

Julius Bär

ONE-PAGER FOR DONORS 31.07.2019

Market comment

The global economy is showing positive signals. Employment and wages are rising in the USA and in the Eurozone, bolstering private consumption. Neither investment spending nor global trade are being affected by the tweets from the White House. US President Trump has lowered the flood of legislation and has cut the corporate taxes. Fiscal policy in the Euro-zone has become slightly expansive, even though the stimulus could be more pronounced in some countries. On the eastern side of the World, China has abandoned its tight deleveraging campaign.

Given the resilience of the global economy and the fact that we saw the leading central bankers preparing the ground for further rate cuts and other means of monetary stimulus, we continued and will continue to extend the bond duration of the portfolio. On the equity side, due to the reporting season, we did not want to make many transactions ahead of the companies figures. We increased positions in SAP SE and Sika Ltd., after a slight drop on the announcement of their quarterly figures.

The US equity market is recording new highs. Internet stocks and social media companies contribute disproportionately to this success. Within this group, there has been some reshuffling in recent days. That said, we believe that the growth story remains unparalleled and there is no reason for panic. Investors are well advised to remain calm also in the current earnings season and in the coming days of central bank decisions. With the portfolio constructed in a solid, proven manner, investors can do what is the most promising strategy at this time: let the winners run.

Portfolio summary

	Month - July 19	2019
Initial*	100'085'364.49	86'036'201.99
Deposits	0.00	0.00
Withdrawals	0.00	0.00
Result (performance)	-705'206.38	13'343'956.12
Final	99'380'158.11	99'380'158.11

*31.12.2018 for "2019"; 30.06.2019 for "Month"

Allocation per asset class and performance in USD

Asset class	Allocation per asset class and performance in USD				Benchmark	
	Market value	%	MTD	YTD	MTD	YTD
Cash and short-term investments	4'496'085.07	4.52%	1.16%	9.45%	0.21%	1.57%
Bonds and similar positions	31'129'041.82	31.32%	0.04%	4.26%	0.49%	10.17%
Equities and similar positions	61'834'066.73	62.22%	-1.23%	24.54%	0.63%	17.32%
Alternative Investments	1'920'964.49	1.93%	0.43%	0.57%	5.00%	
Total	99'380'158.11	100%	-0.70%	15.68%	0.51%	16.35%

The sole legally binding version is the official report.

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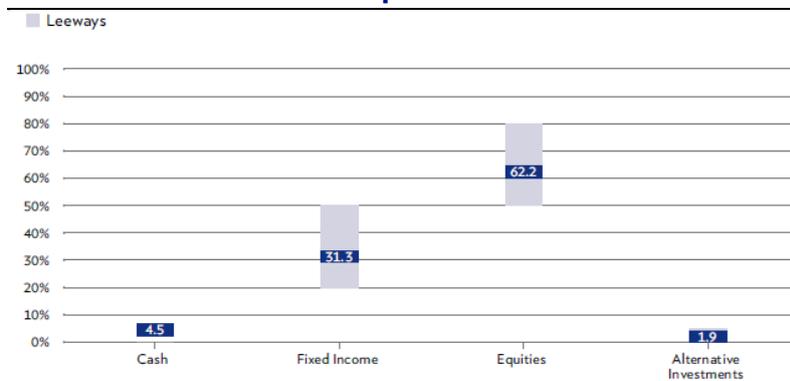
U.S.A. Consumer Price Index (CPI)

1-month % change (July 19)	0.3%
2019 % change (July 19)	1.4%

Performance

Month (July 19)		Year (2019)	
Nominal	Real	Nominal	Real
-0.70%	-1.00%	15.68%	14.28%

Allocation per asset class



Net return YTD - Benchmark and portfolio

