	5.6	12.2	25.0	5.5	8.6	17.1	2.9	
Consumer Staples	4.2	6.4	5.8	-2.8	-1.1	22.7	-1.9	
Industrials	3.5	10.3	19.2	20.6	5.3	11.4	17.6	
Health Care	3.2	9.9	9.1	13.4	1.2	22.0	0.5	
Utilities	2.8	5.0	16.7	-0.8	-4.4	15.8	-1.1	
Materials	2.0	6.3	7.9	3.2	-3.3	15.7	35.6	
Energy	1.8	8.0	5.5	-0.3	29.9	34.4	-5.6	
Growth	1.7	8.5	7.3	15.2	0.7	13.2	13.6	
Consumer Discretionary	1.3	9.4	2.5	10.6	7.9	6.2	26.2	
Information Technology	-2.8	5.7	2.4	37.5	-3.4	9.1	26.9	

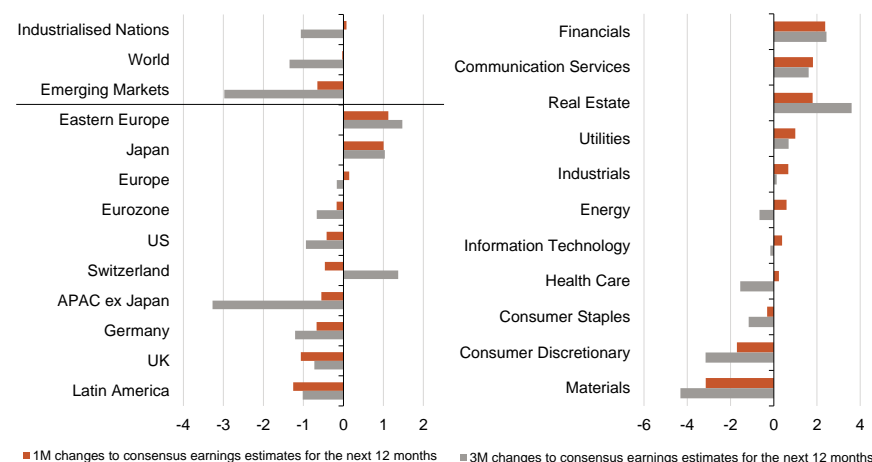
Consumer Discretionary: MSCI Europe Consumer Discretionary NR; Consumer Staples: MSCI Europe Cons. Staples NR; Energy: MSCI Europe Energy NR; Finance: MSCI Europe Financials NR; Health Care: MSCI Europe Health Care NR; Industrials: MSCI Europe Industrials NR; Information Tech.: MSCI Europe Inform. Tech. 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.

- Despite the recent price losses on the US equity markets, European equities have so far been able to hold their ground relatively well thanks to positive earnings revisions. Almost all sectors have performed positively over the last four weeks.
- In terms of style, defensive stocks and value stocks in particular have performed better than cyclical consumer goods and 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: 28/02/2020 - 28/02/2025

Changes in Consensus Earnings Estimates

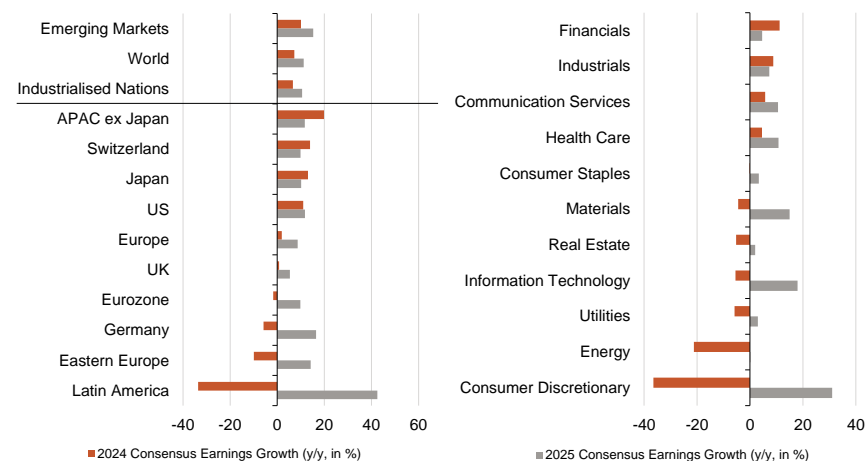


- The positive relative momentum of Europe compared to the USA can also be seen in analysts' earnings revisions. While the one-month change in earnings estimates for Europe and the eurozone has turned slightly positive, earnings estimates for the USA have recently been reduced further.
- At European sector level, estimates have recently been raised for property, financials and telecoms in particular.

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

Source: FactSet, as of 28/02/2025

Earnings Growth



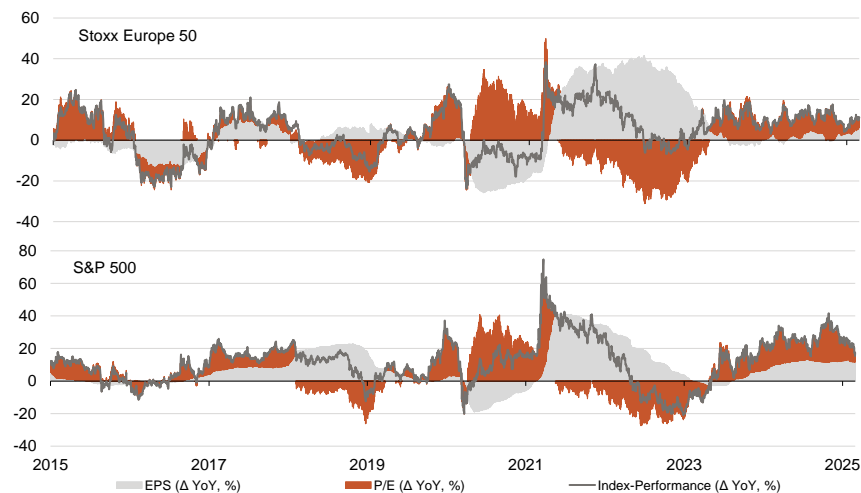
- Meanwhile, Germany is expected to see higher earnings growth in 2025 than the USA, partly due to the weak euro and hopes for major defence and infrastructure packages in Germany.
- Overall, more growth is expected for the emerging markets this year than for the industrialised nations.

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 28/02/2025



Contribution Analysis

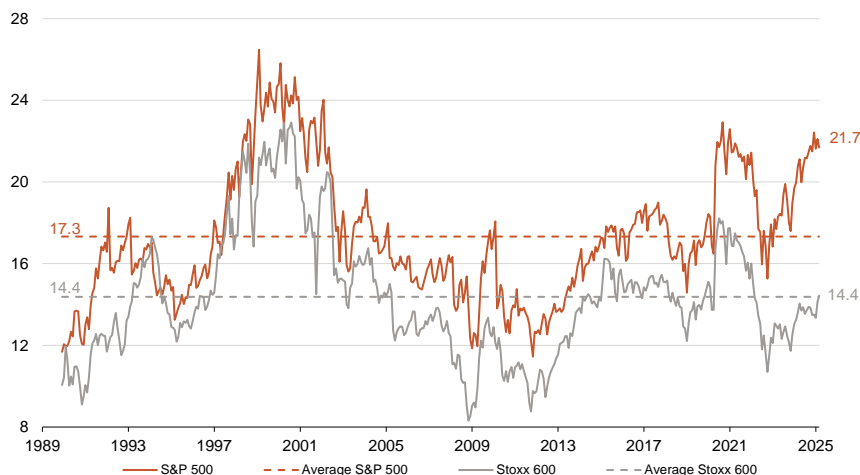


- European equities, as measured by the Stoxx Europe 50, have been increasingly driven by higher corporate profits over the past 12 months compared to the previous year, although valuations have also increased.
- In the USA, index performance over the last 12 months was also increasingly driven less by a rise in valuations and more by corporate profits.

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: 01/01/2015 - 28/02/2025

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

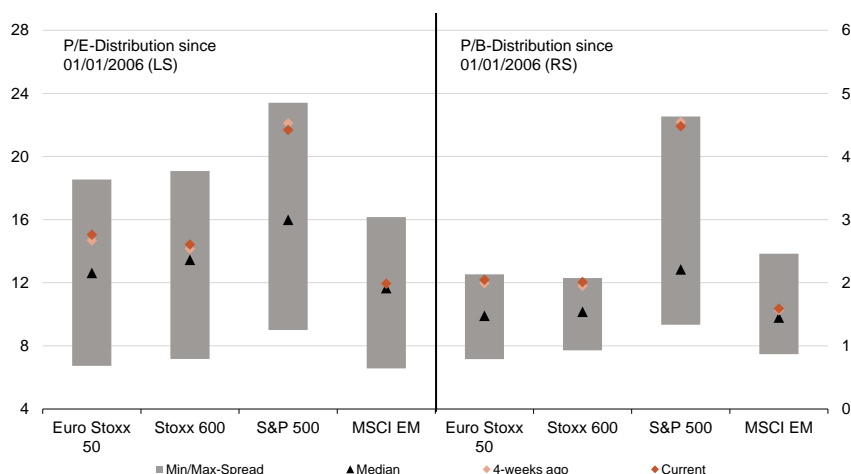


- As a result of the recent price losses on the equity markets, the price/earnings ratio of US equities has also fallen slightly. However, at just under 21x, the P/E ratio is still well above the long-term average and close to the highs of the past 20 years.
- In Europe, the valuation measure continues to trend close to the long-term average for the time being.

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 - 28/02/2025

Historical Distribution: Price/Earnings and Price/Book Ratio



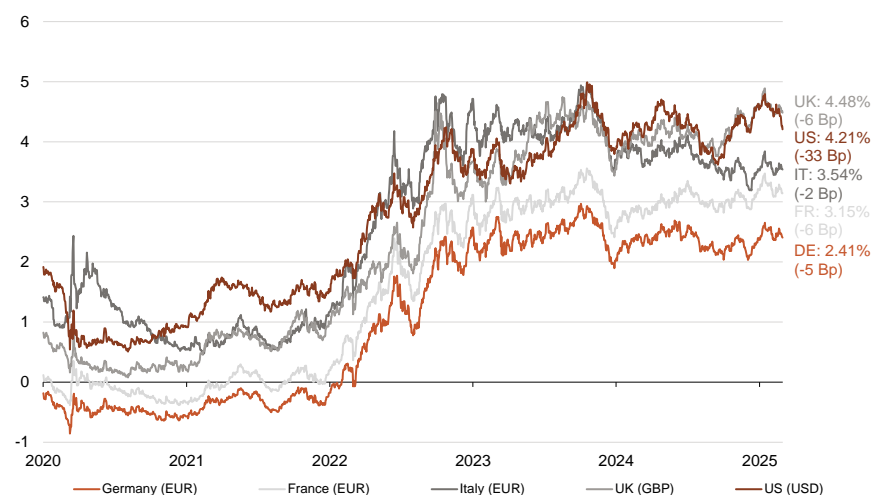
- A similar picture emerges when looking at the price-to-book ratio. Despite a slight decline, US equities continue to trade close to their historical highs.
- In contrast, the valuation of European equities on the basis of the P/B ratio appears increasingly expensive in historical terms.
- Emerging market equities, on the other hand, are only slightly above their median on a P/E and P/B basis.

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 - 28/02/2025



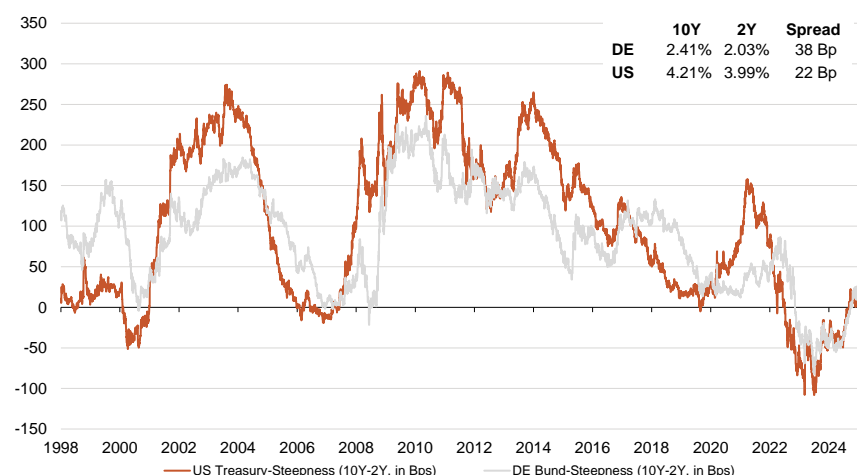
10-Year Government Bond Yields



- Yields on government bonds have continued to fall over the past four weeks. This movement was led by the USA, where yields fell significantly due to growing concerns about an economic slowdown and Donald Trump's tariff policy.
- Yields on European government bonds were not unaffected by this and fell significantly, also supported by the expectation of further interest rate cuts by the ECB.

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 - 28/02/2025

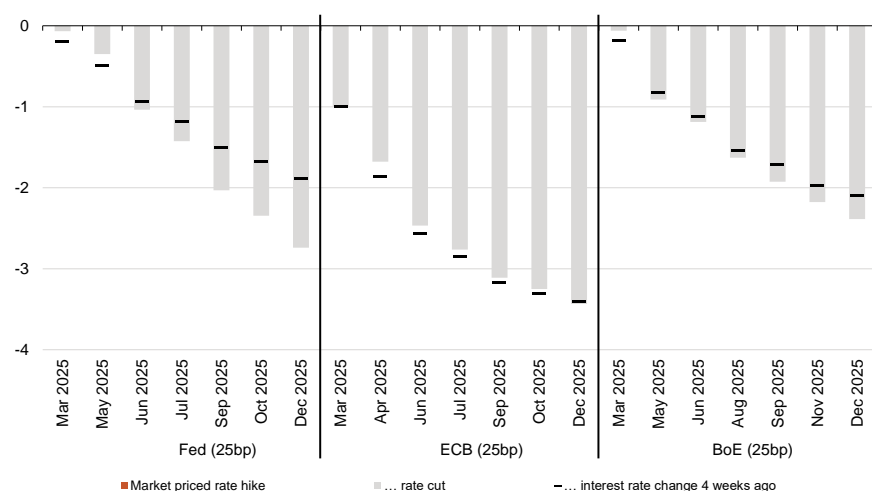
Yield Curve Steepness (10Y - 2Y)



- Due to increasing growth concerns and slightly declining inflation expectations, the yield curve in the USA recently flattened, primarily due to a stronger decline in 10-year yields.
- In contrast, the yield curve for German government bonds steepened. Concerns about higher future government spending and increased supply weighed increasingly on the long end.

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 - 28/02/2025

Implicit Changes in Key Interest Rates

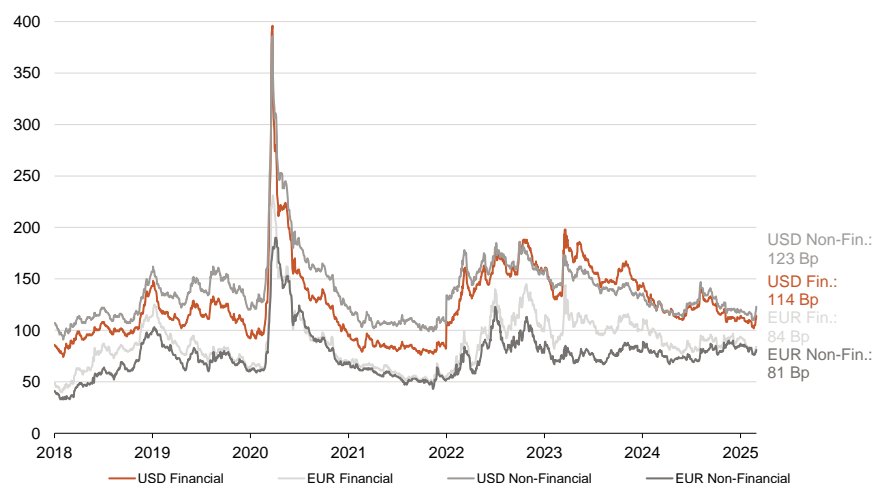


- In the wake of increasingly weaker economic data, the Fed's expectations for interest rate cuts have also been lowered. The market is now pricing in more than two interest rate cuts by the end of the year.
- Following a cut next Thursday, the ECB is expected to cut interest rates twice more by the end of the year.

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: 28/01/2025 - 28/02/2025



Credit Spreads Financial and Non-Financial Bonds

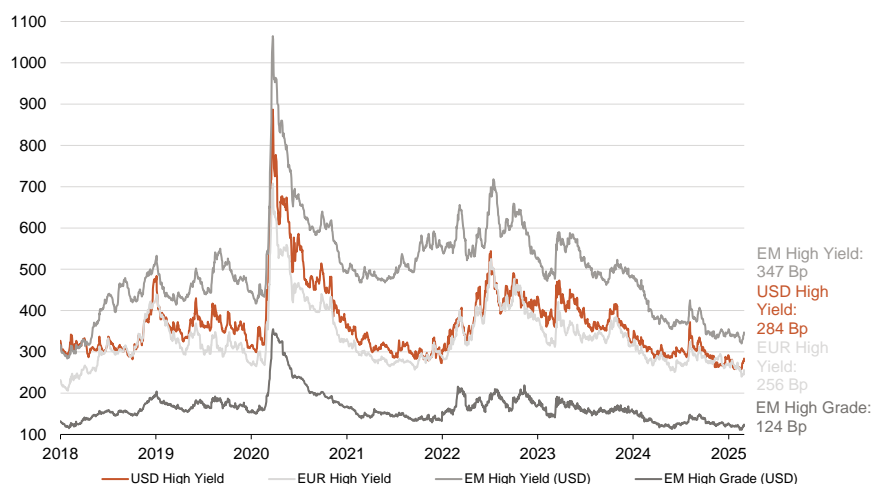


- The increasing risk-off sentiment on the markets has had little impact on corporate bonds. Risk premiums for USD financial and non-financial bonds have widened only slightly in the last two weeks.
- The picture is similar for EUR financial bonds, where the risk premium widened by 4 basis points, while EUR non-financial bonds remained unchanged.

Explanations: see middle and lower figure.

Source: FactSet, Time period: 01/01/2018 - 28/02/2025

Credit Spreads High Yield and Emerging Markets Bonds



- The asset swap spreads of high-yield and investment grade bonds from emerging markets have also widened slightly recently. Donald Trump's trade and customs policies in particular continue to cause tensions.
- However, the robust fundamentals and manageable debt ratios should counteract an upward trend in risk premiums.

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: 01/01/2018 - 28/02/2025

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	28/02/24	28/02/23	28/02/22	28/02/21	28/02/20	28/02/19
EUR Government	2.70	-0.18	7.2	-	-	-	1.4	0.6	4.5	4.9	-15.9	-4.0	-0.5	
Germany	2.23	-0.19	7.2	-	-	-	1.4	0.2	3.4	3.2	-16.4	-2.5	-2.8	
EUR Corporate	3.15	-0.23	4.5	82	0	57	1.3	1.1	6.8	6.4	-9.9	-4.0	0.9	
Financial	3.23	-0.21	3.8	84	2	44	1.2	1.1	7.2	6.6	-8.3	-3.4	1.3	
Non-Financial	3.10	-0.24	4.9	81	0	69	1.4	1.1	6.6	6.3	-10.9	-4.4	0.7	
EUR High Yield	5.70	-0.21	3.2	256	-5	9	1.4	1.7	9.1	10.0	-4.3	-2.5	5.5	
US Treasury	4.15	-0.27	6.2	-	-	-	2.2	2.8	5.1	2.0	-10.4	-1.6	-0.8	
USD Corporate	5.13	-0.18	6.7	120	7	31	1.9	2.6	6.9	6.0	-10.0	-3.0	2.5	
Financial	5.11	-0.16	5.0	114	7	39	1.6	2.4	7.5	6.3	-7.8	-2.9	3.7	
Non-Financial	5.15	-0.19	7.4	123	8	29	2.1	2.8	6.6	5.9	-11.0	-3.1	2.1	
USD High Yield	7.39	0.00	3.8	284	21	3	0.7	2.0	10.2	10.9	-5.5	0.9	8.6	
EM High Grade	5.05	-0.21	5.4	124	3	4	1.9	2.3	7.2	5.7	-8.6	-4.2	2.1	
EM High Yield	7.83	-0.14	4.0	347	7	8	1.5	2.4	12.8	9.7	-6.4	-11.1	8.4	

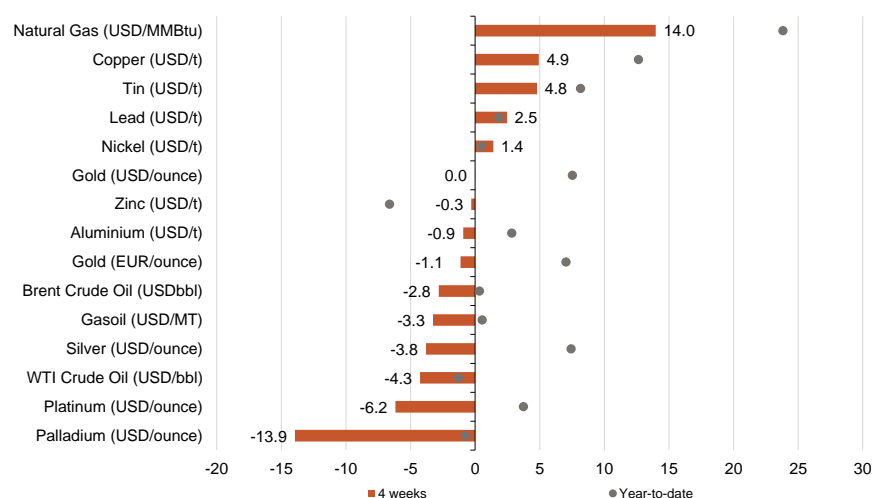
- Although the asset swap spread has recently widened for almost all corporate bond segments, the monthly change in risk premiums has declined for almost all segments.
- EUR high-yield bonds performed best with a spread narrowing by 21 basis points and a total return of 1.4%.

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: 28/02/2015 - 28/02/2025



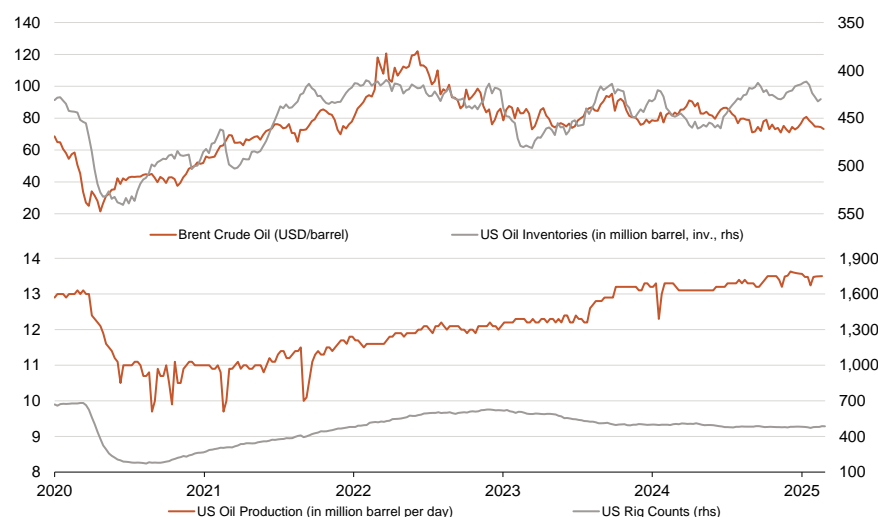
Commodities Performance



- The performance of energy commodities in particular is currently very heterogeneous. While Brent and WTI suffered losses over the last month, natural gas rose by more than 14% thanks to a cold front in the USA. European natural gas, on the other hand, lost more than 30% at times in February due to speculations that Russian gas would return to European gas markets as part of the ongoing peace negotiations.

Total return of selected commodity indices, in percent, sorted by 4-week performance.
Source: Bloomberg, Time period: 31/12/2024 - 28/02/2025

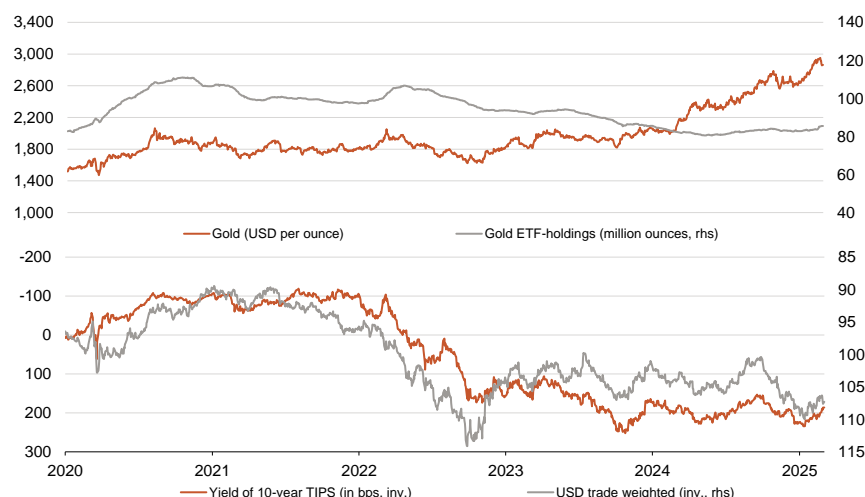
Crude Oil



- The oil price has continued its weakness over the past two weeks. WTI even fell below the USD 70 per barrel mark for the first time this year.
- There are many reasons for the price weakness. On the one hand, the peace negotiations and thus the hope for more cheap energy from Russia have weighed on prices. On the other hand, there are signs of weak demand. Demand in China in particular continues to disappoint. Oil imports there fell by almost 25% year-on-year in January.

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: 01/01/2020 - 28/02/2025

Gold



- After rallying since the beginning of the year, gold has consolidated over the past two weeks and is currently trading below the USD 2,900 per ounce mark again.
- However, ETF investors seem to see the setback as a buying opportunity. ETF holdings have risen by more than 1.8 million ounces since mid-February.

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: 01/01/2020 - 28/02/2025

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