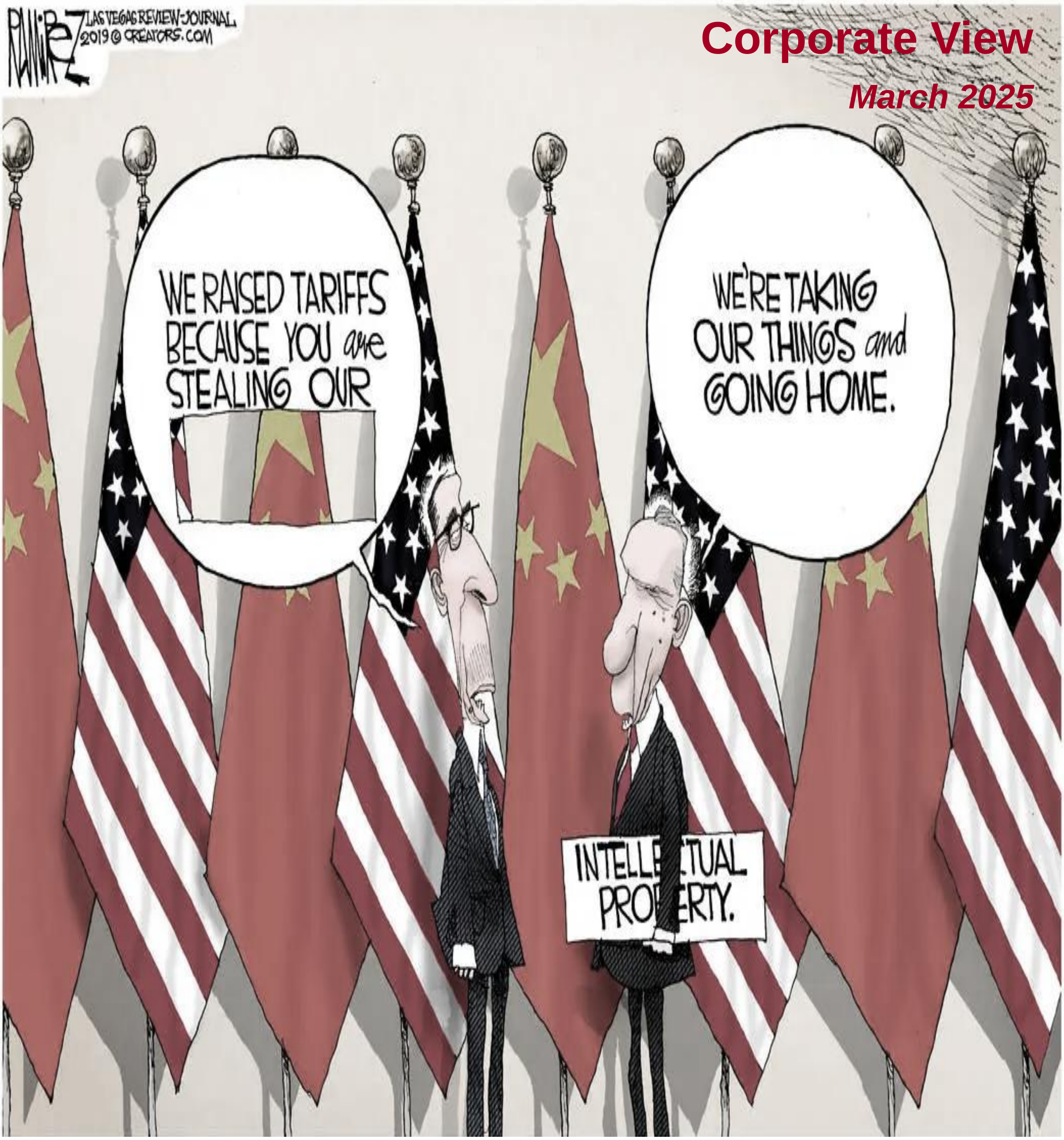
ECONOMY & FINANCIAL MARKETS

ANDBANK Private Bankers

Andbank Monthly Corporate Review – March 2025

Corporate View

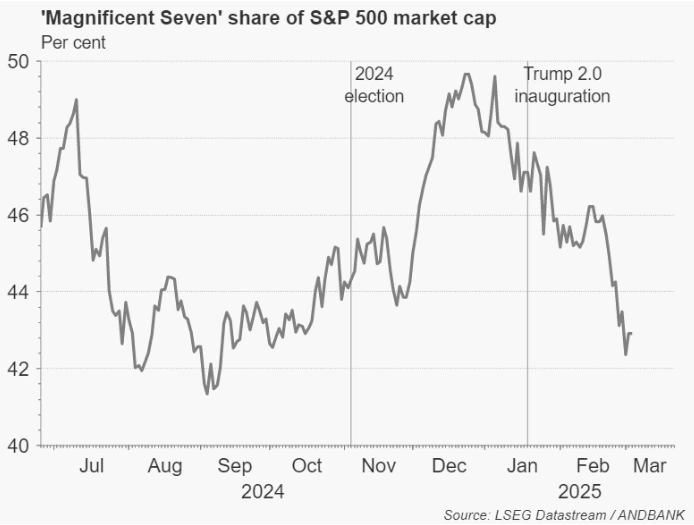
March 2025



ANDBANK Private Bankers

EXECUTIVE SUMMARY

CHARTS OF THE MONTH



EQUITIES

Index	INDEX CURRENT PRICE	Andbank's Target Price (year end 2025)	Expected performance to target Price	Recommended Strategy
USA S&P 500	5.802	6.537	12,7%	MW-OW
Europe - Stoxx Europe 600	558	566	1,5%	MW
Spain IBEX 35	13.265	12.351	-6,9%	UW
Mexico IPC GRAL	52.457	62.933	20,0%	MW-OW
Brazil BOVESPA	122.799	132.000	7,5%	UW
Japan TOPIX	2.718	2.962	9,0%	OW
China SSE Comp. A share	3.503	3.163	-9,7%	UW
China Shenzhen Comp	2.054	1.989	-3,2%	UW
India SENSEX	73.730	89.144	20,9%	OW
Vietnam VN Index	1.305	1.517	16,3%	OW
MSCI EM ASIA	601	692	15,1%	OW

FIXED INCOME GOVIES CORE, PERIPHERAL & CREDIT (DM)

Indices	Performance Last 30 days	Performance YTD	Current Price	Andbank's Target Price Year End	Expected Performance (to Target Price)
US Treasury 10 year Govie	2,9%	3,2%	4,23	**4,75**	0,0%
UK 10 year Gilt	-1,2%	0,2%	4,68	**4,50**	6,1%
German 10 year BUND	-2,8%	-2,8%	2,76	**2,40**	5,6%
Japanese 10 year Govie	-1,5%	-2,6%	1,44	**1,25**	3,0%
Spain - 10yr Gov bond	-2,8%	-2,5%	3,43	**3,15**	5,7%
Italy - 10yr Gov bond	-2,4%	-2,0%	3,84	**3,65**	5,4%
Portugal - 10yr Gov bond	-2,8%	-3,0%	3,27	**2,90**	6,2%
Ireland - 10yr Gov bond	-2,8%	-2,8%	3,02	**2,80**	4,8%
Greece - 10yr Gov bond	-2,5%	-2,1%	3,53	**3,40**	4,6%
Credit EUR IG-Itraxx Europe	0,3%	0,7%	53,52	**65**	2,7%
Credit EUR HY-Itraxx Xover	0,5%	1,6%	289,68	**360**	3,3%
Credit USD IG - CDX IG	0,4%	0,9%	49,79	**75**	4,0%
Credit USD HY - CDX HY	0,6%	1,3%	294,57	**450**	2,6%

FIXED INCOME - EM

Indices	Performance Last 30 days	Performance YTD	Current Price	Andbank's Target Price Year End	Expected Performance (to Target Price)
Turkey - 10yr Gov bond (local)	2,7%	18,1%	25,83	**26,83**	17,8%
Russia - 10yr Gov bond (local)	1,2%	2,7%	15,11	**25,00**	-64,0%
China - 10yr Gov bond (local)	-0,8%	-0,1%	1,74	**1,25**	5,7%
India - 10yr Gov bond (local)	0,2%	1,7%	6,71	**6,25**	10,4%
Singapore - 10yr Gov bond (loca	1,7%	2,2%	2,69	**2,50**	4,2%
Indonesia - 10yr Gov bond (local	2,2%	2,5%	6,84	**5,75**	15,6%
South Korea - 10yr Gov bond (lo	0,8%	1,1%	2,66	**2,75**	2,0%
Taiwan - 10yr Gov bond (local)	-0,2%	0,5%	1,59	**2,50**	-5,7%
Philippines - 10yr Gov bond (loca	0,5%	0,9%	6,10	**5,00**	14,9%
Malaysia - 10yr Gov bond (local)	0,7%	1,1%	3,76	**3,00**	9,9%
Thailand - 10yr Gov bond (local)	1,3%	0,9%	2,17	**1,75**	5,5%
Vietnam - 10yr Gov bond (local)	0,2%	0,5%	3,02	**4,00**	-4,8%
Mexico - 10yr Govie (Loc)	3,9%	8,9%	9,57	**10,50**	2,1%
Mexico - 10yr Govie (USD)	4,3%	4,1%	6,26	**6,75**	2,3%
Brazil - 10yr Govie (Loc)	-3,3%	1,1%	15,32	**14,75**	19,9%
Brazil - 10yr Govie (USD)	2,3%	5,0%	6,56	**7,75**	-2,9%

COMMODITIES & FX

Indices	Performance Last 30 days	Performance YTD	Current Price	Andbank's Target Price Year End	Expected Performance (to Target Price)
Oil (WTI)	-8,5%	-7,0%	66,1	**70,00**	5,9%
GOLD	1,9%	10,8%	2.919,0	**2.400**	-17,8%
EURUSD (price of 1 EUR)	3,9%	3,3%	1,07	**1,05**	-2,3%
GBPUSD (price of 1 GBP)	3,3%	2,5%	1,29	**1,29**	0,2%
EURGBP (price of 1 EUR)	0,6%	0,8%	0,84	**0,81**	-2,5%
USDCHF (price of 1 USD)	-2,4%	-1,7%	0,89	**0,87**	-2,1%
EURCHF (price of 1 EUR)	1,4%	1,5%	0,95	**0,91**	-4,3%
USDJPY (price of 1 USD)	-4,0%	-5,3%	148,51	**158,0**	6,4%
EURJPY (price of 1 EUR)	-0,3%	-2,2%	159,64	**165,9**	3,9%
USDMXN (price of 1 USD)	0,5%	-1,0%	20,42	**21,00**	2,8%
EURMXN (price of 1 EUR)	4,1%	2,3%	21,95	**22,05**	0,5%
USDBRL (price of 1 USD)	1,4%	-4,7%	5,89	**5,80**	-1,4%
EURBRL (price of 1 EUR)	5,3%	-1,6%	6,33	**6,09**	-3,7%
USDARS (price of 1 USD)	1,0%	3,2%	1.063,25	**1.000**	-5,9%
USDINR (price of 1 USD)	-0,1%	1,7%	86,89	**86**	-1,0%
CNY (price of 1 USD)	0,0%	-0,7%	7,25	**7,50**	3,4%

ANDBANK Private Bankers

MACRO ECONOMY

USA

Waiting to understand Trump's decisions, in a context of domestic tax reform

Equity Market: Neutral to Optimistic Outlook

The U.S. economy has started the year with supportive economic data. Growth remains stable, corporate earnings have exceeded expectations, and both employment and inflation remain at favorable levels.

Equity Bullish Price Factors

GDP (Still positive): In Q424, U.S. real GDP grew at an annualized rate of 2.3%, slowing from 3.1% in the previous quarter. This deceleration was primarily driven by a decline in business investment and a widening trade deficit. Despite these challenges, consumer spending remained strong, rising 4.2%—its fastest pace since early 2023, and the labor market remains healthy (though showing the classical signs of moderation at this stage). The unemployment rate declined to 4.0%, the lowest level since May 2024. Average hourly earnings rose 0.5% month-over-month, marking a 4.1% y/y increase. For the FY2024, real GDP grew by 2.8%..

Monetary Policy (Positive/Potential Volatility): The Fed has maintained the federal funds rate within the 4.25%-4.50% target range, aiming to guide inflation toward its 2% objective. Despite recent inflationary pressures, the Fed has taken a cautious approach, emphasizing the need for more data before adjusting rates. Market expectations are mixed, with consensus leaning toward one or two rate cuts in 2025.

EPS 2025 (Positive): Corporate earnings for Q424 have shown solid growth, particularly among companies with significant international exposure. We maintain our S&P 500 target for 2025.

Equity Bearish Price Factors

NVIDIA's (and Semiconductor Industry) Fortress Under Heavy Siege—Can It Hold?

On January 27, NVIDIA lost 20% of its $3 trillion market cap, marking one of the eight largest stock market declines in history. Many now believe that China's AI, driven by inference rather than training, is posing an existential threat to the Western semiconductor industry. And this isn't just about NVIDIA—it extends to AMD, Intel, ASML, Dell, Applied Materials, and a long list of companies that, combined, account for over half of the global indexes. Could the skeptics of AI infrastructure be right? They certainly have the advantage of two powerful arguments. First, price of these stocks are historically high. Second, narrative. A well-crafted and increasingly pervasive message suggests that Chinese AI is just as powerful as American AI but at a much lower cost. Now, some of the ambitious investment plans on AI infrastructure are being reconsidered. Could it be that such investments might not be necessary?

CPI (Neutral/Potential Volatility): In January 2025, the U.S. Consumer Price Index (CPI) increased by 0.5% m/m, the highest gain since August 2023, bringing the annual rate to 3.0%. Core CPI rose 0.4% m/m and 3.3% y/y, signaling potential volatility in inflation trends.

Fixed Income

Duration: The 10-year U.S. Treasury yield started the year at 4.57% and, as of mid-February 2025, stands at approximately 4.56%. The rate has fluctuated in recent months, influenced by various economic factors and policy decisions. We maintain a target above 4.75% to increase duration exposure.

Credit: Target spreads remain demanding, with Investment Grade at 75 bps and High Yield at 450 bps. Current levels are tight at 50 bps (IG) and 300 bps (HY), warranting greater caution against potential widening.

Market outlook – Recommendations & Targets from fundamental analysis

Equities: S&P MARKETWEIGHT-OVERWEIGHT

Bonds: Govies MARKETWEIGHT. 10Y UST Target 4.75%

Credit – CDX (IG): MARKETWEIGHT (Target Spread 75)

Credit – CDX (HY): UNDERWEIGHT (Target Spread 450)

Forex: DXY index MARKETWEIGHT-OVERWEIGHT

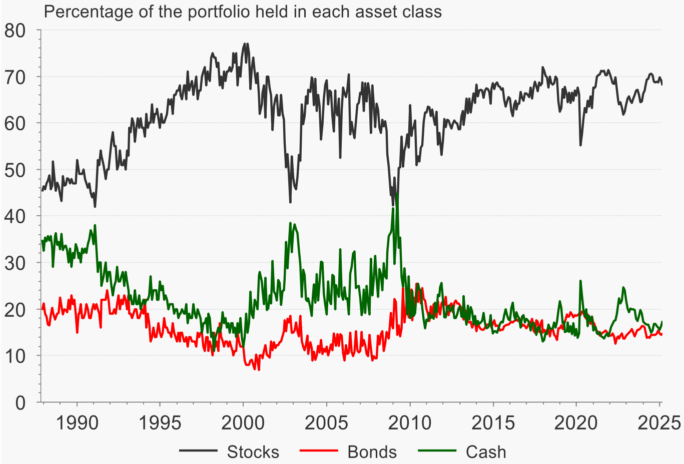
US price-to-earning ratio

S&P 500

Source: LSEG Datastream / ANDBANK

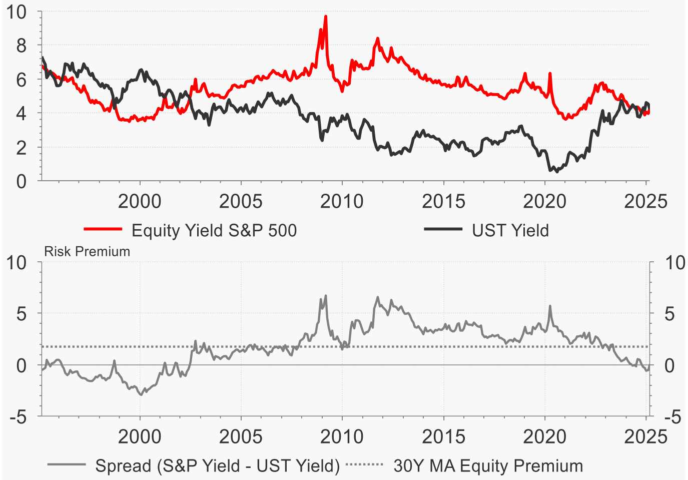
Asset Allocation - US investors

Percentage of the portfolio held in each asset class



Source: LSEG Datastream / ANDBANK

Equity Yield & UST Yield



Source: LSEG Datastream / ANDBANK

EUROPE

German elections, tariffs and peace between Ukraine and Russia?

Macro

Bullish factors: 1) Rate cuts are expected to remain in place for the upcoming meetings (March, May, June), reflecting confidence in the inflation trajectory. 2) Sentiment may be near its lowest point, with PMIs showing signs of recovery, particularly in the service sector. 3) Consumption, as indicated by Q4 GDP figures, could be starting to recover, driven by positive real income growth (wages projected to rise +3-3.5% in 2025), strong employment, improving confidence, and a high savings rate.

Bearish factors: 1) 2025 GDP estimates continue to be revised downward (from 1% to 0.9% y/y in the past month). 2) Uncertainty surrounding Trump's policies, with the potential for higher US tariffs, could affect up to 10% of German exports, particularly in the automotive sector. 3) Higher defense expenditures will be required to meet NATO's increasing commitments, potentially rising from the current 2% of GDP to around 3% following the June summit. 4) Disinflation in the service sector requires close monitoring.

Politics

Bullish factor: 1) The prospect of peace in Ukraine could boost sentiment by lowering energy costs and driving reconstruction spending, despite lingering uncertainties (EU's role in negotiations, Ukraine's future). 2) Europe may be advancing its defense strategy, with officials working on a major new package to ramp up defense spending and support Ukraine, expected to be announced after the German elections. 3) If a Grand Coalition governs Germany, a more pragmatic approach to the debt brake and market-friendly policies (lower taxes, deregulation, reduced energy costs) could be expected, supporting confidence and investment. 4) The recent adoption of France's 2025 budget adds an element of fiscal stability.

Bearish factors: 1) France's lack of social cohesion could hinder efforts to address its high public debt, with the risk of a fresh round of legislative elections after the summer. 2) In Germany, there seems to be a good chance of forming a grand coalition, but it would still not be enough to obtain the two-thirds of the Bundestag needed to reform the debt relief law and revive the economy.. 3) Europe remains stagnant and must move forward with reforms to compete against US exceptionalism.

Govies

Bullish factors: 1) rates are still in restrictive territory, with room for further monetary easing (natural rate now seen at 1.75%-2.25%) and a depo terminal rate estimated at 2% levels; 2) positive real rates; 3) correlation with US treasuries, with the FED easing cycle being slowly deployed and some signs of lower dynamism from the US.

Bearish factors: 1) Market has priced in larger rate cuts (~100 bps into 2026); 2) inflation could prove stickier (service prices stalled, recent pressures coming from food and energy, 3Y inflation expectations moving up, etc.); 3) increasing supply due to fiscal expansion from Germany or to finance defense needs from other countries.

Credit

Bullish factors: 1) Credit metrics remain broadly supportive, despite some signs of deterioration; 2) Default rates remain low within the investment-grade universe; 3) Positive carry across all ratings should help mitigate potential spread increase; 4) Higher supply, particularly in hybrids, is being met with sufficient demand; 5) Tariff-sensitive sectors are beginning to recover.

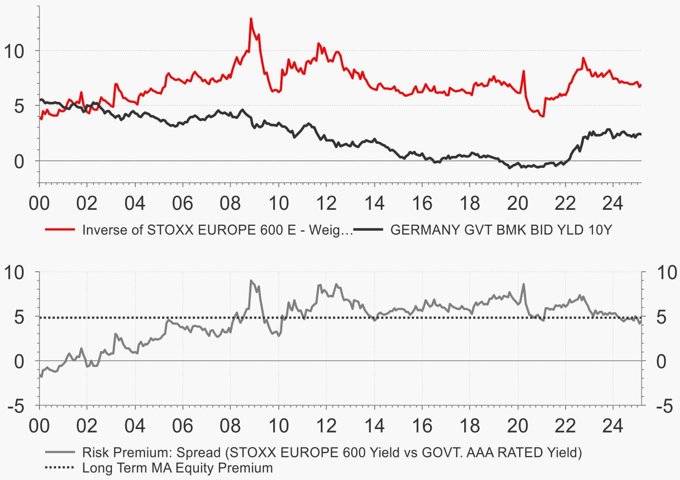
Bearish factors: Valuations appear stretched, with credit spreads below historical averages. High-yield default rates have edged higher.

Spread targets and positioning: We maintain our 65 bps spread target for Investment Grade and 375 bps for High Yield. We recommend overweighting defensive sectors and banks while underweighting tariff-sensitive sectors to align with current market dynamics.

Equity Market Summary – Neutral/Positive Outlook:

Eurozone equities have started the year on a strong note. The region has long underperformed other markets, with valuations remaining relatively cheap and positioning still light. Given this backdrop, investors naturally expect the ongoing recovery to have further momentum. The primary catalyst for this promising start to the year appears to be the potential for a diplomatic breakthrough that could mark the beginning of the end of the Ukraine conflict.

Equity Yield (Europe) vs Risk Free Yield10Y



Source: LSEG Datastream / ANDBANK

Euro area price-to-earnings

Europe Stoxx 600

Source: LSEG Datastream / ANDBANK

Sectors with a more cyclical bias—especially those with a strong industrial profile—have been the best performers in recent weeks. However, concerns persist over trade uncertainties, particularly regarding tariffs, which may have a more profound and prolonged impact than the market currently anticipates. Another key market driver in the coming months could be the outcome of the German election. Depending on the results, an improvement in consumer sentiment is possible, though a significant rollback of debt limits remains highly unlikely.

Market outlook – Recommendations & Targets

Equities – Stoxx Europe: MARKETWEIGHT

Bonds – Core governments: UNDERWEIGHT (Bund target 2.40%. OW at 3% yield)

Peripheral – MW/UW: IT (3.65%), SP (3.15%), PT (2.90%), IE (2.80%). UW: GR (3.40%).

Credit – Itraxx Europe (IG): UNDERWEIGHT (Target Spread 65 bps)

Credit – Itraxx Europe (HY): UNDERWEIGHT (Target Spread 375 bps)

FX – EUR/USD tactical band is adjusted to 1-1.05, while the structural range remains at 0.9-1.10.

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SPAIN

A Year of Challenges Following an Exceptional 2024

Macro & Economic Policy

The Spanish economy closed 2024 with exceptionally strong results—both in exceeding expectations and in achieving growth in a less-than-favorable global environment.

A key driver of this dynamism was higher-than-anticipated demographic growth, which fueled economic activity and job creation. Foreign workers accounted for 43% of the increase in Social Security affiliations, supporting both labor market expansion and household consumption, which contributed approximately half of GDP growth. Government spending also exceeded forecasts, enabled by stronger economic growth that boosted public revenues, allowing for increased expenditures without significantly widening the fiscal deficit.

Inflation enters 2025 with heightened uncertainty, largely due to rising energy costs. In January, wholesale electricity and gas prices were 66.6% and 30.5% higher, respectively, than a year earlier. Additionally, the depreciation of the euro against the dollar could further fuel inflation by making oil imports—priced in dollars—more expensive. In January, the price of Brent crude in euros rose 4.1% y/y, despite a 1.2% decline in dollar terms.

The National Statistics Institute (INE) revised January's headline inflation down by 0.1 percentage points to 2.9% year-over-year while confirming core inflation at 2.4%. This marks the fourth consecutive increase in inflation since September, though the latest rise is driven primarily by non-core components, notably the expiration of temporary VAT reductions on electricity and select food items.

The Spanish manufacturing sector showed signs of slowing at the start of 2025. Both production and new orders grew at a more moderate pace compared to December. The HCOB Manufacturing Purchasing Managers Index (PMI) fell from 53.3 in December to 50.9 in January, signaling the slowest expansion since August and a loss of momentum in the sector.

International tourism remained a key economic driver. In December, foreign tourists spent €7.59 billion in Spain, a 7% y/y increase, according to the INE. For the full year 2024, total tourist spending surged 16.1% to €126.28 billion. The average daily expenditure per tourist in December stood at €159, up 6.4% y/y.

Household disposable income, adjusted for inflation, continued to recover. In Q3 2024, real household income exceeded its pre-pandemic (2019) average by 5.4%, according to the Bank of Spain. Year-over-year, household income grew 8.2% in Q3, though the pace moderated by 0.8 percentage points from the previous quarter. Excluding inflation, real income maintained a solid growth rate of 4.2%.

Stock Market

Like other European markets, the IBEX 35 started January with significant gains, building on the strong performance of 2024. The index rose 6.67% in the first weeks of the year, with the financial sector once again leading the rally, driven by corporate earnings that have generally surpassed expectations.

The real estate and tourism sectors also continue to perform well at the macroeconomic level, though their representation among listed companies remains relatively low compared to their broader impact on economic activity.

With a 2025 expected EPS of 1,086, the index is currently trading at a P/E ratio of 11.92. Given that earnings expectations for 2025 have remained stable, the latest market rally has been primarily driven by multiple expansion rather than earnings growth.

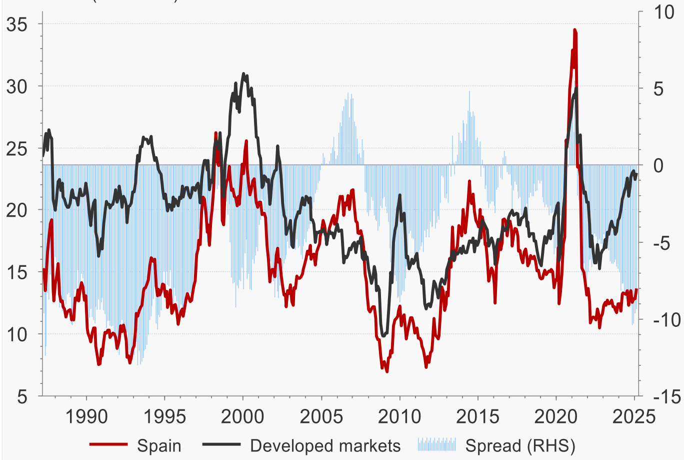
Market outlook – Recommendations & Targets from fundamental analysis

Equities – Spain's Ibex: UNDERWEIGHT

Bonds: Govies MARKETWEIGHT (10-year target yield 3.15%)

Spain price-to-earnings ratio

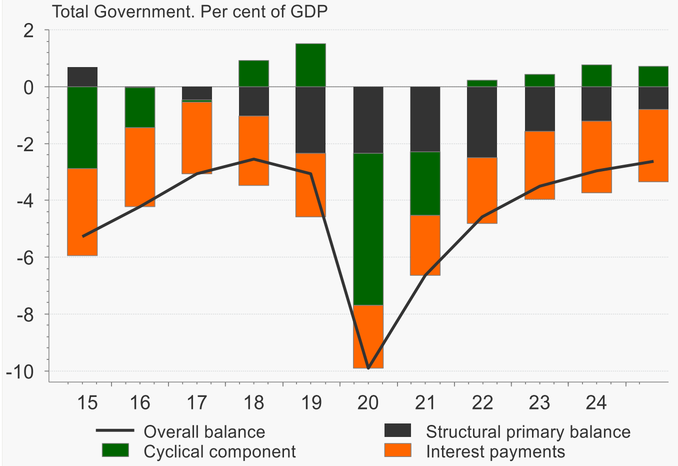
Ratio (both axes)



Source: LSEG Datastream / ANDBANK

Spain government budget balance breakdown

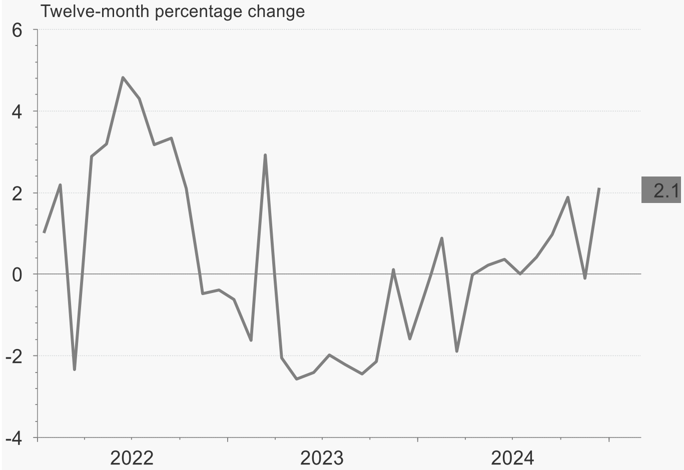
Total Government. Per cent of GDP



Source: LSEG DatastreamThomson Reuters Datastream / ANDBANK

Spain industrial production

Twelve-month percentage change



Source: LSEG Datastream / ANDBANK

CHINA

President Xi meets private sector figures to revive confidence. Global investors look to China again

Yields spike, promoting a sell-off in bonds as liquidity tightens. A better tone in technology stocks also contributed to the rise in yields

Yields on China government bonds rose, with the 10-yr yield climbing above 1.70% (+16 bps YTD) after hitting a record low in January. The 1-year yield also increased to 1.50%, marking its highest level since last August. Tight liquidity conditions, coupled with a rally in technology stocks, are driving yields higher as demand for haven assets diminishes. Additionally, a meeting between President Xi and private sector leaders has further boosted sentiment toward China's tech sector. A measured increase in yields is seen as a desirable outcome for authorities, helping to ease pressure on the yuan.

President Xi attends symposium with Chinese private sector leaders to end years of turmoil and boost private sector sentiment.

President Xi hosted a symposium with several prominent Chinese private sector leaders, signaling Beijing's renewed support for private businesses after years of turmoil. Attendees included Alibaba founder Jack Ma, Huawei's Ren Zhengfei, Xiaomi's Lei Jun, BYD's Wang Chuanfu, and CATL's Robin Zeng. Recently, Chinese leaders have adopted a much less combative stance toward the private sector amid a slowing economy, as more companies align themselves with Beijing's initiatives in areas such as AI following years of regulatory crackdowns.

More brokers turn bullish on China's AI-fueled rally

More sell-side firms, including Morgan Stanley, JPMorgan, and UBS, expect China's stock gains—driven by DeepSeek's AI model—to have further room to run. The emergence of DeepSeek has led to a fundamental reassessment of China's market valuation. Brokers anticipate this momentum will continue in the short term, given global investors' light exposure to Chinese equities. These bullish views contrast with the bearish sentiment from just a few months ago, which was driven by concerns over Trump-related risks and economic challenges. China's small-cap stocks have started to outperform their Indian counterparts year-to-date (YTD) after lagging for the past five years, as foreign funds shift from India to Chinese equities. Analysts attribute this turnaround to DeepSeek's breakthrough.

Corporate

Tencent is now integrating DeepSeek's AI model into WeChat search, joining a growing wave of government bodies and service providers in China adopting DeepSeek's technology. Meanwhile, Apple is working toward launching AI features on iPhones in China as early as May. This development comes alongside signs of progress in Apple's collaboration with Alibaba, which will provide AI technology capable of censoring and filtering output to comply with regulatory requirements. Apple is also partnering with Baidu to handle other AI features for its China-specific iPhones, such as visual intelligence. Beijing will have the authority to direct Alibaba to request Apple to alter AI models if concerns arise over the information being delivered to users. These alliances are viewed positively for the stock prices of Chinese technology companies.

Land sales improve in early 2025. A sign that the adjustment in the sector could be coming to an end?

Land plots in various major Chinese cities were sold at high premiums in recent weeks amid supportive policies and better market confidence, in contrast with earlier auctions that fetched low prices with meager interest. Transactions for residential properties by floor area jumped during LNY holiday, with top-tier cities gaining 134% from a year ago, citing CRIC data. This was corroborated by a Shanghai Securities News article that showed how land sales in 300 cities rose 8% y/y in January, while average floor price jumped 33%. **Outlook**: Goldman research noted structural divergences (home sales outperforming construction, top-tier cities better than lower ones, existing home sales outperforming pre-sales) in property market require additional support measures for sustained recovery.

Market outlook – Recommendations & Targets

Equities – SHANGHAI Idx: UW // SHENZHEN Idx: UW // Hang Seng MW

Bonds – Govies: UNDERWEIGHT-MARKETWEIGHT (10Y Yield target 1.25%)

Forex – CNY/USD: UNDERWEIGHT (Target 7.50)

CHINA SSE & SHENZHEN Index - PE Ratio

PE forward

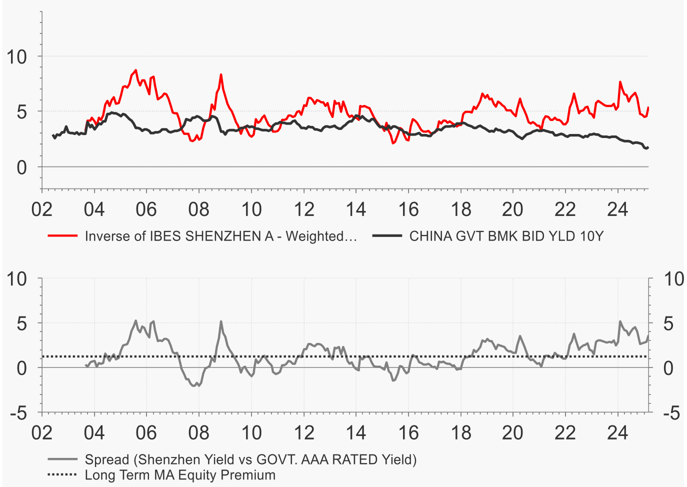
Source: LSEG Datastream / ANDBANK

Chinese Equities Undeperforms World & US indices

MSCI China vs MSCI Global and MSCI USA

Source: LSEG Datastream / ANDBANK

Equity Yield (China Zhenzhen) vs Risk Free Yield10Y



Source: LSEG Datastream / ANDBANK

JAPAN

Marginal rate remains favorable for equity, with defense, banking, and digital entertainment as preferred sectors

Bulk of watchers see terminal rate at 1%. Favorable for TINA scenario

The Nikkei QUICK monthly FX survey (n=67) conducted February 10-12 found half the respondents projected a terminal rate of 1%, followed by 21% that forecasted 0.75%. This implies there will be two more rate hikes in the current cycle. The article recalled hawkish BOJ board member Tamura's recent speech calling for rates to be lifted to at least around 1% by mid-FY25. Cited thoughts that a sharp acceleration in shunto wage hikes would promote a shift in the BOJ's stance closer to that of Tamura.

Japan's Equity Market: Limited short-term prospects (like other markets), more positive in the medium term.

Stock gains could remain somewhat limited in the near term as long as attention remains focused on a Fed that "parks" its easing cycle and as long as the surprise effect of further BOJ rate hikes continues, especially after GDP figures fueled speculation about possible larger rate hikes than currently expected. With a longer-term view, if the BoJ rate hikes do materialize, we believe that a 1% terminal rate remains very favorable for the Japanese equity market in a context of economic growth (around 1% for the next three years), with expected inflation of 2%, 1% and 0.9% for the years 2025, 2026 and 2027 respectively, which would guarantee the market environment known as TINA (There is no alternative), favorable to equity.

By Sectors: Defense, Banks and Entertainment stocks

By sectors, much of the focus will remain on defense stocks, driven by US pressure on Europe to contribute more to regional security. A notable strength in Japan's major defense stocks could endure, reflecting indirect support from expectations that European countries will expand defense spending amid US pressure for more active support for Ukraine. Implications extending to Japan, recalling US defense undersecretary Elbridge Colby's calls for Tokyo to increase defense spending to at least 3% of GDP, arguing current efforts (targeting 2% of GDP) are inadequate. Notable mentions could be Mitsubishi Heavy (7011.JP) and Kawasaki Heavy (7012.JP).

Banks could also outperform thanks to higher BoJ rates and higher Japanese government bond yields.

Entertainment stocks could be favored as tariff haven. Nikkei discussed increasing attention on entertainment stocks, underscoring the growth potential for companies that can export their products digitally without becoming entangled in trade wars and other geopolitical concerns. Sector shares have been attracting attention since last fall and still climbing. Entertainment is sheltered from tariffs under a 1998 WTO moratorium on digital content. Nomura in January initiated Anycolor (5032.JP) and Cover (5253.JP) with a "buy" rating. However, past remarks by US President Donald Trump that he may withdraw from the WTO pose risks in the longer term.

Hard Data

Q4 GDP +2.8% q/q annualized vs consensus +1.1% and revised +1.7% in prior quarter. Non annualized, GDP growth was +0.7% q/q vs consensus +0.3% and revised +0.4% in prior quarter. December final industrial production -0.2% m/m vs -2.2% in prior month. December tertiary sector activity index +0.1% m/m vs -0.3% in prior month. January CGPI +4.2% y/y vs consensus +4.0% and revised +3.9% in prior month.

Earnings: Profit growth solid at peak reporting season

Nikkei took stock of corporate earnings after reporting season peaked on Friday. Some 1,070 TSE Prime Market constituents with a March FY-end have released results with 64% logging profit growth, up almost 7 ppt from a year earlier and marks the highest since the post-Covid surge in 2021. In the broad themes, weak yen supported manufacturers while inbound tourism buoyed nonmanufacturers.

Market outlook – Recommendations & Targets from fundamental analysis

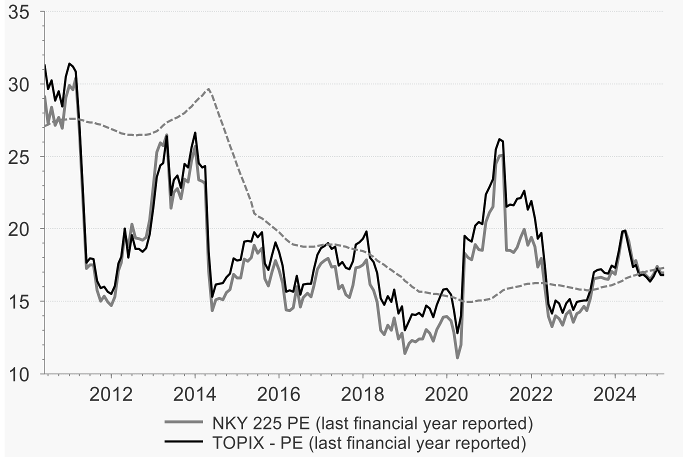
Equities – N225: OVERWEIGHT

Bonds – Govies: UNDERWEIGHT (Target yield 1.25%)

Forex – USD-JPY: UNDERWEIGHT-MARKETWEIGHT. (Mid-term target 158)

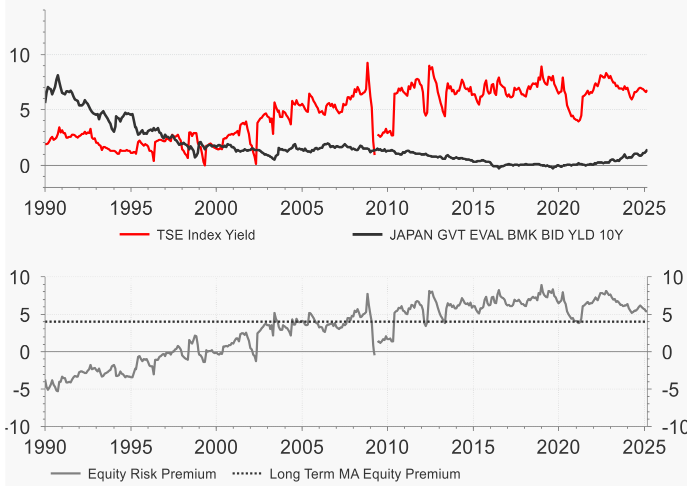
Japan Nikkei 225 price / earnings

Ratio



Source: LSEG Datastream / ANDBANK

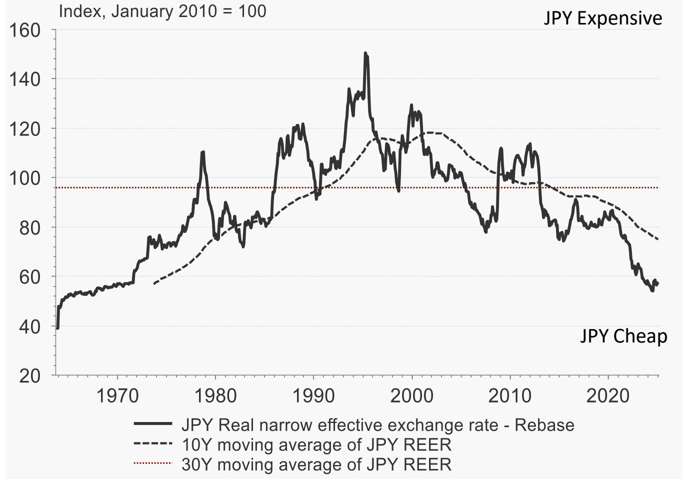
Equity Yield (Japan) vs Risk Free Yield10Y



Source: LSEG Datastream / ANDBANK

Japan real narrow EER

Index, January 2010 = 100



Source: LSEG Datastream / ANDBANK

INDIA

India's financial market amid tariff tensions

The fact that India has a high tariff scheme for American products poses a risk to the local market.

The Indian market has been under pressure since October, mainly due to its high tariff burden on American products, which has placed it on the radar for new tariffs from the Trump administration. This situation explains why many institutional investors have decided to take profits on their positions in India. However, a positive development is the quick response from Indian Prime Minister Modi, who traveled to Washington to try to ease the tensions surrounding Indian tariffs. During talks with President Trump, Modi proposed reciprocal agreements, including commitments for India to buy U.S. energy and cooperate on commercial, geopolitical, and nuclear technology matters. While these efforts could help ease tensions, it remains uncertain whether they will fully prevent new tariffs on India once the two countries review their positions on April 1. In our view, such an agreement could partially alleviate tensions but may not be enough to avoid further escalation. Despite this, we believe the impact on India and its financial market should be limited for several reasons. For instance, the Indian market performed exceptionally well during the first Trump administration, rising 89% in the Sensex, even amidst concerns of a global tariff war. This was made possible by a series of agreements that kept India out of the tariff conflict, and history could repeat itself. It is difficult to predict whether India will be excluded from new tariffs, which is one of the main reasons why institutional investors have been cautious. Fortunately, most of these investors are already out of the market. Despite the clear setback, with a 10% drop since October, it is uncertain whether India will resume its strong relative performance in the future. However, considering the current geopolitical landscape and strategic alliances, it makes sense for the U.S. to strengthen its relationship with India in the Indian Ocean region. This partnership, which was visible during the first Trump administration, could be renewed, potentially minimizing the risks of a significant tariff conflict between the two countries

Analysts expect the Indian economy to remain strong this fiscal year despite de reduction in GDP estimates.

The Reserve Bank of India (RBI) has lowered its GDP growth projection for fiscal 2025 to 6.6%, from an earlier forecast of 7%, due to global economic uncertainties. Despite this, India’s resilience is highlighted by robust domestic demand, a strong manufacturing sector, and continued investment in infrastructure. Furthermore, India’s fiscal consolidation efforts and relatively low inflation contribute to its optimistic outlook compared to other major economies. In a recent survey, 56% of economists anticipate weakness in the global economy, with divergences in growth between regions. The U.S. economy remains solid, India shows resilience, Europe faces challenges, and China’s growth is decelerating. A 6.3% GDP growth is expected in India for fiscal year 2025, and 6.5% for fiscal year 2026.

Fiscal discipline in India: A relief for investor confidence

Significant progress in fiscal consolidation, reducing the fiscal deficit from 9.2% to 4.8% this year, approaching pre-pandemic levels from 2019, and despite the introduction of significant personal income tax cuts, injecting $14 billion into households for consumption, debt repayment, or investment. The budget is pro-consumption, which will likely benefit the stocks focused on domestic drivers, especially in scalable, profitable, and resilient businesses within the consumer sector.

We continue to consider India as the main reference for Friendshoring

The state of Karnataka has attracted investments worth $115 billion during its Investors Summit 2025, and has also announced its Industrial Policy 2025-30 to strengthen its manufacturing capabilities.

Market outlook – Recommendations & Targets from fundamental analysis

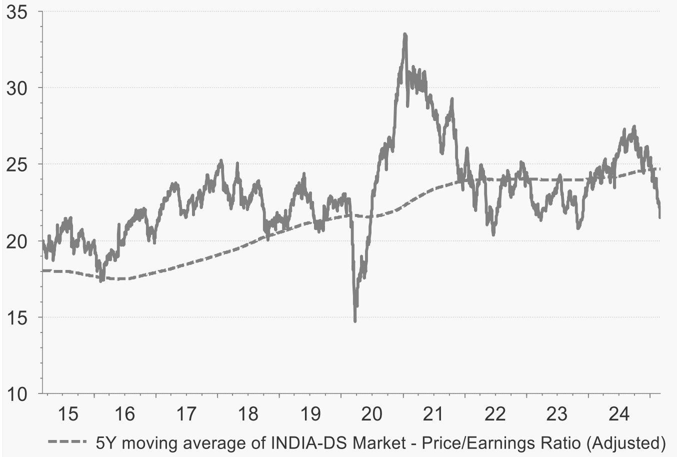
Equities – SENSEX: OVERWEIGHT (Target price 90,000)

Bonds – Govies: OVERWEIGHT (New target yield 6,25%)

Bonds – Corporates: OVERWEIGHT

Forex – INR/USD: NEUTRAL (Target 86)

India Datastream index Price Earnings Ratio
Ratio

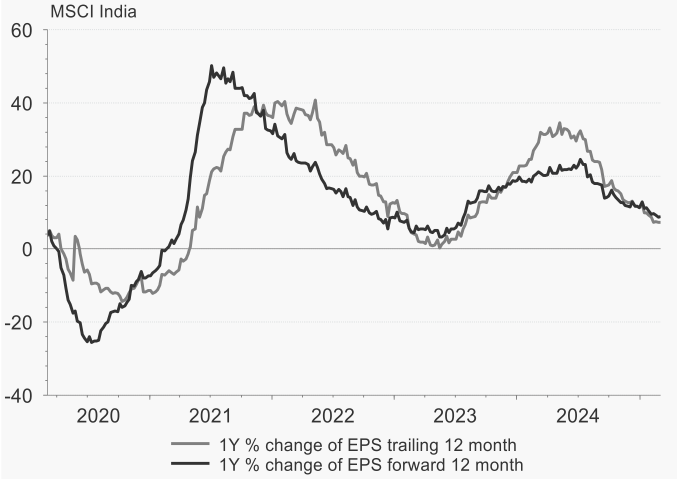


Source: LSEG Datastream / ANDBANK

India NIFTY 50 realised volatility
One-year rolling standard deviation of daily returns

Source: LSEG Datastream / ANDBANK

EPS (Trailing & Forward)
MSCI India



Source: LSEG Datastream / ANDBANK

VIETNAM

GDP Growth Exceeds Forecasts, with a 7.09% Increase in 2024

A review of the big numbers gives an idea of the good momentum of this economy

As reported by the General Statistics Office of Vietnam, the industrial sector bounced back energetically, and tourism recovered to pre-pandemic levels. The Consumer Price Index is at 2.71% (well below the government's target at 3.63%), and unemployment remained in check at 2.24%. The economy's biggest roadblock against growth—the real estate sector—also restarted. Despite lingering financial troubles for developers, the industry's optimism ahead of new legal reforms ushered in a higher transaction value.

Reforms Support Steady Investment Flow. Stock Market Rules Get Updated.

A plan to slash the public sector workforce by 20% over five years will be a huge shakeup in the traditionally stable government employment model. The reform package, including reducing ministries from 30 to 22, is expected to save $4.5 billion while bringing the bureaucracy into the 21st century. Ongoing discussions are working towards easing operational burdens on enterprises while maintaining current investment-friendly policies. A draft decree is set to ease restrictions on foreign ownership in public companies by eliminating prior limits disallowing public companies to set a foreign holding cap lower than the law-specified ratio. Such proposal mitigates risks for foreign investors when they are unable to foresee changes in enterprises, thus increasing the attractiveness of Vietnam's stock market in the eyes of foreign investors.

Strategic Outlook

Vietnam's 2024 economic strategy marks a departure from traditional low-value manufacturing. Under new leadership, the country pivots towards high-tech development, large infrastructure projects, and institutional reforms. By attracting global tech investment, implementing anti-corruption measures, and pursuing a strategic diplomatic approach, Vietnam aims to transform its economy and achieve high-income status by 2045. 2024 represented a complete overhaul of the country's development model. The death of General Secretary Nguyen Phu Trong and the intensification of the anti-corruption campaign significantly altered Vietnam's leadership and economic plan. To Lam, the new General Secretary, introduced a vision for a 'new era of development'. To replace the low value-added assembly model, Hanoi now emphasizes tech and sustainable development. To Lam stressed that technology is the 'key driver' of economic growth. Specialized chip design programs at universities aimed at training 50,000 industry professionals by 2030 are being launched.

Our vision is realized: Vietnam is the country that benefits from the best of both blocs (the West and China)

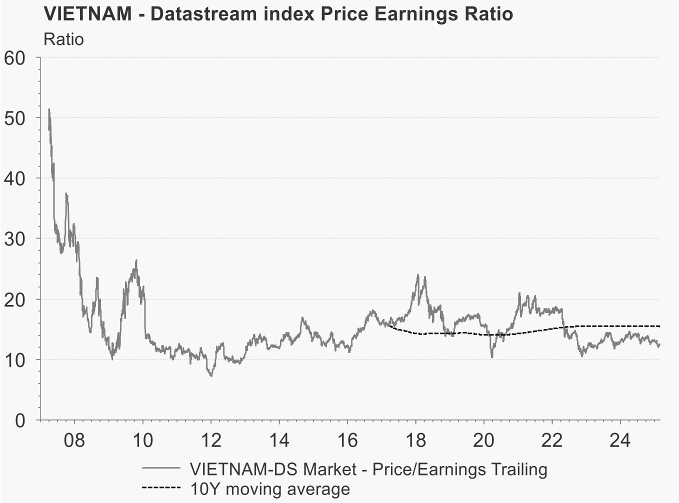
Prime Minister Phạm Minh Chinh welcomed CRCC's investment plan in Vietnam announced last year and met with China Huadian Corporation and Energy China Group. He urged greater cooperation in clean energy, wind and solar power, LNG, pump-storage hydropower, and transport infrastructure. CRCC Chairman Dai Hegen expressed interest in railway, metro, and infrastructure projects in Vietnam, with a pre-feasibility study already underway. He hopes for simplified procedures to start in December 2025. Huadian aims to invest in wind power, green hydro, power storage, and energy efficiency, seeking early green energy policies. PM Chính also met with Energy China Group, which is managing 16 projects worth $2.2 billion in Vietnam. China's investment in Vietnam rose from $2.92 billion in 2021 to $4.47 billion in 2023, a 53% increase. China is the second-largest investor, contributing 13% of total FDI. Japan remains the largest FDI source, focusing on manufacturing, technology, and supply chain diversification.

Trade Surplus Surge with the US Tests Trump's Patience

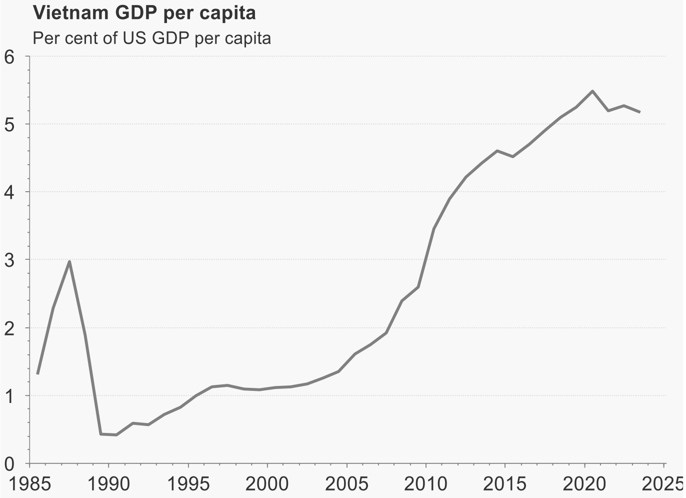
A $123.5 billion trade surplus with the United States has put Vietnam squarely in the crosshairs of Trump's expanding tariff offensive. While steel and aluminum exporters already face fresh 25% tariffs, analysts are saying that broader protectionist measures could disrupt the export-driven growth model.

Market outlook – Recommendations & Targets

Equities – VNI Idx: OVERWEIGHT (New target Price at ~1,500)



Source: LSEG Datastream / ANDBANK



Source: LSEG Datastream / ANDBANK

Source: LSEG Datastream / ANDBANK

ISRAEL

Back to Normal?

Economic Overview

In February 2025, Israel's economy demonstrated resilience despite ongoing geopolitical challenges. The GDP growth rate for 2024 was reported at 1%, slightly exceeding expectations, with a notable recovery in the last quarter, showing a 2.5% annualized growth (following a jump of 5.3% in the third quarter). This modest expansion was primarily driven by increased government military spending, which offset declines in investment and exports. Consumer spending rose by 3.9%, while investments in fixed assets and exports fell by 5.9% and 5.6%, respectively. However, the GDP level is still lower than the pre-war period. Growth is expected to improve significantly this year, with Central Bank forecasting +4.0% y/y and the Finance Ministry +4.3% y/y growth.

Last but not least, inflation accelerated to +3.8% y/y (vs +3.2% y/y in December), fueled by VAT tax hikes and water & electricity costs. Inflation trend will be influencing the central bank's monetary policy decisions as it remains well above the target range of between 1% and 3%. Last but not least, the unemployment rate decreased to 2.6% in January 2025, down from 2.7% in December 2024, indicating a tight labor market to the point of a severe shortage of workers.

Fixed Income Market

February 2025 saw significant activity in Israel's government bond market. The Finance Ministry successfully issued 5 billion USD in five- and ten-year international bonds, despite concerns over the fragility of the Gaza ceasefire. The five-year bonds were priced at 120 basis points (bps) over U.S. Treasuries, yielding 5.375%, while the ten-year bonds were priced at 145 bps over U.S. Treasuries, yielding 5.626%. This issuance attracted strong demand, with 23 billion USD in orders (x4.6 the amount being issued) from 300 investors worldwide, reflecting robust investor confidence in Israel's financial stability amid regional uncertainties. The debt issuance followed the release of fiscal data showing a reduction in the fiscal deficit, from 6.9% of GDP in the 12M ended in Dec-24 to 5.8% of GDP in the 12M ended in Jan-25.

The yield curve in February 2025 exhibited a flattening trend. Short-term yields remained relatively stable, while ten-year yields declined by 20 bps, from 4.5% to 4.3%. This shift suggests that investors have growing confidence in the Israeli economy's resilience despite significant geopolitical challenges. However, we believe that current yields may not fully reflect the full spectrum of risks embedded in the Israeli economy. The Bank of Israel maintained the benchmark interest rate at 4.5%, with potential rate cuts being considered if inflation trends favorably.

Stock Market

The Tel Aviv Stock Exchange (TASE) maintained strong performance through February 2025. The Tel Aviv 35 Index, a benchmark for the largest companies, rose by 3.1% during the week ending February 14, 2025. Leading sectors included technology, energy, and financials, with companies like Nova and Camtek contributing significantly to the gains. Investor optimism, bolstered by the Gaza ceasefire and expectations of economic recovery, supported the positive momentum. However, concerns regarding the ceasefire's sustainability and potential geopolitical risks introduced volatility, leading to fluctuations in market performance.

In summary, Israel's economy in February 2025 exhibited resilience, with modest growth and a stable labor market. The fixed income market demonstrated strong investor confidence, as evidenced by the successful bond issuance. The stock market maintained its upward trajectory, driven by key sectors, though geopolitical uncertainties introduced some volatility. Overall, economic indicators and market performance suggest a cautiously optimistic outlook for Israel's economy in the near term.

Market outlook – Recommendations & Targets from fundamental analysis

Equities – TLV35 Index: MARKETWEIGHT

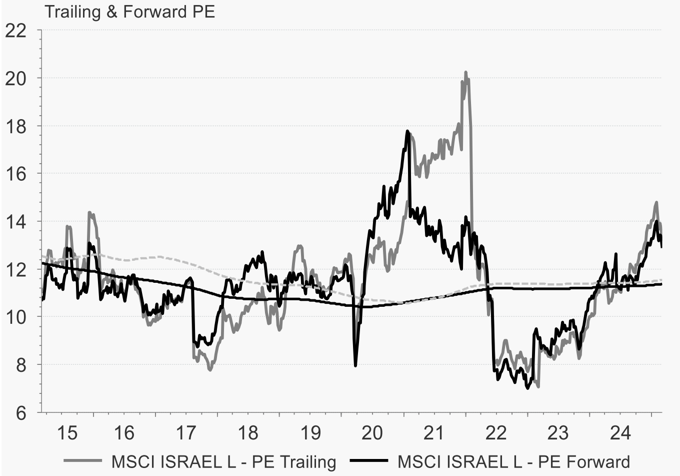
Bonds – Government–10Y Gov: MARKETWEIGHT

Bonds – Corporates: MARKETWEIGHT

FX – ISL vs USD: Neutral in REER

Israel price-to-earning ratio

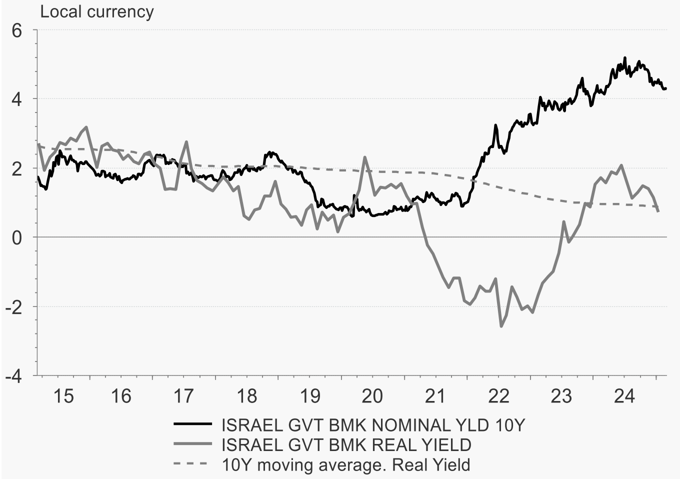
Trailing & Forward PE



Source: LSEG Datastream / ANDBANK

ISRAEL GOVERNMENT BMK REAL & NOMINAL YIELD 10Y

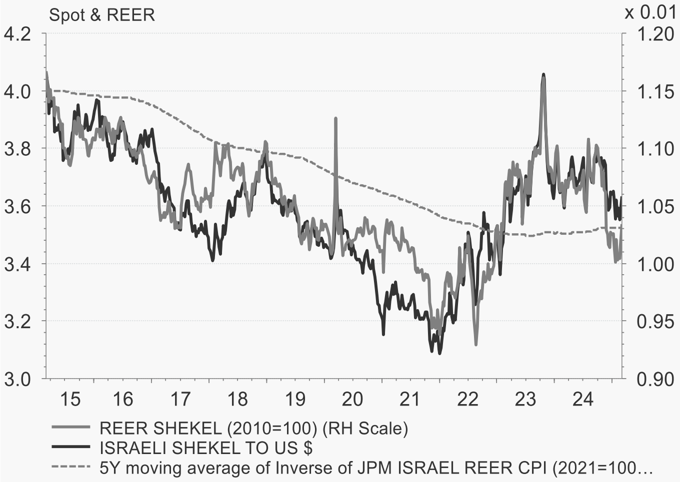
Local currency



Source: LSEG Datastream / ANDBANK

Israel Shekel

Spot & REER



Source: LSEG Datastream / ANDBANK

BRAZIL
Tough times for Lula and Bolsonaro

Food Inflation

Brazil's official inflation rate for 2024 reached 4.83%, exceeding the government's target range (3% with a tolerance of ±1.5 percentage points). This marks the highest inflation rate since 2022, when it hit 5.79%.The food and beverages sector was the primary driver, surging 7.69% due to adverse weather conditions, rising production costs, and exchange rate fluctuations. Essential items like meat and coffee saw sharp increases, significantly impacting the cost of living. Other key contributors included: i) Health and personal care: +6.09%; ii) Transportation: +3.3% (notably, gasoline prices soared 9.71%). Together, these three sectors accounted for 65% of total inflation.

Central Bank Raises Interest Rates Amid Inflation and Economic Uncertainty

At the first meeting led by the new President, Gabriel Galipolo, the Central Bank unanimously decided to raise the benchmark interest rate (Selic) by one percentage point, bringing it to 13.25%. The Monetary Policy Committee (Copom) highlighted external uncertainties, particularly in the United States, which cast doubt on the Federal Reserve's stance. Meanwhile, Brazil's economy shows signs of overheating, with both headline and core inflation exceeding the target, alongside concerns over public spending that have impacted asset prices. Looking ahead, Copom confirmed another one-percentage-point increase in March but did not commit to further hikes in May, stating that it will continue to monitor inflation closely.

Lula's Approval Ratings

Low-income families, who allocate a larger share of their budget to necessities, have been disproportionately affected by rising prices. Public dissatisfaction with Lula's response to inflation has contributed to a decline in his approval ratings. The latest Datafolha survey shows that only 24% of voters approve of his government, while 41% disapprove—the lowest approval rating across his three terms. The decline is particularly pronounced among his electoral base: residents of the Northeast, women, lower-income individuals, and those with less formal education.

Beyond inflation, Lula's government is struggling with poor communication of its policies, allowing the opposition to capitalize on public discontent. Additionally, insiders feel the administration lacks fresh ideas, while a global shift toward right-wing politics puts further pressure on Lula's leftist agenda.

Bolsonaro Indictment

The *Procuradoria-Geral da República* (PGR) has finalized its report on the alleged coup plot involving former President Jair Bolsonaro and 36 others, including military personnel and close allies. The report will be presented to Supreme Court Minister Alexandre de Moraes and examines potential charges such as violent abolition of the democratic state, coup d'état, and criminal organization.

A key witness in the case is Mauro Cid, Bolsonaro's former aide, who has testified under a plea bargain agreement that Bolsonaro not only knew about the coup plot but also suggested modifications to the plan.

Meanwhile, the Federal Police recently carried out their final operation related to the coup attempt, arresting suspects allegedly involved in planning assassinations of President Lula, Vice President Geraldo Alckmin, and Minister Alexandre de Moraes. This marks the culmination of extensive investigations aimed at dismantling the plot.

The PGR's report will be crucial in determining whether formal charges will be filed. If the judiciary proceeds with criminal proceedings, trials could follow, with the Supreme Court aiming for a resolution by mid-2025 to prevent interference with the 2026 elections. If convicted, Bolsonaro could face over 30 years of ineligibility.

Market outlook – Recommendations & Targets from fundamental analysis

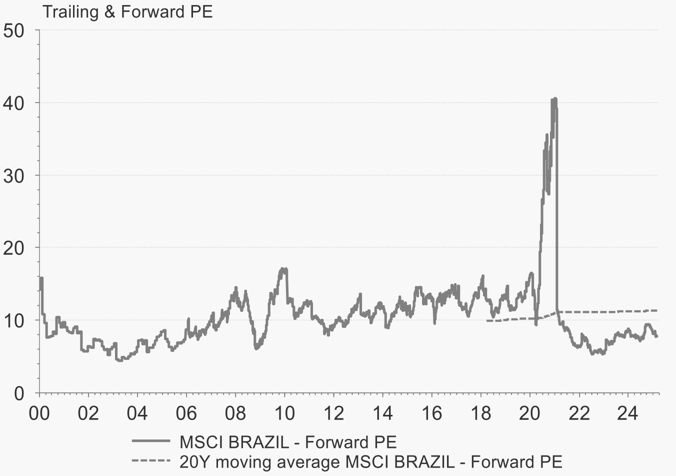
Equities – iBovespa: UNDERWEIGHT (Target 132,000)

Bonds – Govies Local: OW (Target Spread 1000 => Target yield 14.75%)

Bonds – Govies USD: UW (Target Spread 300 => Target yield 7,75%)

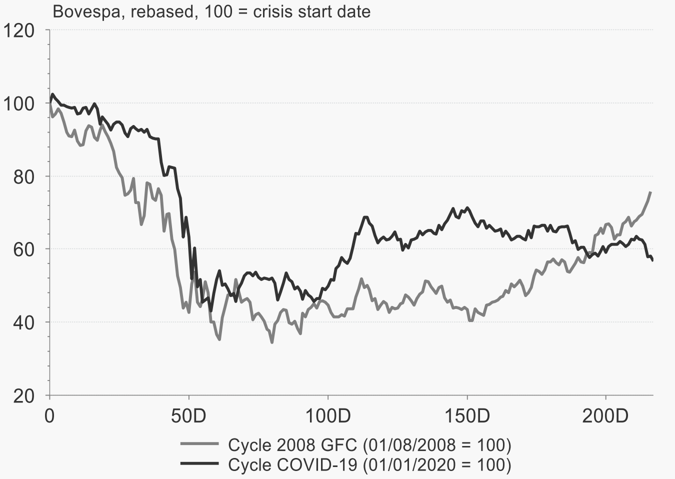
FX – BRL/USD: UW-MARKETWEIGHT (Mid-term target 5.80)

Brazil MSCI Index price-to-earning
Trailing & Forward PE



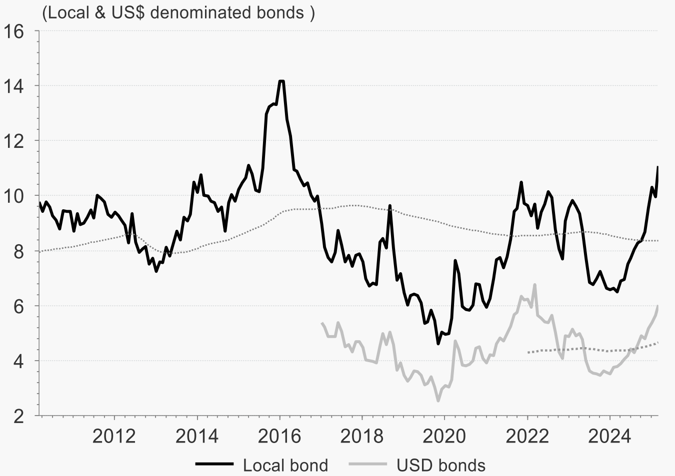
Source: LSEG Datastream / ANDBANK

Brazil equities (USD), 2008 vs 2020
Bovespa, rebased, 100 = crisis start date



Source: LSEG Datastream / ANDBANK

BRAZIL - SPREAD 10Y GOV BOND vs UST
(Local & US$ denominated bonds)



Source: LSEG Datastream / ANDBANK

MEXICO

Sheinbaum's Response to U.S. Trade Challenges Moves in the Right Direction

Monetary Policy

The Bank of Mexico cut its benchmark interest rate by 50 bps in its first meeting of 2025, citing a decline in headline inflation to levels within the central bank's target range (3% ± 1%). Projections suggest that core inflation will converge toward 3% between 4Q25 and 1Q26. The Governing Board also noted that the real ex-ante policy rate remains highly restrictive. The current board composition suggests that a similar cut could follow at the next meeting in March. However, we believe Banxico may be acting preemptively, stepping beyond its singular mandate of price stability, as it appears concerned about weak economic data and potential growth risks tied to the possible imposition of tariffs by the U.S.

Economy and Inflation

Mexico's GDP contracted in 4Q24, marking the country's first negative quarter since 2021. This slowdown was driven by weakened consumption and a pause in investment. Export growth provided some support as companies rushed to finalize shipments before Trump's inauguration. Headline inflation eased to 3.59% y/y in January, while core inflation remained stable around 3.65% y/y. The last two monthly reports have shown a shift in core inflation dynamics, with a notable increase in goods prices.

Economic Policy

We view the change in policy direction under Claudia Sheinbaum's administration as a positive development. A new economic plan has been introduced that supports export sectors and seeks to leverage regional integration, which remains robust despite current geopolitical challenges. In response to tariff threats from the Trump administration, Mexico swiftly deployed National Guard forces to the border, successfully delaying the implementation of a 25% tariff on a broad range of Mexican exports by one month. Although apparently this was not enough to ultimately prevent the imposition of tariffs, we do believe that it signals a willingness to negotiate and is a decision in the right direction that could prevent further escalations in tariffs. The government is also offering tax incentives to attract foreign direct investment in key productive regions. Additionally, new projects have been announced that allow private-sector co-investment, particularly in the energy sector—covering electricity generation, distribution, and hydrocarbons—marking a shift away from the restrictive policies of the López Obrador era.

Equities: After a 13.7% decline in 2024, Mexico's main stock index (IPC) began 2025 with a strong rebound, recording a 3.43% gain in January and surpassing a 10% YTD return. This performance came despite heightened risk aversion driven by domestic legislative uncertainty and global geopolitical concerns, particularly those related to Trump's administration. We believe there is significant value in Mexican equities, as current valuations reflect a substantial discount—both compared to international markets and their historical averages. The IPC is trading at a 15% discount on its EV/EBITDA ratio compared to 2023 and 21% below its 3-yr average. Our 12-month forecast, based on a current P/E multiple of 14x and projected earnings growth of around 11%, positions the index above 60,000 points.

Fixed Income & FX: The spread against the 10-year peso bond compressed to 530 bps—below its 200-day moving average of 560 bps—following two peaks in 2024 (in June, driven by elections, and August, due to global volatility), during which spreads exceeded 600 bps. We have raised our projection to 575 bps, anticipating increased volatility in the coming months. We remain cautious on peso-duration strategies, while in U.S. dollar terms, the spread has narrowed to 183 bps, with a year-end forecast of 200 bps.

The Mexican peso has shown resilience amid a volatile global environment. After an overshoot during the first weekend of February—when tariffs were initially expected to take effect—the exchange has stabilized within a range of 20.30 to 20.50. We maintain our year-end estimate at 21.00, though we remain cautious of potential volatility spikes in the year's final quarter.

Market outlook – Recommendations & Targets from fundamental analysis

Equities – Mex IPC: OVERWEIGHT (Target 62,900)

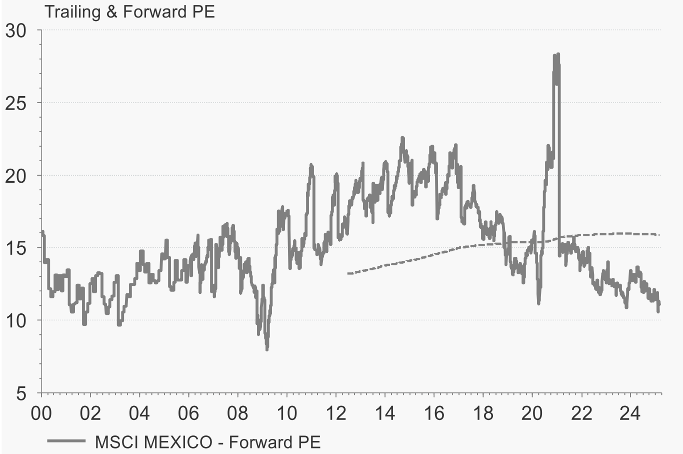
Bonds – Govies Local: UW (Target Spread 575 => Target yield 10.5%)

Bonds – Govies USD: UW (Target Spread 200 => Target yield 6.75%)

FX – MXN/USD: UNDERWEIGHT (Mid-term target 21.00)

Mexico MSCI Index price-to-earning

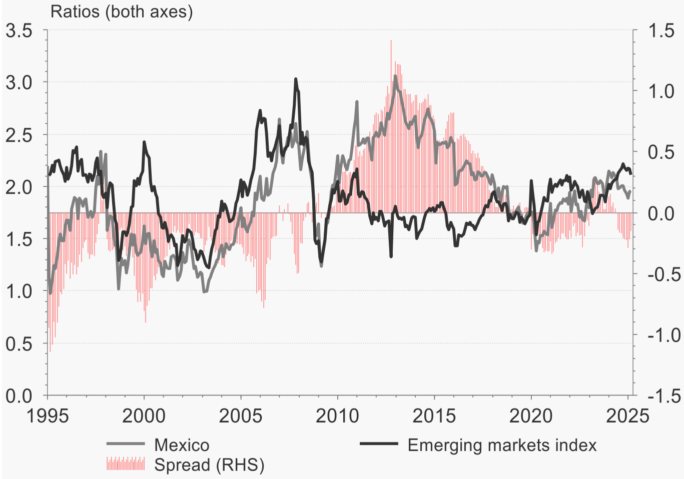
Trailing & Forward PE



Source: LSEG Datastream / ANDBANK

Mexico price-to-book ratio

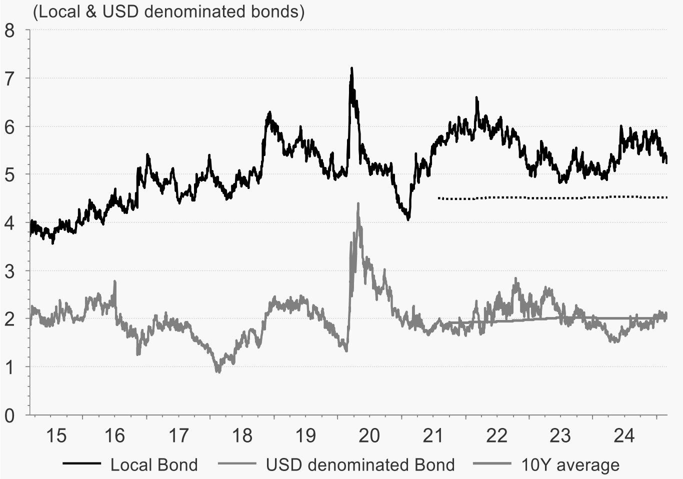
Ratios (both axes)



Source: LSEG Datastream / ANDBANK

MEXICO - SPREAD 10 GOV BOND vs UST

(Local & USD denominated bonds)



Source: LSEG Datastream / ANDBANK

ARGENTINA

The political chessboard begins to move

Políticas: The Road to October

One of the key catalysts for movements in Argentine assets this year is the upcoming mid-term elections in October. The administration currently faces a fragmented Congress, where the opposition holds the majority in both chambers. Even if the ruling party underperforms relative to expectations, its representation in Congress will still increase. However, to maximize its influence, an alliance between Libertad Avanza (LLA) and PRO—its main legislative ally during this term—was anticipated. Despite favorable scenarios, LLA would still require alliances to pass key legislation. However, tensions within PRO are escalating. While a group of Buenos Aires mayors is pushing for an agreement with LLA, Mauricio Macri. If PRO ultimately decides not to align with Milei, Peronism could gain ground in Buenos Aires Province, marking a strategic setback for the opposition. Meanwhile, the government has secured approval in the Chamber of Deputies for a bill eliminating internal primary elections. The bill now awaits a vote in the Senate. If passed, the deadline for alliance submissions would be extended from May to August, potentially delaying political negotiations even further.

IMF: Capital controls is the Big Elephant in the room

Current account deficit is decreasing this year and the surplus from the rest of the private financial account is insufficient to fully offset it. As a result, Argentina will need fresh dollar inflows through the financial account to bridge this financing gap. Securing both a zero headline deficit and a successful rollover of peso-denominated debt will be crucial, but additional funding from a new IMF agreement will also be necessary. Despite the economic achievements of the current administration, Argentina also needs to dismantle capital controls. A new IMF agreement would help accelerate progress toward this goal. Minister of Economy Luis Caputo has confirmed that a new agreement with the IMF will be signed within the first four months of the year. While the fine print is still pending, the agreement is expected to provide fresh funds without increasing net debt. Instead, existing Treasury debt with the Central Bank—stemming from non-transferable bills issued in the past in exchange for international reserves—will be replaced with debt owed to the IMF. Regarding capital controls, President Javier Milei has announced that they will be fully lifted by January 1, 2026. However, an agreement with the IMF could bring this date forward. The challenge is that, with elections approaching and the administration firmly committed to avoiding financial volatility that could disrupt the disinflation process, the government cannot commit to a new exchange rate regime in the short term. Many analysts argue that lifting capital controls is a prerequisite for signing a new IMF agreement. However, there is a possibility that the agreement will outline a new exchange rate framework, with implementation set for after the elections.

Prices and Economic Activity

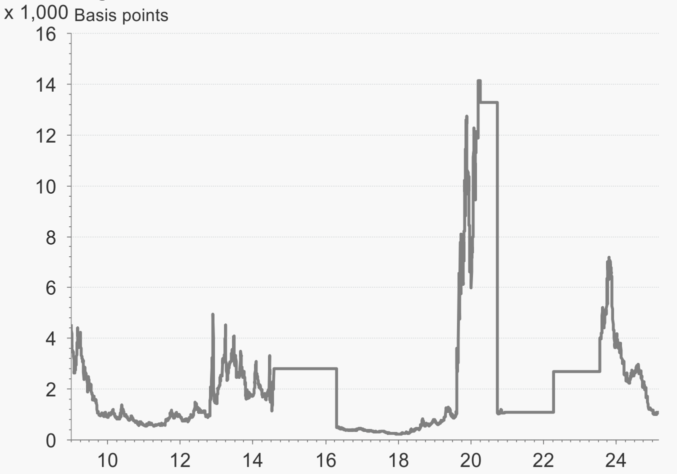
CPI rose by +2.2% m/m, coming in below market expectations (BCRA-REM consensus: +2.3% m/m). On a yearly basis, inflation decelerated to +84.5% y/y, the lowest level since September 2022. The slowdown compared to December was largely driven by core inflation, which fell from +3.2% m/m to +2.4% m/m. Regulated prices also slowed significantly, rising +2.6% m/m (compared to +3.4% m/m in December), while seasonal prices rebounded slightly, increasing 0.4% m/m after declining -1.4% m/m in December. A key trend in price dynamics is the continued faster growth of services prices (+3.8% m/m) compared to goods prices (+1.5% m/m), with non-regulated services being the fastest-rising category. The government has so far focused on reducing tradable goods inflation through its exchange rate policy. However, controlling non-tradable inflation will require a broader set of policies, particularly ensuring that wage agreements align with inflation targets. In response to the inflation slowdown, the Central Bank reduced its monetary policy rate from 32% to 29%. The latest data confirms that the recession is over and suggests it was shallower than initially feared. Looking ahead, the economic recovery is expected to continue, supported by rising real wages and pensions due to lower inflation, higher capital expenditures, and firm export growth.

Market outlook – Recommendations & Targets from fundamental analysis

Bonds – 10YGov USD: NEUTRAL

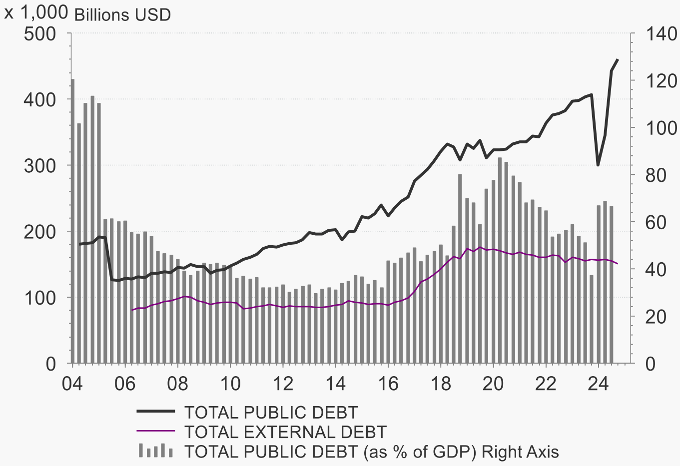
FX – USDARS: NEGATIVE (2025 year-end target 1600)

Argentina 5Y CDS



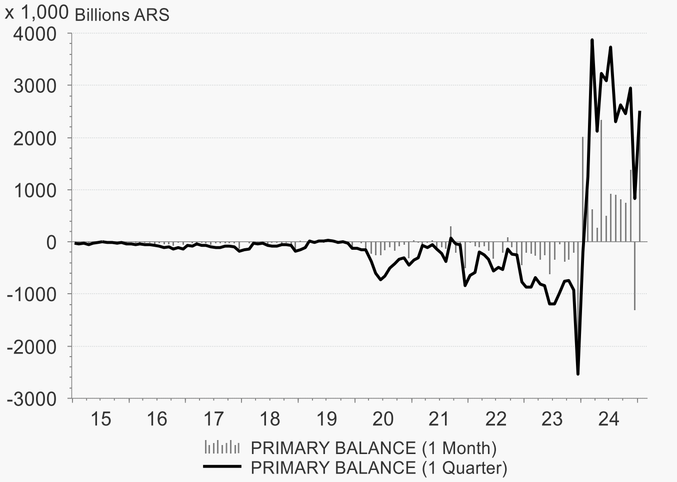
Source: LSEG Datastream / ANDBANK

ARGENTINA - TOTAL & EXTERNAL DEBT



Source: LSEG DatastreamThomson Reuters Datastream / ANDBANK

ARGENTINE PRIMARY BALANCE



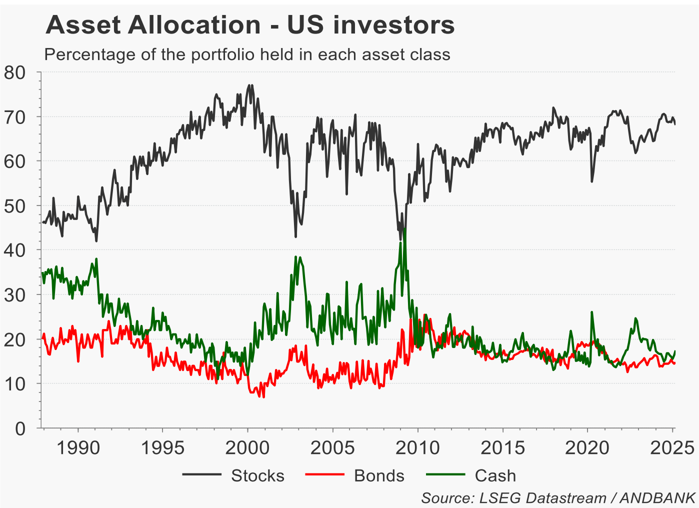
Source: LSEG Datastream / ANDBANK

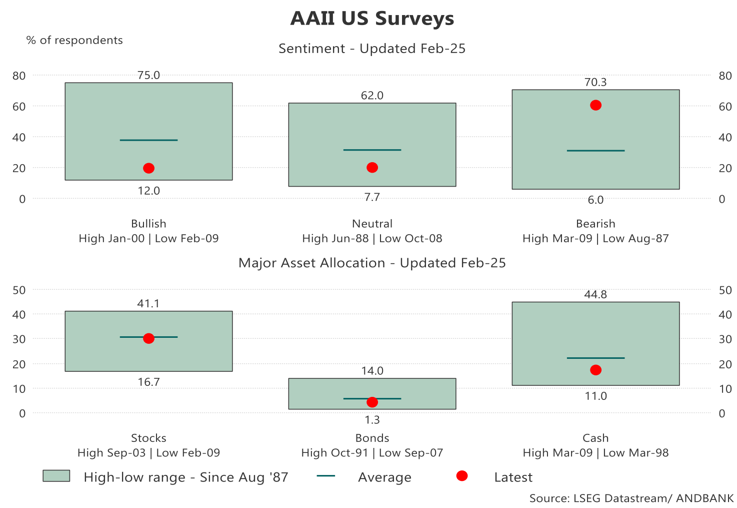
GLOBAL EQUITY INDICES
Fundamental assessment

Index	Projected EPS 2025	Projected EPS Growth 2025	PE Trailing (2024)	Price Earning (forward)	Current Equity Yied	Current Risk Premium	Hist Risk Premium	Target PE Trailing (year end 2025) set on the Strategic Comittee	INDEX CURRENT PRICE	Andbank's Target Price (year end 2025)	Expected performance to target Price	Recommended Strategy	Exit Point (Strong Sell)
USA S&P 500	264,0	11,9%	24,59	21,98	4,55%	0,32%	2,00%	24,76	5.802	6.537	12,7%	MW-OW	7.191
Europe - Stoxx Europe 600	38,8	8,6%	15,62	14,38	6,95%	4,20%	5,00%	14,59	558	566	1,5%	MW	623
Spain IBEX 35	1.074,0	3,5%	12,78	12,35	8,10%	4,66%	5,70%	11,50	13.265	12.351	-6,9%	UW	13.586
Mexico IPC GRAL	4.841	12,9%	12,23	10,84	9,23%	-0,34%	-0,90%	13,00	52.457	62.933	20,0%	MW-OW	69.226
Brazil BOVESPA	16.500	13,5%	8,44	7,44	13,44%	-1,88%	-1,10%	8,00	122.799	132.000	7,5%	UW	145.200
Japan TOPIX	186,0	8,8%	15,90	14,61	6,84%	5,40%	4,00%	15,93	2.718	2.962	9,0%	OW	3.259
China SSE Comp. A share	247,0	-5,7%	13,37	14,18	7,05%	0,21%	4,80%	12,81	3.503	3.163	-9,7%	UW	3.479
China Shenzhen Comp	94,7	-5,8%	20,43	21,69	4,61%	-2,23%	1,25%	21,00	2.054	1.989	-3,2%	UW	2.188
India SENSEX	4.052	15,3%	20,98	18,20	5,50%	-1,22%	-2,00%	22,00	73.730	89.144	20,9%	OW	98.058
Vietnam VN Index	126,4	19,6%	12,35	10,32	9,69%			12,00	1.305	1.517	16,3%	OW	1.668
MSCI EM ASIA	49,4	15,0%	13,99	12,17	8,22%			14,00	601	692	15,1%	OW	761

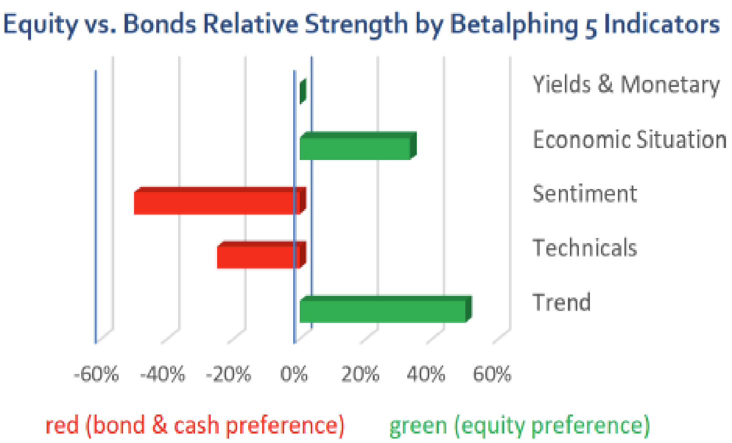
ANDBANK ESTIMATES

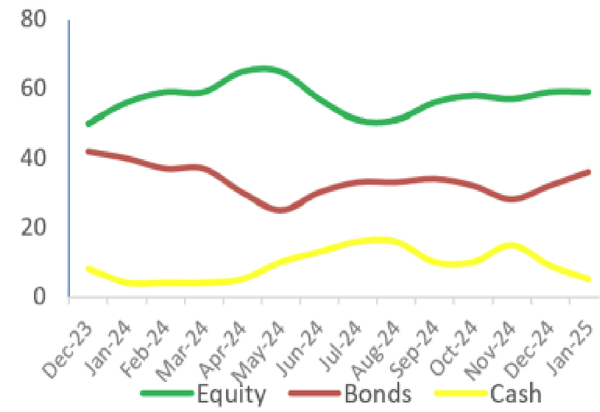
Market Positioning Indicators and Historical Analysis of Potential Stress Episodes





Ned Davis Indicators: Analysis of the Short-Term Market Directions Taken by Market Participants





GLOBAL EQUITY INDICES

Earnings Dashboard - EUROPE

Exhibit 1A. STOXX 600: Q4 2024 Earnings Dashboard

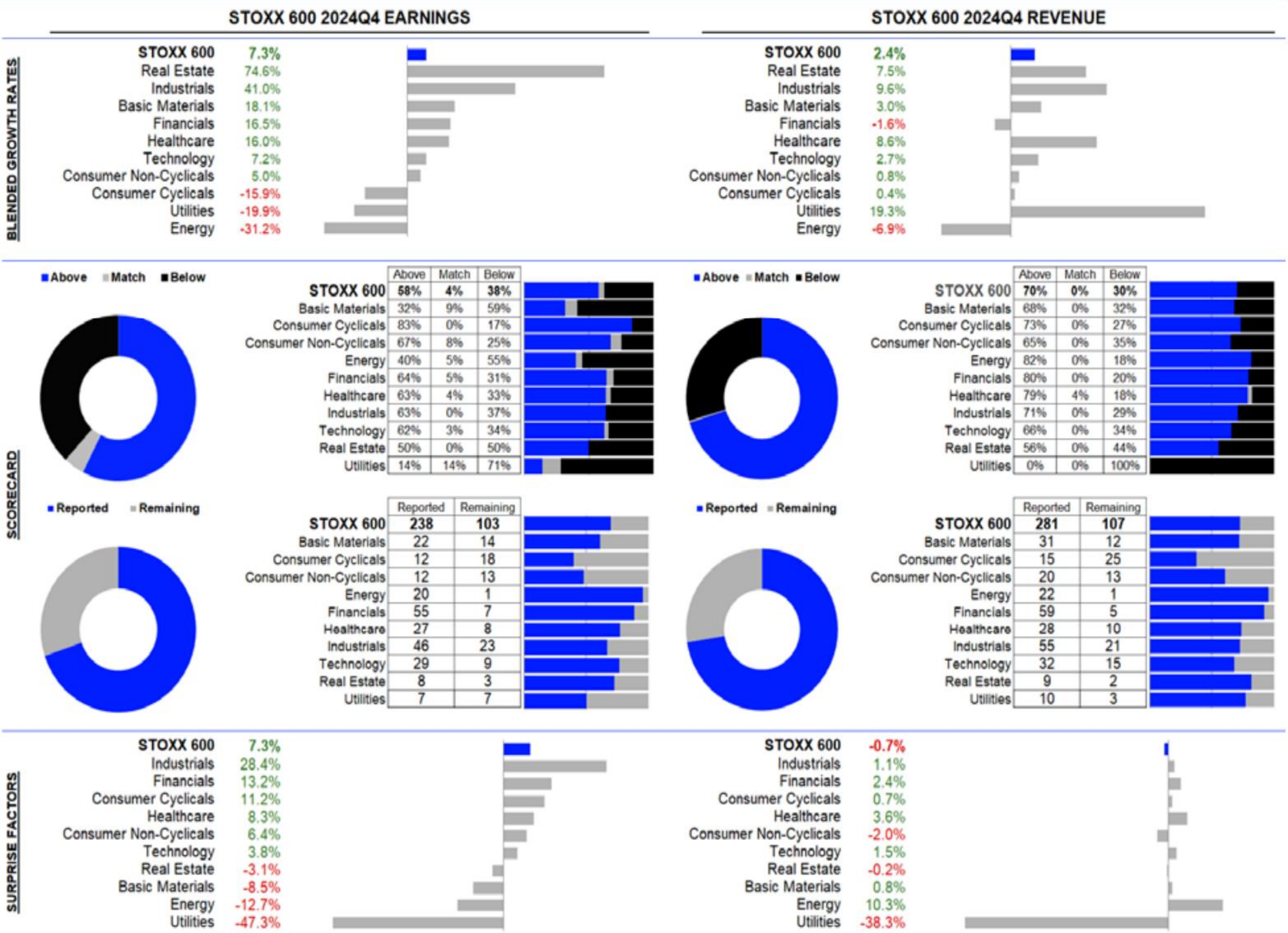
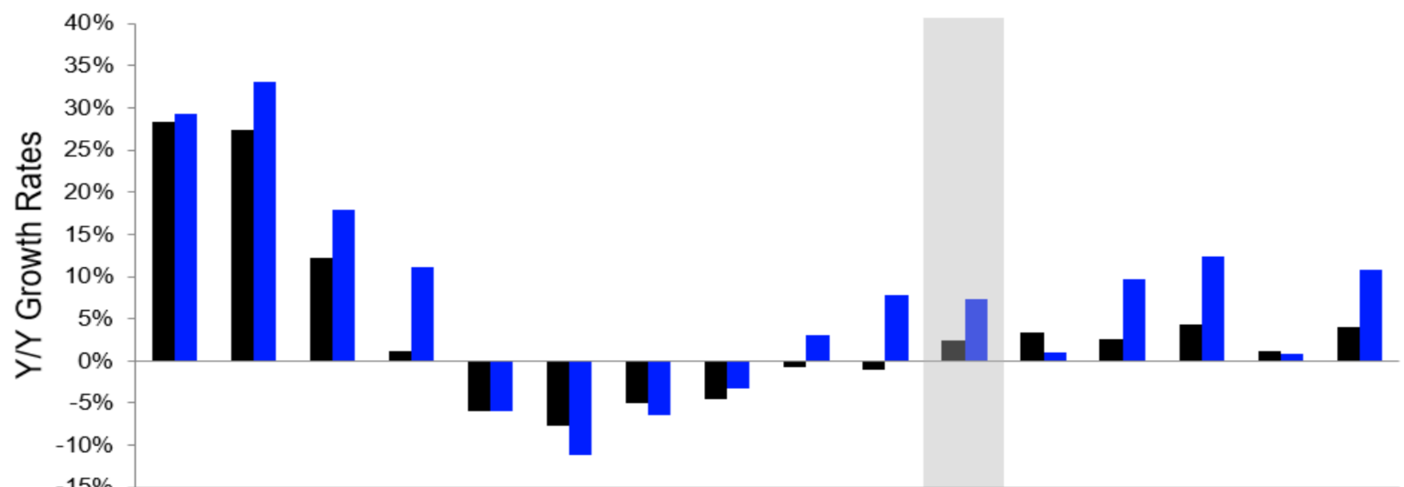


Exhibit 3A. STOXX 600 YoY Growth Rates



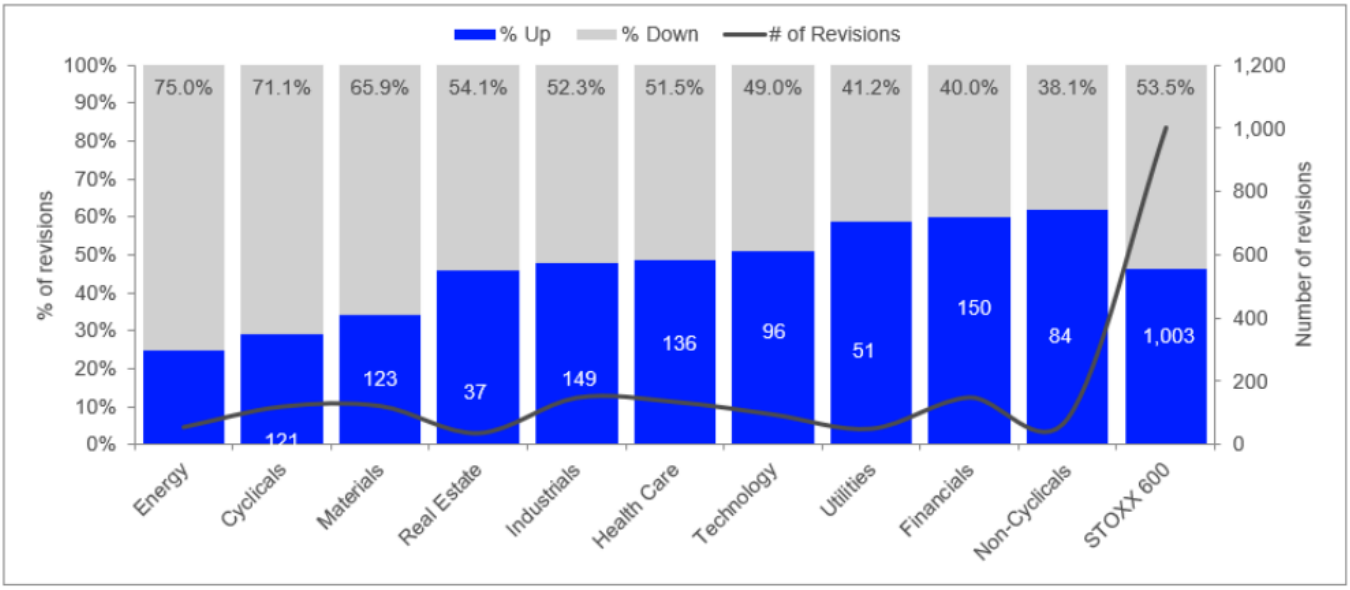
	22Q2	22Q3	22Q4	23Q1	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1
Revenue	28.3%	27.4%	12.2%	1.1%	-6.0%	-7.6%	-5.0%	-4.6%	-0.8%	-1.1%	2.4%	3.4%	2.6%	4.3%	1.2%	4.1%
Earnings	29.3%	33.1%	17.9%	11.1%	-5.9%	-11.1%	-6.5%	-3.3%	3.0%	7.8%	7.3%	0.9%	9.6%	12.3%	0.8%	10.8%

Source: LSEG I/B/E/S

GLOBAL EQUITY INDICES

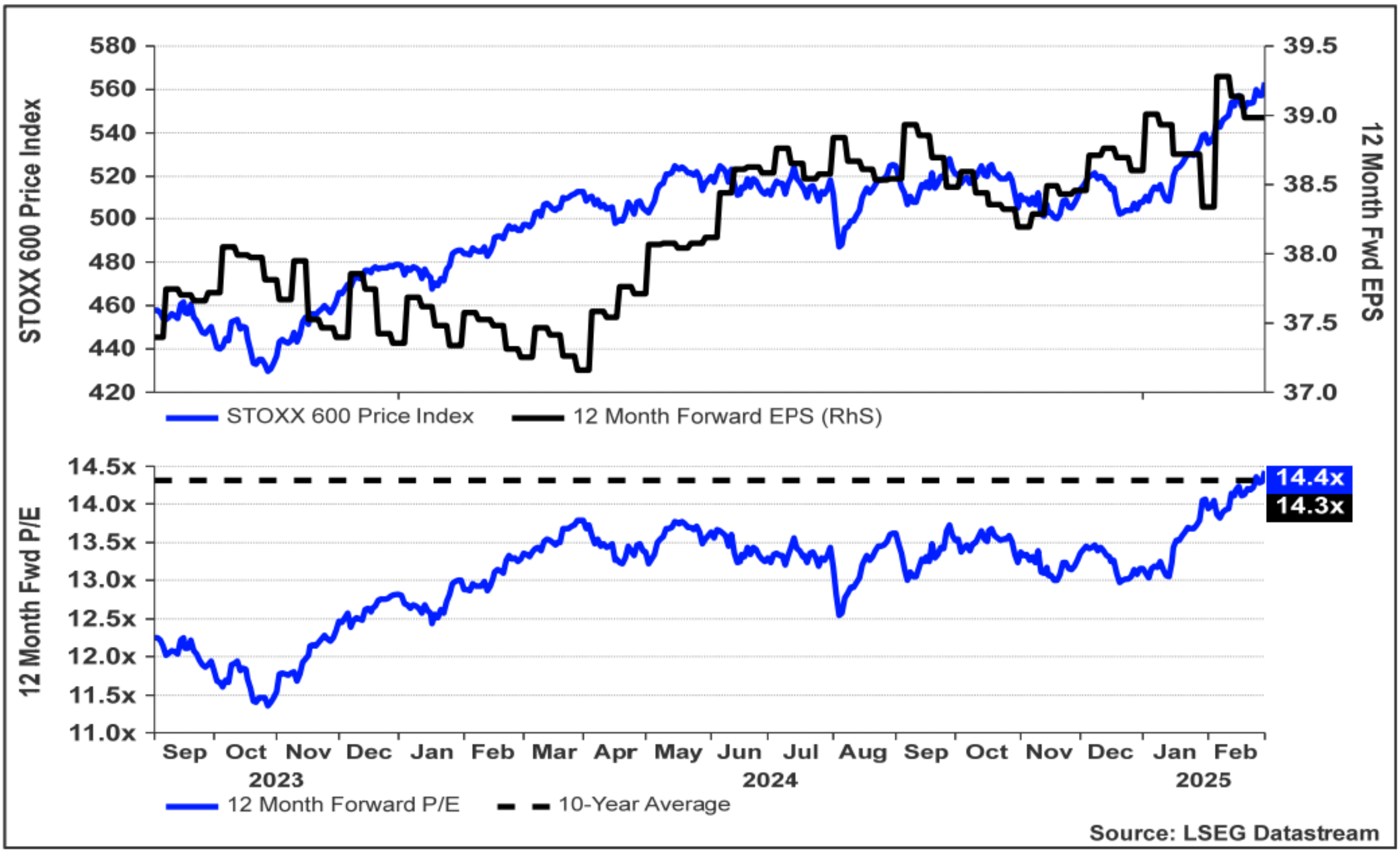
Earnings Dashboard - EUROPE

Exhibit 16A. STOXX 600: Weekly Earnings Estimate Revisions by Sector



Source: LSEG I/B/E/S

Exhibit 17A. STOXX 600: 12-month Forward Price/Earnings Ratio



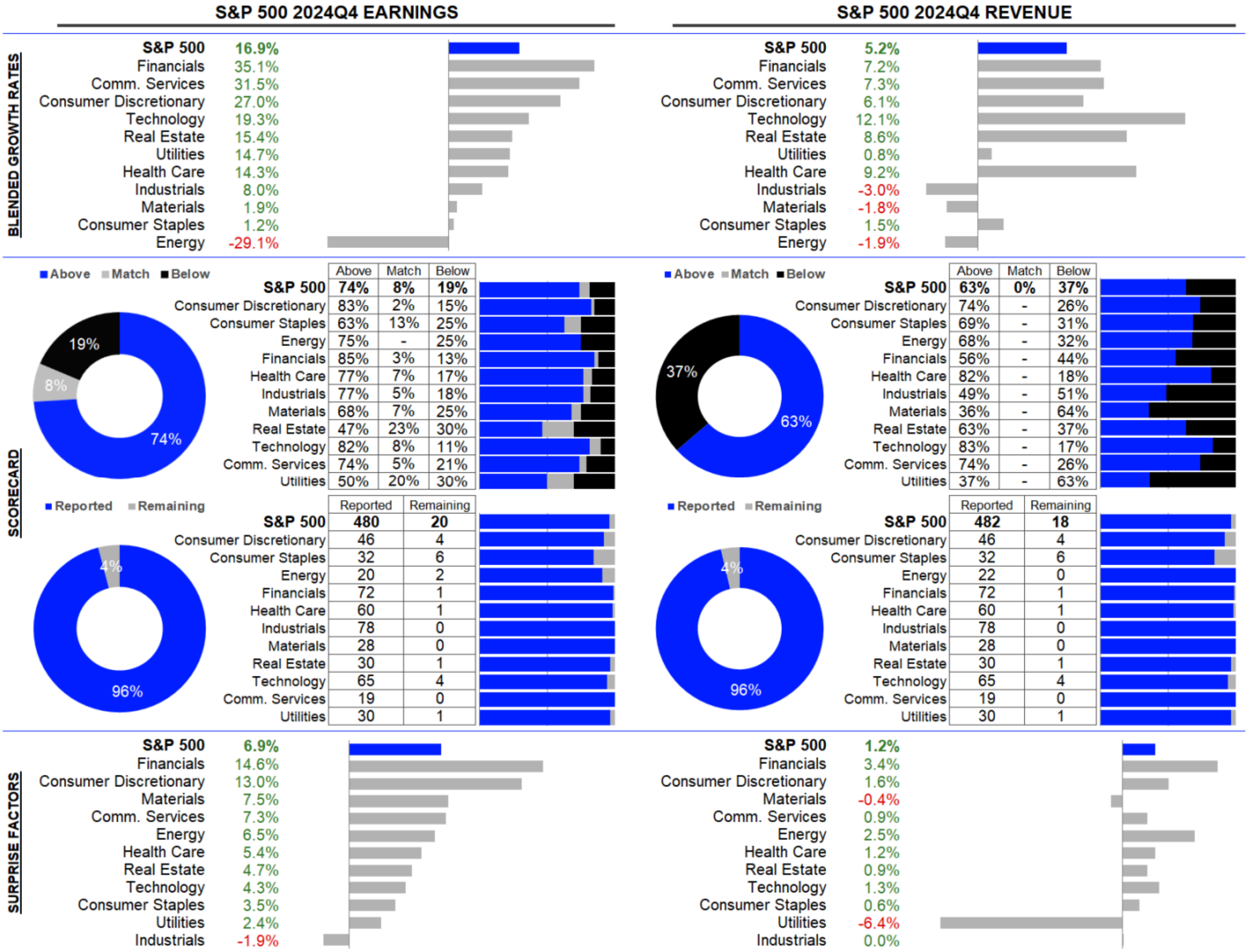
Source: LSEG Datastream

GLOBAL EQUITY INDICES

Earnings Dashboard - US

EARNINGS DASHBOARD

Exhibit 1. 2024Q4 S&P 500 Earnings Dashboard



BLENDED GROWTH RATES

	Earnings	Revenue
S&P 500	16.9%	5.2%
Financials	35.1%	7.2%
Comm. Services	31.5%	7.3%
Consumer Discretionary	27.0%	6.1%
Technology	19.3%	12.1%
Real Estate	15.4%	8.6%
Utilities	14.7%	0.8%
Health Care	14.3%	9.2%
Industrials	8.0%	-3.0%
Materials	1.9%	-1.8%
Consumer Staples	1.2%	1.5%
Energy	-29.1%	-1.9%

SCORECARD

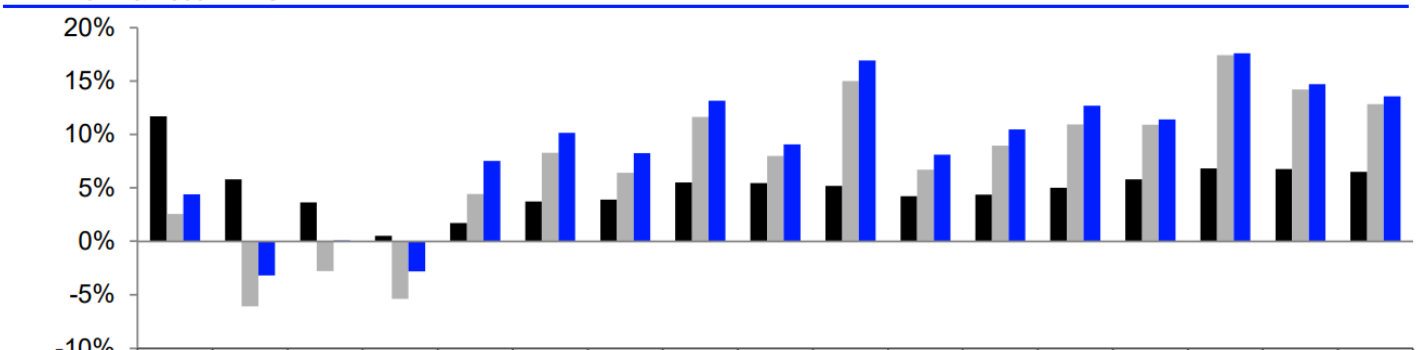
	Earnings Above	Earnings Match	Earnings Below	Revenue Above	Revenue Match	Revenue Below
S&P 500	74%	8%	19%	63%	0%	37%
Consumer Discretionary	83%	2%	15%	74%	-	26%
Consumer Staples	63%	13%	25%	69%	-	31%
Energy	75%	-	25%	68%	-	32%
Financials	85%	3%	13%	56%	-	44%
Health Care	77%	7%	17%	82%	-	18%
Industrials	77%	5%	18%	49%	-	51%
Materials	68%	7%	25%	36%	-	64%
Real Estate	47%	23%	30%	63%	-	37%
Technology	82%	8%	11%	83%	-	17%
Comm. Services	74%	5%	21%	74%	-	26%
Utilities	50%	20%	30%	37%	-	63%

	Earnings Reported	Earnings Remaining	Revenue Reported	Revenue Remaining
S&P 500	480	20	482	18
Consumer Discretionary	46	4	46	4
Consumer Staples	32	6	32	6
Energy	20	2	22	0
Financials	72	1	72	1
Health Care	60	1	60	1
Industrials	78	0	78	0
Materials	28	0	28	0
Real Estate	30	1	30	1
Technology	65	4	65	4
Comm. Services	19	0	19	0
Utilities	30	1	30	1

SURPRISE FACTORS

	Earnings	Revenue
S&P 500	6.9%	1.2%
Financials	14.6%	3.4%
Consumer Discretionary	13.0%	1.6%
Materials	7.5%	-0.4%
Comm. Services	7.3%	0.9%
Energy	6.5%	2.5%
Health Care	5.4%	1.2%
Real Estate	4.7%	0.9%
Technology	4.3%	1.3%
Consumer Staples	3.5%	0.6%
Utilities	2.4%	-6.4%
Industrials	-1.9%	0.0%

Exhibit 5. S&P 500 YoY Growth Rates



	22Q3	22Q4	23Q1	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4E	25Q1E	25Q2E	25Q3E	25Q4E	26Q1E	26Q2E	26Q3E
Revenue	11.7%	5.8%	3.6%	0.5%	1.7%	3.7%	3.9%	5.5%	5.5%	5.2%	4.2%	4.4%	5.0%	5.8%	6.8%	6.8%	6.5%
Net Income	2.6%	-6.1%	-2.8%	-5.4%	4.4%	8.3%	6.4%	11.6%	8.0%	15.0%	6.7%	8.9%	10.9%	10.9%	17.4%	14.2%	12.8%
Earnings	4.4%	-3.2%	0.1%	-2.8%	7.5%	10.1%	8.2%	13.2%	9.1%	16.9%	8.1%	10.5%	12.7%	11.4%	17.6%	14.7%	13.6%

Source: LSEG I/B/E/S

ENERGY – OIL

Fundamental view (WTI): Target range USD65-80bbl

Buy < USD65; Sell >USD80.

(Bearish price factor) – OPEC+ is not considering delay to April oil supply hike, Novak says. OPEC+ producers are not considering delaying a series of monthly oil supply increases that is scheduled to begin in April, Russian Deputy Prime Minister Alexander Novak said on Monday, Russia's RIA state news agency reported. Recent comments from OPEC's chief indicate the group won't budge on production cuts.

(Bearish price factor) – EIA yesterday said the US is poised for another record year of oil production. The EIA said it now expects U.S. crude oil production to average 13.59 million barrels per day (bpd) in 2025, up from its prior estimate of 13.55 million bpd. The agency held its estimate for U.S. consumption of petroleum and liquid fuels steady at 20.5 million bpd in 2025. U.S. President Donald Trump has vowed to maximize U.S. oil production even as energy executives have insisted on prioritizing capital discipline. While Brent crude prices are expected to average around $74 in 2025, they will fall to about $66 in 2026, the agency said, predicting gradual increases in production combined with relatively weak global demand growth.

(Bearish price factor) – oil exports from the semi-autonomous Kurdistan region will resume next week, ending two-year dispute. Oil exports from the semi-autonomous Kurdistan region will resume in late February, resolving a near two-year dispute as ties between Baghdad and Erbil improve, potentially adding more supply to the oil market and **weighing on prices**. Since 2023, oil exports from Iraqi Kurdistan have been halted by disputes between the region, Turkey and the Baghdad government over the exploitation of resources and the administration and distribution of revenues. Today, an agreement has been reached and oil flows from the region will resume, releasing a supply of some 450,000 barrels per day. Further supply could result from a potential Russia-Ukraine peace deal, while OPEC+ is also due to start easing cuts to production from April.

(Bearish price factor) –Peace talks: US and Russian delegation will meet in Riyadh to discuss Ukraine peace deal. .

(Bearish price factor) – Sanctions Evasion: privately-run terminals in China have taken deliveries from US-sanctioned oil tankers. Deliveries of Russian crude to China's independent refineries remained steady month over month in January, despite the US expanding its sanctions list and the Shandong Port Group banning sanctioned ships, data from Platts, part of S&P Global Commodity Insights, showed Feb 17. The IEA argues in its latest monthly report that the oil market has shown remarkable adaptability to rising sanctions on Moscow, with Russian crude production rising last month despite 10-Jan sanctions.

(Bearish price factor) – India-US: Bloomberg reported India has agreed to boost oil and gas imports from the US in an effort to avoid tariffs. The US, currently India's fifth-largest crude oil supplier, may become a costly import option for Indian refiners due to higher landing costs as against traditional suppliers in Central Asia or Russia, which offer significant discounts. Increasing crude imports from the USA is possible, as it was done earlier with aligned interests. According to sources, LNG can be sourced more quickly, but sourcing WTI crude requires more effort. For crude, supply timeline and cost considerations like 6-7 days from Middle-East against 40-45 days from Texas. Increasing gas volumes could be quicker, as Henry Hub prices are discounted against other sources.

(Bearish price factor) – Norway investments growing: Reuters reports a Norwegian government estimate sees oil and gas investments this year exceeding 2024's record, driven by plans to invest more in producing fields, new developments, and onshore facilities.

(Bullish price factor) – India will be a bright spot for petrochemical demand in 2025 even as global consumption lags supply. According to industry executives at India Energy Week, India is set to remain a bright spot for petrochemical demand in 2025, even as global consumption lags supply, driven by rising demand for electric vehicle components, solar panels, household appliances and strong local demand in sectors like propylene.

(Neutral price factor) – The IEA's monthly report has again cut its expectation for a global oil surplus this year, raising consumption forecasts and trimming expectations for excess supply. "Indeed, with data for 2024 largely complete, our oil market balances show total oil supply matching global oil demand at 102.9 mb/d last year".

Long-term drivers

***(Price Negative)* –** Alternative energies picking up the baton: Conventional producers must bear in mind that the value of their reserves is dictated by the amount of time they can pump before alternative energies render oil obsolete. In order to push back this deadline as far as possible, it is in producers' interest to keep oil prices low for as long as possible (keeping the opportunity cost of alternative energy sources as high as possible).

***(Price Negative)* –** Growing environmental problems will gradually tighten legislation on production levels. The value of producers' reserves depends on the amount of time they can pump at current levels before tougher environment-inspired regulations come into play. With growing environmental problems, which will likely continue to put a lot of pressure on the market for fossil fuels over the coming decades, OPEC's most serious risk is of sitting on a big chunk of "stranded reserves" that it can no longer extract and sell. Producers therefore have a powerful incentive to monetise as much of their reserves as soon as they can.

***(Price Negative)* –** Are OPEC producers able to structurally fix prices? While it is true the agreement between the Saudis and Russia to strangle the global energy market has worked well in achieving a considerable increase in the price of oil, this has been at the cost of a loss of market share, meaning that OPEC producers are no longer able to easily fix prices without bearing costs. Back in the 1970s and the early 2000s, the exporters cartel agreed to cut output, and the approach worked well, as the principal competition was among conventional oil producers (in particular between OPEC and non-OPEC producers). Today's biggest threat to any conventional oil producer comes from non-conventional producers and alternative energy sources. Energy cuts from conventional oil should therefore easily be offset (in theory) by a rapid increase in shale oil production. The experiment of the 1970s and 2000s by conventional producers in colluding to fix the price of crude oil by strangling supply may no longer offer the same results due to the emergence of new unconventional agents.

PRECIOUS METALS - GOLD

Fundamental Target range USD2,200 – 2,400 /oz

Buy < USD2,200; Sell >USD2,400

Positive drivers for gold

People's Bank of China (PBoC) Foreign Reserves Dynamics (2015-2024): Between 2015 and 2024, the composition of China's international reserves has undergone a significant shift. Ex-Gold Foreign Reserves declined from $4.0 trillion to $3.256 trillion, marking a net reduction of $744 billion. This suggests capital outflows, intervention in currency markets, or strategic reallocations of reserve assets. Gold Reserves: Increased from 34 million ounces to 73 million ounces, representing a net addition of 40 million ounces. At an average acquisition price of $1,800 per ounce, this translates into an approximate investment of $72 billion. This strategy has been the primary driver behind the rise in gold prices in recent year and aligns with the PBoC's broader strategy of reducing support for the U.S. debt market, and consequently, for the USD as a reserve currency. However, this shift towards gold has limited room for expansion, as no central bank should concentrate excessive amounts of an illiquid asset. Instead, reserves should be allocated primarily to the most liquid and stable debt assets in the world—which, historically, has been U.S. Treasuries. Deviating from this orthodoxy puts reserves at risk, as well as the central bank's ability to respond to reserve holders.

Within the four-quadrants framework, the scenario projected is still favorable: The best scenario for gold would be one where inflation is combined with recession ('Inflationary Bust' or 'stagflation'). The scenario we are projecting places us in a quadrant where some inflation is combined with a mildly favourable cycle ('Inflationary Boom'). Such a scenario, while not the best, is still favourable for gold, although in this scenario gold should not outperform equities. The price of gold is also determined by other factors, such as the PBOC, in their decision to displace the USD in their strategic reserves, a factor currently favourable to gold.

A gold bull market usually feeds on its own momentum for quite a while.

Negative drivers for gold

Gold has just lost one of the drivers that made it the best antifragile asset: a lower relative supply. Gold, like US Treasuries, is an anti-fragile asset. Investors must choose which to hold for market instability protection, depending on which is expected to perform better in disruptions. This hinges on their relative supply—the scarcer asset will outperform. While QT persisted, with the Fed selling USTs, gold outperformed. However, with the Fed now slowing QT and reducing UST supply, Treasuries could reclaim their role. By 2026-2027, with the Fed needing to offload more bonds, gold may regain dominance. Once QT ends (possibly 2028), UST supply will be limited again, favoring Treasuries as the safe-haven asset, relegating gold to underperformance.

Gold in real terms: Given the global deflator (now at 1.26477), the price of gold in real terms (calculated as the current nominal price divided by the US Implicit Price Deflator-Domestic as a proxy for the global deflator) is US$2,300. In real terms gold continues to trade well above its 20-year average of US$1,324oz. For the gold price to stay near its historical average in real terms, the nominal price must remain near US$1,674.

Gold in terms of silver: The Gold/Silver ratio rose to 91.65, still above its 20-year average of 69.24x, suggesting that gold is expensive relative to silver (or silver is cheap relative to gold). For this ratio to reach its long-term average, assuming that silver is better priced than gold (which is highly probable), then the gold price should go to US$2,197oz.

Gold in terms of palladium: The Gold/Palladium ratio increased to 2.89x, above its 20-year average of 1.63x. This implies that gold is currently expensive compared to palladium. To bring this ratio to its long-term average, assuming that palladium is well valued, then the price of gold should reach $1,620 per ounce.

Gold to oil ratio: This ratio is at 42.49x, still well above its 20-year average of 20.57x. Considering our mid-term outlook for WTI oil at US$72.5 (right in the middle of our new range of $65-80 for oil) and assuming that the utility function of both commodities will remain unchanged, the price of gold must approach US$1,491 for this ratio to remain near its LT average.

The massive negative returns in bonds have disappeared: During the 2010-2017 and 2020-2022 periods, gold's disadvantage against fixed income instruments (gold does not offer a coupon) was neutralised by nominal negative yields in a large number of global bonds, leading to strong arguments for the purchase of gold. But this is no longer the case, with most bonds in the USD universe offering positive returns, making them attractive against gold, which again suffers from the disadvantage of not offering a coupon or yield.

About the four threats that could end the gold rally. The 1976-80 rally of gold ended when US short rates were jacked up to break inflation, causing the USD to rise. The 1985-88 gold rally ended when Germany pulled out of the Plaza Accord deal and US rates started to push up rates (prompting a rise in the US Dollar). In the 2001-11 period (which saw gold prices skyrocket from $300 to $1,800/oz), President George W. Bush's "guns & butter" policies spurred a rise in EMs, which became new gold buyers. This ended in 2011, when the USD started to strengthen. Therefore, the only threats to the gold bull market seem to be: 1) Higher nominal rates; 2) A rise in real rates; 3) A stronger USD; and 4) A loss of momentum from EM buyers. How real is each of these risks for bringing an abrupt end to the gold rally? Looking at this history and knowing that a gold bull market usually feeds on its own momentum for quite a while and only ends when facing higher nominal rates or a stronger USD or a rise in real rates, it seems reasonable to sound a mild alarm that **a downward turn in gold could be close**.

Risk #1. Higher nominal rates (MEDIUM RISK): High nominal rates are now a reality, and positive rates are going to stick around for a while.

Risk #2. A stronger USD (MEDIUM RISK). The US current account (CA) balance has continued to gradually improve. This leads to a relative shortage of dollars and consequently a potential rise in its price. Our outlook is for the US current account balance to continue improving towards a historical average level of -3% of GDP. This should keep the USD well supported and stable

Risk #3. A rise in real rates (LOW RISK): Even if nominal rates rise, the only way to experience a surge in real rates would be through the inflation rate collapsing. Such a deflationary outcome could be triggered by a permanent collapse in the price of energy or a collapse in real estate. There are few signs of such shocks unfolding right now. With this in mind, it seems that a surge in real rates is not an immediate threat.

Risk #4. Momentum – (LOW RISK) Gold bull markets usually feed on their own momentum for quite a while, and gold has gained some self-reinforcing momentum. A constructive view could be that perhaps the emerging world could recreate a gold-prone cycle such as the one seen in 2001-2011. In that period, it was the new wealth being created in EMs (as happens today), with a strong affinity for gold, that pushed gold prices higher. If EMs thrive again, led by Asia, this could be a tailwind for gold.

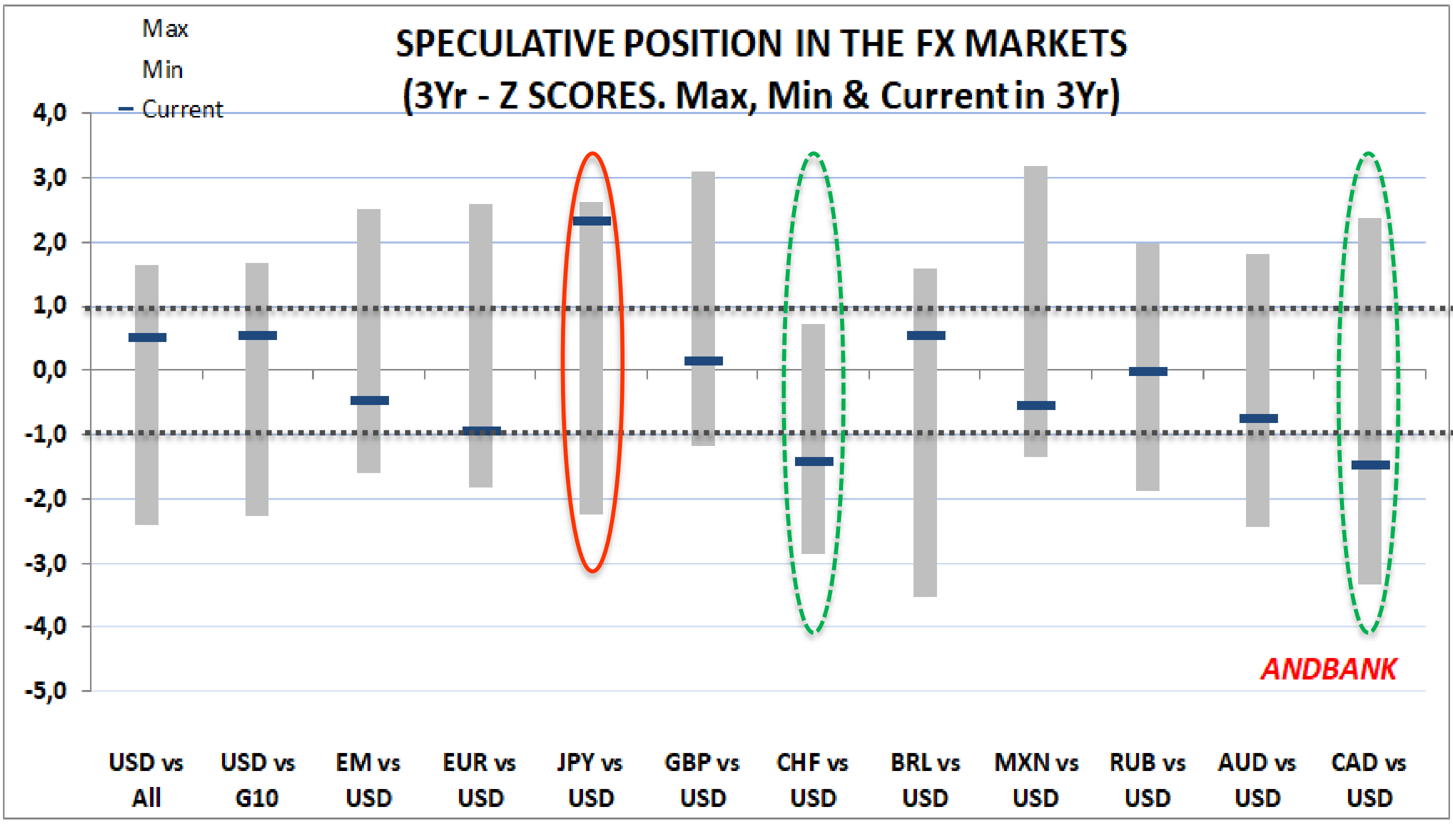
EXCHANGE RATES

Flow analysis & Short-term view

Currency	Mkt Value of Net positions in the currency (Bn $)	Change vs last month (Bn $)	3-yr Max (Bn $)	3-yr Min (Bn $)	3-yr Avg (Bn $)	Current Z-score 3-yr
USD vs All	15,32	-19,01	35,2	-28,2	4,8	**0,52**
USD vs G10	16,06	-17,74	34,8	-25,4	5,8	**0,54**
EM	0,74	1,27	3,9	-0,8	1,4	**-0,45**
EUR	-3,34	5,34	23,4	-9,9	6,5	**-0,93**
JPY	8,05	8,13	8,1	-15,0	-6,1	**2,34**
GBP	0,35	2,04	8,9	-6,5	-0,2	**0,16**
CHF	-5,52	0,42	0,2	-6,0	-3,1	**-1,39**
BRL	0,04	0,70	0,7	-1,0	-0,2	**0,56**
MXN	0,70	0,58	3,3	-0,5	1,2	**-0,54**
RUB	0,00	0,00	1,2	-0,3	0,3	**0,00**
AUD	-2,89	1,60	6,1	-5,2	-0,5	**-0,74**
CAD	-9,64	0,62	6,1	-13,2	-2,0	**-1,45**

ANDBANK

Positive
Neutral-Positive
Neutral-Negative
Negative



Positive
Neutral-Positive
Neutral-Negative
Negative

The currencies we technically favour are circled in green

ANDBANK
Private Bankers

SUMMARY TABLE OF EXPECTED RETURNS

Asset Class	*Indices*	Performance Last 30 days	Performance YTD	Current Price	Andbank's Target Price Year End	Expected Performance (to Target Price)
Equity	USA - S&P 500	-3,2%	-1,8%	5.802	**6.537**	12,7%
	Europe - Stoxx Europe 600	4,3%	10,5%	558	**566**	1,5%
	SPAIN - IBEX 35	8,7%	15,0%	13.265	**12.351**	-6,9%
	MEXICO - MXSE IPC	2,4%	7,4%	52.457	**62.933**	20,0%
	BRAZIL - BOVESPA	-2,5%	2,1%	122.799	**132.000**	7,5%
	JAPAN TOPIX	-0,1%	-2,4%	2.718	**2.962**	9,0%
	China SSE Comp. A share	2,8%	-1,9%	3.503	**3.163**	-9,7%
	CHINA - SHENZEN COMPOSITE	7,5%	2,3%	2.054	**1.989**	-3,2%
	INDIA - SENSEX	-4,5%	-5,8%	73.730	**89.144**	20,9%
	VIETNAM - VN Index	4,1%	2,6%	1.305	**1.517**	16,3%
	MSCI EM ASIA (in USD)	2,4%	0,4%	601	**692**	15,1%
Fixed Income Core countries	US Treasury 10 year Govie	2,9%	3,2%	4,23	**4,75**	0,0%
	UK 10 year Gilt	-1,2%	0,2%	4,68	**4,50**	6,1%
	German 10 year BUND	-2,8%	-2,8%	2,76	**2,40**	5,6%
	Japanese 10 year Govie	-1,5%	-2,6%	1,44	**1,25**	3,0%
Fixed Income Peripheral	Spain - 10yr Gov bond	-2,8%	-2,5%	3,43	**3,15**	5,7%
	Italy - 10yr Gov bond	-2,4%	-2,0%	3,84	**3,65**	5,4%
	Portugal - 10yr Gov bond	-2,8%	-3,0%	3,27	**2,90**	6,2%
	Ireland - 10yr Gov bond	-2,8%	-2,8%	3,02	**2,80**	4,8%
	Greece - 10yr Gov bond	-2,5%	-2,1%	3,53	**3,40**	4,6%
Fixed Income Credit	Credit EUR IG-Itraxx Europe	0,3%	0,7%	53,52	**65**	2,7%
	Credit EUR HY-Itraxx Xover	0,5%	1,6%	289,68	**360**	3,3%
	Credit USD IG - CDX IG	0,4%	0,9%	49,79	**75**	4,0%
	Credit USD HY - CDX HY	0,6%	1,3%	294,57	**450**	2,6%
Fixed Income EM Europe (Loc)	Turkey - 10yr Gov bond (local)	2,7%	18,1%	25,83	**26,83**	17,8%
	Russia - 10yr Gov bond (local)	1,2%	2,7%	15,11	**25,00**	-64,0%
Fixed Income Asia (Local curncy)	China - 10yr Gov bond (local)	-0,8%	-0,1%	1,74	**1,25**	5,7%
	India - 10yr Gov bond (local)	0,2%	1,7%	6,71	**6,25**	10,4%
	Singapore - 10yr Gov bond (loca	1,7%	2,2%	2,69	**2,50**	4,2%
	Indonesia - 10yr Gov bond (local	2,2%	2,5%	6,84	**5,75**	15,6%
	South Korea - 10yr Gov bond (lo	0,8%	1,1%	2,66	**2,75**	2,0%
	Taiwan - 10yr Gov bond (local)	-0,2%	0,5%	1,59	**2,50**	-5,7%
	Philippines - 10yr Gov bond (loca	0,5%	0,9%	6,10	**5,00**	14,9%
	Malaysia - 10yr Gov bond (local)	0,7%	1,1%	3,76	**3,00**	9,9%
	Thailand - 10yr Gov bond (local)	1,3%	0,9%	2,17	**1,75**	5,5%
	Vietnam - 10yr Gov bond (local)	0,2%	0,5%	3,02	**4,00**	-4,8%
Fixed Income Latam	Mexico - 10yr Govie (Loc)	3,9%	8,9%	9,57	**10,50**	2,1%
	Mexico - 10yr Govie (USD)	4,3%	4,1%	6,26	**6,75**	2,3%
	Brazil - 10yr Govie (Loc)	-3,3%	1,1%	15,32	**14,75**	19,9%
	Brazil - 10yr Govie (USD)	2,3%	5,0%	6,56	**7,75**	-2,9%
Commodities	Oil (WTI)	-8,5%	-7,0%	66,1	**70,00**	5,9%
	GOLD	1,9%	10,8%	2.919,0	**2.400**	-17,8%
Fx	EURUSD (price of 1 EUR)	3,9%	3,3%	1,07	**1,05**	-2,3%
	GBPUSD (price of 1 GBP)	3,3%	2,5%	1,29	**1,29**	0,2%
	EURGBP (price of 1 EUR)	0,6%	0,8%	0,84	**0,81**	-2,5%
	USDCHF (price of 1 USD)	-2,4%	-1,7%	0,89	**0,87**	-2,1%
	EURCHF (price of 1 EUR)	1,4%	1,5%	0,95	**0,91**	-4,3%
	USDJPY (price of 1 USD)	-4,0%	-5,3%	148,51	**158,0**	6,4%
	EURJPY (price of 1 EUR)	-0,3%	-2,2%	159,64	**165,9**	3,9%
	USDMXN (price of 1 USD)	0,5%	-1,0%	20,42	**21,00**	2,8%
	EURMXN (price of 1 EUR)	4,1%	2,3%	21,95	**22,05**	0,5%
	USDBRL (price of 1 USD)	1,4%	-4,7%	5,89	**5,80**	-1,4%
	EURBRL (price of 1 EUR)	5,3%	-1,6%	6,33	**6,09**	-3,7%
	USDARS (price of 1 USD)	1,0%	3,2%	1.063,25	**1.000**	-5,9%
	USDINR (price of 1 USD)	-0,1%	1,7%	86,89	**86**	-1,0%
	CNY (price of 1 USD)	0,0%	-0,7%	7,25	**7,50**	3,4%

** For Fixed Income instruments, the expected performance refers to a 12 month period*

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