TRAMONDO
INVESTMENT PARTNERS

QUARTERLY

Tramondo's take on markets, monetary policy, politics and economics. And resulting investment opportunities that successful individuals, families, and institutional investors need to be aware of today.

LIVING WITH INFLATION

SUMMARY

- We strongly believe that financial markets and the real economy will have to cope and live with higher inflation – in 2022 and beyond. However, in the short-run, we may see a moderation of inflation pressure as supportive base effects in capital goods and commodities may spur some relief in Q4 2022.

- In September, the Swiss National Bank (SNB) hiked its key policy rate by 75 bps bringing it to a level of 0.5%. Switzerland was the last European country that raised its policy rate back into positive territory, finally ending a long era of negative interest rates.

- Europe is in the midst of a devastating energy crisis. Uncertainty over the flow of natural gas owing to Russia's war in Ukraine caused a spike in energy prices in recent months. As a result, European gas prices temporarily surged by 150%, putting significant pressure on the economy and private individuals.

- The economic picture clearly deteriorated in Q3 2022. From west to east, most early-cyclical indicators are still softening, making a short-term trend reversal rather unlikely in the months to come. However, all in all, the level of uncertainty about the global economic outlook remains high.

- At the moment, we closely monitor market action in order to identify stringent signals that equity markets have finally bottomed out. We believe that such a moment is rather close. Hence, we are reviewing our equity exposure to scale up equity risk again if underlying market dynamics warrant a more risk-on stance.

INTRODUCTION

We strongly believe that financial markets and the real economy will have to cope and live with higher inflation – in 2022 and beyond. However, in the short-run, we may see a moderation of inflation pressure as supportive base effects in capital goods and commodities may spur some relief in Q4 2022. Accordingly, it is reasonable to assume that headline inflation has already peaked during the summer, at least in the US.

However, taking a more structural view, we believe that there are important forces that may keep inflation elevated for the foreseeable future. Demographics, deglobalization and decarbonization, among others, will keep price pressure heightened in the years to come. In that context, we often refer to the acronym 3D inflation, to sum up those long-term inflation drivers. Besides that, the service sector – covering essential elements of our daily lives such as health, transportation, education and leisure – most recently revealed the first signs of rising inflation. Compared to the manufacturing industry, price changes in the service sector tend to be more stable as they are less impacted by rather volatile energy and raw material prices. Thus, central bankers often see the service sector as a more reliable indicator for structural price trends in an economy.

We think inflation will stay elevated for quite some time based on these different factors. It is unlikely that central bankers will manage to bring down inflation to a level consistent with their policy goals, at least not in the foreseeable future. With that, central banks may soon be forced to soften their inflation targets. This would imply that policymakers would finally accept that inflation would stay "higher for longer".

In such a new inflation regime, we continue to employ a highly disciplined selection approach in equity and fixed income markets. Even though financial markets underwent a relentless re-pricing since the start of 2022, we still see many value traps that we intend to circumnavigate. In equity markets, we reiterate our call that defensive sectors such as healthcare and consumer staples look appealing while we still see attractive re-rating potential in energy stocks. We believe all three sectors will do well in an environment of heightened inflation as underlying companies can pass pricing pressure to consumers. On the other hand, with global bond yields having reached their highest levels for over a decade, a long-shunned asset class again took the spotlight in 2022: fixed income. We upgraded bonds to neutral in late summer, having a clear preference for high-quality paper. It may sound somewhat counterintuitive to upgrade bonds in an environment of record-high inflation, but the asset class return outlook has brightened considerably, especially on a relative basis.

Be that as it may, we hope you find some food for thought in the following pages on how to position in a truly historical market environment driven by central bank policy and inflation. Finally, we wish you and your family a beautiful and relaxing start to the autumn season.

Raphael Müller, CEO

Andreas Schranz, CIO

THE BIG PICTURE

MARKET REVIEW

ONE STEP UP, TWO STEPS DOWN

In Q3 2022, financial markets were once again exposed to high volatility. In the first stage, global equity markets rallied to hope that the Federal Reserve (Fed) may abandon its rate hiking campaign as early as 2023, given growing evidence of an economic slowdown. With that, global bond yields decreased significantly from their June highs pushing rate-sensitive sectors north across the board. For example, in the US, the tech-heavy Nasdaq index gained 24.4% in the two months between mid-June and mid-August.

However, this recovery rally proved to be only short-lived as investor sentiment took a sudden breather in late August. In a highly anticipated speech at the annual Jackson Hole meeting – an important conference of the world's most influential central bankers – Fed Chairman Powell outlined that further rate hikes will be needed to tame inflation even at the cost of the domestic economy. With that, investors who expected an early central bank policy change, a so-called pivot, were caught on the wrong foot and unwound their bullish positioning in early September. Moreover, consumer prices in the US and Europa unfortunately did not show any cooling signs last month, putting further pressure on risky assets.

ASSET CLASS PERFORMANCE

Market Review Index	Asset Class	03/10/2022 2022 YTD
MSCI World Index	*Equity*	-25.1%
MSCI Emerging Markets Index	*Equity*	-27.0%
S&P 500 Index	*Equity*	-23.9%
Swiss Market Index	*Equity*	-18.0%
Euro Stoxx 50 Price Index	*Equity*	-20.4%
Barclays Glo.-Agg. Total Return Index	*Fixed Income*	-19.9%
Swiss Bond Index (SBI) Domestic Index	*Fixed Income*	-12.1%
Bloomberg Barclays Euro Agg. Index	*Fixed Income*	-16.2%
Gold Spot Price ($/Oz)	*Alternatives*	-9.2%
HFRI Equity Index	*Alternatives*	-10.0%

ASSET CLASS PERFORMANCE AS AT 3 OCTOBER, 2022;
SOURCE: TRAMONDO INVESTMENT PARTNERS, BLOOMBERG

Overall, the European equity index EuroStoxx 50 closed the quarter lower by -4.0%. The Swiss equity market index (SMI) finished the quarter down by -4.4%. In the US, the S&P 500 dropped -5.3% during the quarter, while the Nasdaq index fared somewhat better (-4.1%) due to technology stocks' significant rebound during the summer months. On the other hand, Chinese equity markets experienced a rather harsh sell-off as renewed lockdowns in major Chinese cities led investment sentiment to deteriorate. As a result, the region's equity index Hang Seng posted a negative return of -21.2% in Q3 2022.

Regarding fixed income markets, Q3 2022 was once again dominated by central banks, interest rates and inflation dynamics. On the back of hawkish rhetoric from the Federal Reserve and the European Central Bank (ECB), global bond yields have been driven by exceptional upward momentum last quarter. In the US, 10-year US Treasury yields increased by 81 bps and closed the quarter at 3.8%, the highest reading in over a decade. In Germany, sovereign yields also shot up by 77 bps. The overall fixed income market experienced a rather challenging environment as rising bond yields and widening credit spreads led investors to endure painful losses. Last quarter, the Bloomberg Global Aggregate index – one of the world's most diversified bond indices – took another hit and closed the quarter down 7.0%.

Lastly, a word about commodities: after outperforming all other asset classes by a wide margin since the start of 2022, they suffered a setback in the third quarter. Energy was the worst-performing commodity, with sharply lower gasoline prices (-33.9%) and crude oil (-21.5%) offsetting price gains for natural gas (+25.9%). As such, recession fears obviously outweighed growing concerns about Russian gas supplies. Regarding precious metals, the price of gold (-8.1%) took a severe hit, while the decline in the silver price (-6.2%) was more modest.

MONETARY POLICY

SNB ENDS ERA OF NEGATIVE RATES

AFTER HAVING ALREADY INITIATED A SURPRISINGLY STRONG RATE HIKE IN JUNE, THE SNB DOUBLED DOWN ON ITS FIGHT AGAINST RISING INFLATIONARY PRESSURES.

In September, the Swiss National Bank (SNB) hiked its key policy rate by 75 bps bringing it to a level of 0.5%. Switzerland was the last European country that raised its policy rate back into positive territory, finally ending a long era of negative interest rates. With that, Japan is the only remaining country in the world that still sticks to a negative interest rate regime. After having already initiated a surprisingly strong rate hike in June, the SNB doubled down on its fight against rising inflationary pressures. With an inflation rate of 3.5%, domestic consumer prices have only appreciated moderately by international standards – Germany and the US are struggling with inflation rates of 7.9% and 8.3% -, but the SNB obviously would like to blight the risk of runaway inflation right from the beginning.

However, with their announcement to directly intervene in foreign exchange markets if the Swiss Franc appreciates significantly, central bankers made a decisive statement to support their export-oriented industry. As a safe haven, the Swiss currency tends to appreciate in times of weakening economic growth, endangering the competitiveness of its multinational companies.

Looking outside of Switzerland, inflation data once again dominated monetary policy in Q3 2022. In the US, the latest consumer prices indicated that underlying inflation pressures are more persistent and broader than many central bankers would have wished. Last month, core consumer prices – excluding the volatile inflation components of energy and food – came in at 6.3%. As such, this number has risen by 0.6% compared to the previous month, indicating that price pressure is broadening in the real economy. Furthermore, looking at last month's inflation report, the housing market and the service industry showed worrying price trends. Especially regarding the latter, this latest data may cause some headaches as pricing trends in this industry tend to be relatively persistent.

On the back of these inflation dynamics, the ECB and the Fed had no other option but to stick to their path of policy normalization. In Europe, the ECB raised interest rates five times in Q3 2022, bringing its main refinancing rate to 1.25%, its highest level since 2011. ECB Chairwoman Lagarde left no doubt that the bank will continue its way to normalize rates to manage inflation risks actively. In the US, Fed Chairman Powell raised the Federal Funds Rate to 3.25% in September. With that, the Fed has lifted its key policy rate for the 12th time in 2022 – a truly historical number in modern monetary policy.

POLITICS

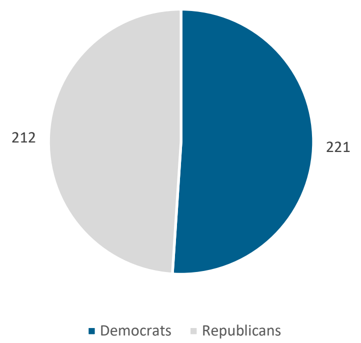
EUROPE FACING A HARSH WINTER

EUROPEAN GAS PRICES TEMPORARILY SURGED BY 150%, PUTTING SIGNIFICANT PRESSURE ON THE ECONOMY AND PRIVATE INDIVIDUALS.

Europe is in the midst of a devastating energy crisis. Uncertainty over the flow of natural gas owing to Russia's war in Ukraine caused a spike in energy prices in recent months. As a result, European gas prices temporarily surged by 150%, putting significant pressure on the economy and private individuals. In the meantime, German households' spending on electricity and natural gas is about 13% of disposable income, while it used to be 1.5% before the war in Ukraine. Not surprisingly, this price explosion will severely dampen business confidence and consumer spending over the winter months, putting the European Union on the brink of a recession.

With that, leading politicians in the region proposed specific measures last quarter to support the region's economy during this difficult time. Among others, European Commission President Ursula von der Leyen outlined a plan to redistribute extraordinary profits from energy companies to households. Specifically, these companies will have to pay a so-called windfall tax for profits exceeding a certain threshold. However, this taxation framework does not fall on open ears everywhere in the European Union: Poland, Portugal, and Spain have already expressed deep reservations about the proposal. As the European Commission requires unanimous approval by all member states for bloc-wide changes to tax legislation, the windfall tax may be the next political battle ahead.

SEAT ALLOCATION US HOUSE OF REPRESENTATIVES



SOURCE: WWW.HOUSE.GOV

Turning to the US, the midterm elections are approaching fast. On the 8th of November, all 435 seats in the House of Representatives and 35 of the 100 seats in the Senate will be contested. With that, these elections reflect a good sentiment indicator of what may lie ahead of us in the upcoming presidential elections at the end of 2024. However, by the end of Q3 2022, election polls suggest that Republicans will likely gain control of the House of Representatives while the Democrats may keep their majority in the Senate. In such a political scenario, it is unlikely that significant new legislation will find its way until President Biden's term in office end. As such, this political standstill may further dampen the electoral outlook for the Democrats about the presidential elections in 2024, independent of whether incumbent Biden or any other democratic candidate will run for president.

WE EXPECT THAT CHINESE COMMUNIST PARTY AUTHORITIES WILL LIKELY RECONFIRM XI JINPING AS PARTY LEADER, ALLOWING HIM TO SERVE AT LEAST FIVE MORE YEARS.

In China, the 20th National Congress of the Communist Party will be held mid-October. We expect that Chinese Communist Party authorities will likely reconfirm Xi Jinping as party leader, allowing him to serve at least five more years. As such, he will be the first person to be re-elected for the third time as party leader since the death of Mao Zedong in 1976. Furthermore, the congress will also lay down its key economic priorities in the years ahead. As in the past, we believe China will double down on its efforts in selected industries, among others in the semiconductor industry, while emphasizing reaching shared prosperity for China's population.

ECONOMICS

RECESSION RISKS ON THE RISE

The economic picture clearly deteriorated in Q3 2022. From west to east, most early-cyclical indicators are still softening, making a short-term trend reversal rather unlikely in the months to come. However, all in all, the level of uncertainty about the global economic outlook remains high. As such, we see lots of short-term surprise potential, making it rather difficult to outline a clear economic roadmap.

AT TRAMONDO, WE BELIEVE THAT EUROPE WILL FACE A RECESSION IN THE QUARTERS AHEAD. THE ONLY QUESTIONS TO BE ANSWERED ARE HOW SEVERE AND LONG THE RECESSION WILL ENDURE.

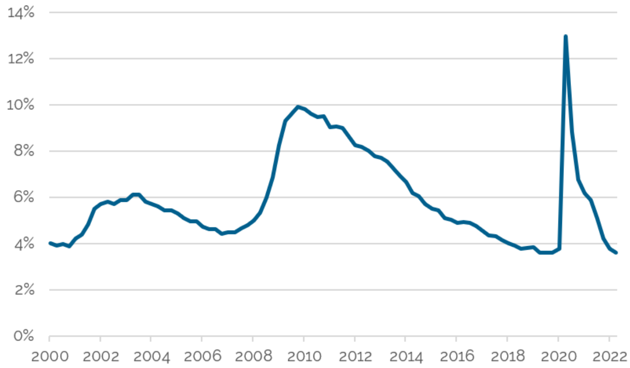
Starting with Europe, the region's economic challenges are high, to say the least. Currently, economists almost made it into a game to conjure up all sorts of cataclysmic scenarios for the region's short-term future. At Tramondo, we believe that Europe will face a recession in the quarters ahead. The only questions to be answered are how severe and long the recession will endure. However, despite the undoubtedly great challenges ahead, some silver lining on the horizon may speak in favour of a relatively mild and short recession.

Indeed, natural gas imports from Russia have dropped significantly since the outbreak of the war. Still, gas inventories in the region are up to 84% of capacity, roughly in line with past years. Furthermore, many European countries are currently ramping up their production capabilities. For example, France aims to double daily production rates at their nuclear plants until December, after working at only roughly 50% capacity during the summer months. The same holds true for the Netherlands: the government has indicated to raise the output from its massive Groningen natural gas field if the energy crisis should intensify. Furthermore, on the policy front, European governments are taking steps to buttress households during the energy crisis, with nearly EUR 400 billion in support measures announced so far. Of course, in a worst-case scenario – a broad-based energy crunch with a complete standstill of the region's economic activity – this policy response would merely be a drop in the bucket but definitely underscores politicians' commitment to mitigate adverse economic effects.

Be that as it may, the next couple of months require great crisis management skills from the politicians in Brussels as – one more time – the fate of the European Union will be at stake with a multitude of challenges.

Turning to the US, the economic situation definitely looks better, even though the growth momentum has cooled down significantly in recent months. In Q2 2022, the US economy shrank for the second consecutive quarter, meeting one of the common criteria for a technical recession. However, GDP figures for Q2 2022 were negatively affected by a significant drop in business inventories reducing GDP growth by almost 2%. Without this extraordinary effect, the US economy would have revealed a robust growth rate of 1.1%. In that context, we believe that inventory destocking was some normalization effect after US businesses used easing supply chain bottlenecks last year to build up their inventories. Looking at the labour market, we do not see any signs of a looming recession. Job growth still looks more than healthy, while the unemployment rate remains historically low at 3.7%. Altogether, even though the odds of a recession have clearly risen over the last months, we believe the US economy will manage to avoid a recession in the next 12 months.

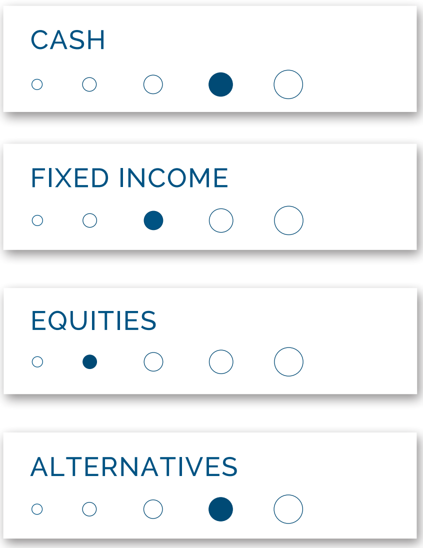
US UNEMPLOYMENT RATE



SOURCE: BLOOMBERG

LIGHT AND SHADOW

ASSET ALLOCATION



Please note that this is an asset allocation snapshot as at 3 October, 2022. Our portfolios are actively managed and allocations are reviewed daily for their accuracy and to ensure downside protection.

INVESTMENT CONCLUSION

As we look back at the last few decades, there was hardly a period where the fate of global financial markets has been that reliant on just a few single data points. In Q4 2022, investors will continue to eagerly monitor all economic releases, especially inflation and labour market data, in order to identify potential effects on central bank policy. With that, markets come along with a historically high degree of uncertainty. In 2022, forecasting the short-term behaviour of financial markets is a truly challenging task. It resembles a multi-dimensional probability calculus where, to make matters worse, the factors in the underlying equation share a dynamic relationship among themselves. At Tramondo, we address this complexity with an objective and rigorous weighing of both positive and negative factors that can drive short- and medium-term market developments.

Starting with the positive, we believe that asset prices have already incorporated a lot of bad news, ranging from recession risks and hawkish central bank policy to geopolitics. Recently, investor sentiment surveys revealed that market participants are the most bearish since 2008, when the Global Financial Crisis rattled markets. As such, cash, equity and options market positioning is consistent with a severe recession. Looking ahead to the following months, downside risks should be limited given the already overly bearish investor sentiment

Heading to fundamentals, we think that households and companies in the US and Europe enjoy a rather high degree of financial resilience. During the COVID-19 crisis, individuals and managers could set aside lots of cash and restructure their balance sheets, given the generous support from governments across the globe. With that, the world economy should be able to weather even an extended period of sluggish growth, reducing the probability of a severe recession.

Furthermore, we believe that headline inflation peaked during the summer, at least in the US. Statistical analysis shows that inflation peaks and equity market rallies often go hand in hand. Since 1947, the average return of the S&P 500 in the 12 months following an inflation crest was 17.0%. Accordingly, softening price pressures in the months ahead should allow equity markets – and risky assets in general – to break out of their downward trend.

With regard to market technicals, we believe that seasonality might become a supportive factor for equity markets in Q4 2022, especially in the US. Empirical evidence suggests that Wallstreet enjoys a strong fourth quarter, especially in midterm election years. The S&P 500 provides an average quarterly return of 5.9% in those periods. It seems that investors are pricing out a potential policy risk premium the closer the elections come. After a very difficult September – which comes not as a huge surprise for seasoned statisticians – we believe that there is a fair chance that risky assets could enjoy a year-end rally.

AFTER A VERY DIFFICULT SEPTEMBER – WHICH COMES NOT AS A HUGE SURPRISE FOR SEASONED STATISTICIANS – WE BELIEVE THAT THERE IS A FAIR CHANCE THAT RISKY ASSETS COULD ENJOY A YEAR-END RALLY.

On the negative side, unfortunately, the list is relatively long. First, taking an economic view, global growth momentum continues to weaken. From west to east, most activity indicators still trend south, indicating that a short-term trend change should not be expected for quite some time. Looking over to Wallstreet, cyclical companies such as FedEx, Dow Chemical and Ford most recently attracted negative attention while releasing disappointing outlooks for the following quarters. As these companies are typically affected first by an economic downturn, this news could potentially herald a whole wave of profit warnings on Wallstreet. When we study previous cycles, global equity markets only tend to see a sustained recovery when economic momentum is close to bottoming, profit margins have meaningfully contracted, and yield curves have started to steepen. However, with a view to Q4 2022, it seems fair to say that financial markets have not quite reached this point yet.

Second, we believe that analysts' earnings estimates for 2023 are somewhat complacent, or to put it differently, not in sync with poor economic fundamentals. At the end of Q3 2022, equity analysts still expect robust earnings growth of roughly 9% for 2023. Indeed, analysts most recently began to reduce their estimates somewhat, but we believe that underlying numbers are still prone to decrease. With that, underlying equity market valuations might be exposed to a painful re-rating.

THEREFORE, CENTRAL BANKS WILL NOT RUSH TO HELP IF THE WORLD ECONOMY SOFTENS FURTHER. WITH THAT, THERE IS A HIGH PROBABILITY THAT CENTRAL BANKS' NEXT POLICY ERROR WILL BE HAWKISH.

Third, we believe that central bankers will not divert from their path in 2022 or 2023. Fighting inflation seems to be their first (and maybe only) priority in the quarters to come. Therefore, central banks will not rush to help if the world economy softens further. With that, there is a high probability that central banks' next policy error will be hawkish. After two decades in which monetary policy mistakes exclusively have been dovish (i.e., being too supportive when the economy would have needed some cooling), we think that major central banks, especially the Federal Reserve, will be overtightening this time. In the case of the US, Fed Chairman Powell's latest rhetoric is strongly reminiscent of the days of the legendary Paul Volcker, who used brute monetary policy tools to tame inflation in the 1980s. Similar to his famous predecessor, Powell will stick to his game plan until inflation is brought under control again. In this context, it is important to understand that monetary policy typically works with a time lag of roughly 24 months. As such, we believe that by the time inflation finally falls back to an acceptable level, the Fed may have overstretched its policy mandate. As a consequence, the real economy may already be in very poor shape.

Altogether, considering positive and negative factors, we believe that equity markets currently reveal a relatively balanced risk/reward set-up. However, due to the limited visibility, we currently stick to a more defensive equity allocation. Accordingly, similar to last quarter, we keep our overweighted position in consumer staples and healthcare stocks while reiterating our call that the energy sector stands out due to convincing fundamentals. Additionally, all three sectors should outperform in an environment of heightened inflation, an economic scenario we will probably have to get used to.

At the moment, we closely monitor market action in order to identify stringent signals that equity markets have finally bottomed out. We believe that such a moment is rather close. Hence, we are reviewing our equity exposure to scale up equity risk again if underlying market dynamics warrant a more risk-on stance.

Regarding nominal assets, the outlook significantly brightened last quarter. With yields having risen sharply since the start of 2022, we believe that fixed income reflects a real alternative to equity markets for the first time in almost a decade. As such, we upgraded the asset class to neutral in Q3 2022. However, in the wake of the current economic cycle, we believe that high-quality corporate bonds with a short duration offer the most interesting opportunity set. On the other hand, with yields reflecting a significant amount of hawkishness, government paper should be used to hedge adverse market movements in case the world economy cannot prevent a severe recession. In the past, long-dated US Treasuries proved to be the best recession hedge as they reflect a classic safe haven.

Lastly, a word to alternative investments, where we stick to our bullish outlook for commodities. We believe demand will remain solid – even in an environment of decelerating growth – while the supply side will continue to be tied back by capacity restrictions. From a tactical point of view, we advise our clients to increase positions during potential market breathers.

PERFORMANCE TABLE AND CONSENSUS FORECAST

Asset Classes 10/3/2022	Price	2022 YTD	Last Quarter	6 Months	12 Months
GLOBAL EQUITY MARKETS					
Regions					
MSCI World	2,379	-25.12	-6.07	-21.16	-19.23
SMI	10,146	-17.98	-4.28	-14.32	-9.29
EuroStoxx 50	3,275	-20.40	-3.65	-12.67	-15.21
DAX	11,982	-23.74	-5.24	-15.96	-20.62
S&P500	3,586	-23.88	-4.89	-20.21	-15.50
Nasdaq	10,576	-31.99	-3.91	-25.31	-26.23
Nikkei	26,216	-8.19	-0.94	-5.91	-10.12
MSCI Emerging Markets	876	-26.99	-11.46	-21.53	-27.86
China CSI 300	3,805	-21.40	-14.29	-8.04	-20.13
Sectors					
S&P GL 1200 Energy Index	2,173	23.51	-1.35	-5.97	30.21
S&P GL 1200 CONS DISC IX	3,703	-30.99	-2.36	-22.76	-25.40
S&P GL 1200 CONS STAP IX	3,040	-15.38	-6.60	-12.37	-7.20
S&P GL 1200 Real Estate	1,923	-29.97	-11.81	-25.58	-21.26
S&P GL 1200 UTILITIES IX	1,652	-13.55	-8.42	-14.98	-3.48
S&P GL 1200 Comm SRVS	1,089	-36.14	-14.17	-29.16	-36.33
S&P GL 1200 HEALTH CARE	4,232	-15.49	-6.86	-12.97	-8.38
S&P GL 1200 INFO TECH	6,517	-33.86	-7.31	-26.59	-24.52
S&P GL 1200 MATERIAL INX	2,786	-22.58	-7.72	-25.55	-15.76
S&P GL 1200 INDUSTRL INX	2,715	-25.82	-5.98	-21.29	-21.54
S&P GL 1200 FINANCIAL	1,313	-21.08	-6.25	-20.97	-18.35
GLOBAL BOND MARKETS					
Sectors					
USD Investment Grade	2,864	-18.72	-5.06	-11.95	-18.53
EUR Investment Grade	225	-14.58	-3.06	-10.12	-15.14
CHF Investment Grade	123	-11.64	-1.61	-5.94	-11.77
USD High Yield	2,099	-14.74	-0.65	-10.41	-14.14
EUR High Yield	372	-15.11	-0.90	-11.46	-15.12
USD Emerging Markets Debt	1,007	-20.50	-4.06	-12.42	-20.92
USD Contingent Convertibles	260	-16.49	-5.17	-12.77	-16.63
USD Senior Loans	484	-3.31	1.19	-3.22	-2.62
GLOBAL FX MARKETS					
Currency pair					
EURUSD	0.98	-13.98	-6.08	-10.86	-15.84
USDCHF	0.99	7.73	3.11	6.38	6.50
EURCHF	0.97	-7.23	-3.14	-5.04	-11.05
GBPUSD	1.12	-17.28	-7.38	-14.65	-17.75
AUDUSD	0.64	-11.33	-5.47	-14.62	-11.55
USDJPY	145.10	20.69	7.35	15.38	23.55
USDCNH	7.15	11.09	6.19	10.85	9.78

MACRO DATA

GDP Growth	2019	2020	2021	2022E	2023E
World	3.00	-3.75	5.80	2.90	2.50
United States	2.30	-3.50	5.70	1.60	0.80
Eurozone	1.20	-6.80	5.20	2.90	0.20
Germany	0.60	-5.30	2.80	1.50	-0.20
Switzerland	0.80	-3.25	3.60	2.30	1.00
Emerging Markets	4.32	-0.62	6.51	3.05	4.33
China	6.10	2.30	8.10	3.30	5.1

Inflation	2019	2020	2021	2022E	2023E
World	3.00	2.20	3.95	7.20	4.6
United States	1.80	1.30	4.70	8.00	3.8
Eurozone	1.20	0.30	2.60	8.20	5.1
Germany	1.40	0.40	3.20	8.15	5.45
Switzerland	0.40	-0.70	0.60	2.90	2
Emerging Markets	3.88	3.26	3.08	6.14	4.89
China	2.90	2.50	0.90	2.27	2.3

3M Rate Expectations	2019	2020	2021	2022E	2023E
United States	0.21	0.24	0.21	3.55	3.18
Eurozone	-0.42	-0.50	-0.54	1.92	1.97
Switzerland	-0.74	-0.74	-0.74	0.84	1
China	2.82	2.96	2.55	2.57	2.5

PERFORMANCE TABLE AND CONSENSUS FORECAST AS AT 3 OCTOBER 2022;
SOURCE: TRAMONDO INVESTMENT PARTNERS, BLOOMBERG

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Contact Information:

Tramondo Investment Partners AG
Unter Altstadt 10
CH-6302 Zug

Tel: +41 41 710 76 76
info@tramondo.ch
www.tramondo.ch

TRAMONDO INVESTMENT PARTNERS AG

UNTER ALTSTADT 10
CH-6302 ZUG
T +41 41 710 76 76
F +41 41 710 76 78
INFO@TRAMONDO.CH
WWW.TRAMONDO.CH