

Julius Bär

ONE-PAGER FOR DONORS 31.03.2019

Market comment

Global economic indicators have disappointed lately. A cyclical dent is particularly evident in the manufacturing sector: While the US shows some resilience, momentum has clearly deteriorated in the euro area.

In China, government efforts to promote growth are positive. A stabilization in China would also be good news for the euro area, whose cycle is mainly driven by external demand.

Given the positive market trends, we did not see the need to take a lot of action, in the equity part. No rebalancing was done yet, as we consider the momentum favorable to maintain the current holdings. On the fixed income side, we have been more active and started to slightly increase the duration given the recent FED decisions and comments.

In view of the global cyclical weakness and still subdued inflationary pressures, major central banks will remain in a wait-and-see mode. While the Federal Reserve (Fed) has signaled that it is in no hurry to change monetary policy, the European Central Bank (ECB) has become even slightly more dovish.

On global equity markets, the S&P 500 Index had its best start since 1998. Technical indicators suggest that a consolidation phase in an intact secular uptrend may have started. We remain confident for US equities, which are anticipated to resume their uptrend.

With the trade talks between Washington and Beijing ongoing, the Brexit process uncompleted and the euro zone preparing for parliamentary elections, political factors are likely to remain crucial for equity markets.

Portfolio summary

	Month - Mar 19	2019
Initial*	92'746'897.18	86'036'201.99
Deposits	0.00	0.00
Withdrawals	0.00	0.00
Result (performance)	2'226'318.26	8'937'013.45
Final	94'973'215.44	94'973'215.44

*31.12.2018 for "2019"; 31.03.2019 for "Month"

Allocation per asset class and performance in USD

Asset class	Market value	%	MTD	YTD
Cash and short-term investments	2'106'621.73	2.22%	0.11%	0.10%
Bonds and similar positions	32'248'273.53	33.96%	0.28%	0.57%
Equities and similar positions	60'618'320.18	63.83%	2.09%	9.80%
Total	94'973'215.44	100.00%	2.48%	10.47%

The sole legally binding version is the official report.

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Benchmark

Asset class	MTD	YTD
Cash and short-term investments	0.20%	0.68%
Bonds and similar positions	2.42%	5.06%
Equities and similar positions	1.18%	12.04%
Benchmark Composition	1.46%	10.85%

U.S.A. Consumer Price Index (CPI)

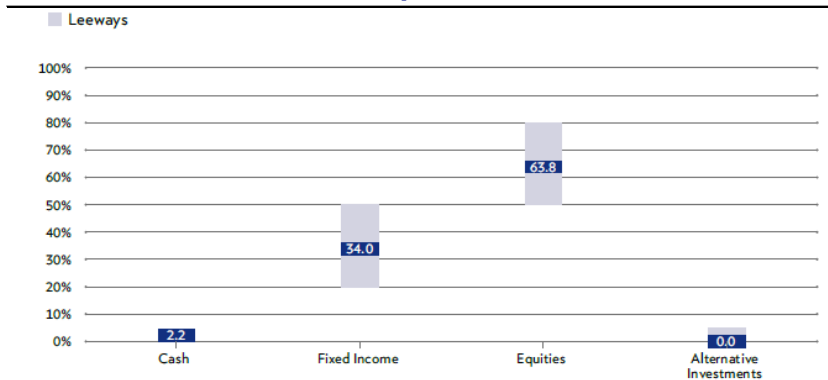
1-month % change (Mar. 19)	0.4%
12-month % change (Mar. 19)	1.9%

Performance

Month (Mar 19)		Year (2019)	
Nominal	Real	Nominal	Real
0.28%	0.28%	0.57%	0.57%

CPI mar/19: 0.4%

Allocation per asset class



Net return YTD - Benchmark and portfolio

