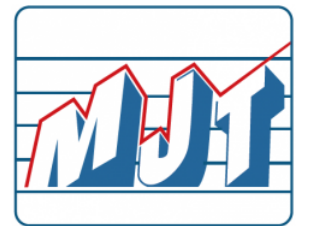


Management Joint Trust SA (MJT)

SAMT Panel discussion

Geneva

5th July 2023

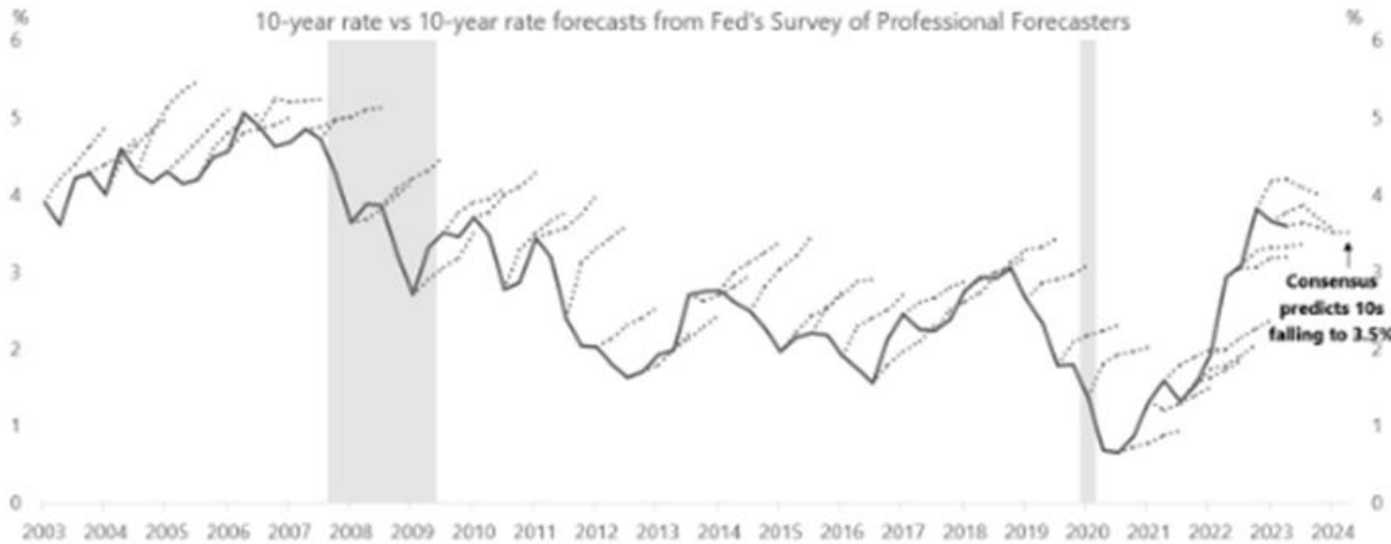


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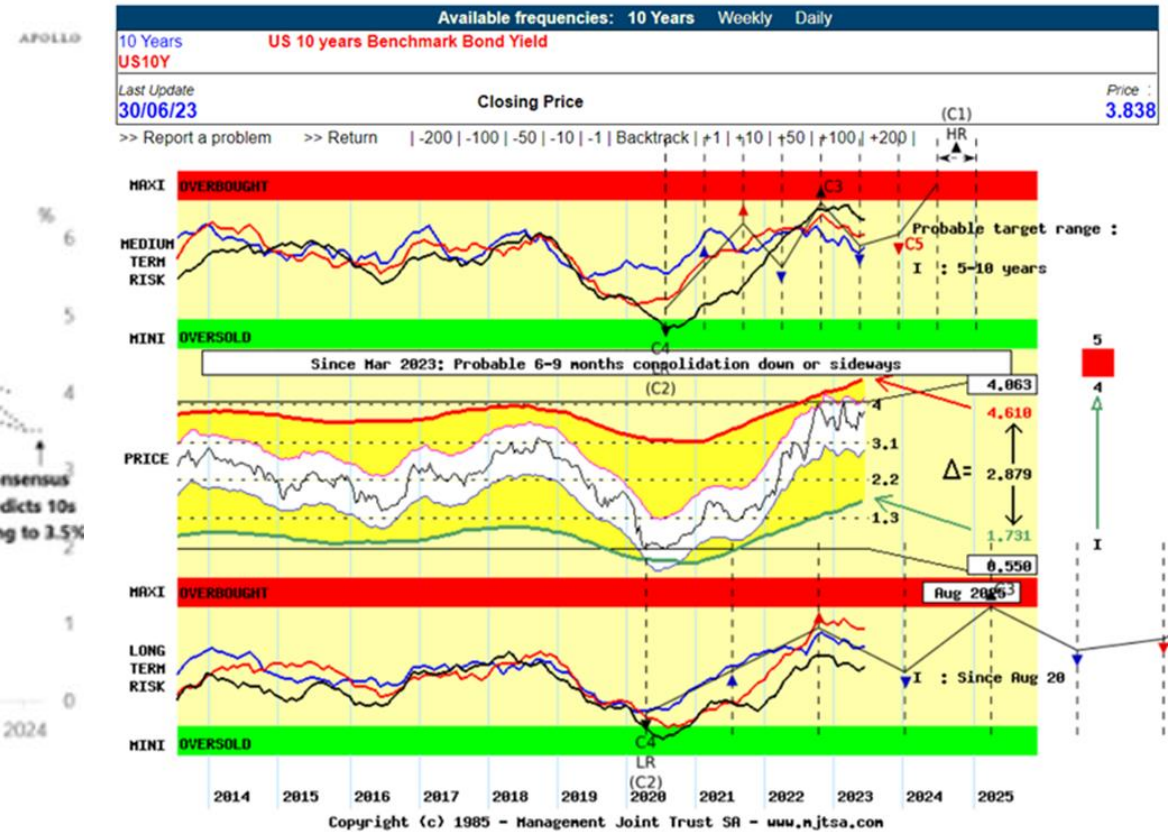
TIMING MARKETS SINCE 1969

US Long Term Rates – strongest uptrend in 20 years

For the first time in 20 years, the consensus is forecasting lower long rates



Source: Bloomberg, Philadelphia Fed Survey of Professional Forecasters, Apollo Chief Economist



Strongest uptrend in 20 years, could persist into late 2024 / 2025 according to our oscillator series. Another Dip expected late this year / early next year.

Improving economic surprises / Base effect helping Inflation, yet watch monthly run-rates

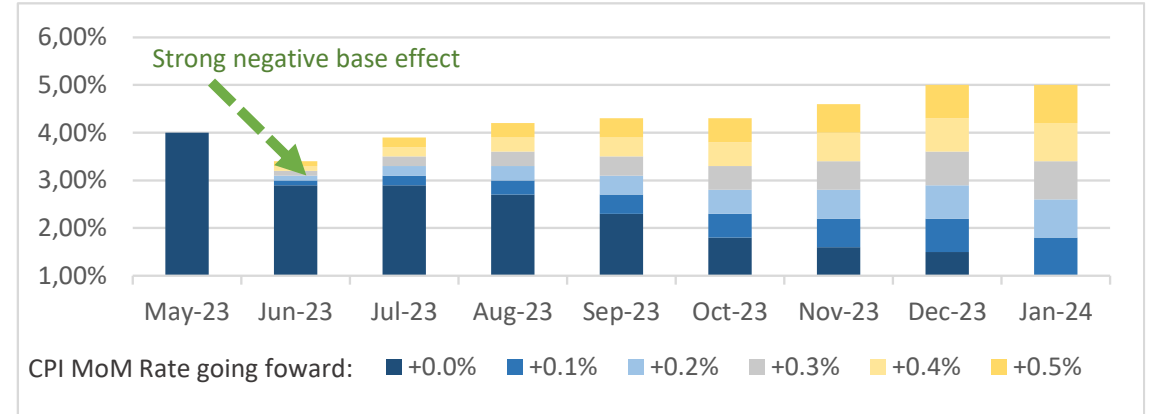
FIGURE 7. Hard data continue to surprise to the upside and negative soft data surprises are fading



Standard deviation of surprises
Source: Bloomberg, Barclays Research

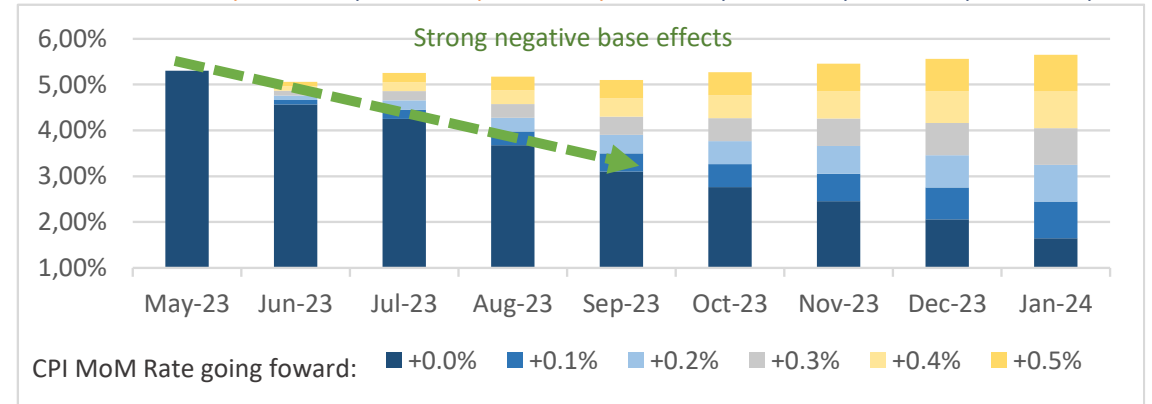
Y-o-Y Headline CPI Base effect (gradually replacing 2022 data)

M-o-M	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
2022 data	1,2%	0,0%	0,2%	0,4%	0,5%	0,2%	0,1%	0,5%



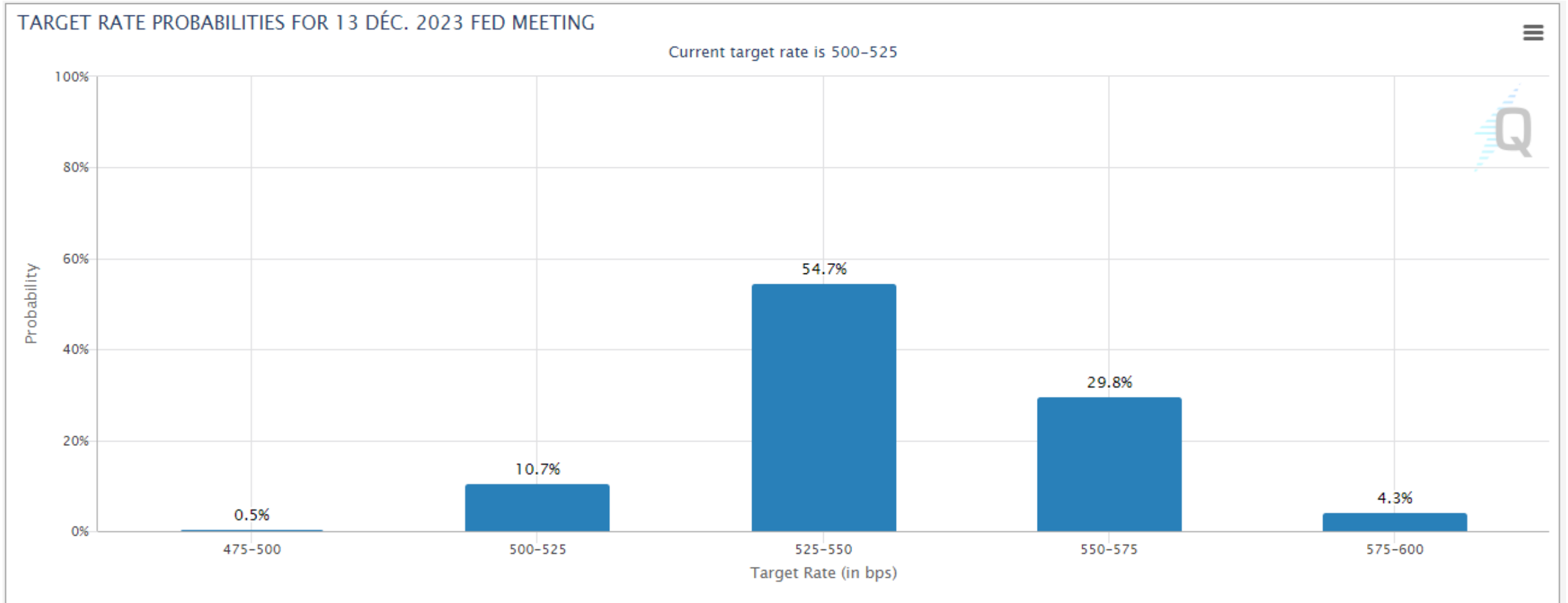
Y-o-Y Core CPI Base effect (gradually replacing 2022 data)

M-o-M	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
2022 data	0,7%	0,3%	0,6%	0,6%	0,3%	0,3%	0,4%	0,4%



Source: Primis.Swiss, US Bureau of Labor Statistics

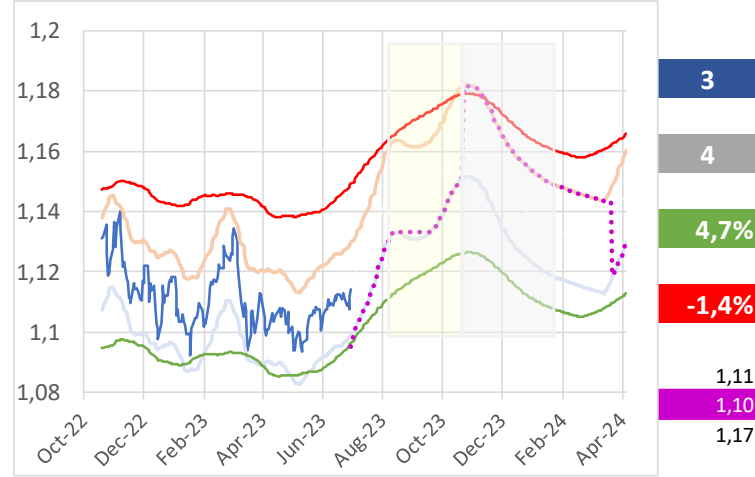
Consensus is that the FED will push 1 or 2 more rate hikes and then holds Higher for Longer



Source: CME Group

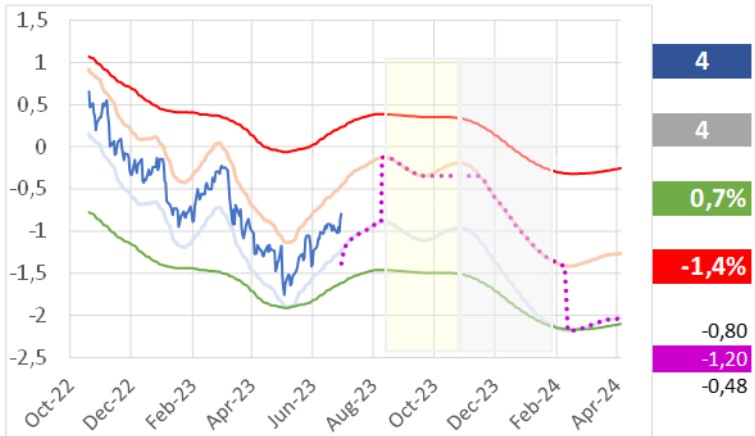
Inflation Expectations rise into August, then October, thereafter further Pivot speculations

TIP/IEF fully automatic, with Analogs



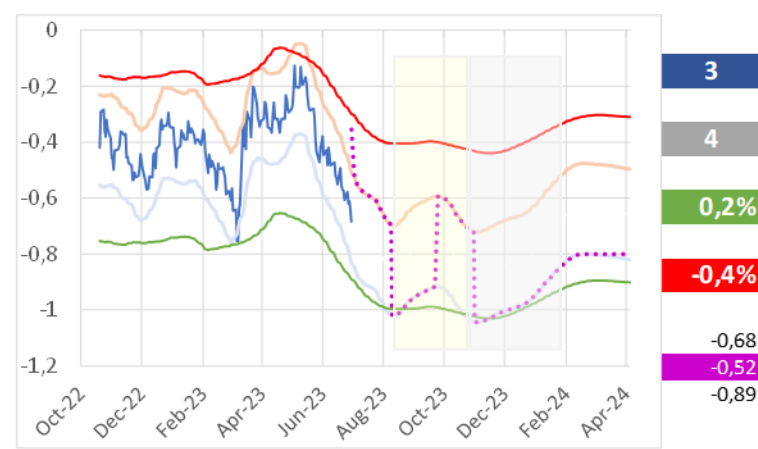
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US3Y - US3M Treasury Spread fully automatic, with Analogs



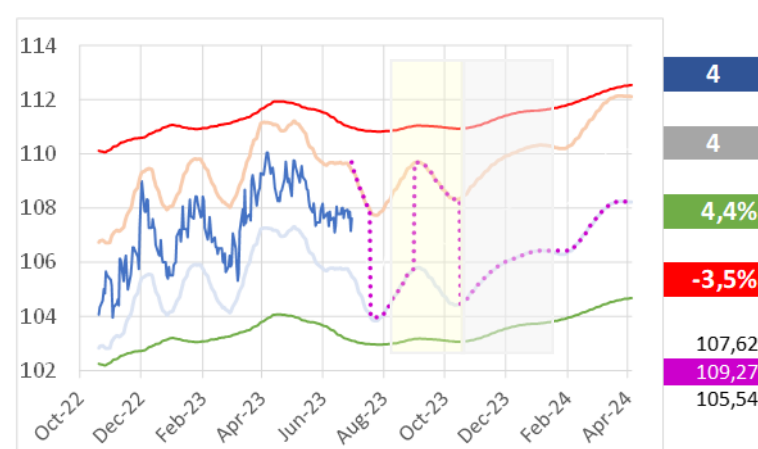
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US10Y -3Y Treasury Spread fully automatic, with Analogs



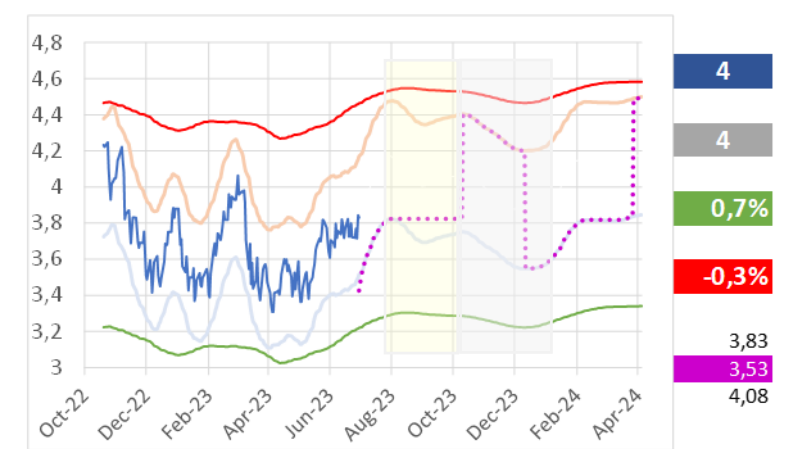
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TIP fully automatic, with Analogs



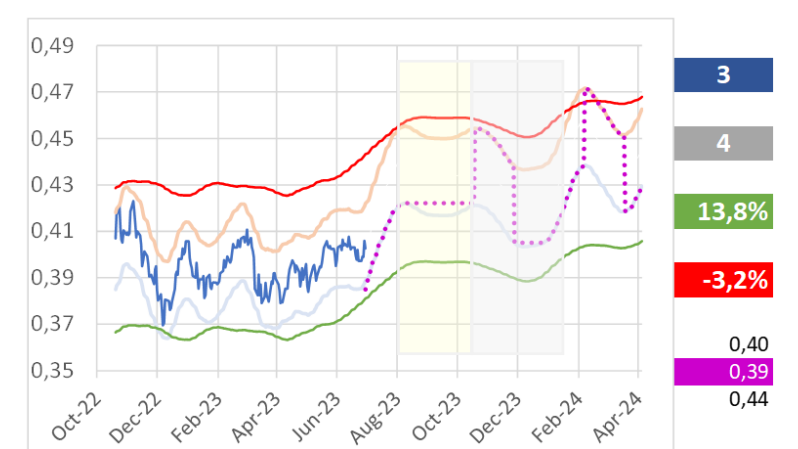
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US10Y Treasury Yield fully automatic, with Analogs



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SHYG / TLT fully automatic, with Analogs



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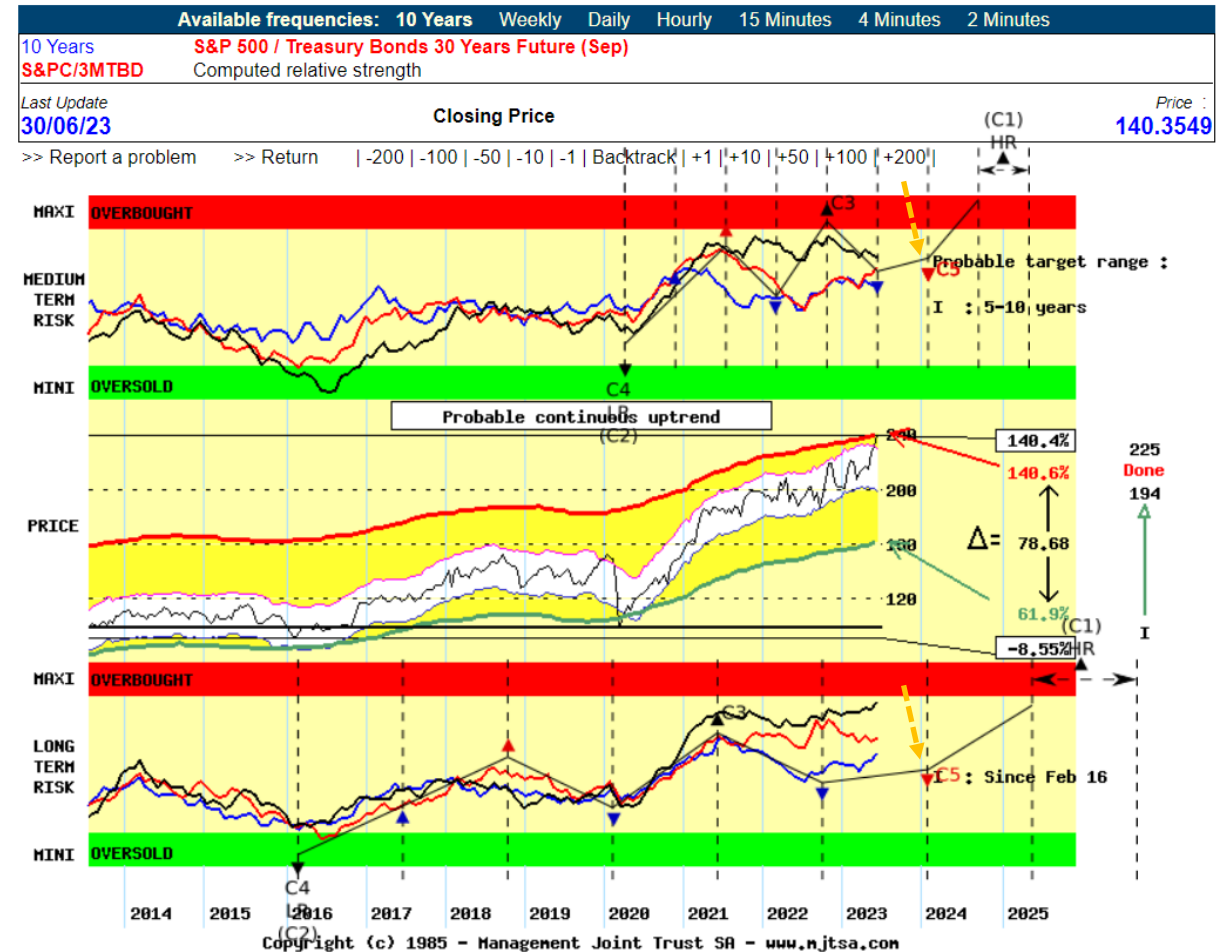
Equities have broken out vs Bonds; Some retracement can be expected towards year-end.

16. SPX vs. global bonds. "The relative performance of US equities vs. global bonds has broken out of a 15-month range."

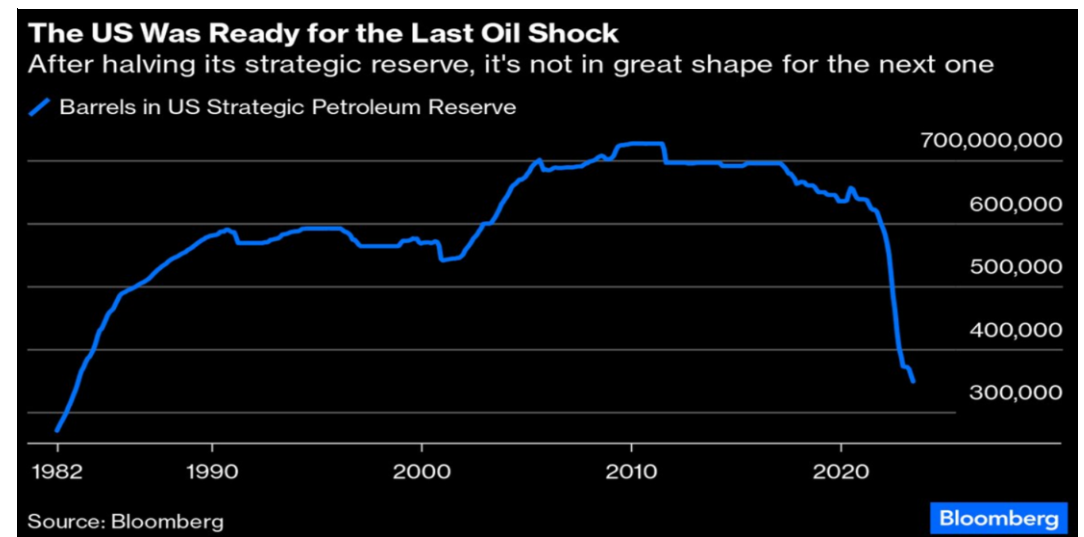
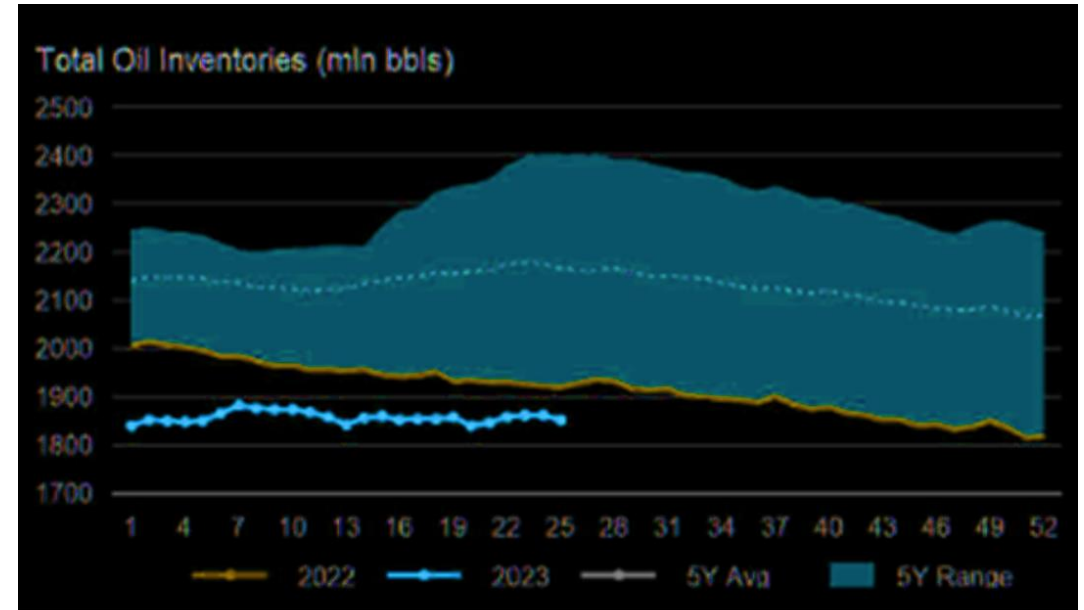
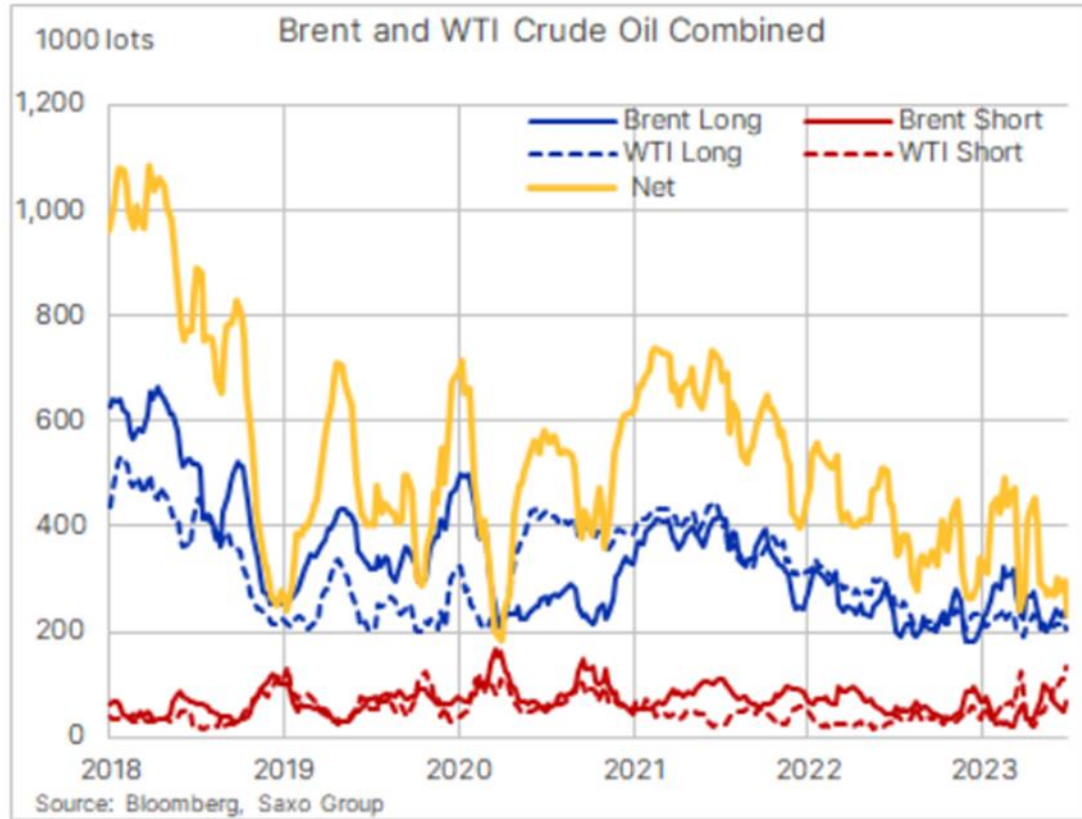
Relative performance of the S&P 500 index and global bonds



Source: Bloomberg, Standard Chartered

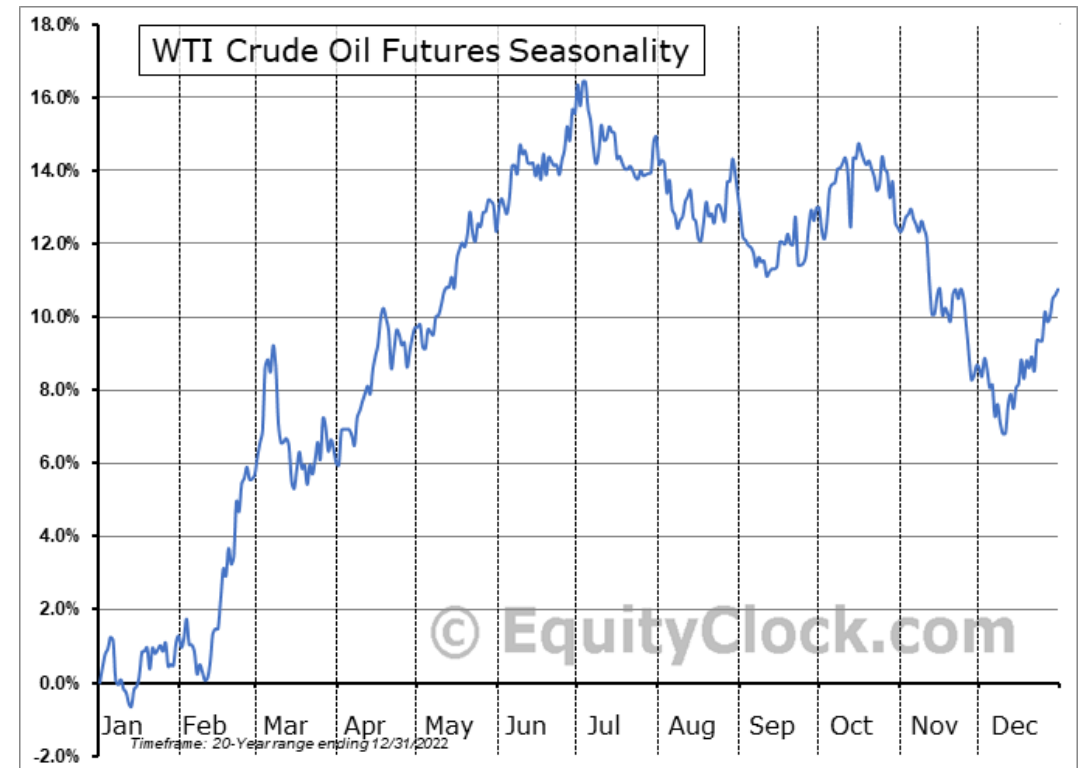
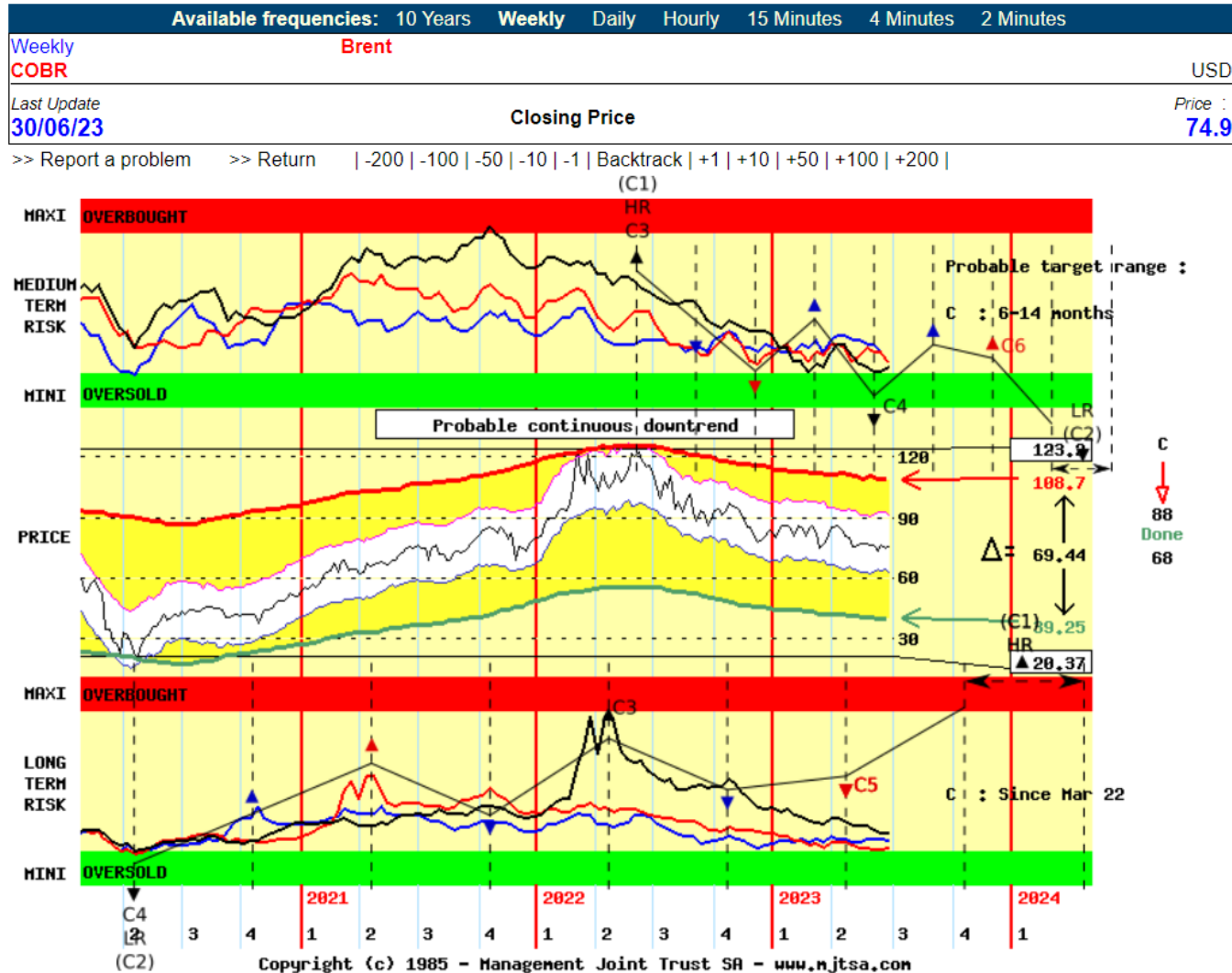


Oil is very Unloved at the moment



Our oscillator series could justify a bounce into late Q3, eventually early Q4;

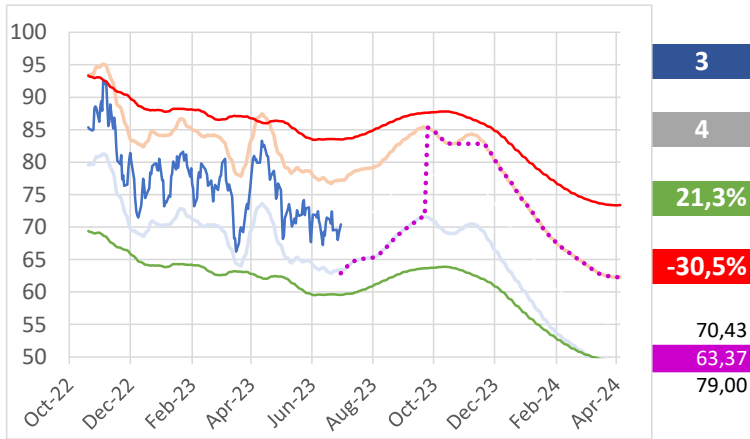
however, seasonality is neutral at best.



Our oscillator series could justify a bounce into late Q3 / early Q4

WTI Light Crude

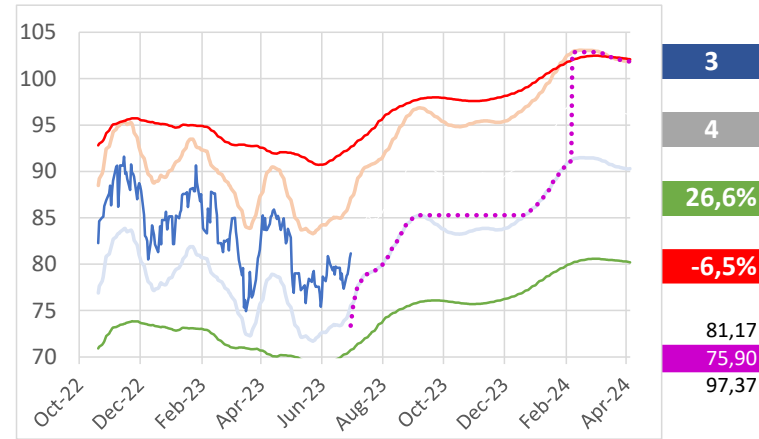
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US Energy (XLE)

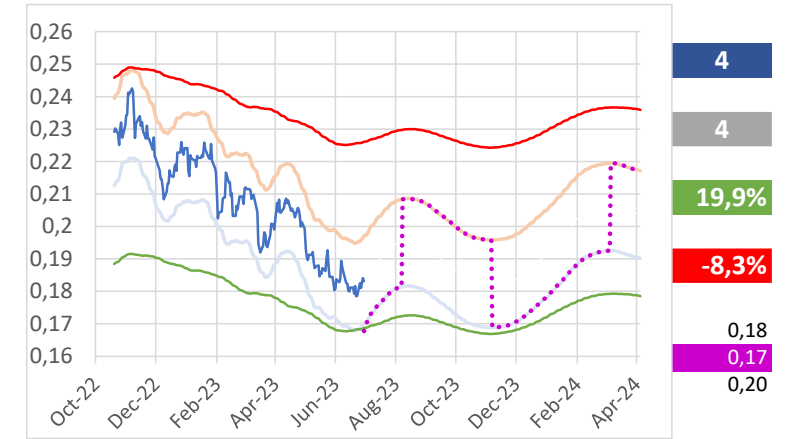
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US Energy (XLE) vs SPY

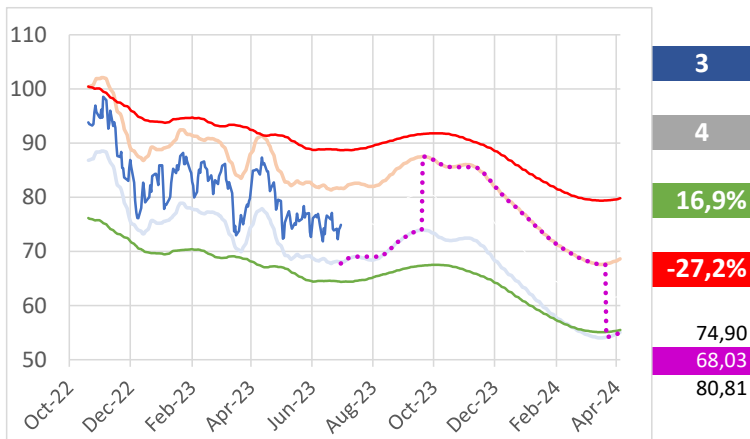
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Brent Oil

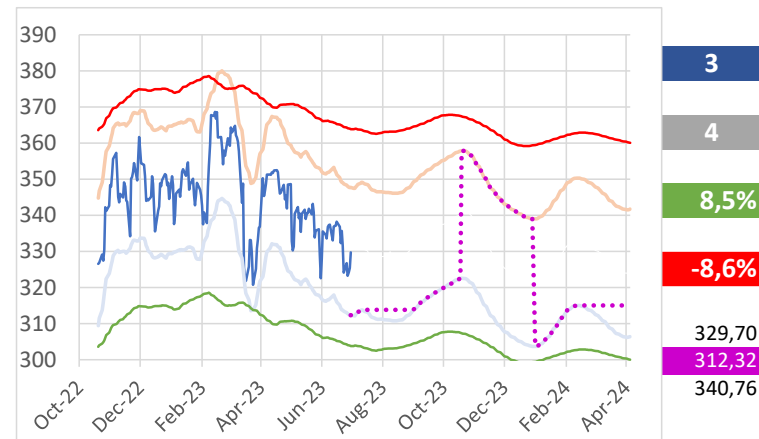
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European Energy (SXEP)

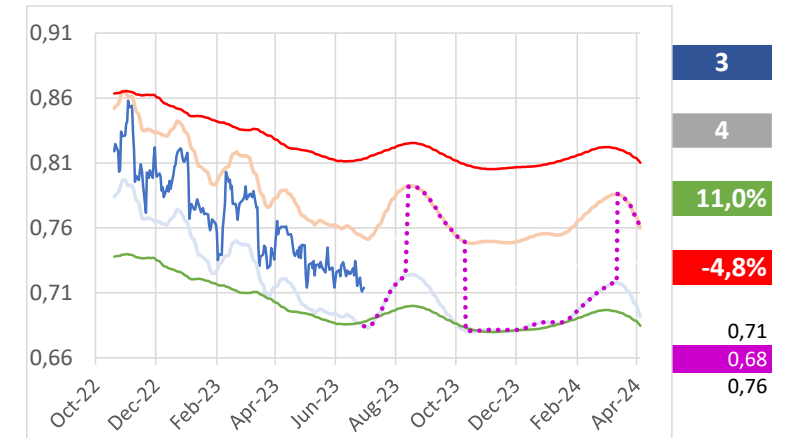
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European Energy (SXEP) vs SXXP

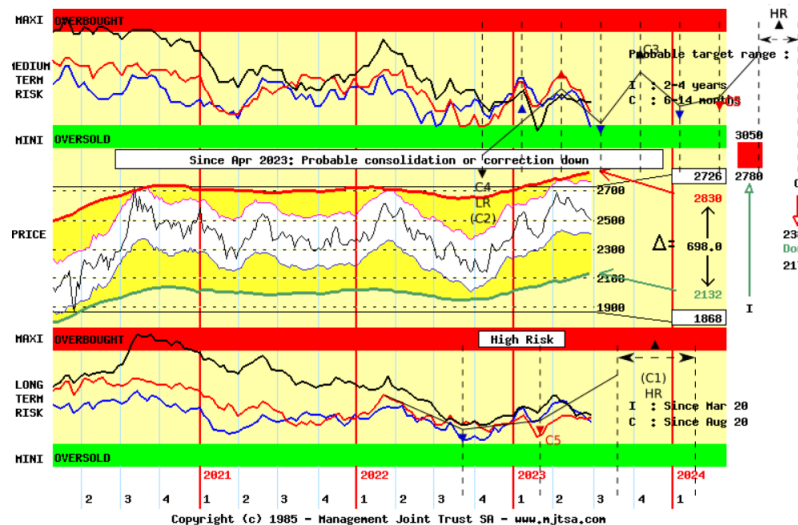
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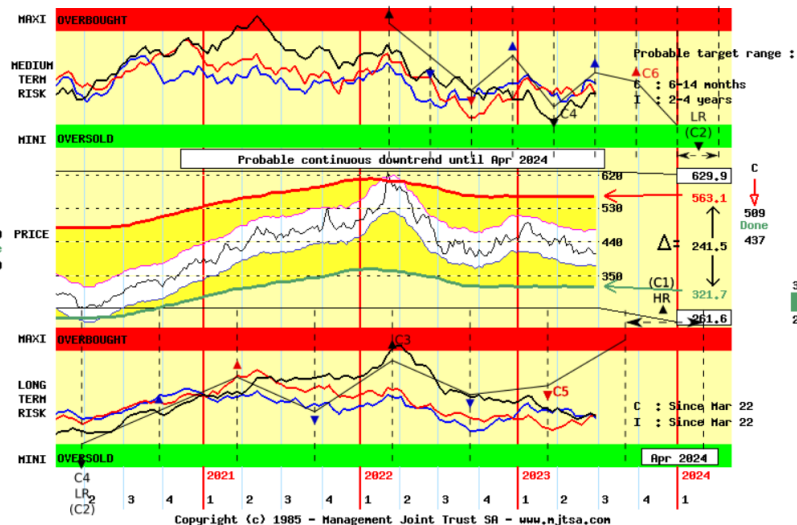
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Other Commodities should bounce at least into late Summer

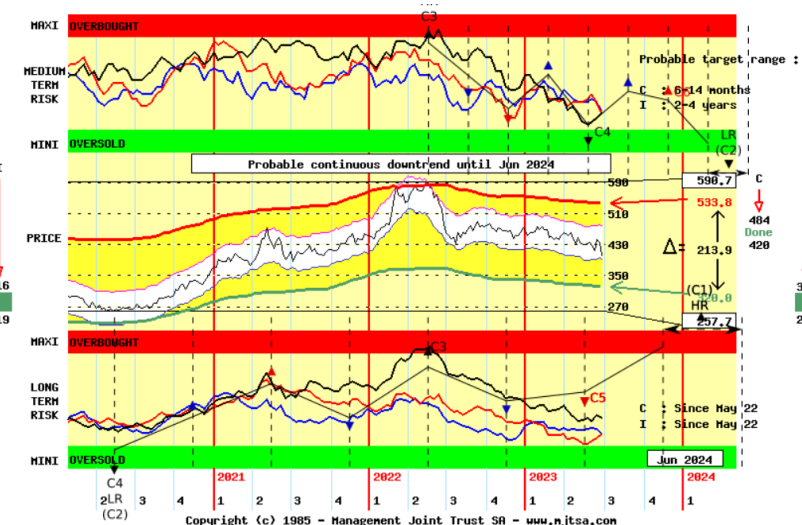
GS Precious Metals



GS Industrial Metals



GS Agriculture

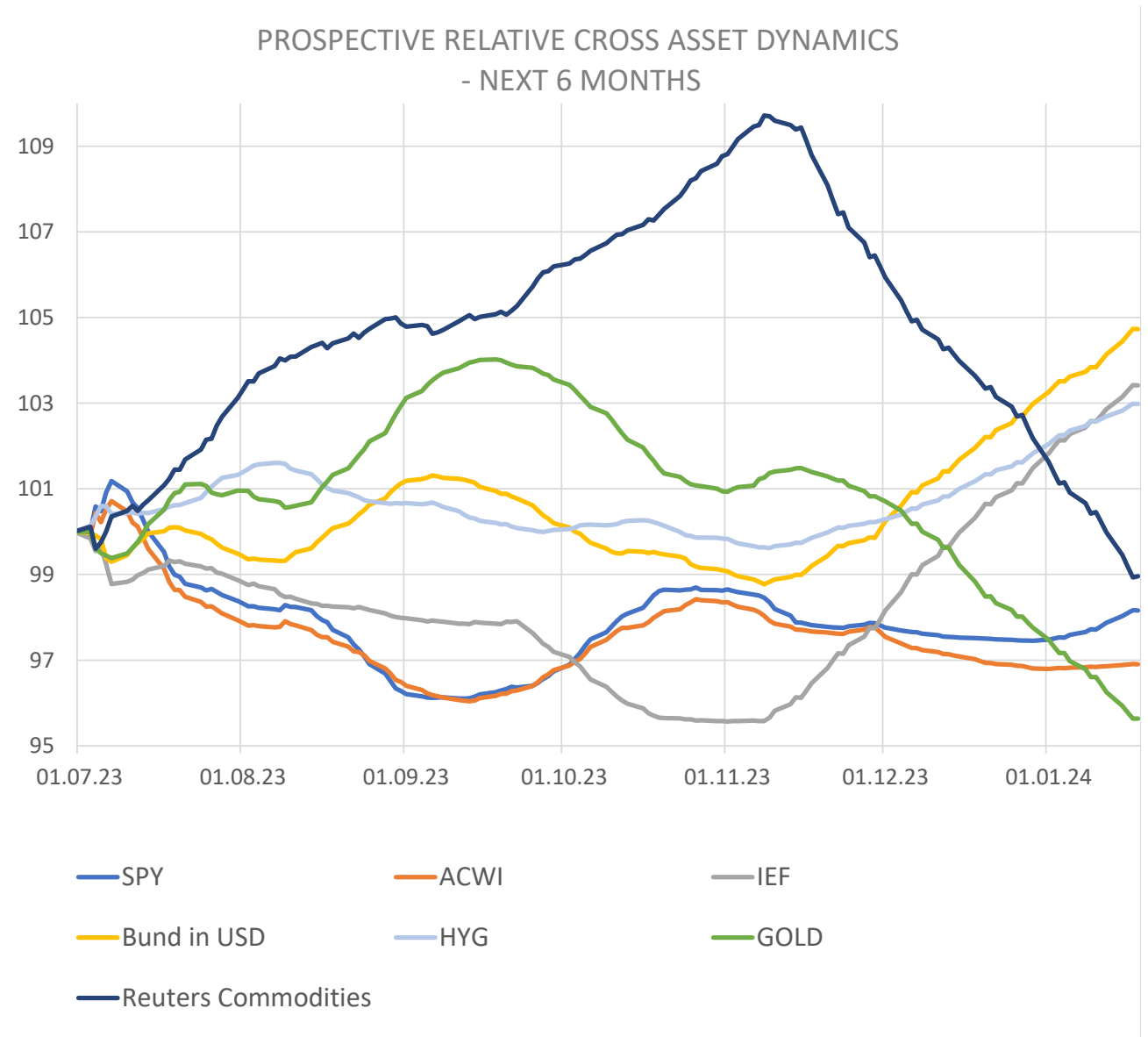


While Precious Metals may still retest up into late Q3 / early Q4, Industrial Metals and Agriculture commodities have probably missed their opportunity to resuming their uptrend (i.e. the Q2 lows didn't trigger a strong reaction). We may still expect a bounce into late Summer though. Thereafter, all three segment, and Energy probably resume lower as the economy starts to falter while the FED may still be stuck in Higher for Longer.

Note: for Precious Metals, the March lows should act as crucial support during the next 12 months.

We've benchmarked each one of the 7 cross assets drivers featured in this rotation graph vs the other 6, using our automatic projections. We've then combined these projections for each assets into a relative strength index:

- Commodities seem to outperform into mid Q4.
- Gold resumes higher during July and rises into September. It then underperforms into year-end.
- Equities could underperform into August, perhaps early September and then bounce back into late October / early November.
- Treasuries suffer into October and then recuperate this underperformance into early next year. Bunds in USD are similar, yet could be cushioned by a stronger Euro. US High Yield is rather neutral.



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