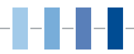
CBH Compagnie Bancaire Helvétique

Quarterly Insight

Summer Edition 2017



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Imprint

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ALLOCATION MONITOR

Weight	Asset class	Sub-class	Benchmark allocation	Currency	CBH Group Strategic Allocation: Underweight	Neutral	Overweight	Chg
3%	Cash	Libor 3m	5%	USD	-3%			
		Euribor 3m		EUR			10%	
53%	Government	1 - 5 years	10%	USD	6%			2%
				EUR	4%			
		5 - 10 years	10%	USD	6%			2%
				EUR	4%			
	Corporate Inv. Grade	1 - 5 years	15%	USD		15%		3%
				EUR	6%			
		5 - 10 years	10%	USD		10%		
				EUR	6%			
	Corporate High Yield	1 - 5 years	5%	USD			8%	
				EUR			12%	
		5 - 10 years		USD		0%		
				EUR		0%		
	Emerging markets	Hard currency					3%	
		Local currency					1%	
	Others	Senior loans					2%	
		Convertible					8%	
37%	Equities	North America	15%		13%			
		Europe	13%			13%		1%
		Japan	4%		3%			
		Asia Pacific (ex-Japan)	4%			4%		
		China	2%			2%		
		Emerging Markets	2%			2%		
2%	Precious metals	Gold	2%			2%		
5%	Other investments	Other investments	3%				5%	

ALLOCATION COMMENTARY

The second quarter of 2017 symbolizes the exit of the post US election rally, which on speculation of lower taxes, selective and positive protectionism and the comeback of a safe inflation rate strongly sustained financial markets.

Equity markets moved sideways near their highest level, with implied volatility showing a marked drop (-10%) as if tail risks or black swans were only a pale memory of an old age. Emerging Markets (+6%) recorded massive cash inflows that rank the asset class as the top performer, with China leading the group (+10%). The regain of interest from international investors, and this despite a contraction movement of Oil (-14%), Agriculture prices (-4%), continues to sustain the positive momentum which could last for another quarter.

When looking at the second quarter equity sector's returns, we have seen a continuation of the reversal movement with the MSCI World Energy down -6% versus +5% for the MSCI Information Technology, bringing the YTD sector spread to 28%. This difference highlights the importance of an active and dynamic approach during the year, and explains why our investment policy has recorded important movements in order to adapt to the possible sector rotation.

While the analysis of fundamentals seems to highlight a certain aridity in financial markets, mathematically manifested in an asymmetric risk / return profile, favorable momentum and several technical indicators suggest that equity prices could rise further.

The shift away from fundamentals to exogenous factors (credit spreads decline, dividend yields, central bank expansionary policies, exchange rate effects, share buyback programs financed through the issuance of debt and M&A projects) could support financial markets for a few more months.

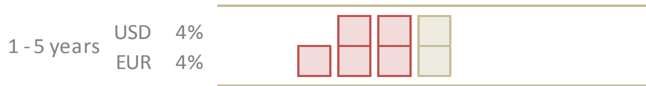
Nevertheless, it should be born in mind that the global economy is under pressure. The resurgence of protectionism, the high level of public debt and the sluggishness of private investment at the international level could potentially lead to a slowdown in trade and weigh on global economic growth and corporate profitability.

The dichotomy between fundamentals, on the one hand, and technical and exogenous factors, on the other hand, confronts investors with a cornelian dilemma: holding a high level of liquidity within the portfolios or maintaining financial assets that seem to be overvalued. Our response remains the same, we believe that it is time to reorient portfolios toward a less aggressive allocation. We therefore recommend that investors adopt a slightly conservative equity allocation and prefer investment themes such as High Yield, Emerging Markets and convertible bonds as well as senior loans.

For our global bond portfolio, we continue to underweight government bonds and investment grade corporate bonds denominated in euros, a region where we favor the segment of high-yield short dated bonds. In dollars, yields are slightly higher and range between 1.5% and 2.5% for bonds with a maturity of four years and between 3% and 4% for bonds with longer maturities. This allows us to adopt a more constructive bond allocation for US dollar portfolios where we can invest over all the curve and on all the segment of the universe (Govies, IG and HY).

In our quest for positive returns, we continue to favor crossover bonds (rated BBB- and BB-), emerging bonds denominated in hard currency and convertible bonds which, although riskier, shows an appealing risk / return ratio. We also continue to advice to prefer the lower capital structure (subordinated bonds) of companies having strong balance sheets and dominant market positions and favor in this segment large financial institutions. For all these asset classes, we recommend investors to favor global diversified instruments such as mutual funds and exchange traded funds (ETF).

GOVERNMENT BONDS



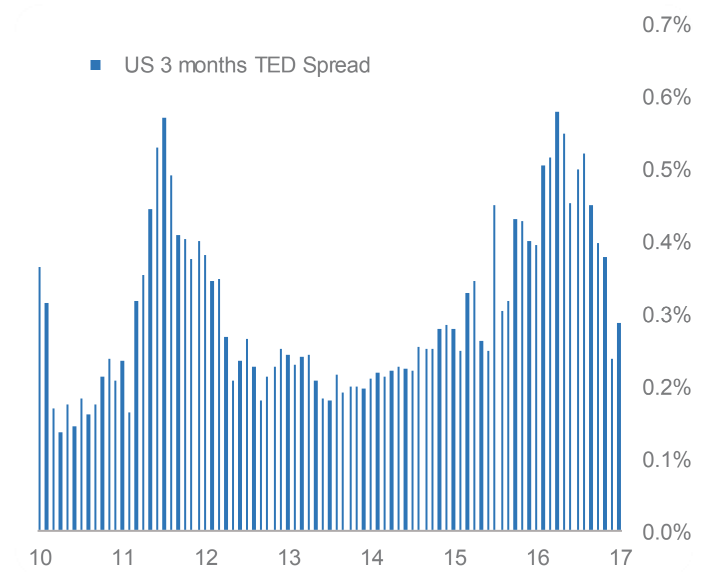
Short-term interest rates divergence in developed markets should continue to accentuate in the near future. The 3 month USD LIBOR climbed to 1.25%, while equivalent rates continued to remain at depressed levels in the EU (-0.33%), in Japan (-0.01%) and in Switzerland (-0.74%). This highlights the divergent monetary policies applied in major economies.

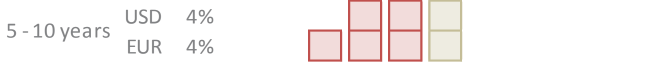
As widely expected, the FED funds rate was increased in June by 25bps to a range of 1.00-1.25%. The FOMC believes that current growth and inflation weaknesses are temporary and members expect one more hike this year and three in 2018. The famous “Dot Plot” projects a median forecast of rates for end-2017 at 1.375%, 2.125% in 2018 and 2.938% in 2019. These forecasts are hawkish compared to what is implicitly priced by money market futures.

In the rest of the industrialized world, short-term interest rates are expected to remain at depressed levels. However, we expect the ECB to start normalizing its monetary policy before the end of 2017. Therefore, short-term rates should stay low in the EU, but could start to mildly normalize in the 1-2Y bracket.

US TED Spread

Source: CBH, Bloomberg Financial L.P.





The FED unexpectedly raised the forecast for growth and employment, but lowered that of inflation. The FED also outlined an explicit path of balance sheet reduction, by lowering the holdings of treasuries and MBS respectively by $10bn, $20bn, $30bn, $40bn in the first, second, third and fourth quarter of implementation and by $50bn in subsequent quarters. This is expected to begin later this year, but Yellen’s comments suggest it could happen as early as September.

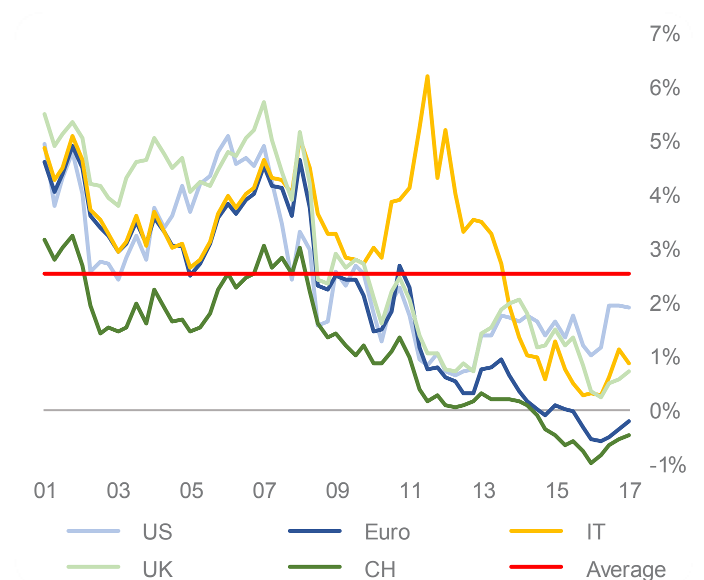
We expect yields to be range bound in the current quarter, even though the debt ceiling “saga” could bring temporary volatility, and to trend higher before year-end. We are scaling back our target for 10Y treasury yields to 2.75% from 3%. The yield curve has flattened again and is likely to remain so in the near future.

In Europe, we continue to expect the ECB to change its forward guidance and start normalizing its monetary policy in 2018, with a possible deposit rate increase, even before the conclusion of the QE. This means that yields could likely trend upward in coming quarters, and result in a steeper yield curve, especially considering that EU fixed income markets are highly distorted.

In conclusion, we think that the risk-reward offered by this asset class is highly asymmetric and prefer to remain underweight.

5 YEARS INTEREST RATES

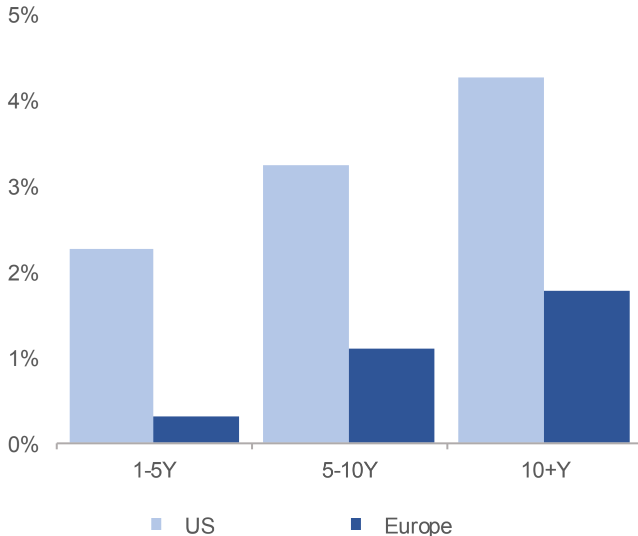
Source: CBH, Bloomberg Financial L.P.



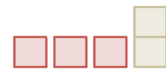
INVESTMENT GRADE BONDS

INVESTMENT GRADE CURVES

Source: CBH, Bloomberg Financial L.P.



1 - 5 years USD 12% EUR 6%

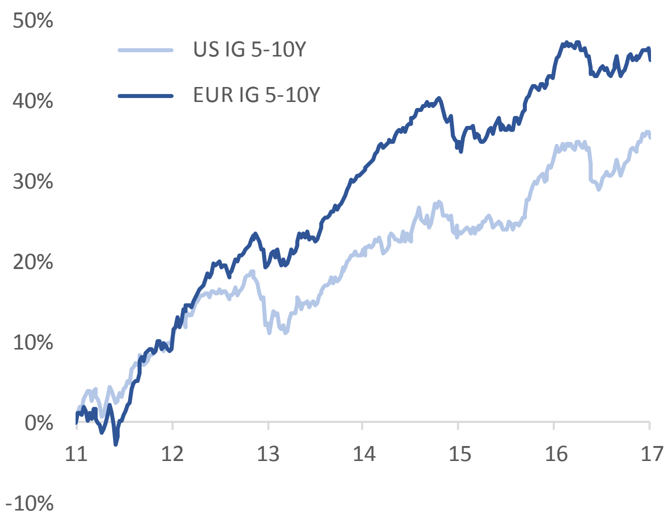


Investment Grade (IG) corporate bonds have continued to enjoy a remarkable performance even in the current low yield environment. The US Corporate Investment-Grade 1-5 years index returned almost 1% in 2Q17 and the EU counterpart increased by 0.4%. In the US, the FED delivered another expected rate hike. Moreover, market participants are pricing in a less aggressive FED rate normalization path than indicated by the central bank's projections and this was clearly positive for short term bonds. Therefore, we expect the positive momentum to last in the upcoming summer quarter, especially in the US. Positive growth combined with softer inflation dynamics, also driven by falling oil prices, represent tailwinds for fixed income.

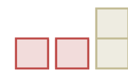
Region-wise, we are more cautious on EU credits, where the ECB looks set to prepare the market for some normalization, spread cushion is much lower, and yields are in negative territory in some cases. EU credit markets remain highly distorted by the ECB, and, monetary policy changes are likely to have much more damaging effects. Finally, valuations are becoming less compelling as spreads are gradually converging to the previous lows reached in 2014.

INVESTMENT GRADE BOND TOTAL RETURN

Source: CBH, Bloomberg Financial L.P.



5 - 10 years USD 10% EUR 6%



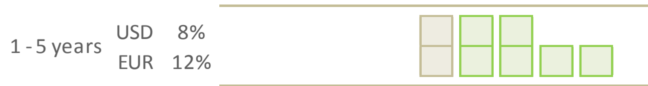
Longer duration IG bonds rallied strongly during the last quarter, by almost 2.4% in USD and 1.2% in EUR. Improving global growth, coupled with broadly accommodative global central bank policies, drove credit market to new highs.

In the US, IG bonds have been largely driven by changes in the underlying "risk free" US Treasury yield, which printed a low at 2.1% (10Y T-Bond). The spread compression component of total returns has been a less important factor. That said, spreads are approaching the lows reached in 2014 and further compression potentials look limited.

During the last few quarters, consistent inflows, which were able to absorb strong primary market issuance, along with decent credit fundamentals, sustained the asset class. However, valuations have become more stretched and selectivity remains key. In fact, markets look priced for perfection. Equity implied volatility and intra-day credit volatility are at multi-year lows, while growth is at multi-year highs and central banks remain accommodative. What could derail this goldilocks environment? Threats to this oblivious state of affairs are hard to see at the moment, but caution is necessary to avoid accidents.

For EUR IG bonds, the potential for further spread tightening appears even more limited compared to US going ahead. The risk/reward matrix is unappealing. We therefore privilege USD IG credits over EU ones and overweight the BBB rating bracket.

HIGH YIELD BONDS



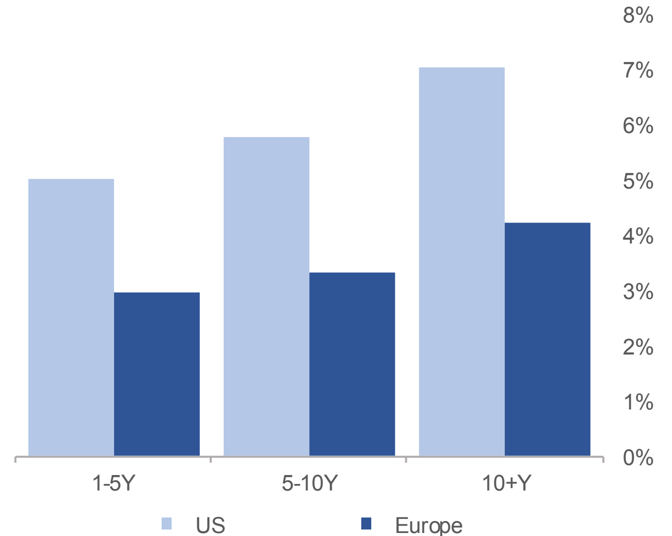
Short-term High Yield (HY) bonds pursued their rally, advancing by almost 1.7% in USD and 1.3% in EUR. HY seems to enjoy a "blue skies" scenario characterized by decent growth dynamics, falling inflation and base rates, low default rates, decent fundamentals and strong technicals.

The search for yield remains strong, attracting inflows into the asset class. Spreads have now fallen below the lowest level reached in 2014 and we think that further spread compression should be limited. However, their higher yield and improving macro fundamentals should continue to attract investors. Corporate earnings are expected to remain robust, financial conditions have eased further in recent months and economic growth remains solid.

Therefore, we expect that short-term HY should continue to attract investors' interest thanks to their short maturity, giving more protection in an environment of higher base rates. We thus maintain an overweight position in this asset class and consider any selloff as an opportunity to increase positions.

HIGH YIELD CURVES

Source: CBH, Bloomberg Financial L.P.



Thanks to retracing risk free yields, long-term HY bonds registered further strong performances during the quarter (almost 2.3% in USD and 2.6% in EUR).

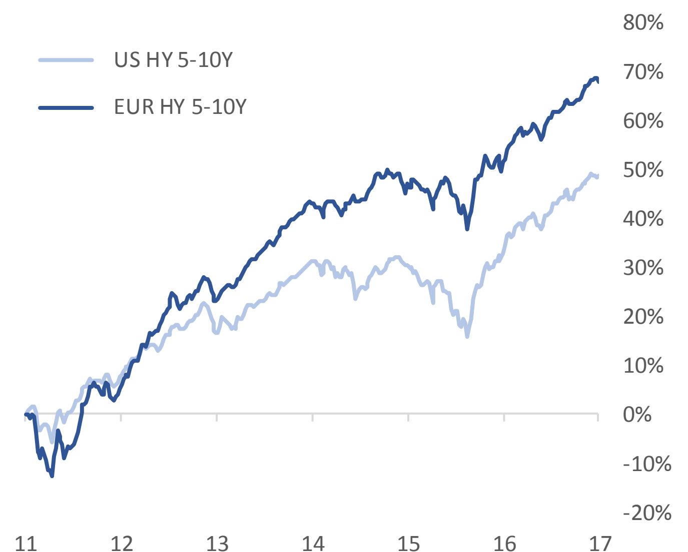
We continue to privilege USD HY over EU ones. Investors are accepting the lowest pay-out for EU junk bonds in more than a decade. The picture is similar in the US, but the absolute level is higher, and the macro-policy environment seems more compelling.

HY usually delivers equity-like returns with much lower volatility and tends to be more immune to interest rate hikes compared to higher quality bonds. We think that these positive features will persist, but valuations are now high and future performance should be more linked to coupon clipping rather than further spread compression. Moreover, we are monitoring the recent oil price slide, which could add pressure on HY if sustained.

In conclusion, we remain neutral on long-term HY and clearly prefer the US to the EU. We think that the better risk/reward lies in the short-term HY class, which is our favored segment. For qualified investors, we also suggest taking exposure to senior bank loans, via a dedicated investment vehicle, thanks to their implicit high yield and floating rate characteristics.

HIGH YIELD BOND TOTAL RETURN

Source: CBH, Bloomberg Financial L.P.

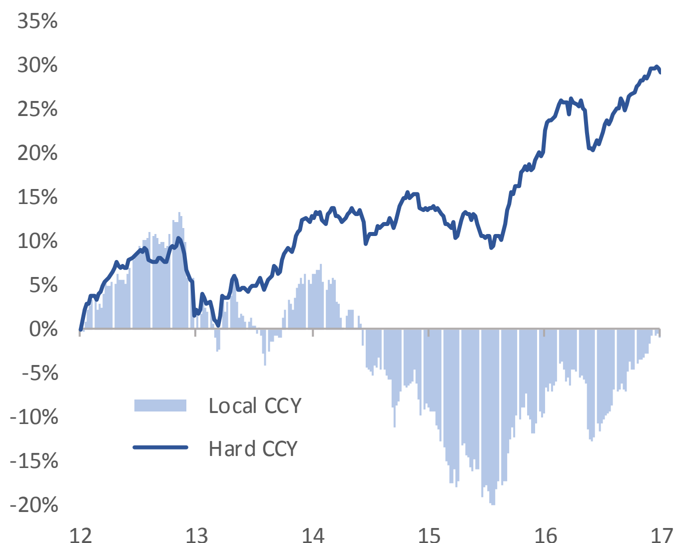


EMERGING MARKET BONDS

Hard currency	3%	
Local currency	1%	

EMERGING MARKET BOND TOTAL RETURN

Source: CBH, Bloomberg Financial L.P.



Hard Currency

Emerging Markets (EM) bonds have continued their strong rally during the last quarter and remain the best-performing fixed income asset class in our universe year-to-date. EM hard currency bonds advanced by almost 1.9% and local currency ones by 1.9% in 2Q17.

Sovereign and corporate EM bond spreads have tightened and are now approaching the tight levels present in 2014. Spread compression was driven by a dovish global environment and an improving EM macroeconomic situation. However, their valuations still look more compelling compared to industrialized countries IG and HY bonds.

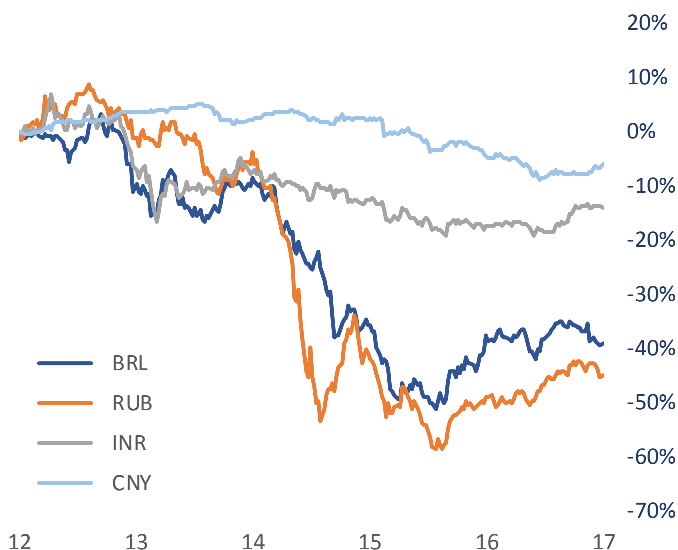
Technically, strong inflows have also sustained EM assets and highlight the growing interest of investors in this asset class. EM growth dynamics have improved, especially in Latin America. Although EM assets are exposed to idiosyncratic political events (see Brazil political scandal, Venezuela social unrest, power struggle in South Africa, rifts between Qatar and its GCC neighbors, renewed sanction risks for Russia, etc.), we view this as temporary noise in most cases and expect a stable environment for EM in the near future.

That said, the EM attractiveness is lower compared to the beginning of the year, commodity prices are weakening again, domestic politics could add volatility and positioning has become heavier. The asset class should be approached with discernment.

On a regional level, we think that the best risk-reward is currently offered by LatAm bonds (Argentina, Mexico, Colombia and Brazil), followed by EMEA (Kazakhstan, Ukraine, Turkey and Russia) and finally by Asia. We therefore reiterate our overweight stance in short to medium term duration EM bonds and continue to advise selectivity.

BRIC's CURRENCIES

Source: CBH, Bloomberg Financial L.P.



Local Currency

The asset class benefited from falling interest rates in industrialized economies, delays in the implementation of Trump's proposed policies and generally positive sentiment towards EM. For the time being, we retain a positive view on carry trades as the persistent low global yield environment should attract investors' interest in currencies where real yields are high. Moreover, many EM central banks are likely to ease their policies, with positive influences in their local fixed income markets.

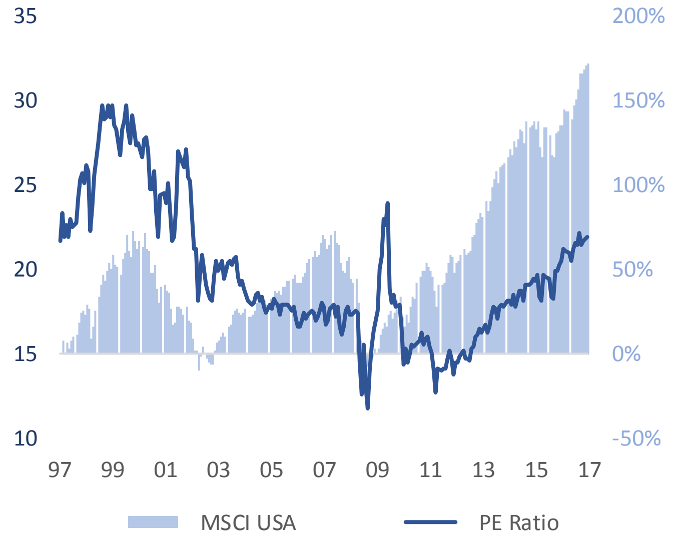
Specifically, we like exposure to Mexico and Turkey on a rates and FX basis. We also like Brazil and Russia for rates, but think we could find a better entry point in FX during the quarter. We advise to approach this asset class via dedicated investment funds.

EQUITY

North America 13%

MSCI USA vs P/E RATIO

Source: CBH, Bloomberg Financial L.P.



While the major US economic statistics continue to be positive, sentiment starts to deteriorate on lack of policy action and QE unwinding. The headline University of Michigan Index climbed to its highest level since 2004 in January amid expectations that health-care reforms, tax cuts, regulatory changes and trade adjustments would add a tailwind to economic activity, but to date, those policies have not surfaced, reducing confidence.

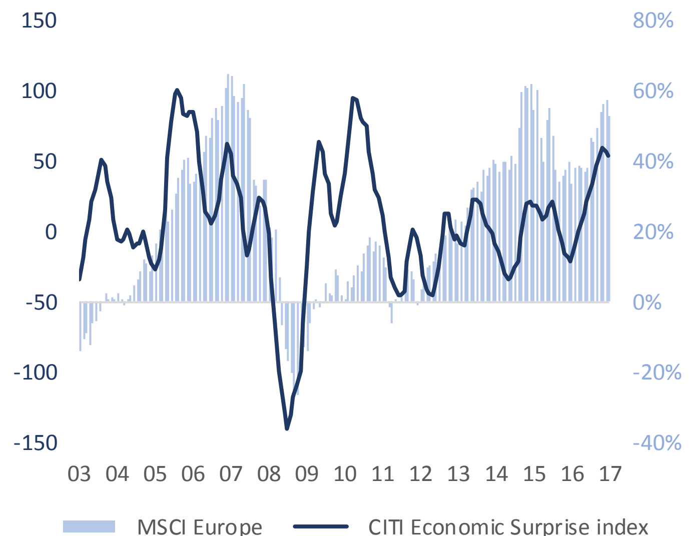
However, the S&P500 has still been able to reach new historical highs led by Information Technology and Healthcare. In contrast, Energy and Telecoms suffered from respectively low crude oil price and disruption by the launch of mobile unlimited plans. At the current level, US equities do not look attractive anymore as earning growth expectation is already high, dividend yields are being challenged by fixed income and geopolitical uncertainty remains.

In that context, we decide to keep our defensive stance on US equities for the time being. Hence, our Balanced portfolio allocation stays at 13% on that market.

Europe 12%

MSCI EUROPE vs CITI Economic Surprise Index

Source: CBH, Bloomberg Financial L.P.



In the old continent, the situation has significantly improved, especially in France. With the election of Emmanuel Macron, this year may mark a turning point in the country's economic recovery.

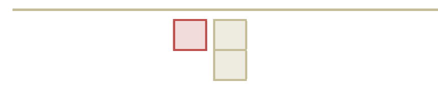
Among the other major European countries, Germans are happy with their economic situation and the country should continue to post a solid growth rate. Italians had a bad year in 2016 but the financial sector is now in better shape and that should help the economy to resume its recovery. Finally, Spain has repeatedly confounded expectations of a slowdown and unemployment has dropped like a stone. The economy is likely to expand faster than its euro-area peers as the job market continues to recover.

The Stoxx 600 index has been up 3.6% over the last 3 months, unable to break the 400 roof level reached before the subprime crisis and in 2015. Utility, Information Technology and Healthcare have been the best contributors, while Energy and Materials posted negative returns. In contrast with the US, valuations are cheaper and EPS growth expectations seem more realistic. Also, the average dividend yield continues to be attractive compared with fixed income.

In that context, we decided to slightly increase our allocation on European equities to 12%.

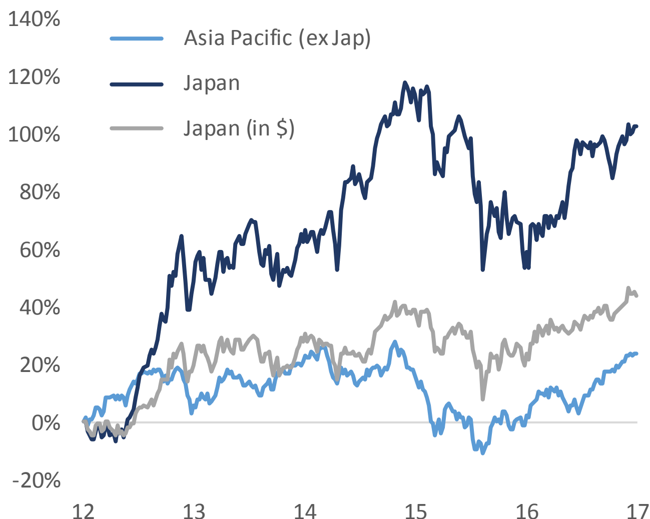
EQUITY (ASIA AND EMERGING)

Japan	3%
Asia Pacific (ex Japan)	4%



MSCI ASIA (ex Japan) and JAPAN

Source: CBH, Bloomberg Financial L.P.



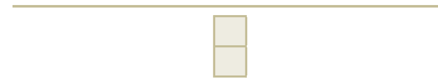
Asian equities outperformed its peers as global investors continue to increase their allocations to narrow their underweight in the region. The MSCI Asia Pacific index hit its 52-week highs in June with Hong Kong markets (Hang Seng Indices) leading the gains.

Japan is experiencing its longest period of economic expansion in a decade supported by an unemployment rate of only 2.8% while inflation continues to linger well below its 2% target. Bank of Japan (BoJ) left its monetary policy unchanged and reiterated its promise to keep stimulus into the economy, a positive contributor for corporate earnings, share buybacks and business investments.

The outlook for Asian Pacific equities remains positive as valuations are relatively attractive compared to global markets and they benefit from a positive momentum. Nevertheless, as the US FED continues to normalize interest rates, the divergence in monetary policy between Asia and the United States may prompt a renewal of strength of the greenback which could taper capital inflows and make the region vulnerable.

As such, we continue to assign a neutral allocation to Asia Pacific and slightly defensive on Japan equities.

China	2%
Emerging Markets	2%



EM EQUITIES TOTAL RETURNS

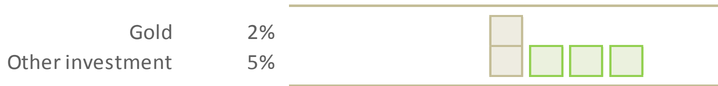
Source: CBH, Bloomberg Financial L.P.

The MSCI Emerging Markets Index reached its 52-week high in June with Emerging Asia and India leading the top constituents. In May 2017, Modi's Government completed three years in office and successfully delivered macroeconomic stability in the form of lower inflation, lower current account deficit and a largely stable currency for India. Due to a lower inflation trajectory for the nation, the latest Reserve Bank of India's (RBI) monetary policy review in June kept interest rate unchanged at 6.25%. Therefore, we keep our neutral stance on global Emerging markets

The latest Chinese economic indicators continue to suggest a nationwide recovery. In addition, China's foreign currency reserves rose for the fourth consecutive month and stabilized at $3.05 trillion in May. There was a significant departure for Chinese equity performances between the onshore and offshore markets for 2Q17 as local Chinese investors were overshadowed by various financial tightening measures while oversea investors benefited from a stable Chinese yuan together with the prospect of Chinese A-shares attaining MSCI inclusion into its global equity indices.

We believe Chinese equities will continue to benefit from the MSCI inclusion that will start in May 2018 and attract more global fund flows for the remainder of the year. In addition, both local and global investors express positive sentiments ahead of the 19th National Congress of the Communist Party of China which will take place during the autumn of 2017. Hence, we maintain a neutral stance on China.

GOLD



During the second quarter, gold traded within the 1'220-1'280 trading range, unsuccessfully testing the 1'300 level. While political uncertainties were the main driver of investment demand for gold during Q1, the weakness of the US dollar (which made gold more affordable for foreign investors) sustained prices of the yellow metal near the $1'250 level in Q2 (+8% ytd).

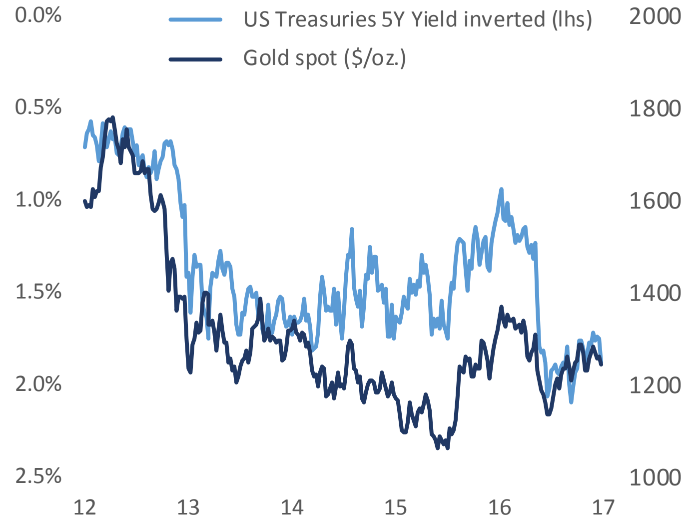
However, we think several factors related to fundamentals and flows continue to put negative pressure on the price of gold. On the investment side, the FED normalization process continues to be very gradual, maintaining interest rates low, and rather sustaining investment flows into risky assets. Additionally, the current low inflation environment does not encourage investors to look at the yellow metal for its inflation-hedge characteristic. Also, the decreasing strategic demand from major central banks, notably China is another headwind that affects gold purchases.

On the fundamental side, despite a recent improvement of the demand from China (investment) and India (Jewellery), global physical demand continues to be near multi-year lows.

To conclude, we believe a weak dollar coupled with some political uncertainties could push gold higher to test the $1'300 level again. However, without a resurgence of a risk-off environment, the current weak fundamental demand will not be sufficient in and of itself. Therefore, we think gold will continue to trade within the 1'220-1'280 range and we keep our neutral stance on the yellow metal.

GOLD and US 5Y

Source: CBH, Bloomberg Financial L.P.



OIL

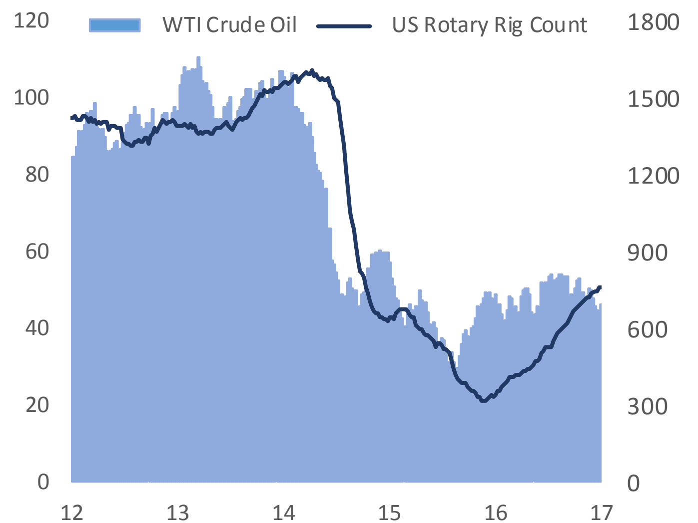
The end of the 1st quarter was only a foretaste of the correction that will hurt the oil market during the 2nd. The 2Q'17 has been the worst quarter for oil since Sept. 2015, with the WTI losing 11% (Brent -10%), pushing its YTD performance down to -19%, erasing almost all last year gains and entering a bear market.

While fundamentals from the demand side continue to be solid, mainly thanks to emerging countries (especially in Asia), the unsolvable problems continue to be on the supply side. First of all, the increasing US oil production that recorded a third consecutive quarter of increase (+4% in 2Q17). Despite OPEC's efforts, the US shale oil sector is improving its efficiency with some production sites now still profitable around $30/bbl. Second, OPEC's relative compliance to agreed oil quotas (especially Iran and Kuwait). Third, the resurgent production from both Libya and Nigeria. Finally, global inventories that remain at high levels.

In that context, we see few chances for oil (WTI) to come back above the $50 level very soon. However, considering that the strong global demand could somewhat secure a floor around $42/bbl., we believe correction moves in oil-related stocks to be overdone and consider their valuation levels to be attractive.

OIL price and Rotary Rig

Source: CBH, Bloomberg Financial L.P.

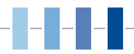


CURRENCIES MARKET EXPECTATIONS

The table below provides an overview of market forecasts for major currencies. It is composed of dozens of individual forecast providers and delivers a consensus forecast. These consensus forecasts represent a median number and all forecasts evaluated correspond to calendar quarter-end dates.

			Q317	Q417	Q118	Q218	Q418
MAJOR CURRENCIES	EURUSD	1.14	1.12	1.12	1.12	1.13	1.15
	EURCHF	1.09	1.09	1.10	1.10	1.10	1.12
	EURGBP	0.88	0.88	0.88	0.88	0.89	0.88
	EURJPY	128	125	126	127	126	127
	EURNOK	9.51	9.25	9.10	9.00	9.00	8.73
	USDCAD	1.30	1.35	1.34	1.34	1.33	1.32
	USDCHF	0.96	0.98	0.99	0.98	0.98	0.97
	USDJPY	113	112	114	115	114	112
	USDCNY	6.80	6.88	6.95	7.00	7.00	7.00
	GBPUSD	1.30	1.26	1.27	1.26	1.27	1.31
	NZDUSD	0.73	0.70	0.70	0.71	0.72	0.71
	AUDUSD	0.77	0.74	0.75	0.75	0.76	0.75
OTHER CURRENCIES	USDMXN	18.2	18.5	18.7	18.8	18.8	19.0
	USDBRL	3.31	3.30	3.34	3.40	3.38	3.40
	USDARS	16.63	16.50	17.00	17.50	17.55	18.25
	USDTRY	3.54	3.60	3.65	3.75	3.75	3.90
	USDILS	3.49	3.55	3.55	3.54	3.51	3.50
	USDHKD	7.81	7.79	7.79	7.79	7.78	7.79
	USDINR	64.9	65.0	66.0	66.0	66.0	66.0
	USDRUB	59.3	58.4	58.9	58.9	59.0	59.3
	USDPLN	3.73	3.79	3.75	3.71	3.68	3.68

Source: CBH, Bloomberg Financial L.P.

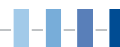


MARKET RETURNS

	Name	QTD *	YTD**	2016	2015	2014	2013	2012	2011
Cash	LIBOR 3m Total Return	0.3%	0.5%	0.6%	0.2%	0.1%	0.2%	0.4%	0.2%
	EURIBOR 3m Total Return	-0.1%	-0.2%	-0.2%	-0.1%	0.3%	0.2%	1.0%	1.4%
Government bonds	US 1-5	0.4%	0.8%	1.0%	1.0%	1.3%	-0.2%	0.9%	3.4%
	Eurozone 1-5	0.1%	-0.2%	0.9%	1.1%	3.6%	2.2%	6.5%	0.8%
	US 5-10	1.2%	2.1%	1.1%	1.9%	6.3%	-4.5%	3.4%	12.8%
	Eurozone 5-10	1.0%	-0.1%	2.9%	2.0%	14.5%	3.4%	14.3%	1.9%
Corporate bonds IG	USD Corp 1-5	0.9%	1.9%	2.8%	1.2%	1.9%	1.6%	5.9%	3.0%
	EUR Corp 1-5	0.1%	0.2%	2.3%	0.6%	3.6%	2.3%	8.2%	2.8%
	USD Corp 5-10	2.2%	3.6%	5.3%	0.6%	7.6%	-1.5%	11.6%	8.1%
	EUR Corp 5-10	0.3%	0.5%	5.9%	-0.9%	12.2%	2.1%	19.1%	2.7%
Corporate bonds HY	USD Corp 1-5	1.7%	4.4%	16.7%	-2.7%	-1.1%	7.8%	13.1%	3.9%
	EUR Corp 1-5	1.3%	2.3%	6.9%	-0.2%	3.7%	7.6%	22.0%	-0.5%
	USD Corp 5-10	2.3%	5.1%	16.9%	-3.8%	2.1%	6.1%	14.6%	6.3%
	EUR Corp 5-10	2.6%	4.5%	11.1%	0.8%	7.4%	9.8%	30.1%	-2.9%
EM bonds (in $)	Hard currency	1.9%	5.5%	10.8%	-0.3%	5.6%	-3.4%	15.7%	6.4%
	Local currency	1.9%	8.8%	5.9%	-10.4%	-1.9%	-4.3%	15.1%	0.3%
	Chinese Yuan	0.8%	1.4%	-4.7%	3.6%	8.0%	0.0%	4.7%	10.1%
Other	S&P Senior Loan Index	0.8%	1.9%	10.2%	-0.7%	1.6%	5.3%	9.7%	1.5%
	Global Convertible	3.8%	8.1%	4.6%	0.7%	1.6%	17.7%	11.0%	-5.8%
Equities	North America	3%	8%	9%	-1%	11%	30%	14%	0%
	Europe	-1%	5%	0%	5%	4%	16%	13%	-11%
	Japan	6%	5%	-3%	8%	8%	52%	19%	-21%
	Asia Pacific (ex Japan)	7%	22%	3%	-11%	2%	1%	19%	-19%
	China	10%	15%	-7%	-7%	62%	-15%	11%	-19%
	Emerging Markets	5%	17%	9%	-17%	-5%	-5%	15%	-20%
Other investments	HFRX Alternative	1%	3%	3%	-4%	-1%	7%	4%	-9%
	VIX	-10%	-20%	-23%	-5%	40%	-24%	-23%	32%
	G7 Currency Volatility	-14%	-32%	22%	-6%	14%	5%	-34%	-2%
	DJ Global Commodity	-3%	-6%	11%	-25%	-17%	-10%	-1%	-13%
	Gold	-1%	8.2%	8%	-11%	-1%	-28%	7%	10%
	Industrial metals	-1%	6%	20%	-27%	-7%	-14%	1%	-24%
	Agriculture index	-1%	-4%	2%	-16%	-9%	-14%	4%	-14%
	WTI Oil	-9%	-14%	45%	-30%	-46%	7%	-7%	8%
Currencies (vs. $)	Dollar Index	-5%	-6%	4%	9%	13%	0%	-1%	1%
	EM Currency Index	1%	4%	1%	-16%	-12%	-8%	3%	-10%
	Euro	7%	9%	-3%	-10%	-12%	4%	2%	-3%
	British Pounds	4%	6%	-16%	-5%	-6%	2%	4%	0%
	Swiss Francs	5%	6%	-2%	-1%	-11%	3%	3%	0%
	Japanese Yen	-1%	4%	3%	0%	-12%	-18%	-11%	6%
	Australian Dollar	1%	7%	-1%	-11%	-9%	-14%	2%	0%

* Last quarter
** Year to date

Source: CBH, Bloomberg Financial L.P.



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