

# Julius Bär

**ONE-PAGER FOR DONORS**  
**30.04.2021**

## Market comment

Behind the apparent synchronisation of the global economic recovery in major countries lies a sharp divergence in macroeconomic policies. The US seems to be betting on coordinated monetary and fiscal stimulation. In Europe, deficits exploded in 2020 under the effect of a relatively moderate stimulus programme.

We are therefore witnessing a decoupling of the US and Europe in the short term. Incoming data on the US economy is nothing short of spectacular. March job creation and retail sales have exceeded even the highest expectations, leading to an upward revision of growth estimates for the first quarter of 2021.

In the US, the corporate earnings reporting season for the first quarter 2021 has just kicked off in April. The market expects S&P 500 corporate earnings to grow by 30% against the same period last year. This would be the strongest growth rate since the third quarter of 2010.

In April we added three new holdings to the portfolio. Beginning of April we added “Orsted AS”, a Danish utility company that focuses mainly on renewable energy. The company’s vision is a world powered entirely by green energy. Mid-April we bought “Aptiv Plc” which, with its leading position as a technology company innovating at the intersection of disruptive trends in the mobility industry, uses its portfolio of technologies to make vehicles safer, greener and more connected, enabling the future of mobility. Both companies fit perfectly in our “low carbon” theme. The third new adding was an initial position in “Darling Ingredients Inc”, a developer and producer of sustainable natural ingredients from edible and inedible bio-nutrients. Darling Ingredients is part of our “resource efficiency” theme. On the other side we again took some profit in well performing holdings and rebalanced the positions.

After the growth boom expected in the coming months, we believe that the automatic reflex of fiscal prudence will return in full in both the US and Europe. The risk of a fiscal cliff is therefore significant from 2022 onwards. The US administration’s new public spending plan, focused on infrastructure and the environment, differs from the measures taken in 2020 and 2021. The money will be spent by the government rather than by businesses and households, which have recently received direct transfers to offset their losses during the pan-demic. For now, market excesses encouraged by the new US monetary policy reaction function constitute the key source of risk for investors. Indeed, in the current monetary policy regime, if the Fed wants to tighten at some point, either because currency markets and inflation pressure the central bank or because asset inflation gets out of control, the most effective tightening lever might be to trigger a 20% correction of the S&P 500. It is too early to bet on this, but we need to adapt our market framework to the post-austerity macroeconomic regime.

*The sole legally binding version is the official report.*

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## Portfolio summary

	Month - April 21	2021
Initial*	117'587'357.02	117'447'258.83
Deposits	0.00	0.00
Withdrawals	0.00	0.00
Result (performance)	1'385'534.88	1'525'633.07
<b>Final</b>	<b>123'148'947.13</b>	<b>123'148'947.43</b>

\*31.12.2020 for "2021"; 31.03.2021 for "Month"

## Allocation per asset class and performance in USD

Asset class	Market value	%	MTD	YTD	Benchmark	MTD	YTD
Cash and short-term investments	8'363'637.33	6.79%	-0.74%	0.71%	0.01%	0.04%	
Bonds and similar positions	36'483'930.77	29.63%	0.48%	-1.31%	0.66%	-3.21%	
Equities and similar positions	76'281'959.28	61.94%	5.61%	8.62%	4.34%	9.10%	
Alternative Investments	2'019'420.05	1.64%	0.14%	0.68%	0.09%	0.37%	
<b>Total</b>	<b>123'148'947.43</b>	<b>100%</b>	<b>3.51%</b>	<b>4.94%</b>	<b>2.82%</b>	<b>4.31%</b>	

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

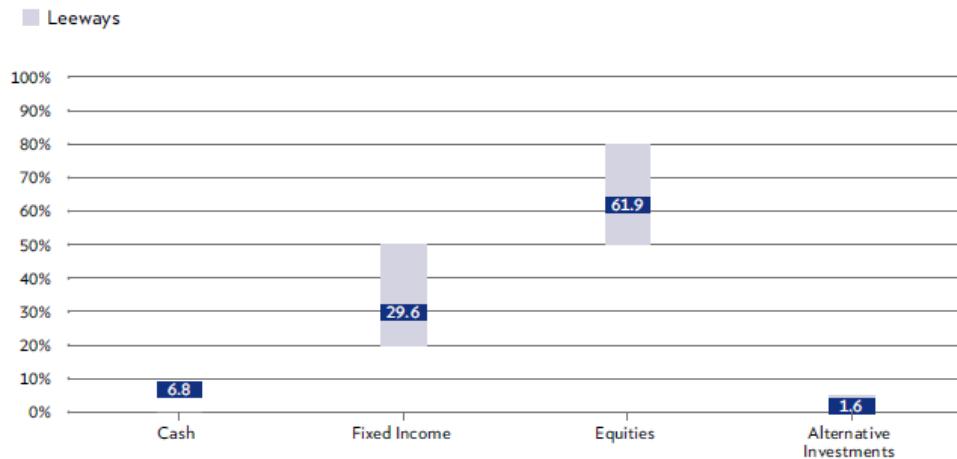
1-month % change (April 21)	0.77%
2021 % change (April 21)	2.02%

## Performance

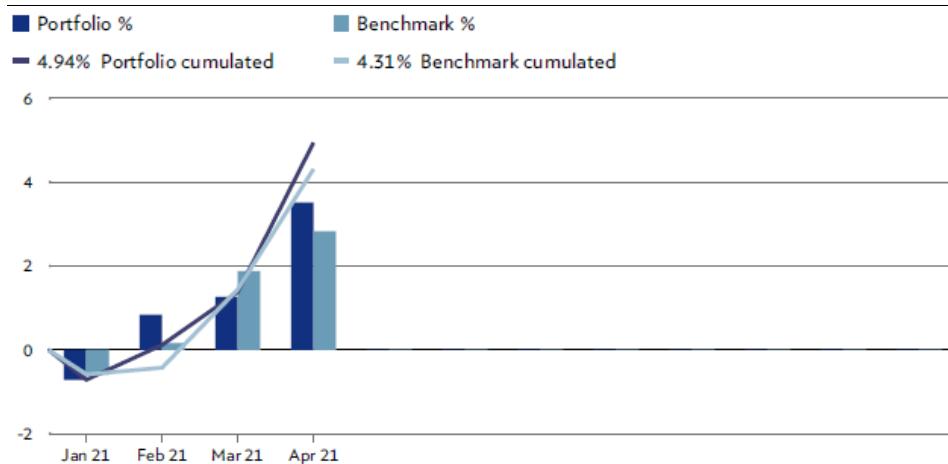
Month (April 21)		Year (2021)	
Nominal	Real	Nominal	Real
3.51%	2.74%	4.94%	2.92%

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## Allocation per asset class

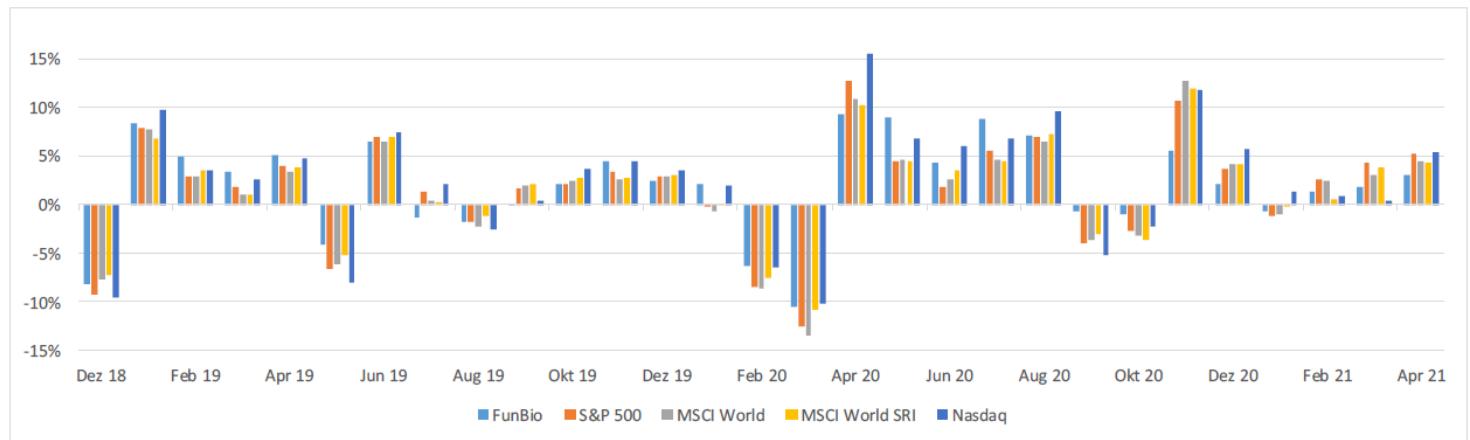
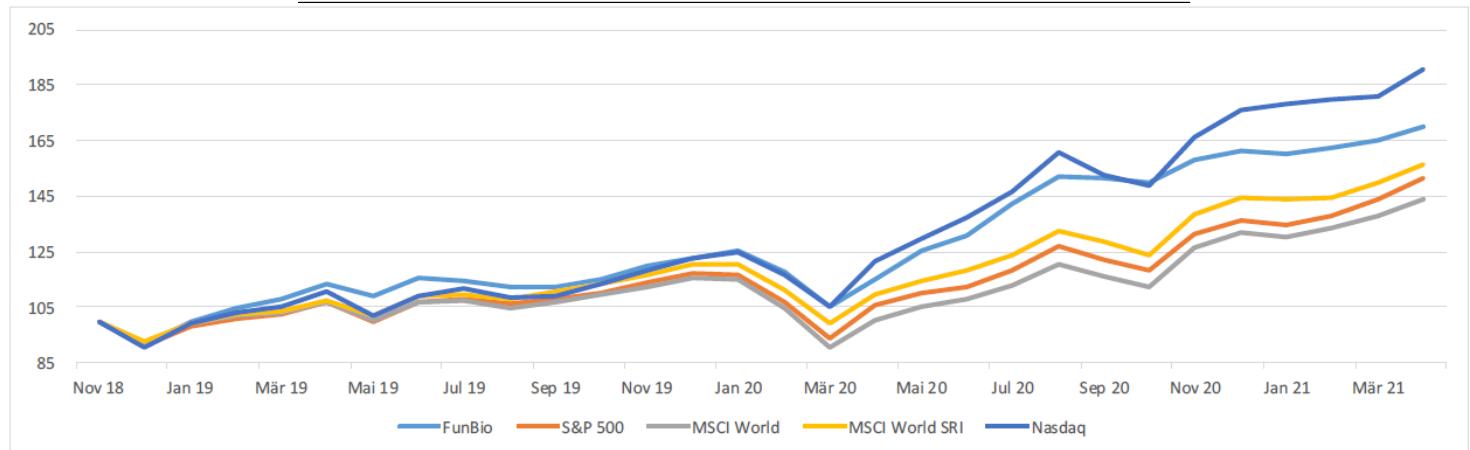


## Monthly gross performance YTD - Benchmark and portfolio



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## Development of equity - comparison with equity indices



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Date	FunBio	S&P 500	MSCI World	MSCI World SRI	Nasdaq
Dez 18	-8.15%	-9.18%	-7.71%	-7.28%	-9.48%
Jan 19	8.41%	7.87%	7.68%	6.86%	9.74%
Feb 19	4.94%	2.97%	2.83%	3.46%	3.44%
Mär 19	3.35%	1.79%	1.05%	1.09%	2.61%
Apr 19	5.08%	3.93%	3.37%	3.82%	4.74%
Mai 19	-4.10%	-6.58%	-6.08%	-5.24%	-7.93%
Jun 19	6.42%	6.89%	6.46%	6.99%	7.42%
Jul 19	-1.23%	1.31%	0.42%	0.28%	2.11%
Aug 19	-1.79%	-1.81%	-2.24%	-1.08%	-2.60%
Sep 19	0.13%	1.72%	1.94%	2.16%	0.46%
Okt 19	2.06%	2.04%	2.45%	2.77%	3.66%
Nov 19	4.41%	3.40%	2.63%	2.79%	4.50%
Dez 19	2.46%	2.86%	2.89%	3.04%	3.54%
Jan 20	2.06%	-0.16%	-0.68%	0.02%	1.99%
Feb 20	-6.23%	-8.41%	-8.59%	-7.46%	-6.38%
Mär 20	-10.48%	-12.51%	-13.47%	-10.84%	-10.12%
Apr 20	9.27%	12.68%	10.80%	10.26%	15.45%
Mai 20	9.02%	4.53%	4.63%	4.43%	6.75%
Jun 20	4.24%	1.84%	2.51%	3.47%	5.99%
Jul 20	8.85%	5.51%	4.69%	4.41%	6.82%
Aug 20	7.05%	7.01%	6.53%	7.30%	9.59%
Sep 20	-0.67%	-3.92%	-3.59%	-3.09%	-5.16%
Okt 20	-1.03%	-2.77%	-3.14%	-3.68%	-2.29%
Nov 20	5.48%	10.75%	12.66%	11.94%	11.80%
Dez 20	2.08%	3.71%	4.14%	4.15%	5.65%
Jan 21	-0.63%	-1.11%	-1.05%	-0.24%	1.42%
Feb 21	1.31%	2.61%	2.45%	0.51%	0.93%
Mär 21	1.76%	4.24%	3.11%	3.78%	0.41%
Apr 21	3.03%	5.24%	4.52%	4.35%	5.40%