



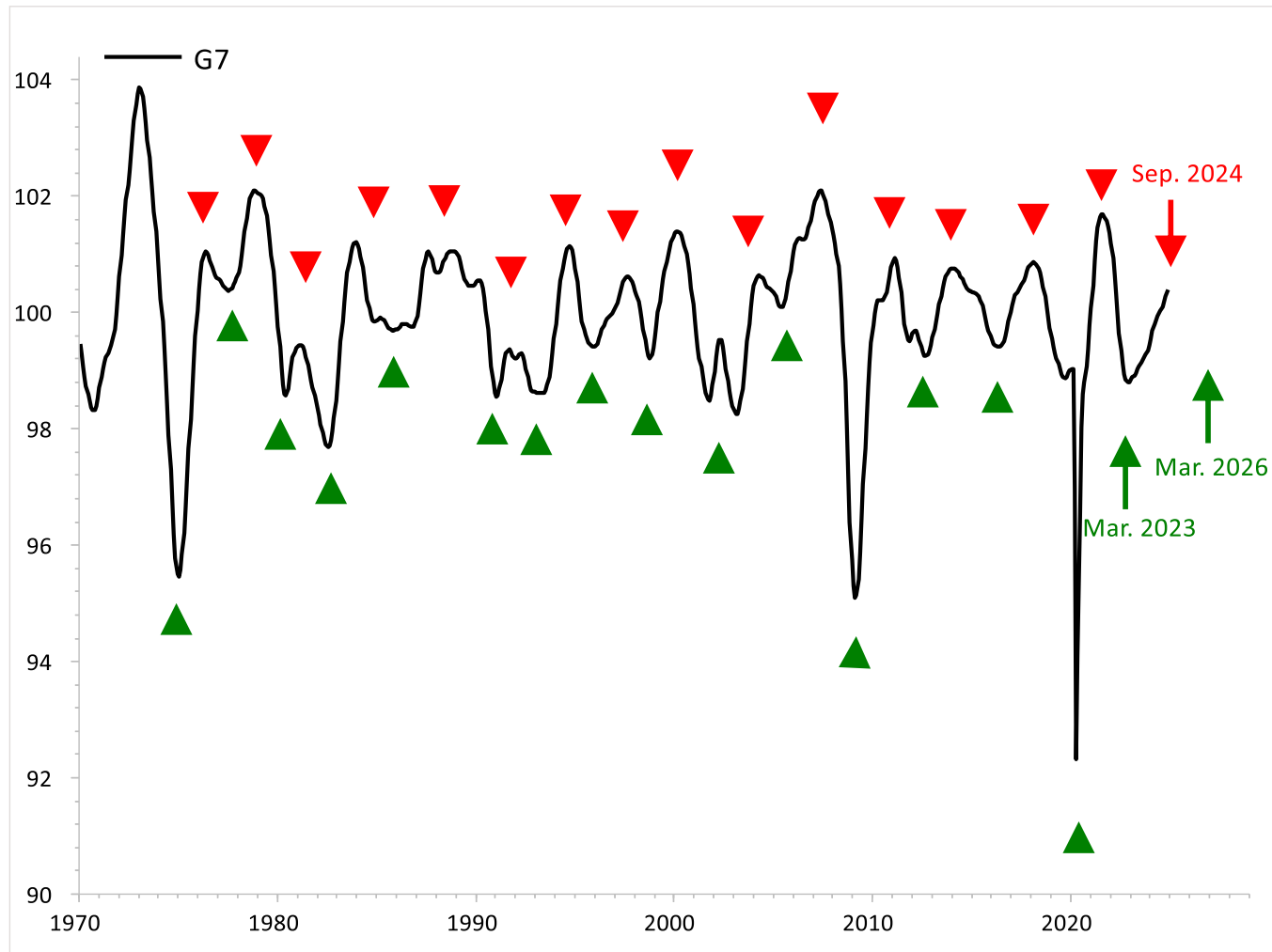
# SITUATION ASSESSMENT & OUTLOOK

for the next six months

# Details short-term situation assessment Economy / Macro

# Economic environment: cycle

## OECD Leading Indicator (Global)



Assessment  
Neutral

### Justification

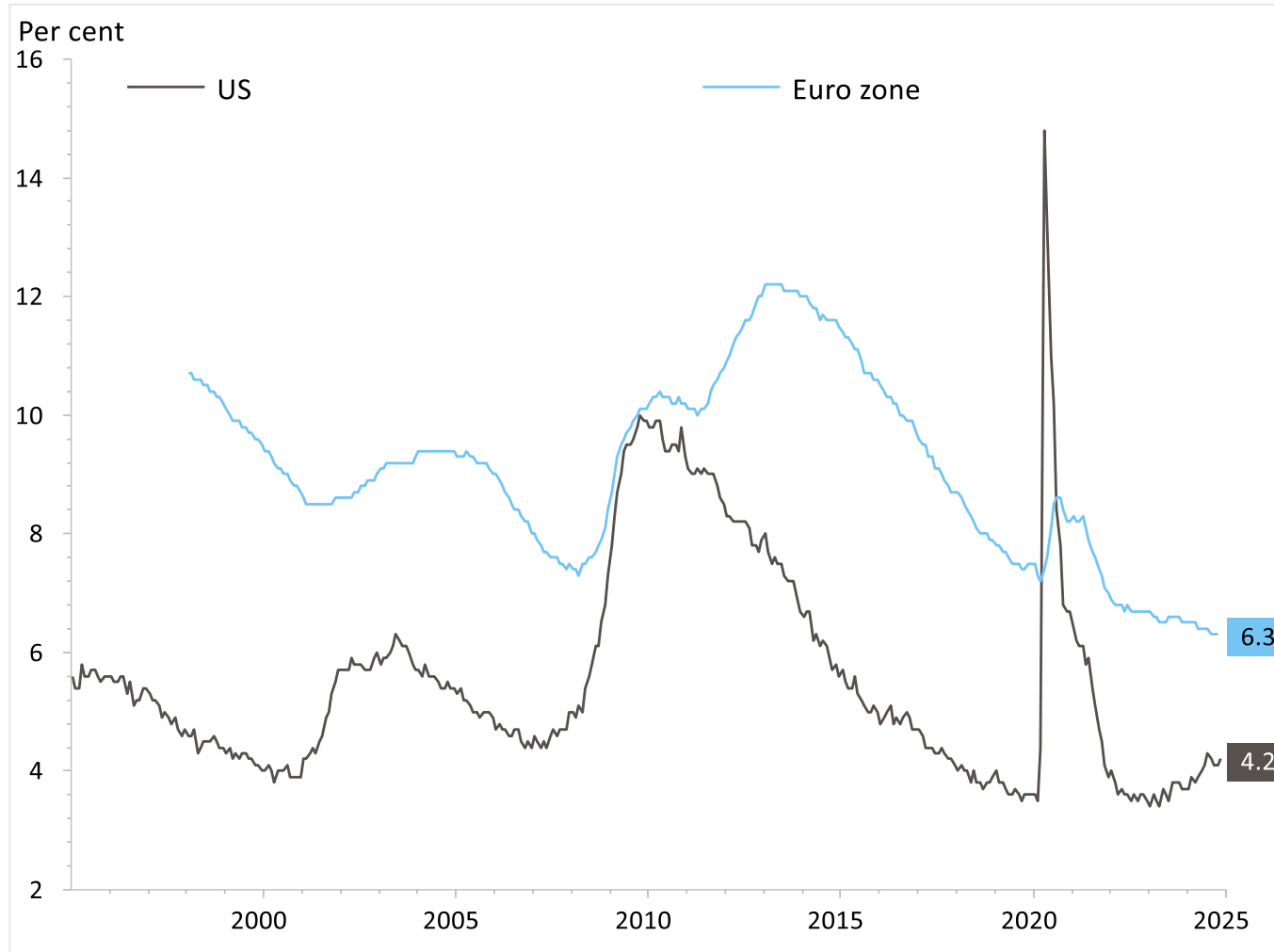
- High in Q4/end 2024
- Growth is good, but continuously weakening
- Next cyclical low in Q1/early 2026 with risk of recession from Q4/late 2025

### Explanation

- The OECD Leading Indicators provide early signals of turning points in the business cycle (lead: 6–9 months to GDP).
- Normal cycle lasts three years, approx. 1.5 years upswing and 1.5 years downswing

# Economic environment: consumption

## Unemployment rate (Global)



Assessment

Neutral

### Justification

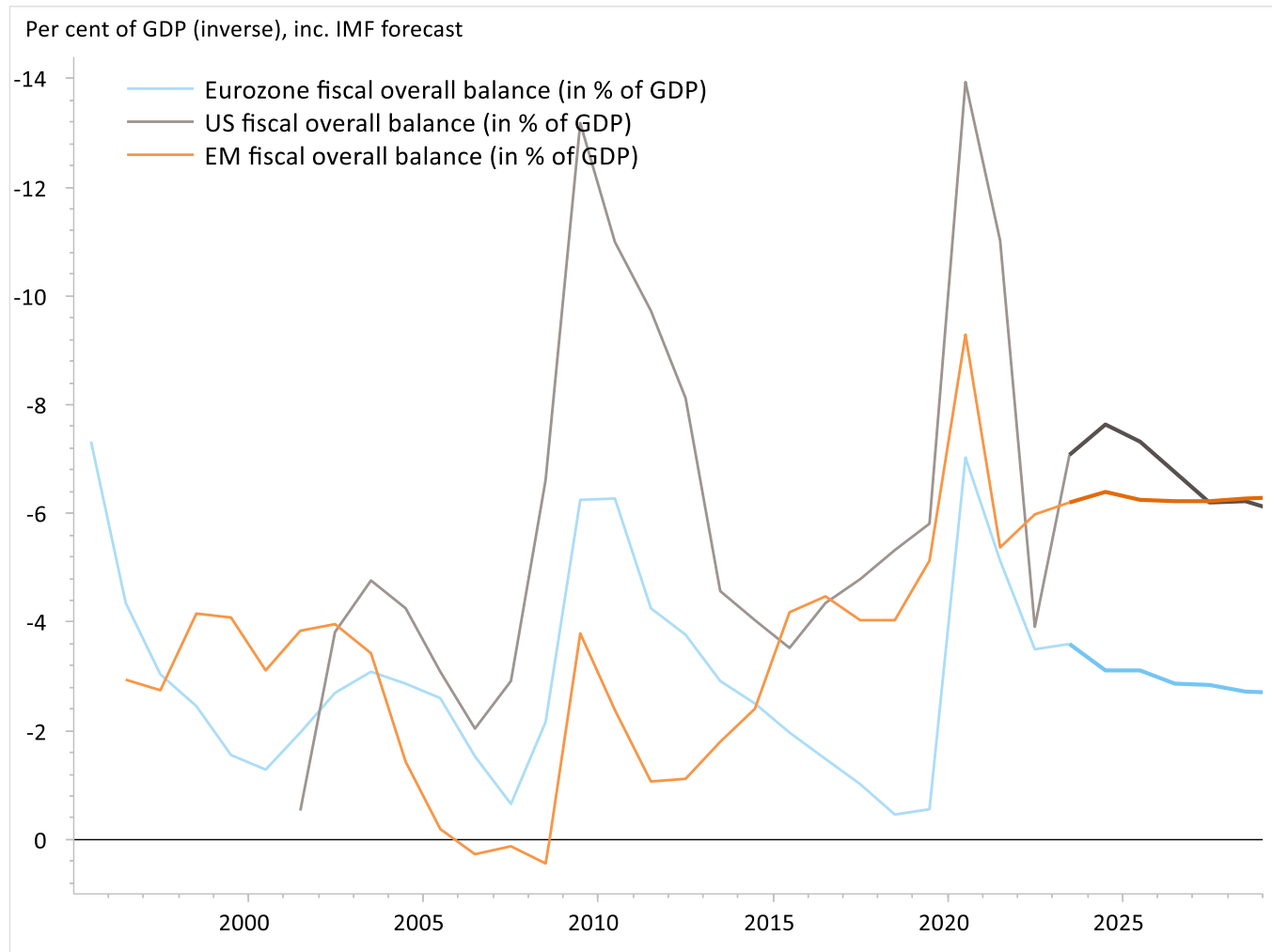
- Unemployment rates at a historically very low level
- Very strong labour markets

### Explanation

- The unemployment rate relates the number of registered unemployed to the labour force and thus measures the relative underutilisation of labour supply

# Economic environment: state / leverage

## Fiscal programmes / government budget deficit (Global)



**Assessment**  
Positive

Justification

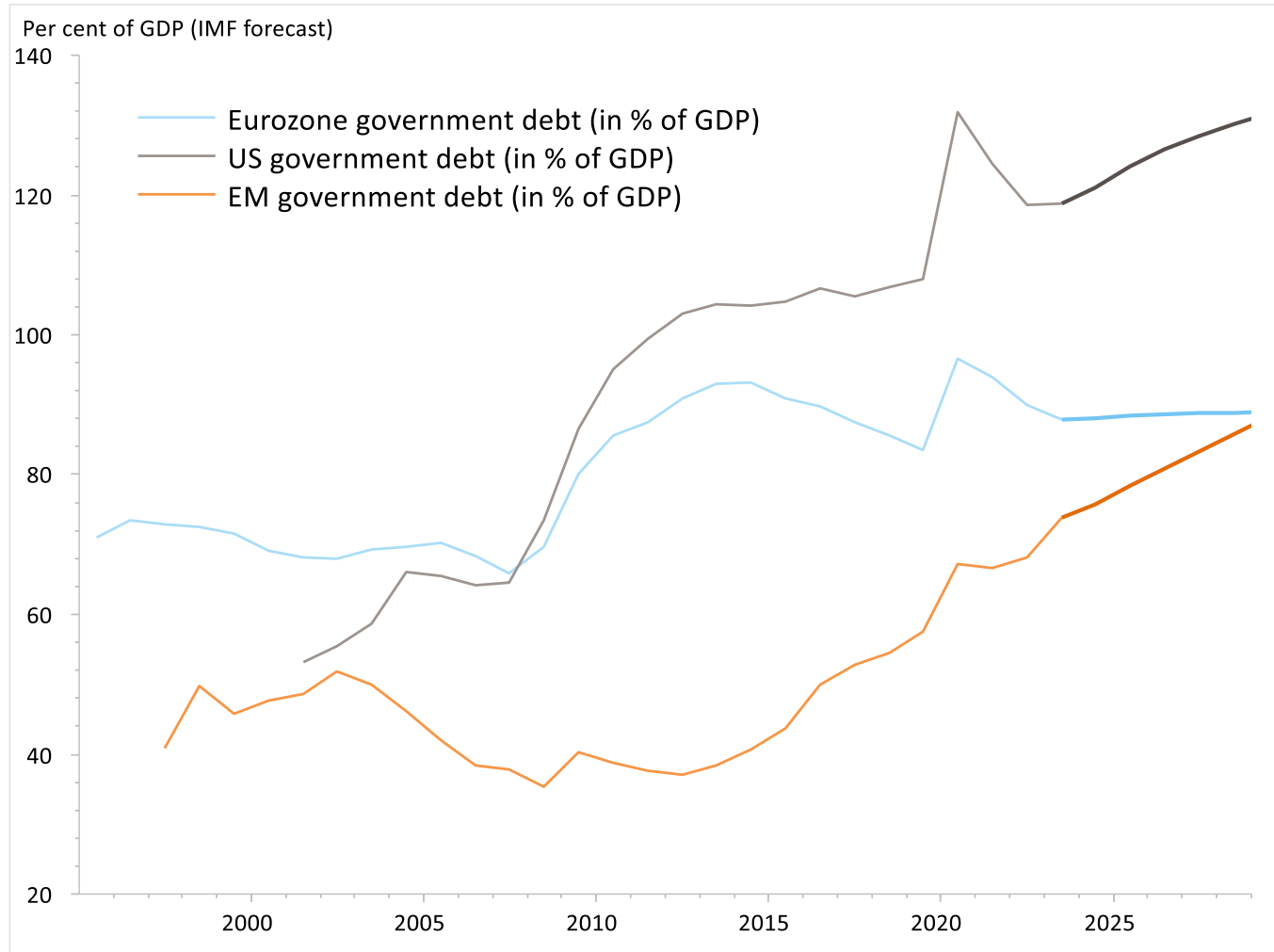
- Historically high level of fiscal programmes
- USA higher than Europe

Explanation

- Expectations of the International Monetary Fund (IMF) regarding the upcoming fiscal programmes

# Economic environment: state / leverage

## Public debt (Global)



**Assessment**  
Positive

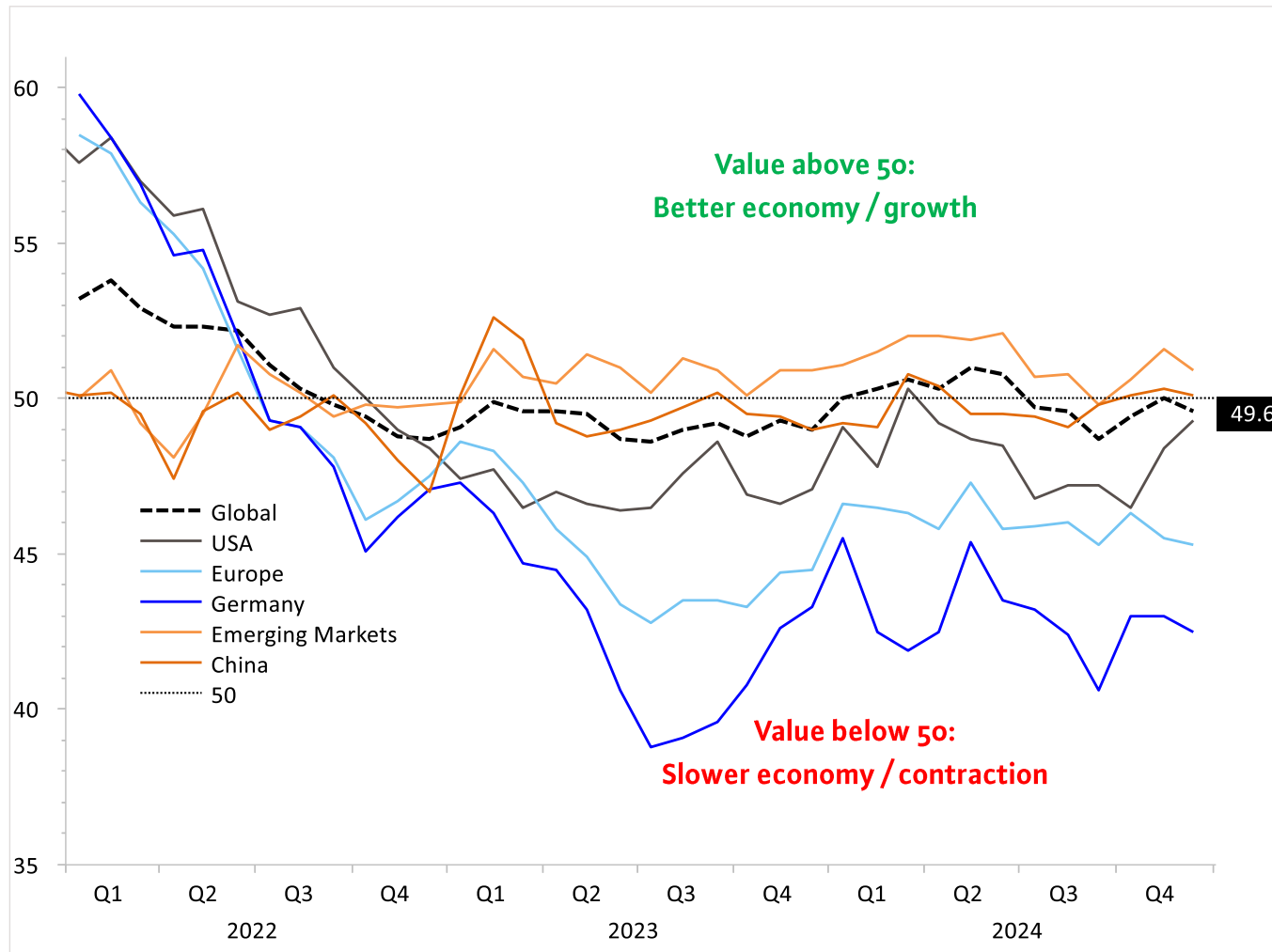
Justification

- The planned fiscal programmes will increase the government's debt ratios.

Explanation

- Expectations of the International Monetary Fund (IMF) regarding future government debt

# Economic environment: Emerging Markets Purchasing Managers' Indices (PMI)



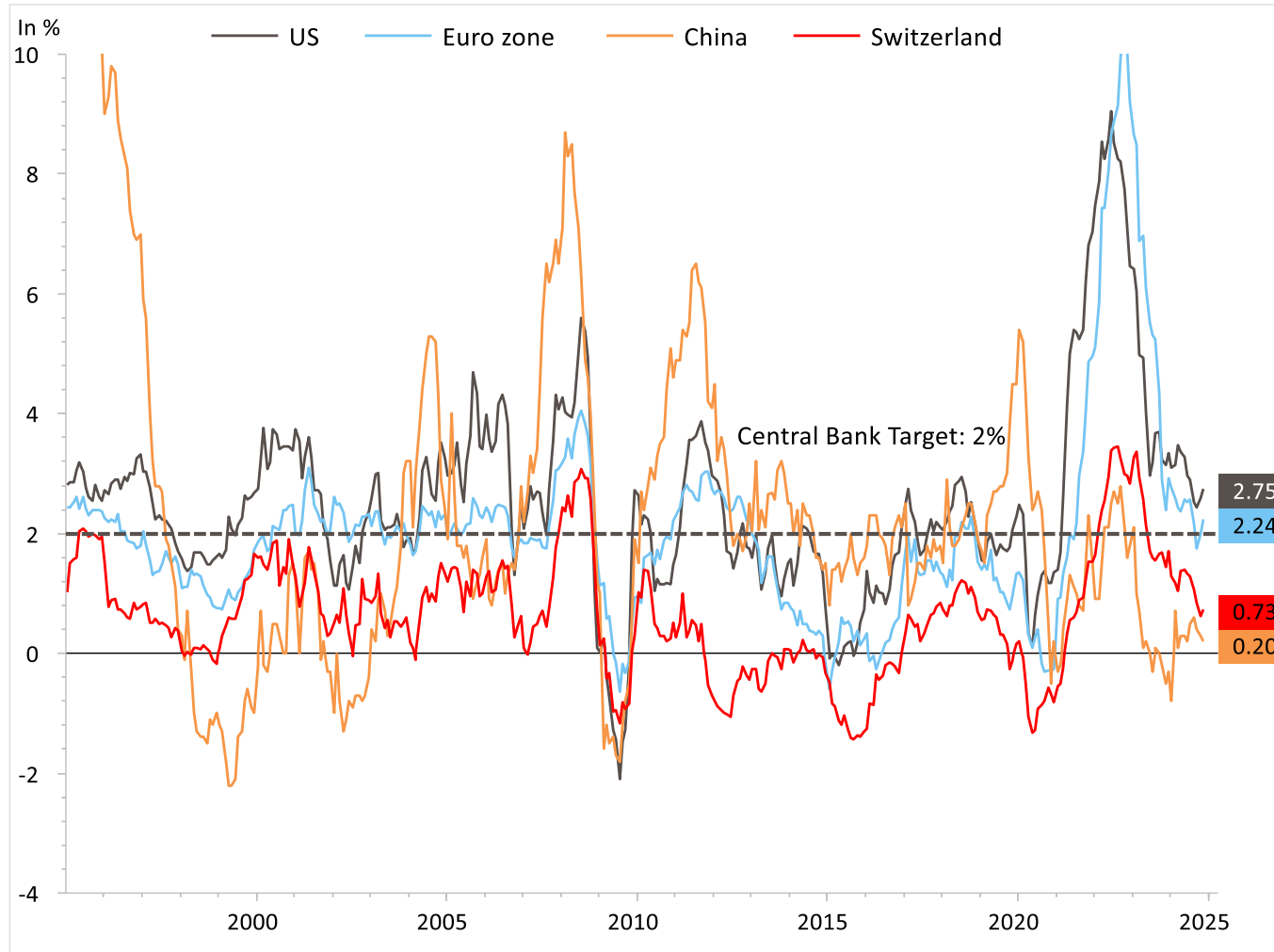
Assessment  
Neutral

Explanation  
Purchasing Managers' Indices (PMI - Purchasing Manager Index): Monthly indicator of economic development in the manufacturing sector

- Very positive: Index above 55 and rising
- Positive: Index between 52 and 55
- Neutral: Index between 48 and 52
- Cautious: Index between 45 and 48
- Negative: Index below 45 and falling

# Inflation: development / trend

## Inflation Global (CPI)



Assessment Europe  
Neutral

Assessment Switzerland  
Falling

Assessment USA  
Neutral

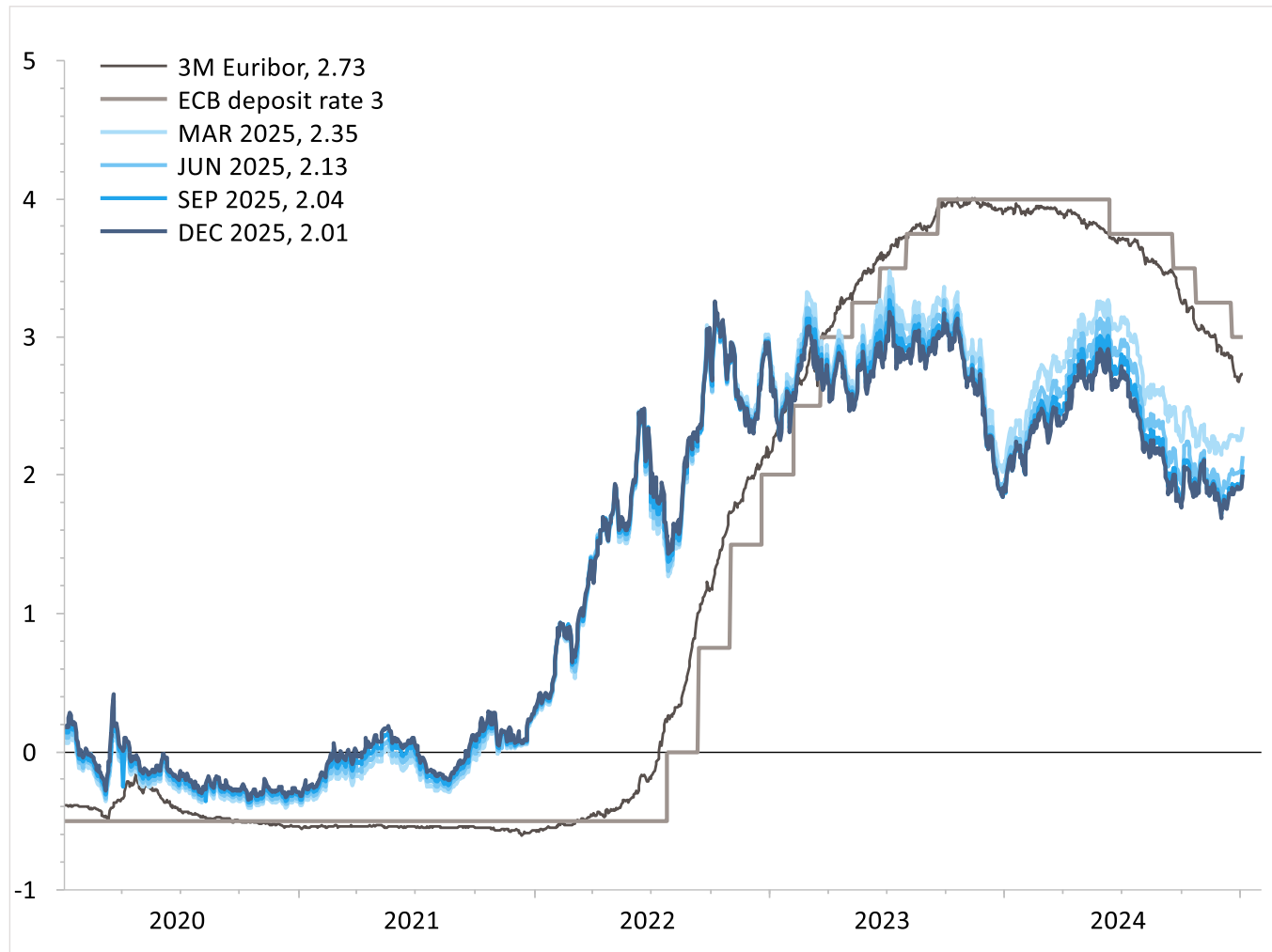
Comment

- Global comparison of inflation rates using the consumer price index

# Details short-term situation assessment Interest rate policy

# Interest rates: market expectations, over-/underreactions

## Implicit interest rate expectations (Europe)



**Assessment**  
Falling

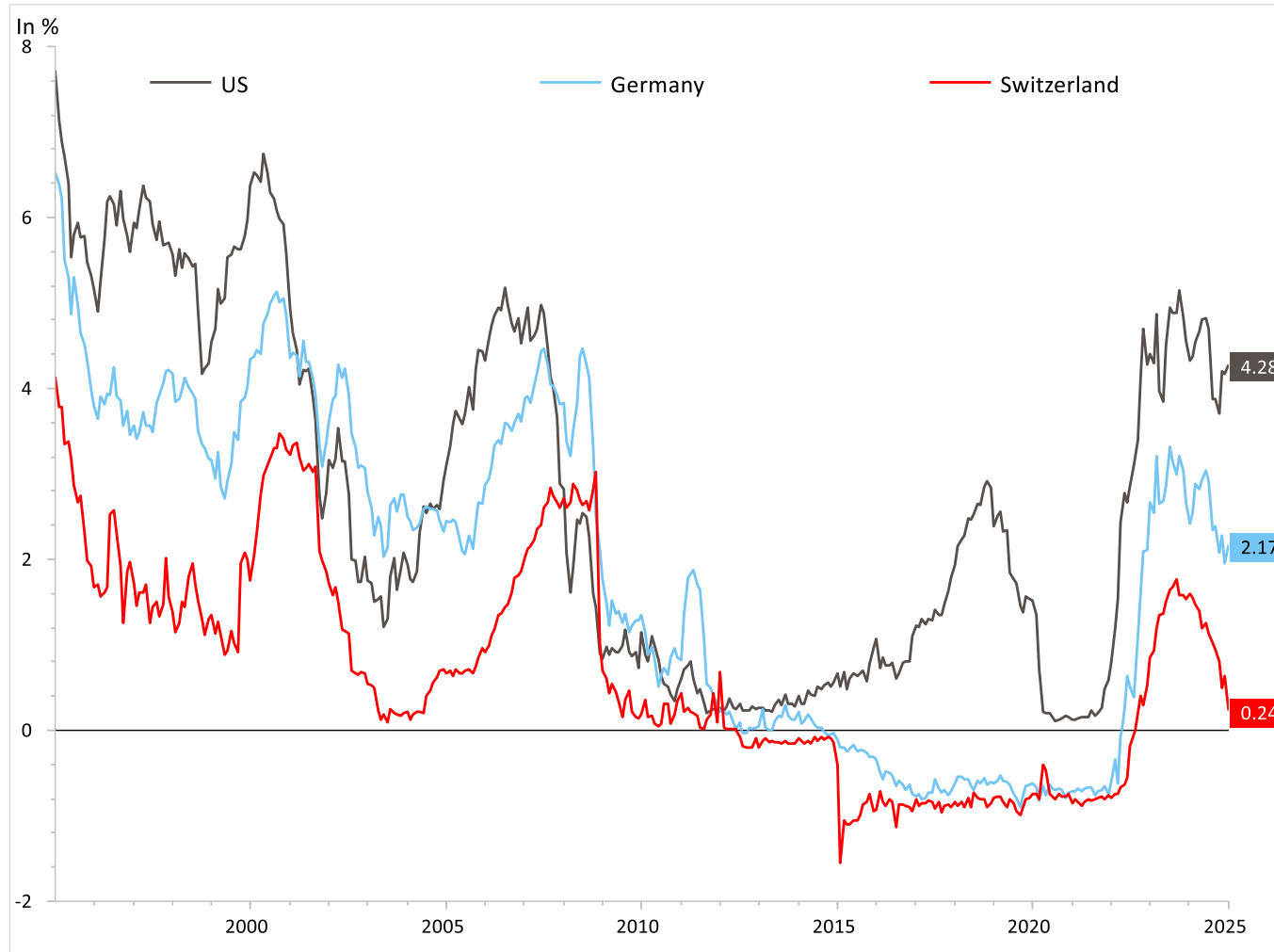
Justification

- Expectation of falling short-term interest rates

Explanation

- The futures markets give an indication of where market participants see the interest rate going over time

# Interest rates: development / trend 2 years



Assessment Europe  
Falling

Assessment Switzerland  
Falling

Assessment USA  
Falling

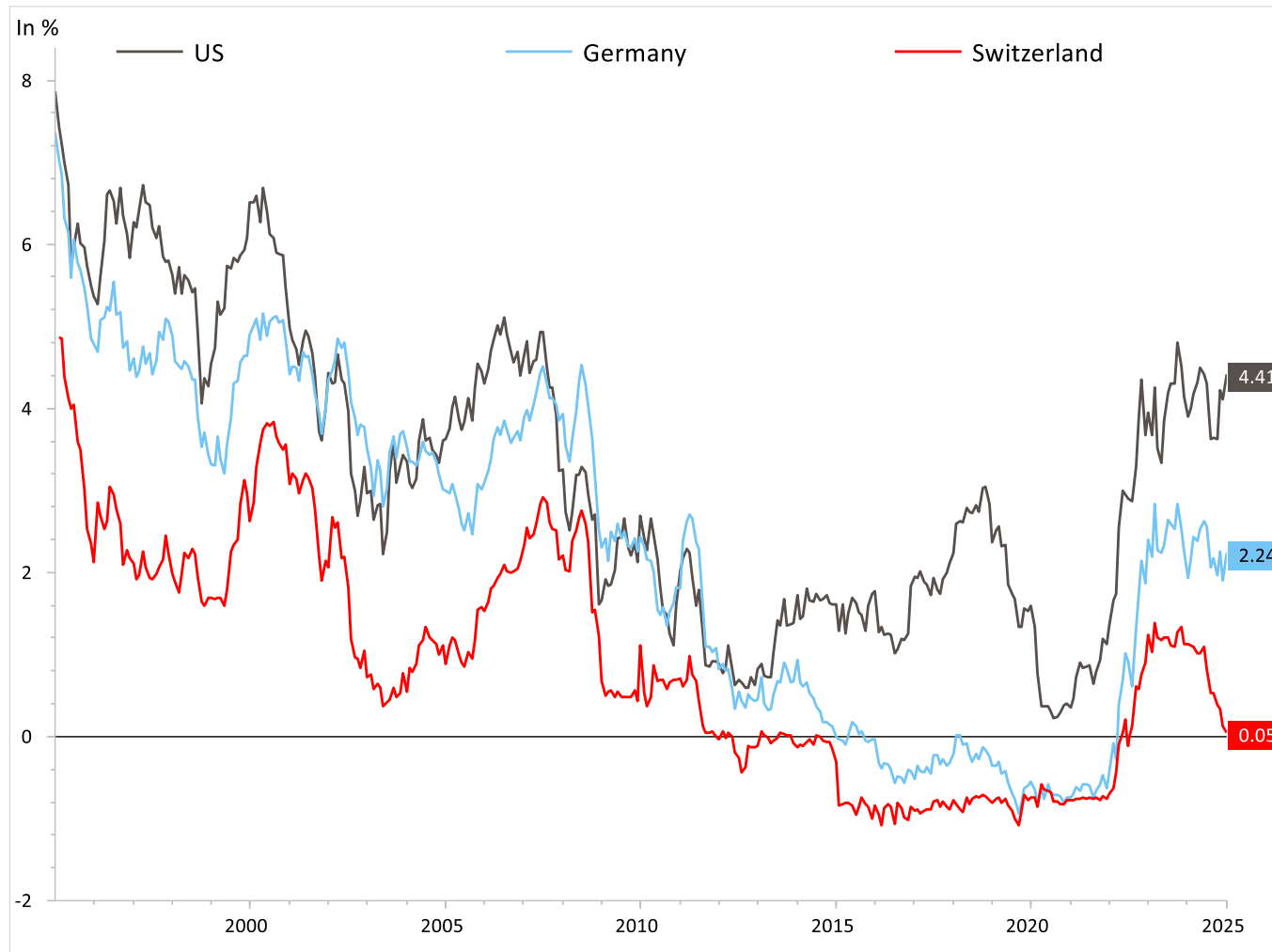
Justification

- Falling interest rates in the next 6–12 months

Explanation

- Short-term interest rates: term of 2 years

# Interest rates: development / trend 5 years



Assessment Europe  
Neutral

Assessment Switzerland  
Falling

Assessment USA  
Neutral

Justification

- Falling interest rates in the next 6–12 months

Explanation

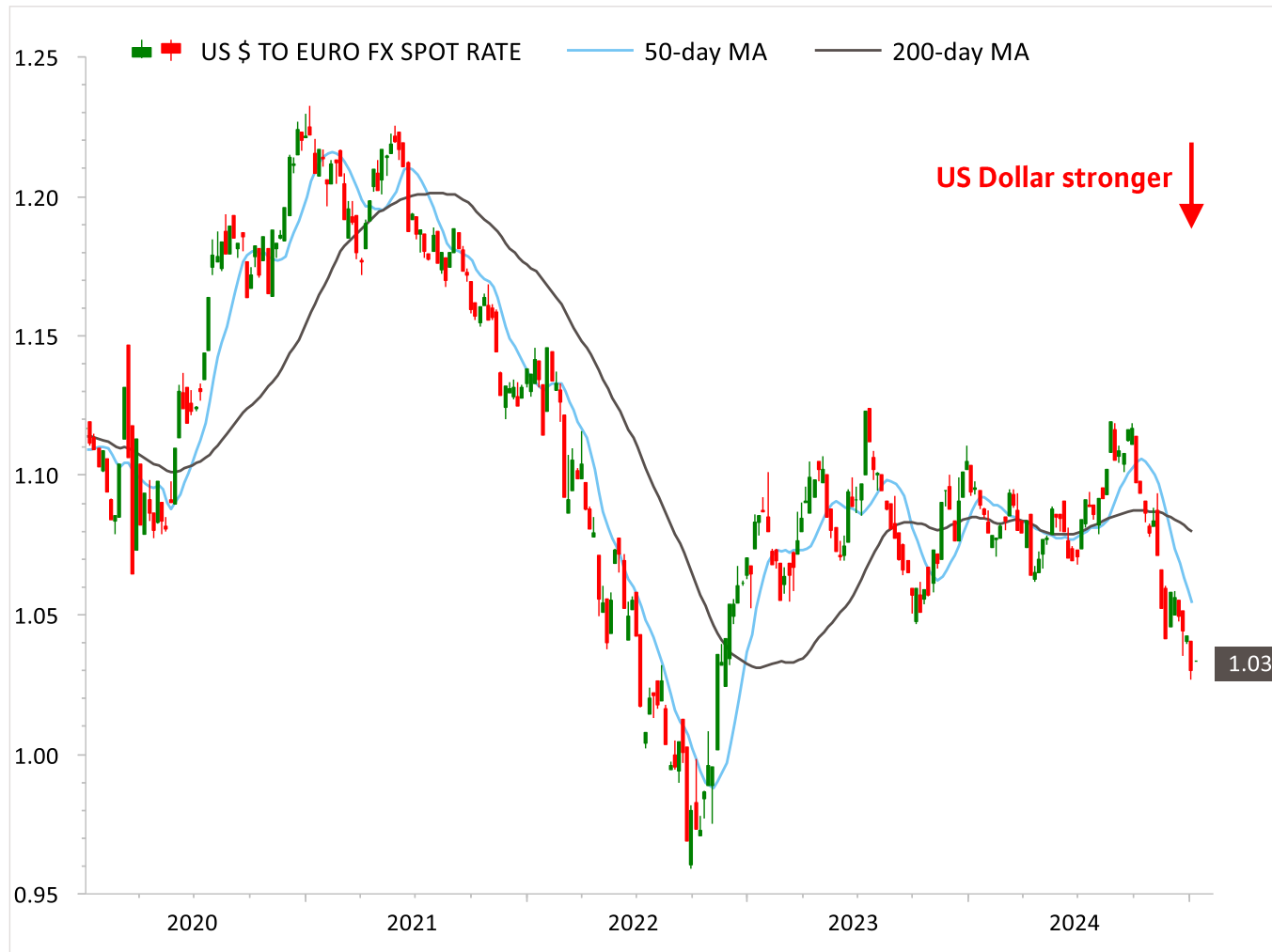
- Short-term interest rates: term of 5 years

# Details short-term situation assessment

## Currencies

# EUR/USD: momentum / technical analysis

## 200- and 50-day moving averages



Assessment  
Neutral

Explanation

Comparison of the current rate with the 50- and 200-day average lines:

- Very positive: Rate above 50- and 200-day lines with a strong upward slope
- Positive: Rate above 50- and 200-day lines
- Neutral: Sideways moving average lines
- Cautious: Rate below the 200-day line
- Negative: Rate below 50- and 200-day lines with falling average lines

# EUR/CHF: momentum / technical analysis

## 200- and 50-day moving averages



Assessment  
Neutral

### Explanation

Comparison of the current rate with the 50- and 200-day average lines:

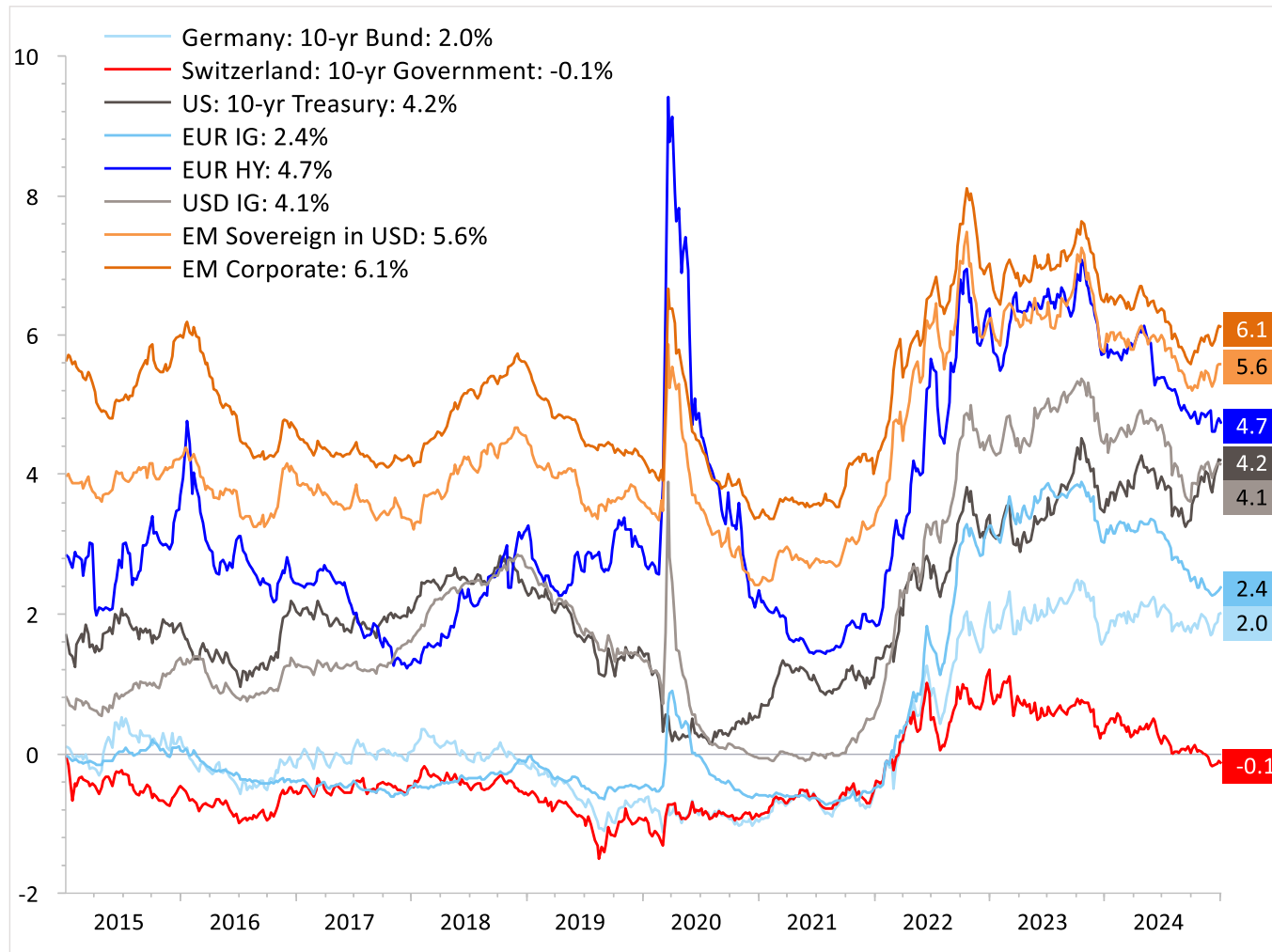
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- Neutral: Sideways moving average lines
- Cautious: Rate below the 200-day line
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# Details short-term situation assessment

## Bonds

# Bonds: development and outlook

## EUR Investment Grade

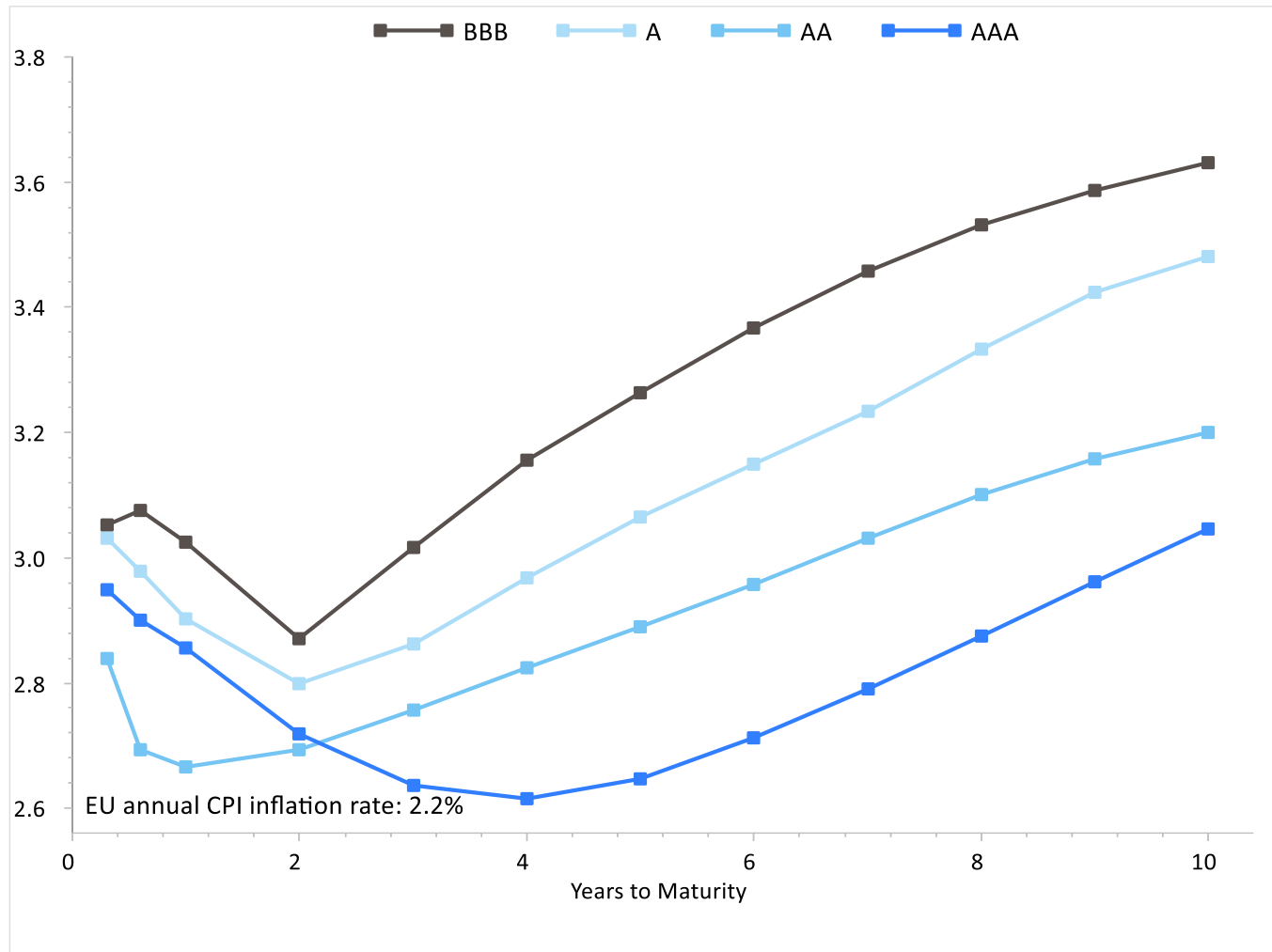


Assessment  
Neutral

Explanation

- Change in bond yields Indices by quality over time
- Not comparable with Colin & Cie's bond strategy
- Net yields

# Interest rates / yield curve: corporates Eurozone



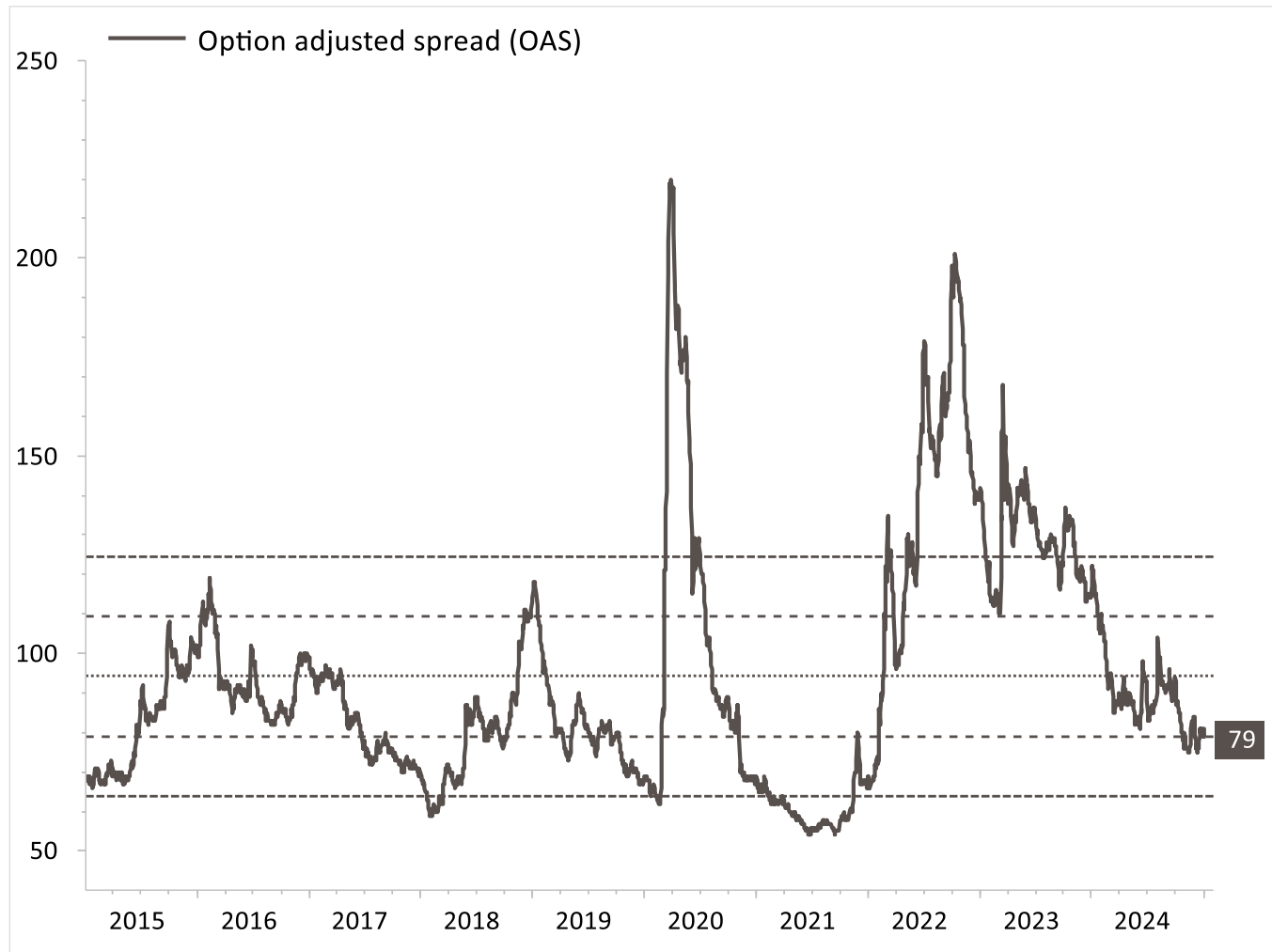
### Justification

- To at least compensate for the rate of inflation, an investor must be willing to take risks
- Either through a higher proportion of lower quality (BBB)
- Or through longer maturities

### Explanation

- Comparison of the yields of the individual rating
- Comparison with the level of the inflation rate
- Net yields in local currency

# Risk premium Spreads (EUR investment grade)



Assessment  
Rising

Justification

- Historically average risk premium

Explanation

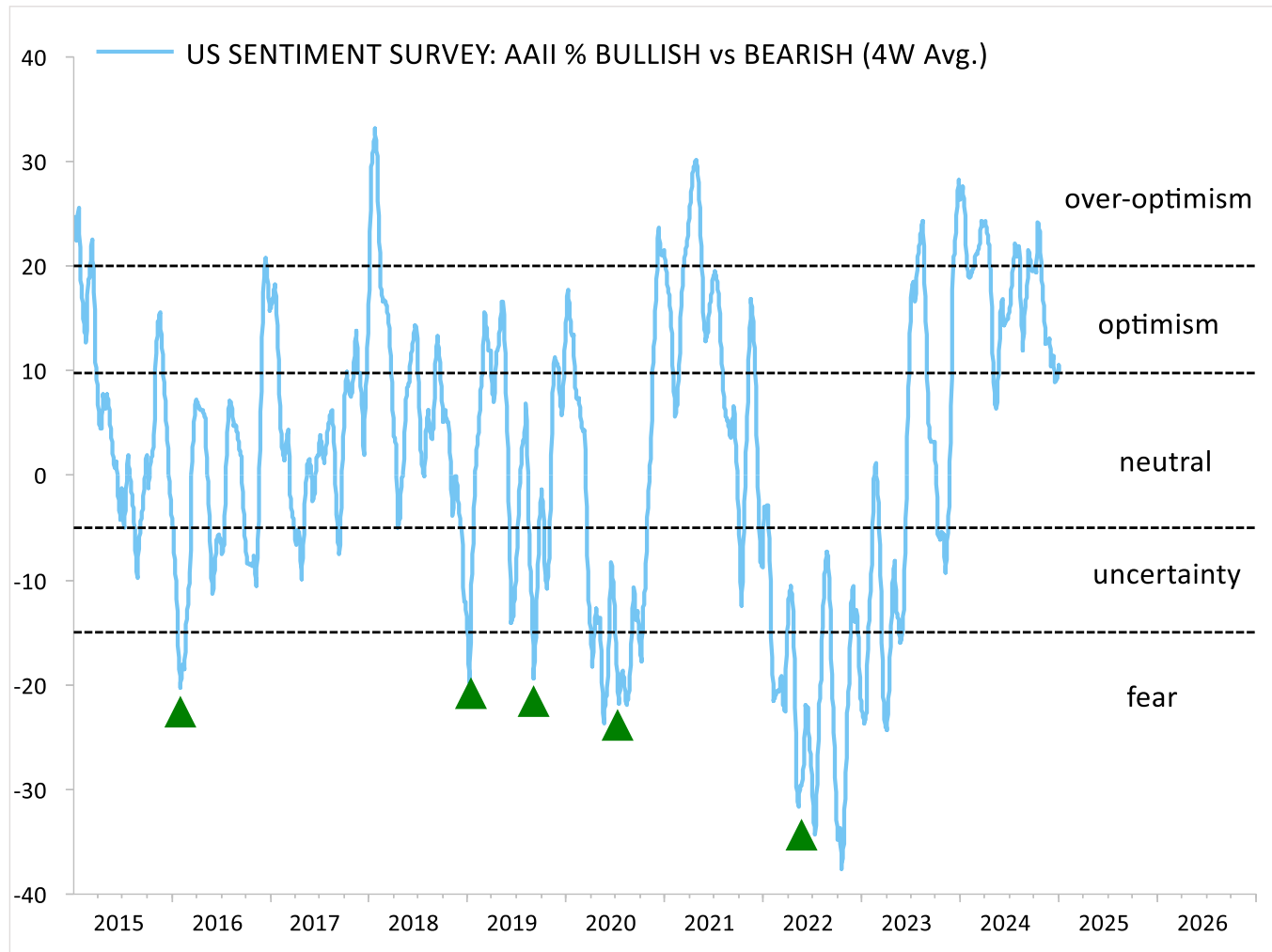
- The interest rate differential between the index and the government bond is a measure of the attractiveness of the bonds
- Option Adjusted Spread (OAS) shows this interest rate difference to the government bond
- The higher the difference, the more attractive
- Independent of the interest rate level and thus comparable over time

# Details short-term situation assessment

## Equities

# Equities

## Sentiment Survey (USA)



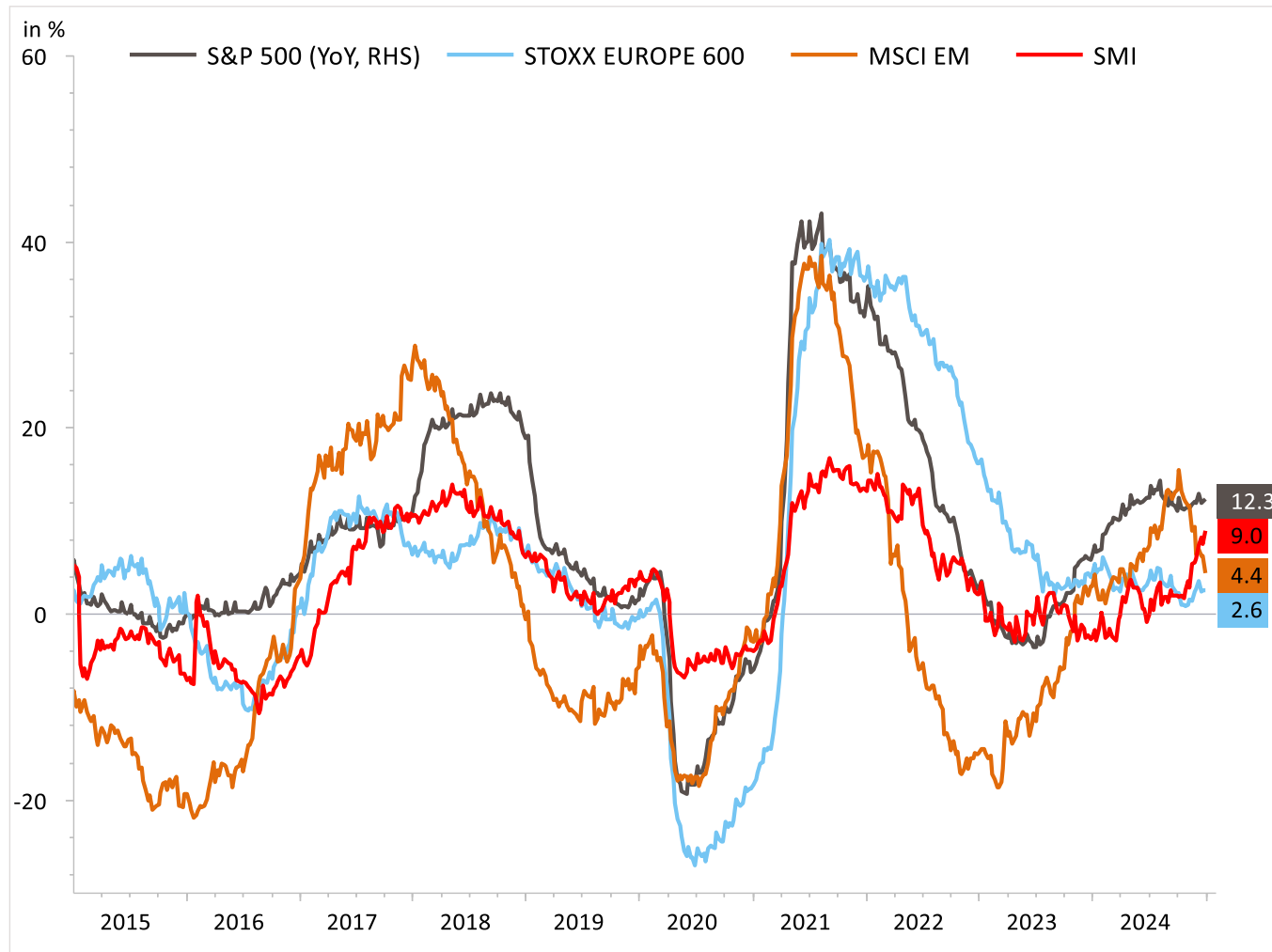
Assessment  
Cautious

The sentiment of private US investors is surveyed on a weekly basis. This should be interpreted as a counter-indicator, as the price level reflects the sentiment situation

- Very positive: Anxious investor sentiment
- Positive: Uncertain investors
- Neutral: Balanced, historically average sentiment
- Cautious: Optimistic investors
- Negative: Euphoric sentiment

# Equities Switzerland: Expected corporate profits

## Annual changes

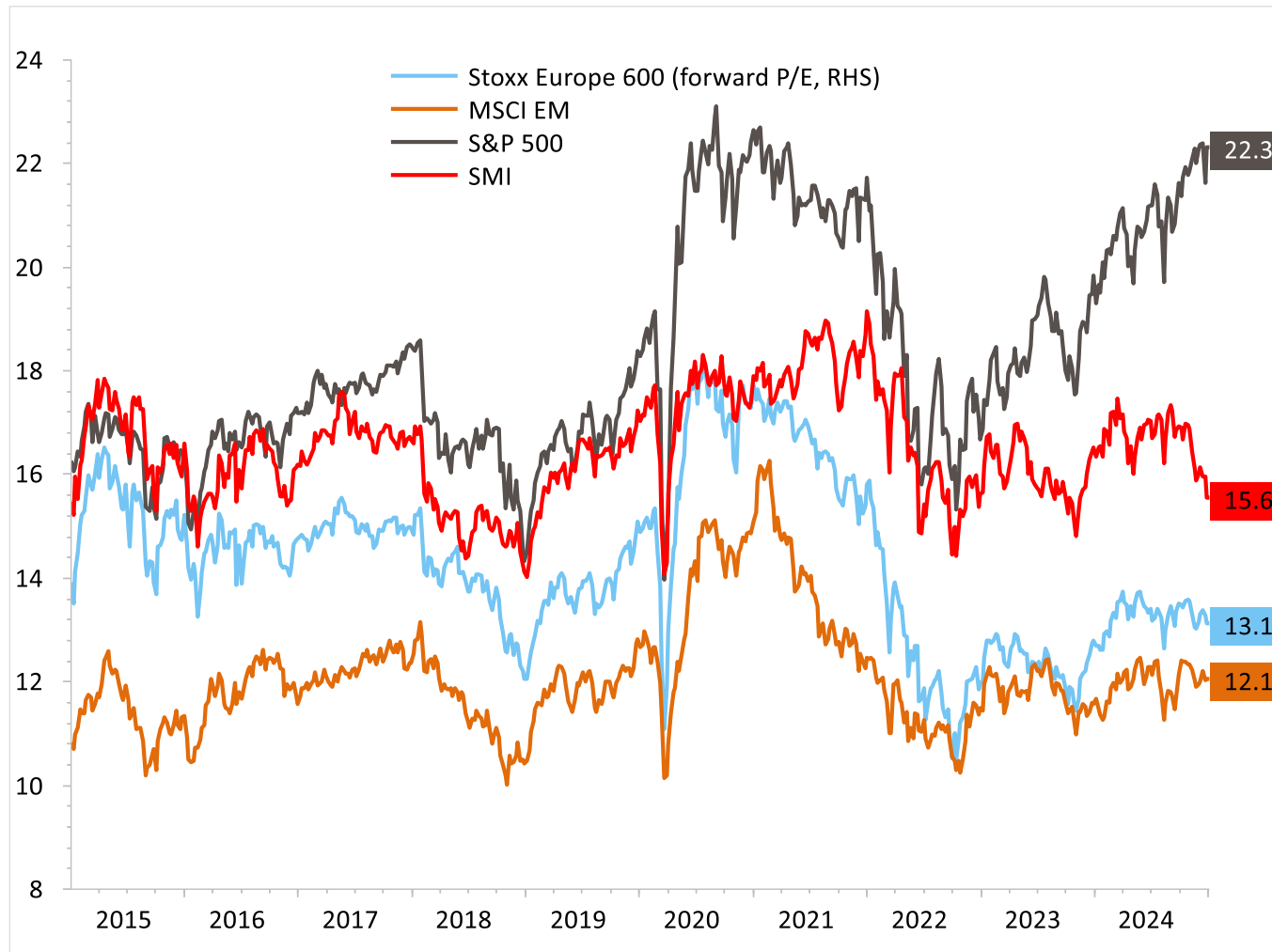


Assessment  
Neutral

- Explanation
- Very positive: Profit growth greater than +20%
  - Positive: Profit growth between +10% and +20%
  - Neutral: Profit growth between -10% and +10%
  - Cautious: Profit growth between -10% and -20%
  - Negative: Profit growth less than -20%

# Equities Switzerland: P/E ratio of expansion and contraction

## Development comparison

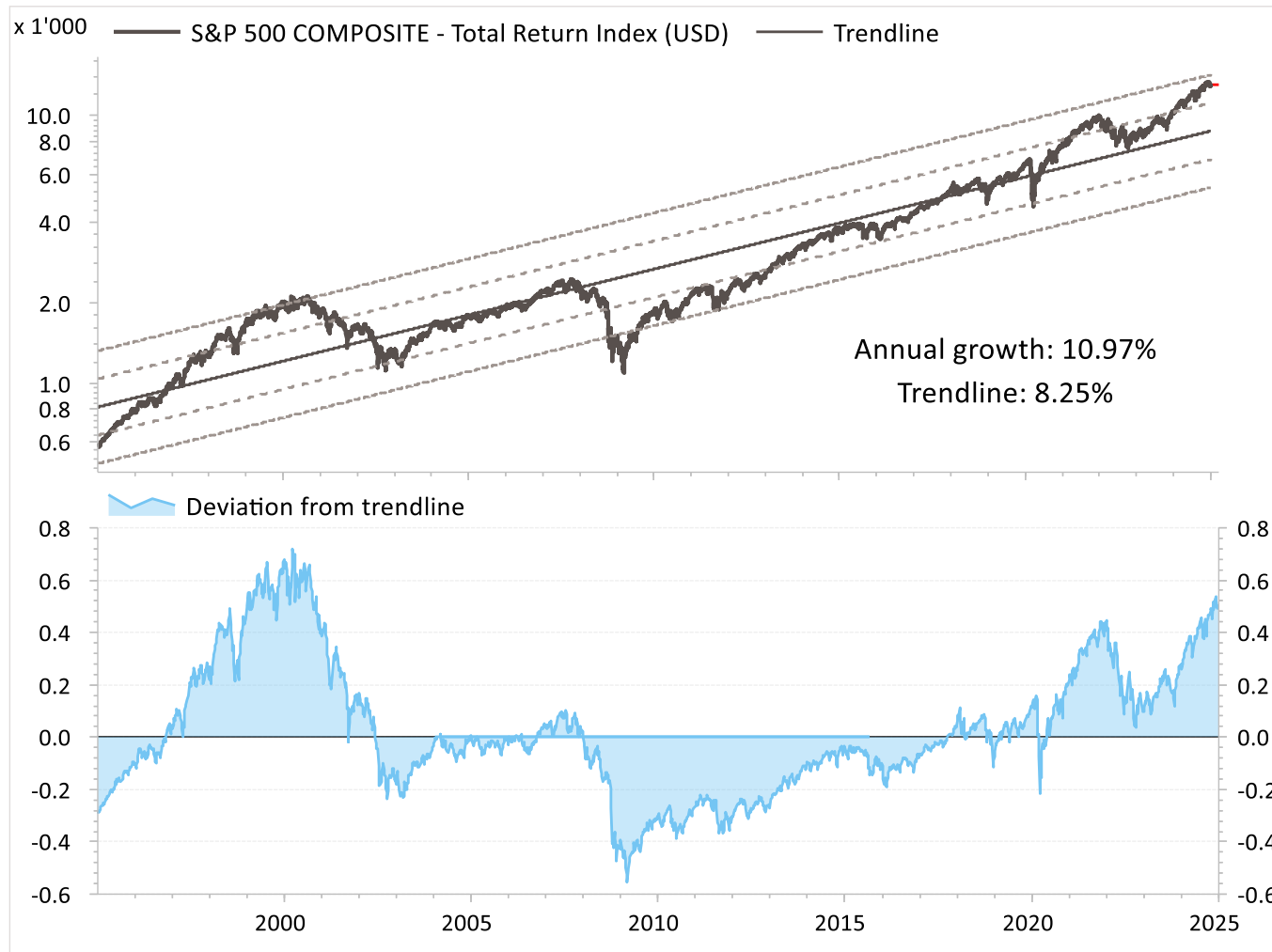


Assessment  
Neutral

Explanation  
Assessment in a historical 10-year comparison:

- Very positive: Absolute and relative valuation attractive
- Positive: Absolute or relative valuation attractive
- Neutral: Historical average valuation
- Cautious: Absolute or relative valuation unattractive
- Negative: Absolute and relative valuation unattractive

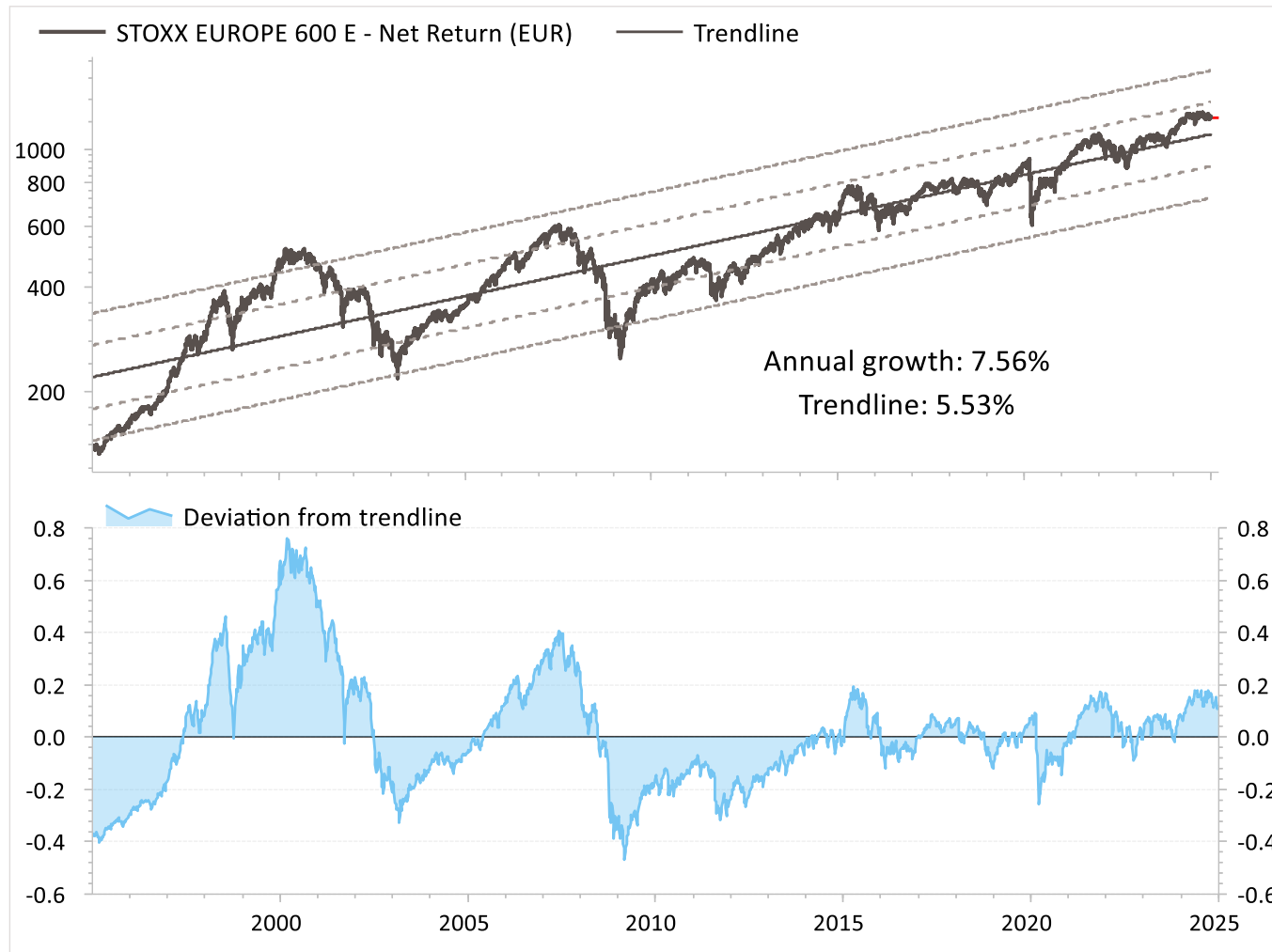
# Equities USA: development / trend 30 years



Assessment  
Cautious

- Explanation
- Very positive: Extremely strong trend deviation with below-average development
  - Positive: Strong trend deviation with below-average development
  - Neutral: Close to trend line
  - Cautious: Strong trend deviation with above-average development
  - Negative: Extremely strong trend deviation with above-average development

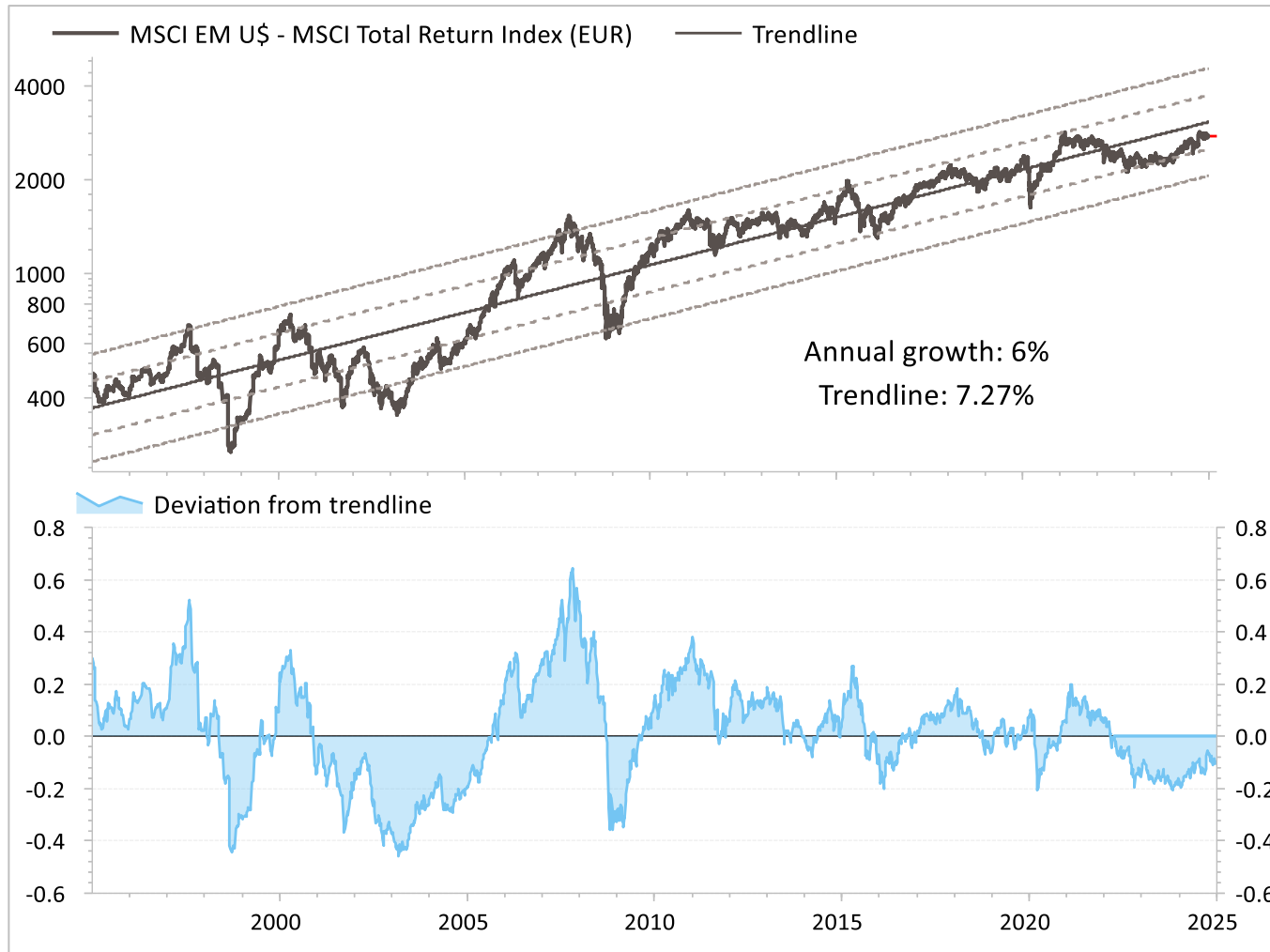
# Equities Europe: development / trend 30 years



Assessment  
Neutral

- Explanation
- Very positive: Extremely strong trend deviation with below-average development
  - Positive: Strong trend deviation with below-average development
  - Neutral: Close to trend line
  - Cautious: Strong trend deviation with above-average development
  - Negative: Extremely strong trend deviation with above-average development

# Equities Emerging Markets: development / trend 30 years

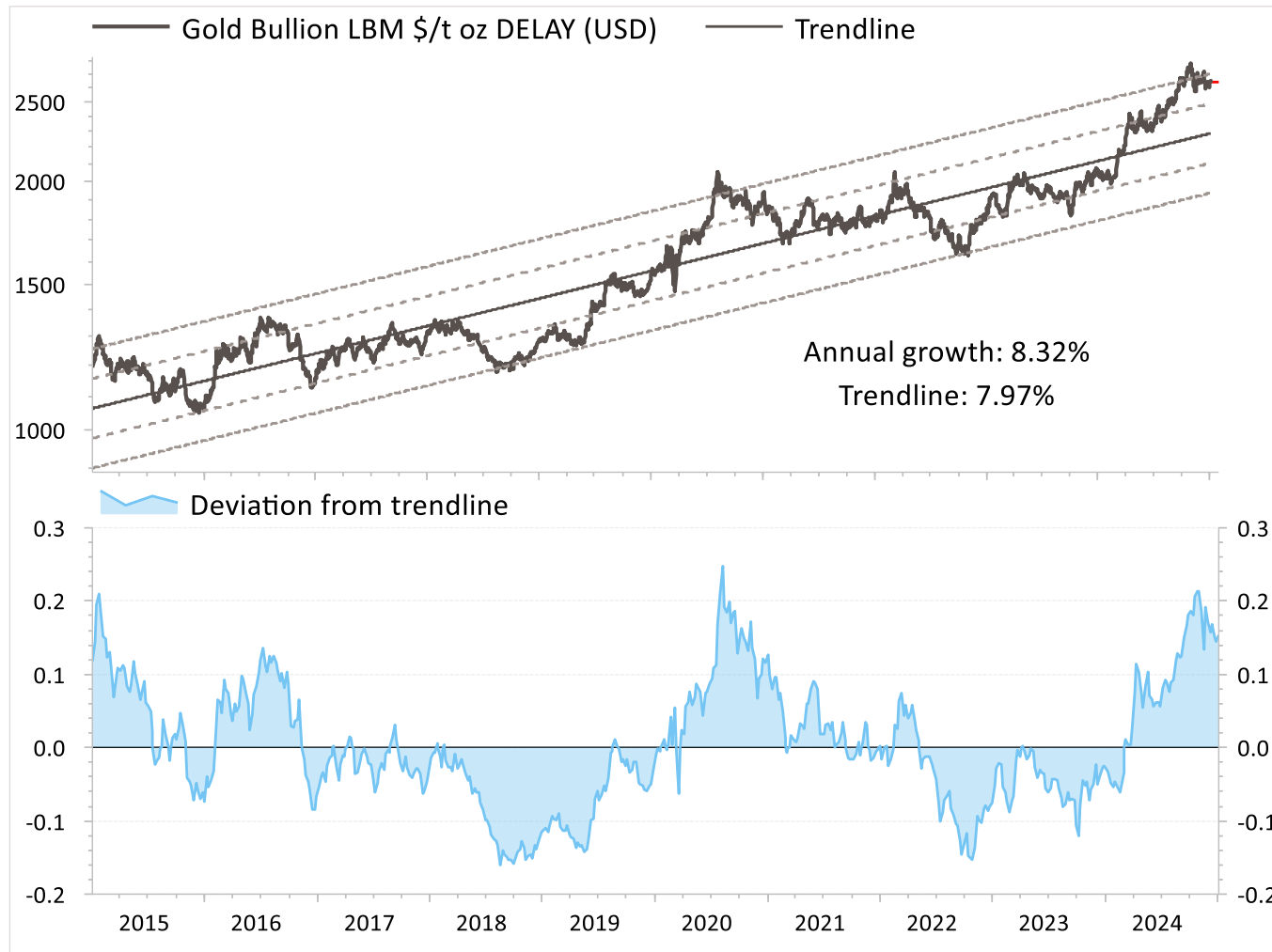


Assessment  
Neutral

- Explanation
- Very positive: Extremely strong trend deviation with below-average development
  - Positive: Strong trend deviation with below-average development
  - Neutral: Close to trend line
  - Cautious: Strong trend deviation with above-average development
  - Negative: Extremely strong trend deviation with above-average development

# Details short-term situation assessment Precious Metals

# Gold: development / trend 10 years

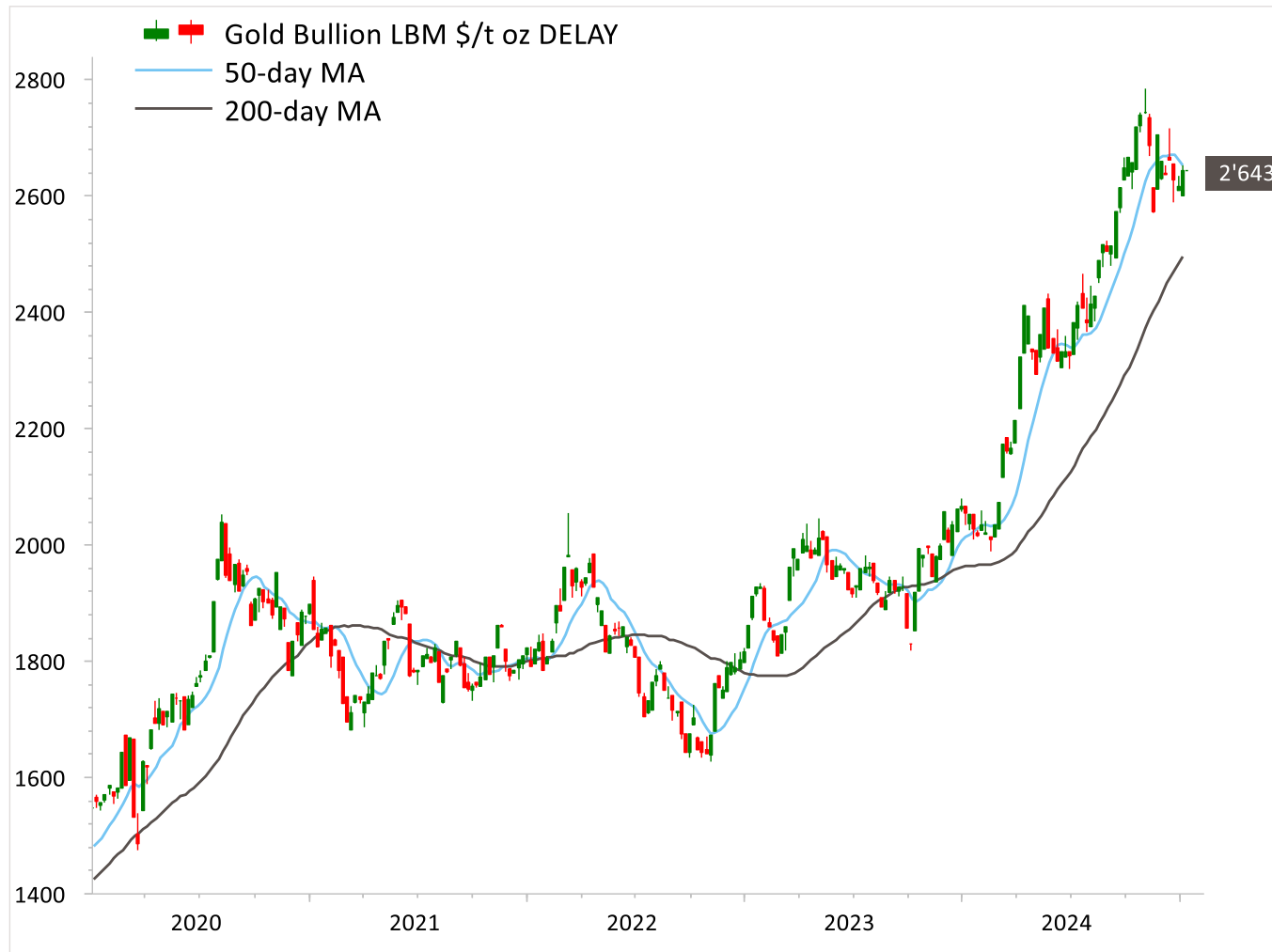


Assessment  
**Negative**

- Explanation
- Very positive: Extremely strong trend deviation with below-average development
  - Positive: Strong trend deviation with below-average development
  - Neutral: Close to trend line
  - Cautious: Strong trend deviation with above-average development
  - Negative: Extremely strong trend deviation with above-average development

# Gold: momentum / technical analysis

## 200- and 50-day moving averages



Assessment  
Positive

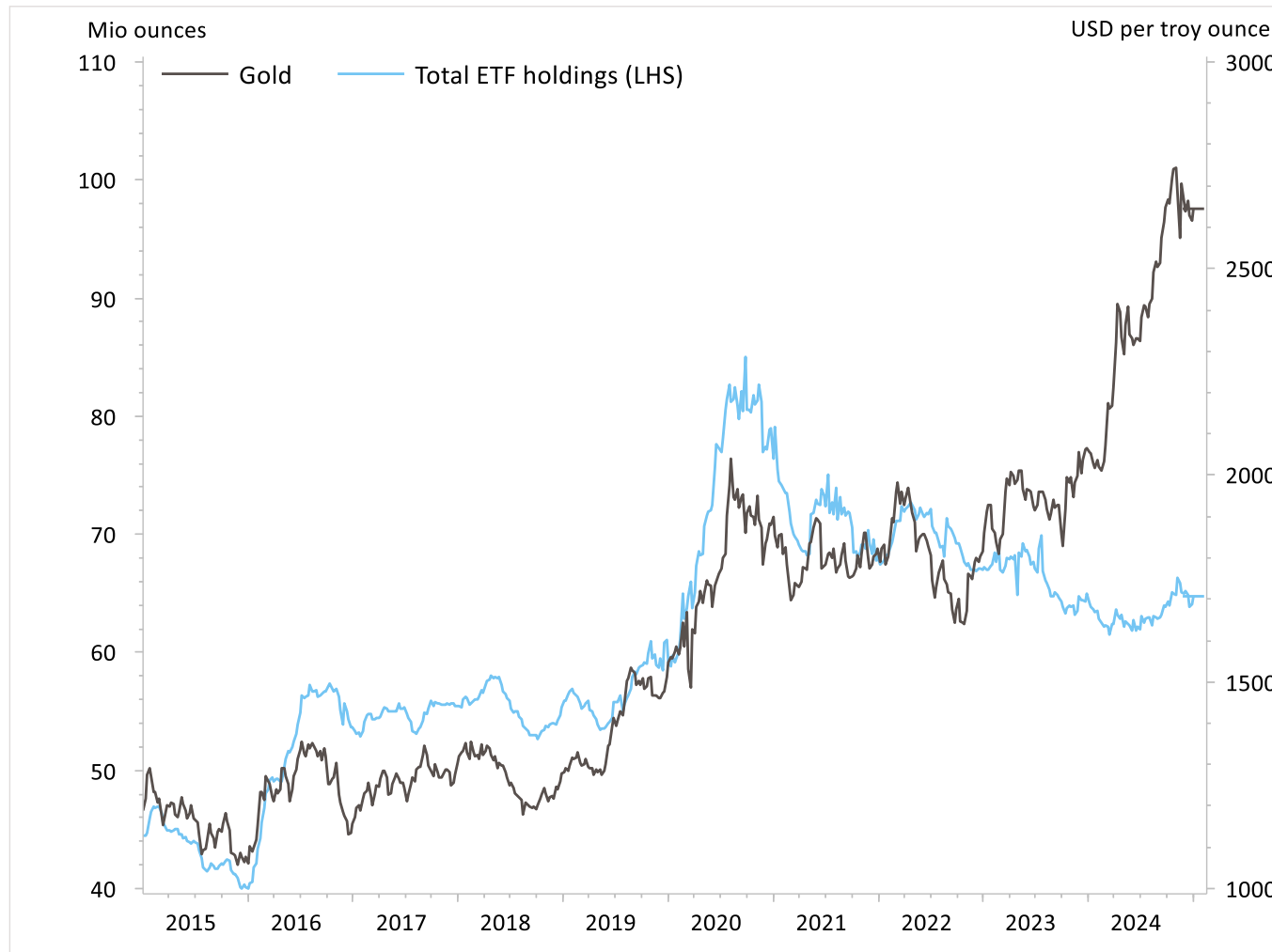
Explanation

Comparison of the current price with the 50- and 200-day average lines:

- Very positive: Price above 50- and 200-day lines with a strong upward slope
- Positive: Price above 50- and 200-day lines
- Neutral: Sideways moving average lines; price above 200-day-line
- Cautious: Price clearly below the 200-day line
- Negative: Price below 50- and 200-day lines with falling average lines

# Gold: Flow of Funds (ETFs)

## Development / trend



**Assessment**  
Cautious

Justification

- Rising prices despite weak demand for gold

Explanation

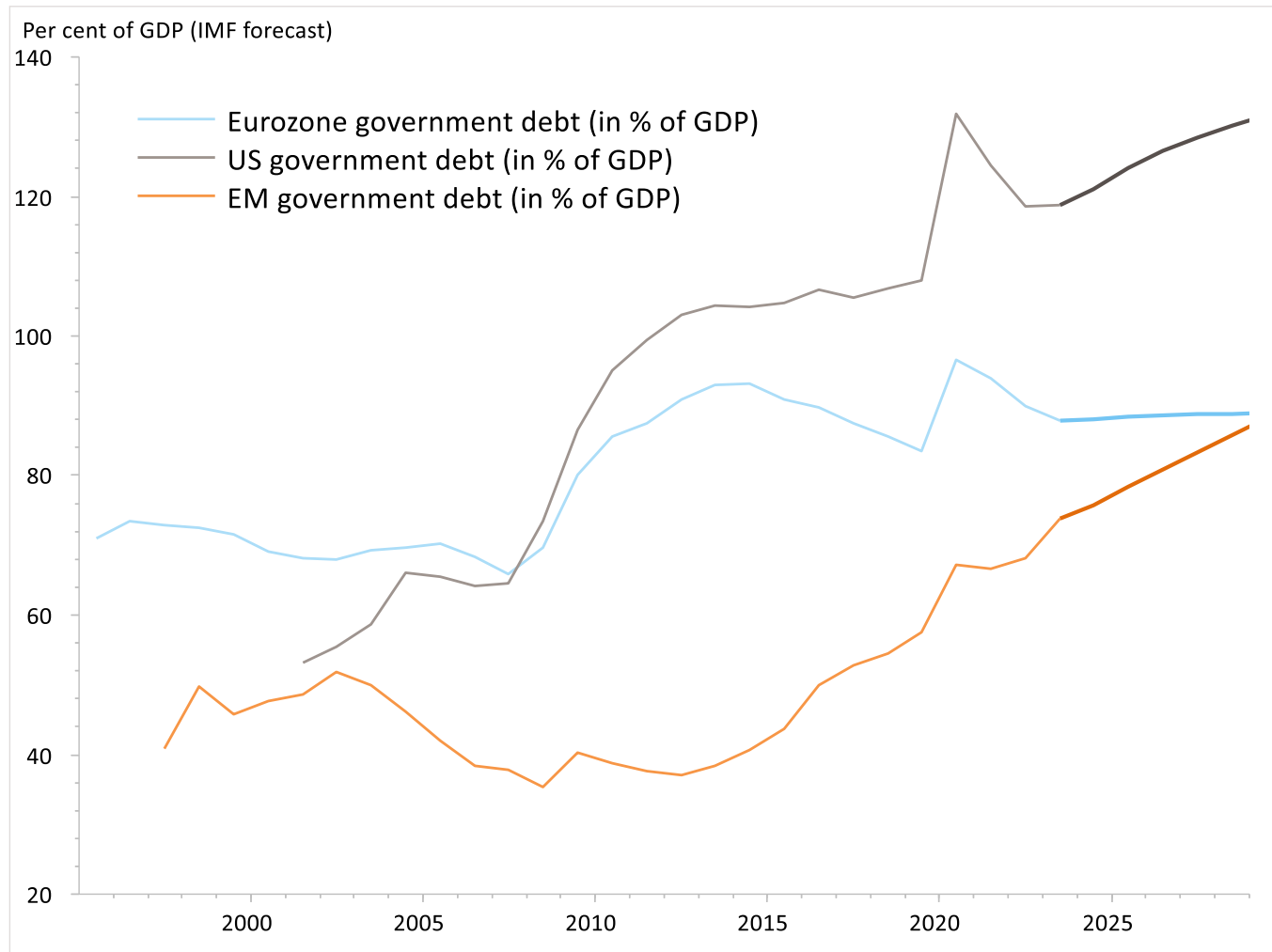
- Volatile measure of private demand for gold

# Details short-term situation assessment

## Risks

# Risk: Debt

## Public debt (Global)



**Assessment**  
Cautious

Justification

- The planned fiscal programmes will increase the government's debt ratios.

Explanation

- Expectations of the International Monetary Fund (IMF) regarding future government debt

# Risk: Default risks and widening of spreads

## Credit Default Swaps: Global



### Assessment

Cautious

### Justification

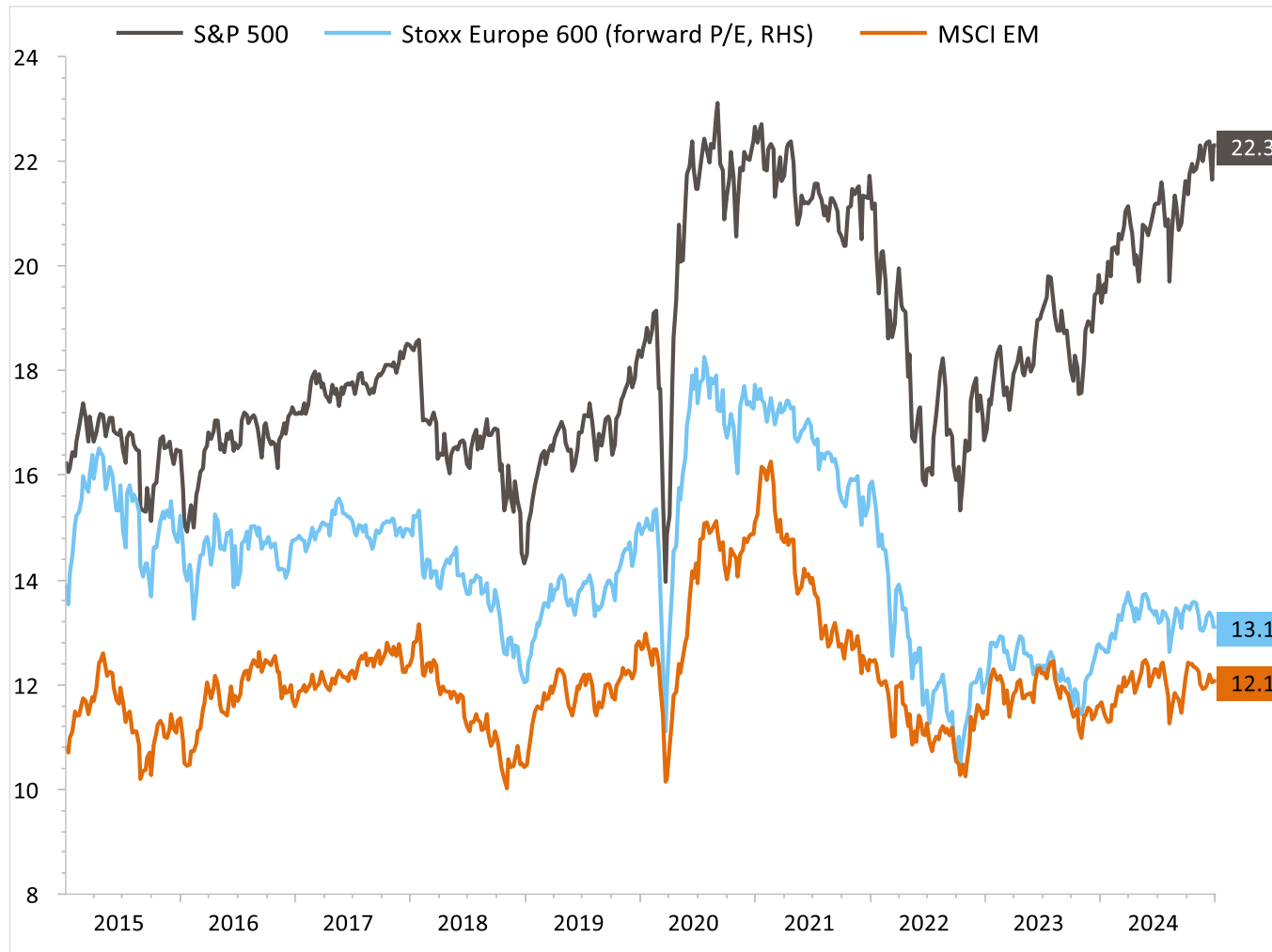
- High and rising US default risks
- Europe / Germany with low default risks

### Explanation

- A credit default swap (CDS) is a credit derivative in which the default risks of loans, bonds or debtors are traded.
- Rising prices mean a higher risk of default.

# Risk: Valuations

## Price-earnings ratio (USA by comparison)



**Assessment**  
**Negative**

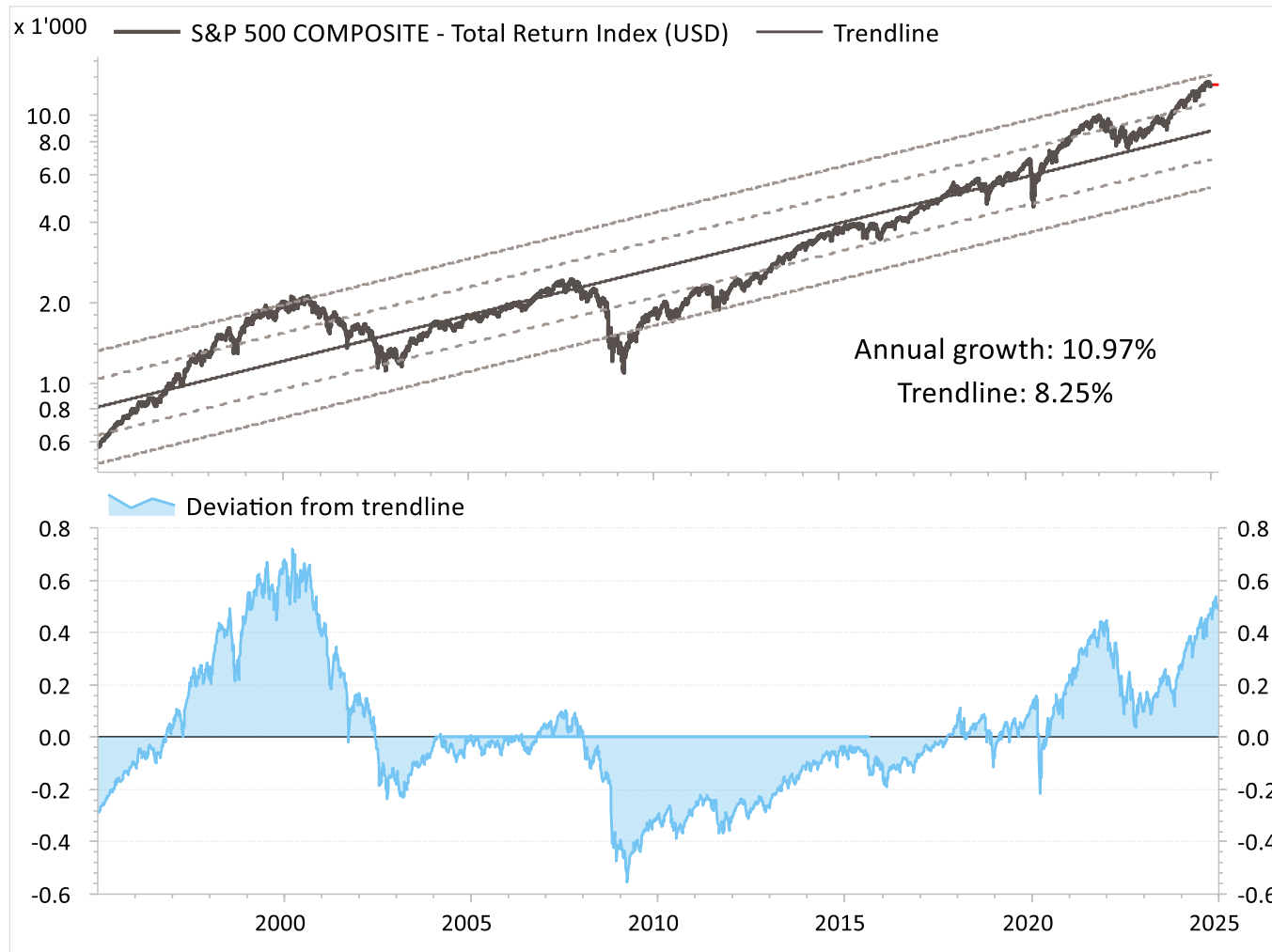
Explanation

Assessment in a historical 10-year comparison:

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- Negative: Absolute and relative valuation unattractive

# Risk: development / trend equities USA

## 30 Years



Assessment  
Cautious

- Explanation
- Very positive: Extremely strong trend deviation with below-average development
  - Positive: Strong trend deviation with below-average development
  - Neutral: Close to trend line
  - Cautious: Strong trend deviation with above-average development
  - Negative: Extremely strong trend deviation with above-average development

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