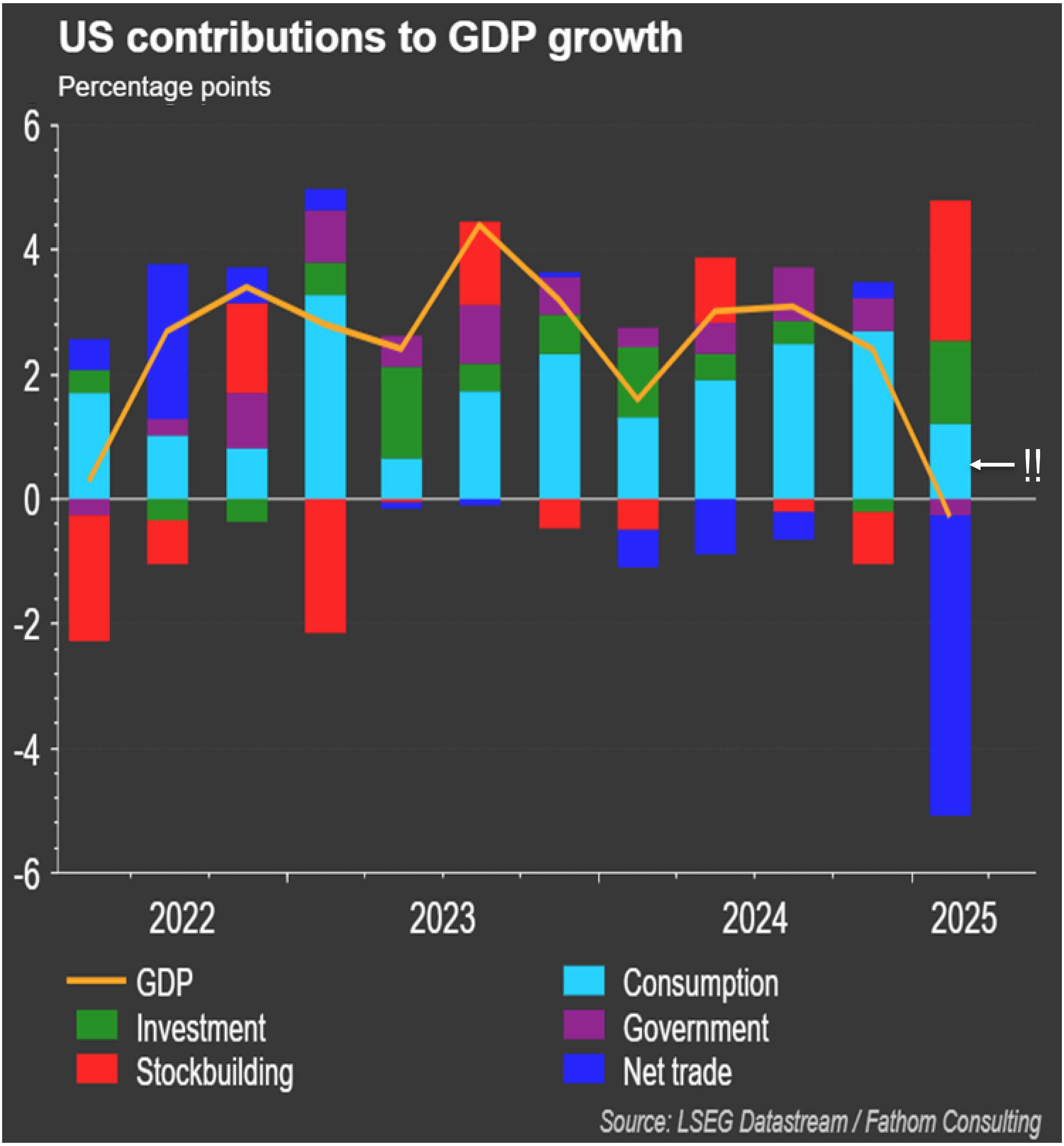
ECONOMY & FINANCIAL MARKETS

ANDBANK Private Bankers

Andbank Monthly Corporate Review – May 2025

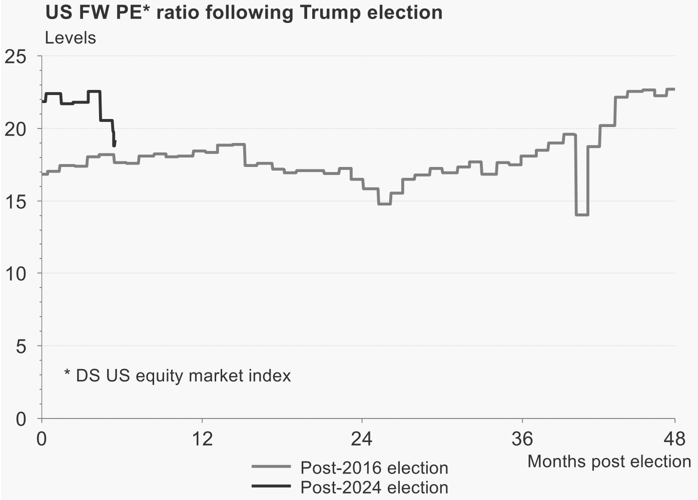


EXECUTIVE SUMMARY

CHARTS OF THE MONTH

This time, Trump is different

US FW PE* ratio following Trump election



Source: LSEG Datastream / ANDBANK

EQUITIES

Index	INDEX CURRENT PRICE	Andbank's Target Price (year end 2025)	Expected performance to target Price	Recommended Strategy
USA S&P 500	5.687	6.537	15,0%	OW
Europe - Stoxx Europe 600	536	582	8,5%	MW
Spain IBEX 35	13.465	13.200	-2,0%	UW
Mexico IPC GRAL	55.812	62.400	11,8%	OW
Brazil BOVESPA	135.134	140.250	3,8%	UW
Japan TOPIX	2.688	2.790	3,8%	OW
China SSE Comp. A share	3.436	3.163	-8,0%	UW
China Shenzhen Comp	1.916	1.989	3,8%	UW
India SENSEX	80.797	83.600	3,5%	OW
MSCI EM ASIA	620	692	11,7%	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	-0,6%	3,7%	4,31	**4,75**	0,8%
UK 10 year Gilt	1,5%	2,2%	4,48	**4,75**	2,3%
German 10 year BUND	0,9%	-0,4%	2,51	**3,10**	-2,2%
Japanese 10 year Govie	-1,1%	-1,0%	1,26	**1,50**	-0,7%
Spain - 10yr Gov bond	1,7%	0,2%	3,16	**3,85**	-2,4%
Italy - 10yr Gov bond	2,4%	0,6%	3,59	**4,35**	-2,5%
Portugal - 10yr Gov bond	1,7%	-0,7%	3,04	**3,60**	-1,4%
Ireland - 10yr Gov bond	1,5%	-0,9%	2,84	**3,50**	-2,4%
Greece - 10yr Gov bond	1,1%	-0,2%	3,32	**4,10**	-2,9%
Credit EUR IG-Itraxx Europe	0,7%	1,7%	64,75	**65**	2,8%
Credit EUR HY-Itraxx Xover	2,7%	4,5%	333,18	**350**	5,0%
Credit USD IG - CDX IG	0,7%	2,1%	64,40	**75**	4,8%
Credit USD HY - CDX HY	2,6%	5,0%	392,67	**450**	6,6%

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)	-9,8%	-29,9%	32,00	**30,00**	48,0%
Russia - 10yr Gov bond (local)	1,2%	5,2%	15,11	**25,00**	-64,0%
China - 10yr Gov bond (local)	0,5%	0,9%	1,62	**1,25**	4,6%
India - 10yr Gov bond (local)	1,8%	5,8%	6,32	**5,75**	10,9%
Singapore - 10yr Gov bond (loc	0,1%	4,0%	2,46	**2,25**	4,2%
Indonesia - 10yr Gov bond (loc	1,4%	3,5%	6,84	**5,75**	15,5%
South Korea - 10yr Gov bond (	0,5%	3,5%	2,48	**2,75**	0,3%
Taiwan - 10yr Gov bond (local)	0,1%	1,5%	1,50	**2,50**	-6,5%
Philippines - 10yr Gov bond (loc	-1,6%	0,6%	6,26	**5,00**	16,3%
Malaysia - 10yr Gov bond (loca	0,1%	2,5%	3,66	**3,00**	9,0%
Thailand - 10yr Gov bond (loca	0,2%	2,2%	2,05	**1,75**	4,5%
Vietnam - 10yr Gov bond (local	-0,5%	0,3%	3,11	**3,00**	4,0%
Mexico - 10yr Govie (Loc)	-0,2%	12,0%	9,37	**10,00**	4,3%
Mexico - 10yr Govie (USD)	-0,4%	3,6%	6,52	**6,75**	4,7%
Brazil - 10yr Govie (Loc)	7,0%	13,7%	14,05	**14,75**	8,5%
Brazil - 10yr Govie (USD)	0,6%	5,6%	6,68	**7,50**	0,2%

COMMODITIES & FX

Indices	Performance Last 30 days	Performance YTD	Current Price	Andbank's Target Price Year End	Expected Performance (to Target Price)
Oil (WTI)	-5,7%	-20,2%	57,4	**65,00**	13,3%
GOLD	11,0%	24,1%	3.312,7	**2.400**	-27,6%
EURUSD (price of 1 EUR)	4,0%	9,6%	1,13	**1,05**	-7,4%
GBPUSD (price of 1 GBP)	4,6%	6,4%	1,33	**1,29**	-3,1%
EURGBP (price of 1 EUR)	-0,5%	3,0%	0,85	**0,81**	-4,4%
USDCHF (price of 1 USD)	-4,3%	-9,3%	0,82	**0,87**	5,7%
EURCHF (price of 1 EUR)	-0,5%	-0,6%	0,93	**0,91**	-2,2%
USDJPY (price of 1 USD)	-2,6%	-8,4%	143,95	**150,0**	4,2%
EURJPY (price of 1 EUR)	1,3%	0,3%	163,31	**157,5**	-3,6%
USDMXN (price of 1 USD)	-5,3%	-5,9%	19,59	**21,00**	7,2%
EURMXN (price of 1 EUR)	-1,4%	3,2%	22,22	**22,05**	-0,8%
USDBRL (price of 1 USD)	-4,3%	-8,4%	5,66	**5,80**	2,5%
EURBRL (price of 1 EUR)	-0,5%	0,2%	6,42	**6,09**	-5,1%
USDARS (price of 1 USD)	8,9%	13,6%	1.171	**1.000**	-14,6%
USDINR (price of 1 USD)	-1,8%	-1,5%	84,28	**86**	2,0%
CNY (price of 1 USD)	-0,5%	-0,4%	7,27	**7,50**	3,2%

USA

Events so far in 2025 have seriously shaken the belief in American exceptionalism

April defied expectations and proved less punishing than feared.

Despite being one of the most eventful and volatile months, marked by intense turbulence and geopolitical uncertainty, US equity markets closed the month virtually flat. This encapsulates the bipolar nature of the current market environment. On one side, risks abound: the US dollar is still down substantially, and the radical policy shifts of the first three months of his administration look to have lasting effects. But also the prospect of arbitrary asset freezes, diminished faith in the primacy of US tech giants, the US retreat from global engagement, the threat of punitive tariffs, the prospect of more fiscal expansion outside the US, and concerns about the Federal Reserve's independence are all combining to undermine the attractiveness of US assets, prompting a growing number of investors to reduce their exposure and seek opportunities elsewhere. On the other side lies the potential for a sharp sentiment reversal. Should Trump choose to temper his protectionist stance and ease trade tensions, optimism could return rapidly—reviving risk appetite and lifting US markets. This dichotomy—between risk aversion and renewed hope—leaves investors in a state of suspended judgment. It is, in essence, a coin toss. In such an environment, prudence is not just advisable; it is essential.

Events so far in 2025 have seriously shaken the belief in American exceptionalism

The American market has been exceptional for decades. The US dollar has held uncontested dominance—both as the world's settlement currency and as the reserve currency of choice for central banks. US Treasuries have been the cornerstone of global reserves. And the American equity market has uniquely offered a platform for companies capable of defending monopoly-like margins. But in 2025, a tectonic shift has shaken confidence in American exceptionalism: On January 26, Trump threatened to freeze US assets held by the Colombian government amid a dispute over deportations. The threat of asset seizures has suddenly become very real. On January 27, DeepSeek went viral—challenging the once-untouchable dominance of US AI giants and exposing cracks in their defensive moats. On February 28, Trump and J.D. Vance turned their backs on Zelensky, sending a clear signal: the US might be ready to abandon its global security umbrella and retreat into a "Fort Monroe" posture. On March 4, Germany aligned with China under a new doctrine of fiscal expansion, boosting the short-term appeal of risk assets in those regions—and drawing attention away from US markets. On April 2, Trump launched a trade war not against tariffs themselves, but against the very concept of the US trade deficit—seeking to rebalance every bilateral account, country by country, no matter the cost. On April 17, Trump threatened to fire the Chairman of the Federal Reserve—putting the Fed's independence squarely in question. The pillars of US financial dominance are no longer untouchable

Current Drivers for the US Equities.

President Trump (Negative): Trump remains a major source of market risk. Nobody knows whether a turning point may have occurred with the announcement of a 90-day pause on most new tariffs and reduced duties in the Tech sector.

GDP (Negative): The recent release of the first-quarter 2025 GDP data in the United States has set off alarm bells in the markets. After solid growth of 2.4% in the fourth quarter of 2024, the US economy has recorded an annualized contraction of 0.3% in the first three months of the year. This is the first drop in GDP in three years; a rather sharp turnaround in a suspiciously short period of time. The radical policy shifts of this administration look to have lasting effects.

Corporate Earnings (Positive): Microsoft reported better-than-expected revenue of $70 billion and a profit of $25.8 billion (+18% YoY) thanks to cloud services and AI. Meta reported revenue of $42 billion (+16% YoY) and a profit of $16.64 billion (+35% YoY) due to advertising price increases. It announced a ~$70 billion investment in infrastructure. Apple reported revenue of $95.4 billion (+5% YoY) and a profit of $24.8 billion, driven by iCloud and the App Store. It also announced a $100 million share buyback. Amazon reported revenue of $155 billion (+9% YoY) and a profit of $14 billion (+64% YoY), driven by AWS and advertising. Alphabet reported sales of $90.2bn (+12%) and a profit of $34.5bn (+46% yoy) powered by Google Cloud and YouTube advertising.

Market outlook – Recommendations & Targets from fundamental analysis

Equities: S&P MARKETWEIGHT

Bonds: Govies MARKETWEIGHT. 10Y UST Target 4.75%

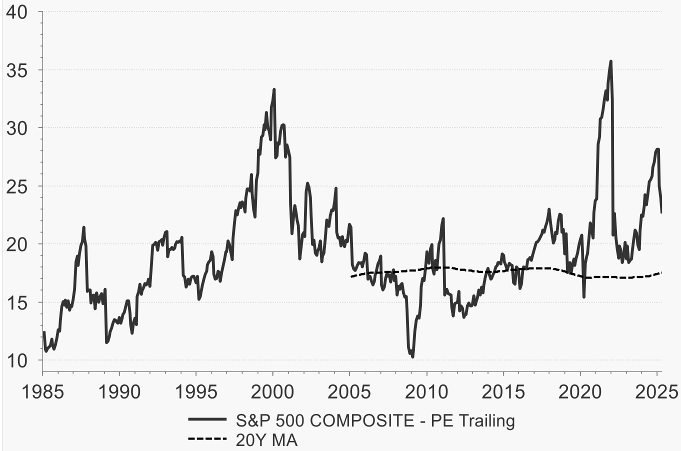
Credit – CDX (IG): MARKETWEIGHT (Target Spread 75)

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

Forex: DXY index MARKETWEIGHT-OVERWEIGHT

US price-to-earning ratio

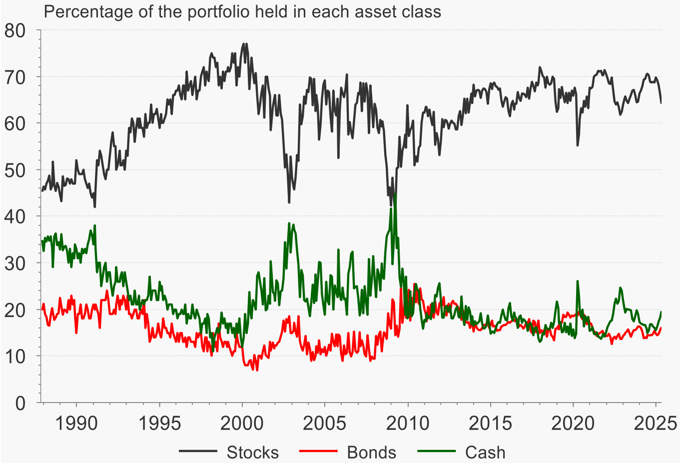
S&P 500



Source: LSEG Datastream / ANDBANK

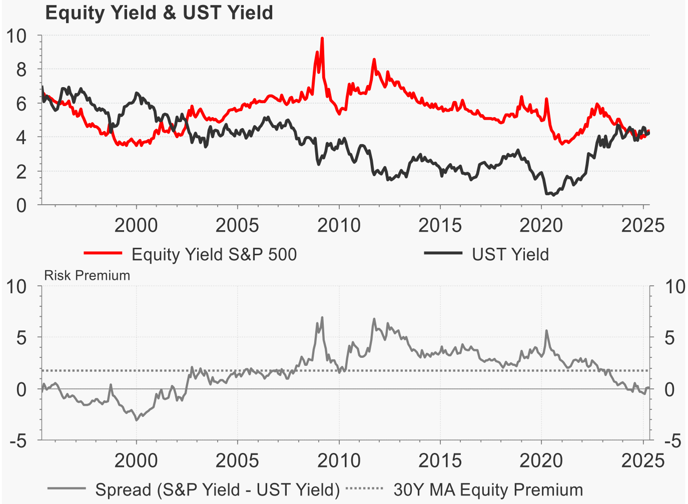
Asset Allocation - US investors

Percentage of the portfolio held in each asset class



Source: LSEG Datastream / ANDBANK

Equity Yield & UST Yield



Source: LSEG Datastream / ANDBANK

EUROPE

The European market facing tariff tensions: internal resilience in the face of global uncertainty

European retaliation to U.S. tariffs has so far been limited, but significant challenges remain. President Trump has targeted the strong European pharmaceutical sector, while President von der Leyen has not ruled out imposing tariffs on U.S. service imports. The current 90-day suspension offers a window for negotiation, though, as President Macron noted, this opportunity remains fragile. Tariffs of 25% on steel, aluminum, and automobiles, and 10% on other goods, continue to apply, adding to the climate of uncertainty. While the energy issue is not new, American LNG—often bought in bulk—could still play a pivotal role in shaping a potential agreement.

Macro

Bullish factors: 1) The region's internal market—home to 450 million consumers—remains a key pillar. Unemployment is at historic lows, and the savings rate stands at a robust 15%, well above the pre-COVID average. 2) While euro area sentiment has taken a modest hit, future expectations largely depend on the scope and scale of tariffs, as well as any retaliatory measures that may follow. 3) The disinflationary trend continues, supported by slowing wage growth and declining energy prices..

Bearish factors: 1) An increase in U.S. tariffs—impacting exports equivalent to 3% of German GDP, particularly in the auto sector—could weigh heavily on European growth. 2) Despite favorable conditions—including rising real incomes, strong employment, high savings rates, and consumer sentiment—household consumption is recovering only gradually.

Politics

Bullish factor: 1) Friedrich Merz is expected to be elected German Chancellor in early May, with a significant easing of fiscal policy anticipated. Although the scope and timing remain unclear, the shift is expected to boost business confidence and investment. 2) There is growing political momentum within the EU to raise national defence spending by 1.5% of GDP (equivalent to €800 billion).

Bearish factors: 1) There is significant uncertainty surrounding former President Trump's intentions, particularly regarding the future of U.S.-EU relations and America's commitment to NATO. 2) The EU faces a pressing internal agenda, starting with the need to reduce regulatory burdens—an issue that, according to Draghi, poses a greater challenge to European competitiveness than tariffs. 3) Growing warnings about the risk of war could prompt households and investors to prioritize savings and safe-haven assets over productive capital investment, potentially stalling economic momentum.

Govies

Bullish factors: 1) There remains some room for additional monetary easing, particularly as fiscal stimulus is unlikely to take immediate effect. With growth risks rising and inflation potentially staying elevated, the terminal deposit rate is currently estimated around 2%. 2) German bunds have recently decoupled from U.S. Treasuries, reaffirming their role as a key safe haven. A return to convergence is likely once market conditions stabilize.

Bearish factors: 1) The ECB's policy approach may soon shift from pursuing "meaningfully less restrictive rates" to targeting levels closer to neutral—estimated between 1.75% and 2.25%—which would imply reduced scope for further rate cuts. 2) A notable increase in bond supply is expected, driven by Germany's fiscal expansion and rising defence spending across the EU

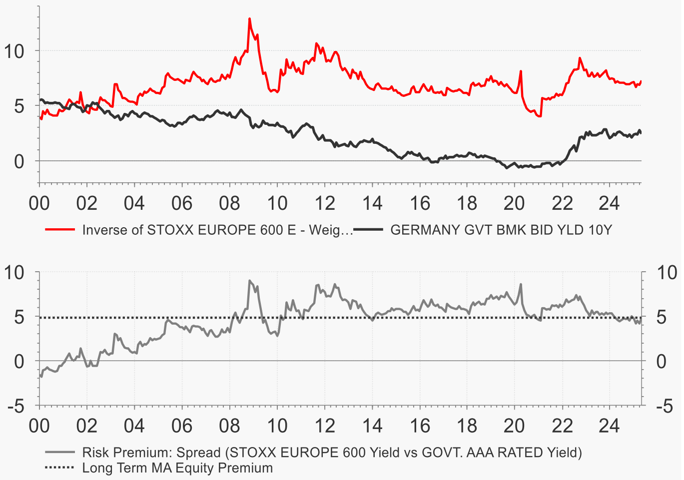
Credit

Bullish factors: 1) Recent spread widening provides room for capital gains, assuming a recession is avoided. 2) Overall credit fundamentals remain solid, despite a slight deterioration. 3) Default rates remain at historically low levels, supporting confidence in credit markets.

Bearish factors: 1) Heightened trade tensions weigh on tariff-sensitive sectors (e.g., autos, pharma) and key export-driven economies like Germany. 2) Rising concerns over a potential U.S. recession are casting a shadow over global market sentiment. 3) Default rates in the high-yield segment have begun to tick up, signaling some early-stage stress.

Spread targets and positioning: Investment Grade: 65 bps. High Yield: 360-375 bps. Given these levels, we would recommend overweighting defensive sectors and banks to navigate the current market environment.

Equity Yield (Europe) vs Risk Free Yield10Y



Source: LSEG Datastream / ANDBANK

Euro area price-to-earnings

Europe Stoxx 600

Source: LSEG Datastream / ANDBANK

Equity Market Summary: As the quarter came to a close, the outlook for European equities was broadly positive, supported by fiscal stimulus and growing hopes for a peace agreement in Ukraine. However, that optimistic scenario has quickly faded. Markets are now increasingly pricing in uncertainty stemming from escalating tariff tensions. Traditional safe-haven sectors have also failed to provide the expected protection. Valuations for European equities remain undemanding, which could help cushion the downside from recent geopolitical and trade-related shocks. So far, there have been no major changes to fundamental earnings estimates.

Market outlook – Recommendations & Targets

Equities – Stoxx Europe: MARKETWEIGHT

Bonds – Core governments: MW-UW (Bund target 3.00%-3.25%)

Peripheral UW: IT 4.35%, SP 3.85%, PT 3.60%, IE 3.50%, GR 4.10%.

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

Credit – Itraxx Europe (HY): MARKETWEIGHT (Target Spr. 350 bps)

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

SPAIN

Resilient Growth Amid Global Headwinds

Macroeconomic Performance and Outlook

The International Monetary Fund (IMF) has recently revised its GDP forecast for Spain in 2025 upwards, projecting a growth rate of 2.5%. This revision signals a degree of optimism regarding Spain's economic trajectory. However, the IMF remains cautious, warning of increased downside risks stemming from ongoing global trade tensions and political instability.

Looking ahead, the IMF anticipates a modest deceleration in growth, forecasting a 1.8% increase in GDP for 2026, with a stabilization around 1.7% in subsequent years. These projections are broadly in line with the Spanish government's own forecast of 2.6%. Meanwhile, the Bank of Spain's slightly more optimistic estimate of 2.7% is expected to be revised downward in light of escalating tariff conflicts. On the employment front, the IMF projects a medium-term unemployment rate of approximately 11%. Inflation—both headline and core—is expected to continue its downward trajectory, gradually converging toward the 2% target by year-end.

The Independent Authority for Fiscal Responsibility (AIREF) has also released its assessment of the initial public administration budgets for 2025. Despite heightened uncertainty, AIREF has maintained its GDP growth forecast for Spain at 2.5% for the year, choosing not to account for the potential impact of "Washington's offensive." However, its preliminary analysis suggests that if global tensions persist, they could reduce Spain's economic growth by up to 0.5 percentage points as early as 2025.

Recent data on the CPI paint a mixed picture. The headline increased by 0.1% compared to the previous month. However, the year-over-year rate dropped by 0.7 percentage points to 2.3%—the lowest level since last October—ending a five-month streak of annual increases.

Public debt across all Spanish administrations stood at €1.63 trillion in January, marking a 2.8% increase year-on-year and representing the second-highest level on record. This includes a notable €50.9 billion rise over the past year.

In terms of labor costs, the average monthly cost per worker—including wages and social security contributions—rose by 3.6% in 4Q24 compared to the same period in 2023, reaching €3,258.14. This is the highest fourth-quarter average since 2000 and continues a 16-quarter streak of increases, although the rate of growth was the lowest since 1Q21.

Spain's services sector continued its expansion in March, supported by growth in new orders. However, the pace of growth has moderated. The HCOB PMI index, a key gauge of commercial activity, reached 54.7 in February, signaling ongoing expansion, albeit at a slower rate.

Political News

Prime Minister Pedro Sánchez announced a significant increase in Spain's defense budget to reach 2% of GDP in 2025. This involves an additional investment of €10.47 billion. The plan aims to improve the armed forces' working conditions and equipment, create a "digital shield" against cyberattacks, and acquire new defense and deterrence equipment. Sánchez also concluded an official visit to Vietnam, the first by a Spanish president. The visit aimed to deepen political relations and promote trade and investment.

Stock Market

In the equity markets, the Ibex 35 performed strongly in 1Q25 but has recently experienced a notable sell-off, in line with broader global trends. This correction appears to be driven by mounting concerns over a potential economic slowdown due to international uncertainties, rather than fundamental weaknesses in the Spanish economy. Banks—key drivers of the Ibex 35's earlier performance—have led the downturn, following a strong first quarter. With an expected 2025 EPS of 1,150, the index is currently trading at a P/E ratio of 10.86, reflecting a reversal of the earlier valuation expansion.

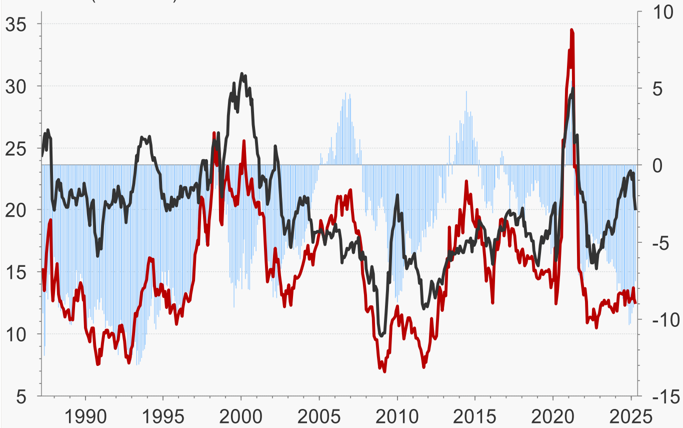
Market outlook – Recommendations & Targets from fundamental analysis

Equities – Spain's Ibex: UNDERWEIGHT

Bonds: Govies UNDERWEIGHT (10-year target yield 3.85%)

Spain price-to-earnings ratio

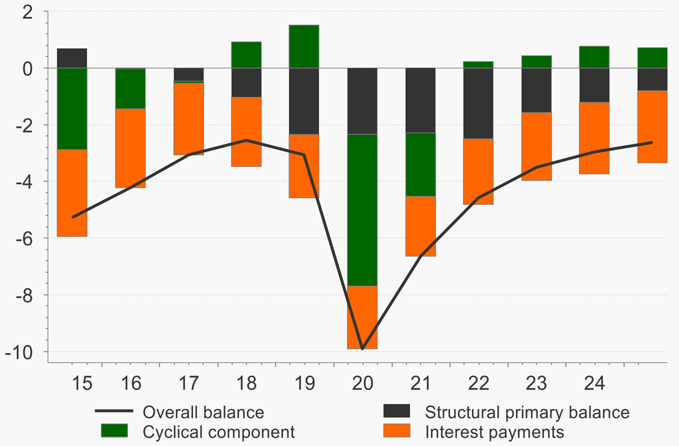
Ratio (both axes)



Source: LSEG Datastream / ANDBANK

Spain government budget balance breakdown

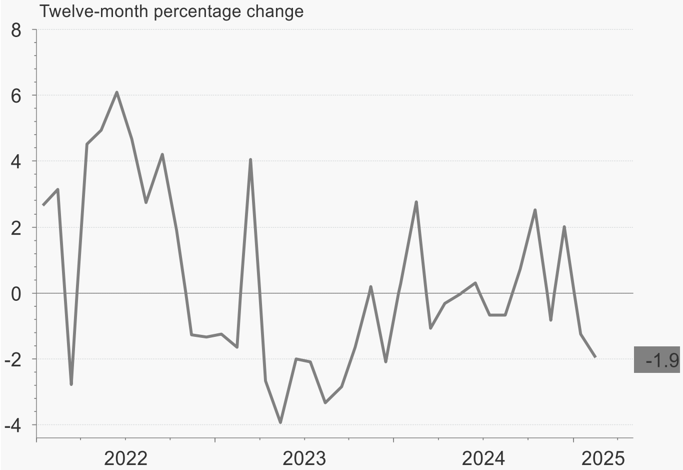
Total Government. Per cent of GDP



Source: LSEG DatastreamThomson Reuters Datastream / ANDBANK

Spain industrial production

Twelve-month percentage change



Source: LSEG Datastream / ANDBANK

CHINA

Domestic purchases of Chinese assets are being publicly encouraged to defend the market. The prospects for a sustained impact remain limited.

China GDP growth estimates revised down as Trump escalates tariffs.

President Trump's escalating tariff war against China is prompting fresh downgrades to GDP growth estimates. Goldman Sachs reduced 2025 GDP growth forecast to 4.0% from 4.5%, reflecting 2.2% drag from 125% tariffs. "Tariffs of 145% are increasingly prohibitive for US-bound Chinese exporters with limited capacity to absorb additional levies." Citi also lowered theirs to 4.2% from 4.7%, reflecting growth drag of at least 1.5%. UBS added to a series of China growth downgrades with the most pessimistic forecast, trimming to 3.4% from 4.0%. UBS economists now expect Chinese exports to US to drop by two-thirds in coming quarters and total overseas shipments may decline 10% in dollar terms this year. "Tariff shock presents unprecedented challenges to China's exports and will lead to major adjustments in its economy." As for the actions of the PBOC, Goldman now sees 60 bp of policy rate cuts (vs 40 bp previously) and Goldman also augmented its forecast for the fiscal deficit to 14.5% of GDP (from 13.8% previously). **Tariffs to impact millions of Chinese workers in fresh blow to the economy, says think tank.** France-based consultancy noted job openings plunging 30% y/y over the past two months. Further, an index of future hiring plans also fell to a six-month low. Companies want economic certainty before ramping up hiring.

The US temporary exemption of some electronic products from tariffs boosted some major names in China, although the scope will be smaller than expected.

Information about a temporary exemption of chips, phones and electronics from tariffs boosted several high-profile names such as Alibaba and Baidu. Nevertheless, tariff exemptions cover only a small slice of China's electronic supply chain. The South China Morning Post reported how many of China's smaller electronics firms will not be covered by the White House's exemptions announced over the weekend of April 12 and said the US has added further uncertainty by warning it could roll out new sectoral tariffs that would target the industry. One academic described the exemption list as 'so arbitrary'.

That said, Beijing did not miss the opportunity to send signals to Washington, with the ministry of commerce saying the US's decision to exempt certain high-tech products from tariffs was a small step by the US in correcting its 'erroneous unilateral approach' and urging the US to take a 'big stride' in completely abolishing the 'wrongful action' and "return to resolving differences through dialogue".

The foreign sector carried out exaggerated frontrunning in March, generating a false sense of prosperity.

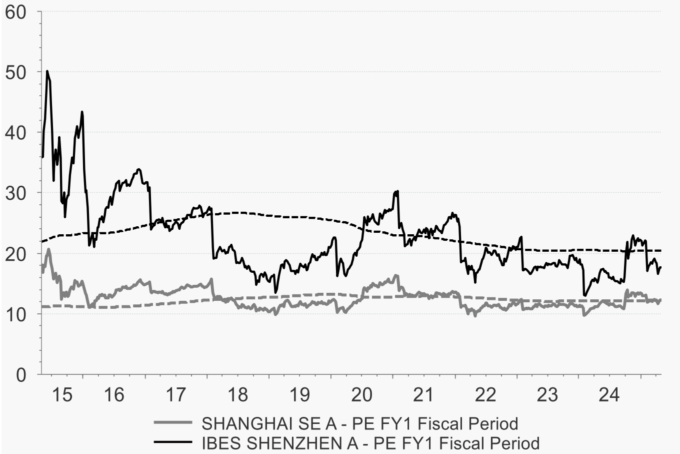
Sentiment was recently supported by better-than-expected trade and credit data although a considerable level of frontloading is more than likely in the former. China's exports rose 12.4% y/y in March, easily beating consensus on 4.6% growth and Jan-Feb's 2.3% growth, as factories rushed to ship as much product as possible before US tariffs set in. This growth in exports during March caused the trade balance to reach $102.6B in just one month (vs a consensus of $74.7B and $170.5B in the two-month Jan-Feb period). On the other hand, credits also front-ran in March, with new bank loans bouncing by more than expected. The PBOC reported new yuan bank loans reached CNY3.64T ($500B) last month versus expectations of around CNY3T. Household loans rose CNY985.3B versus a contraction of CNY389.1B in February. Total social financing rose to 8.4% in February, as an acceleration in government bond issuance helped support growth.

China retaliates by raising tariffs to 125% on all US goods and violently targets Hollywood

China will raise tariffs on US goods from 84% to 125% with effect from 12 April (Sat) and said it will ignore further tariff hikes from US on Chinese goods, given there is no longer any possibility of US goods exported to China under current tariff regime. China to also limit Hollywood movies as relations deteriorate, saying that it will moderately reduce the number of Hollywood films allowed into the country. The measure comes as a significant blow to western studios, with shares of Walt Disney Co, Paramount Global, and Warner Bros Discovery Inc all suffering an immediate decline. In 2024, the highest-grossing American film released in China was "Godzilla x Kong: The New Empire," which grossed

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

$132 million in that territory, compared to a worldwide total of $572 million. With a peak of 60 American films screened in China in 2018, the number has continued to decline since then, according to data from the Chinese ticket sales service.

State backers shield market from tariffs.

China-listed equity ETFs received almost $24B in net inflows last week, setting a new record. Most of the purchases came Monday and Tuesday, with some net outflow in the second half of the week. The bulk of purchases went into ETFs known to be favored by the country's 'national team' though a portion of buying could be linked to retail investors.

Xi calls on Vietnam to jointly oppose "unilateral bullying": President Xi Jinping called on Hanoi to jointly oppose "unilateral bullying" to maintain stability of global free trade and supply chains as he kicked off a tour of three Southeast Asian countries to strengthen ties between China and its neighbors. China and Vietnam signed a total of 45 agreements covering a wide array of issues

Market outlook – Recommendations & Targets

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

Bonds – Govies: UW-MW (10Y Yield target 1.25%)

Forex – CNY/USD: UNDERWEIGHT (Target 7.50)

JAPAN

Tokyo tightens its grip: new regulatory offensive in favor of shareholders

Reforms - Corporate governance: TSE to require companies to bolster IR

The TSE will add a rule as soon as summer requiring listed companies to have a system for improving investor relations, hoping to encourage dialogue and a focus on medium- to long-term share price increases. Though the planned rules will not specify detailed requirements, the exchange wants companies to have greater dialogue with investors, such as by holding regular information sessions and posting IR materials online.

Trade – PM Ishiba sets up task force for trade negotiations. Fx to be included in trade talks with the US

Prime Minister Shigeru Ishiba set up a task force to oversee trade negotiations with the US, headed by his close aide, Economy Minister Ryosei Akazawa, who local media said hopes to visit Washington next week. While government officials have revealed little about Tokyo's negotiating strategy with Washington, lawmakers have begun pressuring the government to take steps to cushion the potential economic blow from the US tariffs.

Finance Minister Katsunobu Kato acknowledged that trade negotiations with the US could include the yen. This follows growing market attention on the possibility that the US will pressure Japan to address yen weakness.

Stimulus – LDP senior executive calls for supplementary budget

LDP Secretary-General Moriyama on Sunday called for an FY25 supplementary budget, coming as the first signal from the executive committee. Added he does not want to resort to deficit bonds for funding and was skeptical about the efficacy of cash payouts current under debate, arguing that previous measures have ended up in household savings rather than spending. Follows a weekend Kyodo report that Prime Minister Ishiba would give the order as soon as this week to formulate a budget to provide tariff and cost of living relief.

US-Japan trade talks after Economy Minister Akazawa acknowledged FX would be discussed between US Treasury Secretary Bessent and Japan

LDP policy chair Itsunori Onodera, in an NHK TV program, called for a stronger yen to counteract cost of living pressures. Ahead of US-Japan trade talks this week, Onodera also said Japan should not intentionally sell its US Treasury holdings in retaliation against tariffs imposed by President Donald Trump.

Equities: US tariffs seen hitting Japan earnings by 6%-10%

Nikkei discussed market strategist estimates of the tariff impact on corporate earnings growth. Goldman Sachs revised down this year's earnings outlook for Asian equities, shaving 10% from Japan and Taiwan. Noted Japan is the most vulnerable, as tariffs combine with their assumed USD/JPY forecast revision to 145 from 155. Still, Japan, mainland China and Hong Kong equities retained their overweight rating. MUFG sees the upper limit of impacts at 8%. Okasan Securities estimated effects would equate to a 6.5% drag on profits among TSE Prime Market in FY25.

Corporate Developments: a bottom-up view

Mitsubishi freezes shipments to US dealerships: Mitsubishi's (7211.JP) North American unit announced the company has halted shipments of finished autos to US dealerships as it waits to see what comes next after the Trump administration imposed an additional 25% tariff on imported autos. Mitsubishi does not have any factories in the US and all cars en route are being held at US ports until tariff details and the next policy decision become known. US dealers are said to have ample inventory in the meantime.

Trump renews opposition to sale of US Steel to Nippon Steel: Trump ordered a new CFIUS review, adding that the purpose is to assist him "in determining whether further action may be appropriate" and whether the proposed deal is "sufficient to mitigate any national security risks".

Market outlook – Recommendations

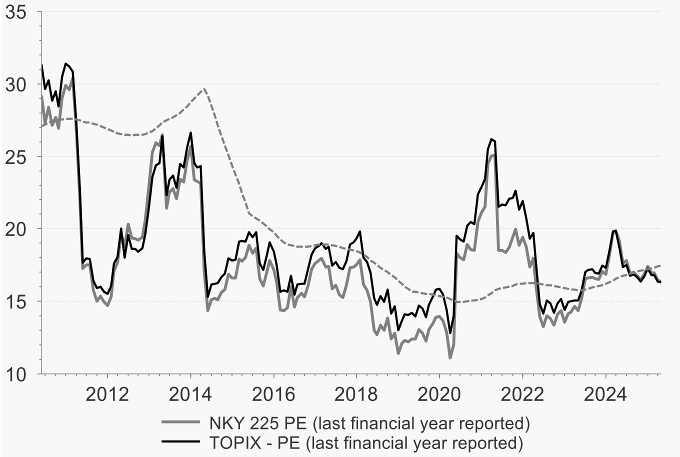
Equities – N225: OVERWEIGHT

Bonds – Govies: UNDERWEIGHT (Target yield 1.5%)

Forex – USD-JPY: UNDERWEIGHT (Mid-term target 150)

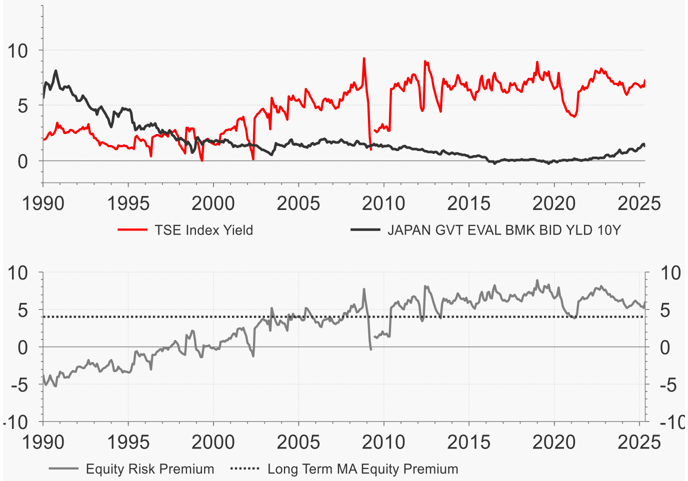
Japan Nikkei 225 price / earnings

Ratio



Source: LSEG Datastream / ANDBANK

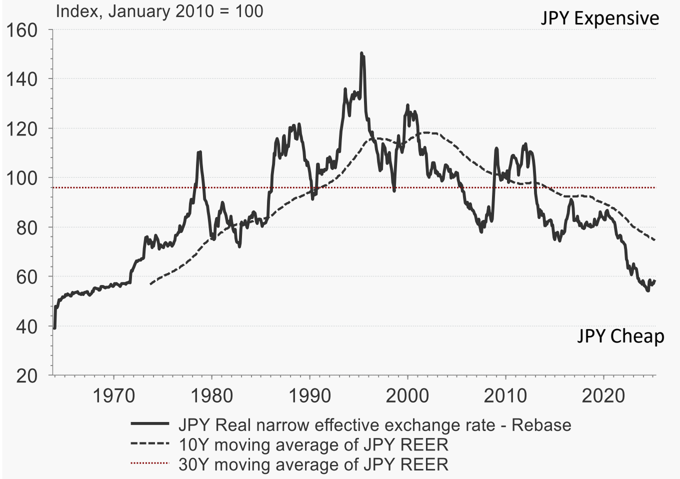
Equity Yield (Japan) vs Risk Free Yield10Y



Source: LSEG Datastream / ANDBANK

Japan real narrow EER

Index, January 2010 = 100



Source: LSEG Datastream / ANDBANK

INDIA

Tariffs have limited relevance for India, as 80% of its economic growth is driven by domestic demand

Indian markets remain a safer port in Trump tariff storm. A trade agreement between India and the US is likely to be sealed within 90 days

Equities: Fears about the trade war's impact on world markets have led global investors to refocus on Indian assets as a safer haven. Analysts have cited several indicators to support the claim: 1) The relatively lower bleeding suffered by the equities market indices is one of them. A gauge by MSCI Inc – which tracks indices across sectors and regions – shows India's stocks dipping less than 3 per cent since the April 2 tariff barrage, about half the decline witnessed by Asian peers. When Hong Kong's benchmark Hang Seng plunged 13 per cent and Japanese Nikkei declined 7.83 per cent on April 7, the Sensex tanked 2.95 per cent. Like China, India has the advantage of a big domestic economy that will, despite suffering from demand deficiency, preserve the growth momentum. However, unlike Beijing, which has declared war on Washington by jacking up levies to 125 per cent, India has extended an olive branch to the US. The buzz from New Delhi is that a provisional trade agreement between India and the US is likely to be sealed within 90 days.

Bonds: The Indian bond market, too, has defied the global trend of bond sell-offs. The benchmark 10-year yield fell by four basis points after the RBI lowered rates and adopted an accommodative stance. In contrast, the 10-year yield on US Treasuries, regarded as a safe haven, surged as much as 22 basis points after Donald Trump's sweeping tariffs took effect. As analysts predict further declines in Indian bond yields, borrowing costs are poised to fall, helping the country weather the global trade storm.

Tariffs are far less relevant for India. A slowdown in commodity prices represent a comparative advantage for India.

80% of growth in India is driven by domestic demand and within its export basket a large part is services exports which are not subject to tariffs. Pamela Coke-Hamilton, executive director of the International Trade Centre, a joint agency of the WTO, warned that global trade may shrink 3 per cent because of long-term shifts in trade patterns. But she hinted at "modest gains" for India.

A classic feature of the current environment is the growing concern about global growth and a collapse in commodity prices. That is why you see significant pressure on commodity exporting parts of EM and DM markets like Australia, Norway, S Africa, Brazil and Colombia. But this reinforces one of the diversification characteristics of India, as a huge commodity importer. Concerns about a widespread slowdown in global trade and, with it, commodity prices give counties like India a comparative advantage, especially when domestic dynamics remain robust.

Central Bank and other important factors remain favorable

Inflation is slowing which paves the way for interest rate cuts. The collapse in commodities benefits its trade balance and will support even lower inflation. Hence the Reserve Bank of India feels more comfortable moving to an accommodative stance and for ourselves, from previously expecting 50bps of cuts over the cycle, we will likely get at least 100, allowing yields to move into 5%+ territory from around 6.5% at present. All the other factors remain in place: Fiscal performance remains strong, foreign ownership even after inclusion is relatively low and there are still upcoming index inclusion stories later this year, specifically FTSE's EM index from September 2025, while inclusion into Bloomberg's EM index is underway.

India as a manufacturing alternative to China

This became clear recently after smartphones emerged as India's largest export commodity, overtaking traditional leaders such as petroleum products and diamonds. Led by Apple and Samsung, India's mobile phone exports have soared to a record high, crossing ₹200,000 crore (USD23bn) in financial year 2024-25. India's attempt to fast-track bilateral trade deals with the US, the UK and EU are likely to create more opportunities.

Market outlook – Recommendations & Targets

Equities – SENSEX: OVERWEIGHT (Target price 84,000)

Bonds – Govies: OVERWEIGHT (New target yield 5,75%)

Bonds – Corporates: OVERWEIGHT

Forex – INR/USD: NEUTRAL (Target 86)

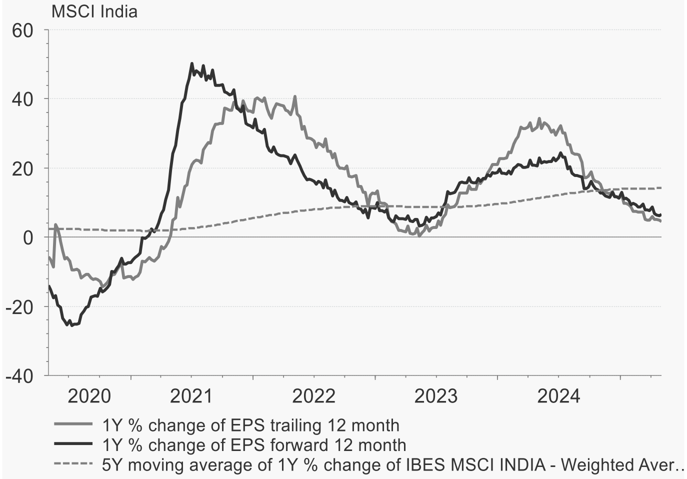
PE (ltm) - India
MSCI India

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

ANDBANK
Private Bankers

MACRO ECONOMY

ISRAEL

Budget Hurdle Cleared — Awaiting the Next Positive Catalyst (Saudi Arabia?)

Economy

Israel's economic scene in April was marked by the Knesset's approval of the NIS 756 billion state budget, a crucial step in maintaining the stability of Prime Minister Netanyahu's coalition and preventing snap elections. The budget allocates significant funds to defense in response to the ongoing Gaza conflict. It also introduces tax increases and spending cuts to address a projected fiscal deficit of 4.9% of GDP. However, the budget has drawn criticism for prioritizing military spending and allocations favoring ultra-Orthodox and nationalist factions, potentially at the expense of vital sectors like education and healthcare. Bank of Israel Governor Amir Yaron voiced concerns that the budget does not include sufficient measures to lower the debt-to-GDP ratio, stressing the need for fiscal resilience amidst the continuing conflicts.

On the inflation front, the March CPI showed no change, surprising expectations of a 0.2%-0.3% m/m rise. This stability brought the annual inflation rate down to 3.4% y/y, moving closer to the Bank of Israel's upper target of 3% y/y. Consequently, the central bank held the benchmark interest rate steady at 4.5% for the eighth consecutive session. The Bank of Israel also revised its GDP growth forecast for 2025 upwards to 4%, from the previous 3.8%. Interestingly, the OECD is projecting GDP growth of 3.4% for 2025 and a more optimistic 5.5% for 2026. While the OECD's 2025 growth forecast is slightly lower than the Bank of Israel's, it still assumes that Israel's economy will grow faster than the global average. The OECD emphasized the need for structural reforms to address socioeconomic gaps, improve labor market participation among ultra-Orthodox men and Arab women, and reduce the high cost of living in Israel.

Fixed Income

April saw a steepening of the government bond yield curve. Long-term yields increased more significantly than short-term yields, indicating that investors are demanding higher returns for longer-term investments. Several factors contributed to this steepening: increased government borrowing to finance war-related expenses, a rise in bond issuances, and concerns about the sustainability of the fiscal policies outlined in the 2025 budget. Additionally, foreign investors have been reducing their holdings of Israeli government bonds, adding upward pressure on yields.

Stocks

The Tel Aviv 125 Index experienced a decline of nearly 2% during April. Despite this monthly dip, the index has shown resilience, with a year-to-date increase of 3.8%.The banking sector has been a strong performer, with major banks like Hapoalim, Leumi, and Discount Bank seeing their shares appreciate due to robust financial results and increased investor confidence. The defense and aerospace sector also performed well, with companies such as Elbit Systems benefiting from heightened global demand for defense equipment. In contrast, the real estate sector faced headwinds, with companies like Azrieli and Amot Investments experiencing share price declines. Rising interest rates and inflationary pressures have contributed to a slowdown in the housing market, impacting these companies. Overall, despite ongoing geopolitical tensions and economic uncertainties, the Israeli stock market has demonstrated robustness, supported by strong performances in key sectors and continued investor interest.

While current valuations suggest the Israeli stock market is fairly priced, the increased probability of a peace agreement with Saudi Arabia could inject significant positive momentum. Normalizing relations with Saudi Arabia, a key player in the Gulf, Arab, and Muslim worlds, could lead to substantial economic benefits for Israel (access to the Saudi market, increased FDI, and improved regional stability, which could boost tourism to Israel).

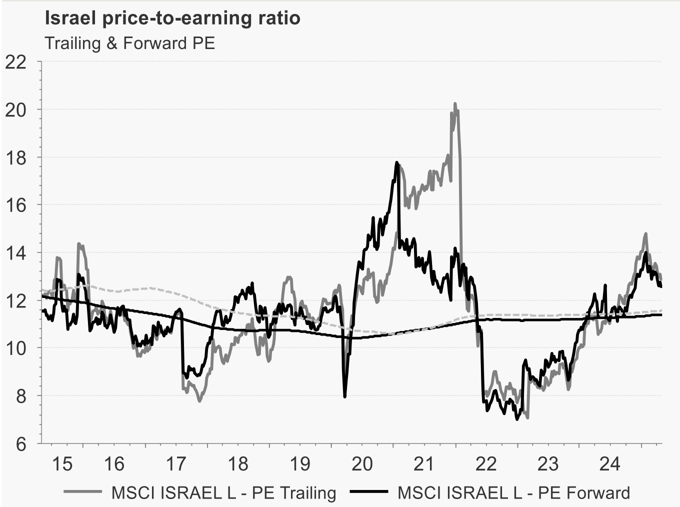
Market outlook – Recommendations & Targets

Equities – TLV35 Index: MARKETWEIGHT

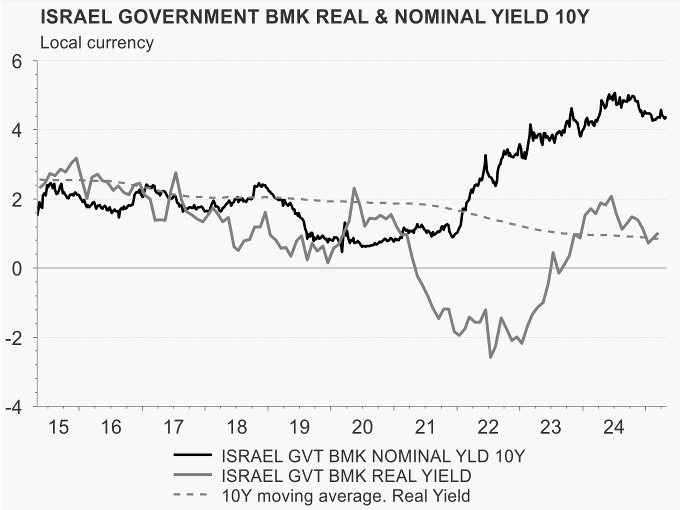
Bonds – Government–10Y Gov: MARKETWEIGHT

Bonds – Corporates: MARKETWEIGHT

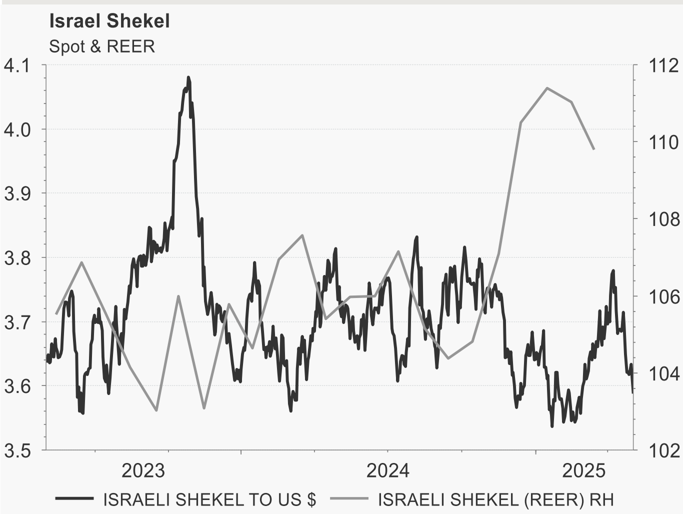
FX – ISL vs USD: Neutral in REER



Source: LSEG Datastream / ANDBANK



Source: LSEG Datastream / ANDBANK



Source: LSEG Datastream / ANDBANK

BRAZIL

Economic Headwinds Amid U.S. Tariffs and Domestic Pressures

Brazil and the US Tariffs

Brazil is confronting mounting economic challenges driven by both external and internal factors. The recent imposition of U.S. tariffs on Brazilian exports has added significant pressure to an already fragile economic outlook. In a move that threatens approximately 4 billion USD in exports, the United States has applied 25% tariffs on Brazilian steel and aluminum, both sectors key to Brazil's industrial base. The government is actively pursuing dialogue with U.S. officials to mitigate the impact of the tariffs, stressing that trade wars yield no winners. Foreign Trade Secretary, Tatiana Prazeres, reiterated the country's commitment to multilateralism and rules-based trade at a Brazil-China Business Council event. She emphasized the importance of diversifying exports by increasing trade with the European Union and finalizing negotiations with the European Free Trade Association (EFTA). She also noted that Brazil could seize opportunities in global supply chain shifts, as seen previously when Brazilian soybean exports to China surged during U.S.-China trade tensions. However, she warned that volatile and unilateral trade measures risk undermining global economic stability and trade governance.

Simultaneously, Brazil is working to strengthen its regional ties in Latin America. At a recent summit in Honduras attended by leaders of the Community of Latin American and Caribbean States (CELAC), delegates emphasized the need for regional coordination in the face of global trade disruptions. The summit focused on strategies to counter the effects of the U.S. tariffs and rising deportations, which have created economic and social strain across the region. Though many countries have been temporarily exempted from the U.S. tariffs—China being a notable exception—concerns about long-term trade stability persist. Mexican President Claudia Sheinbaum and Lula da Silva highlighted the importance of regional solidarity and unity.

Inflation and Lula's Rate of Approval

At home, Brazil is grappling with persistent inflation, a critical concern for both policymakers and the public. Although inflation cooled slightly in March—rising by +0.52% m/m, down from +1.31% m/m in February—the annual rate remains elevated, driven by ongoing increases in food and energy prices. The Central Bank is closely monitoring these inflationary pressures and may consider raising interest rates (14.25% today) in response to global instability and the inflationary spillovers of trade tensions. Current inflation expectations remain at the upper end of the Central Bank's target range (3% +/- 1.5%), which is fueling further concern among economists.

Public dissatisfaction with the government has grown in tandem with economic anxiety. President Lula's disapproval rating has reached its highest level across his three terms. According to a recent Quaest poll, 56% of Brazilians now disapprove his performance, a sharp rise from 49% earlier this year. The surge in disapproval is closely tied to high inflation and its impact on the cost of living, especially for food and fuel—key issues for voters. Even in Lula's northeastern stronghold, signs of discontent are emerging. Policy initiatives aimed at boosting Lula's popularity—such as exempting lower-income Brazilians from income tax and reducing import duties to combat food inflation—have failed to reverse public sentiment. Analysts point to the growing perception that the government is struggling to control the economic narrative, as inflation and trade-related uncertainties continue to dominate public concern.

In sum, Brazil is navigating a delicate moment. Confronted with external shocks from U.S. trade policy and domestic economic dissatisfaction, the government faces a difficult task in maintaining stability and restoring public trust. The months ahead will be pivotal as Brazil seeks to balance diplomacy, inflation management, and public policy to chart a more secure economic path.

Market outlook – Recommendations & Targets

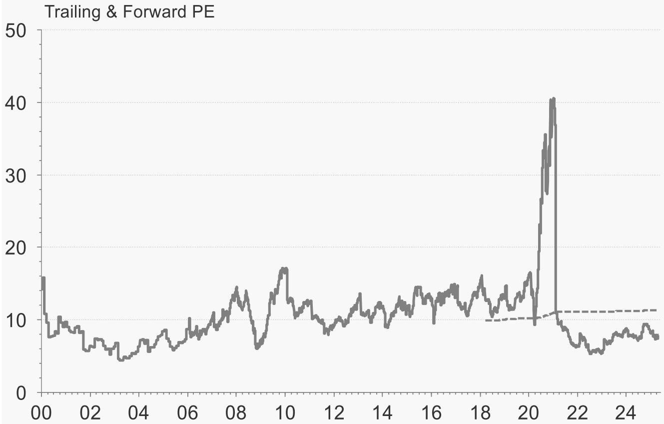
Equities – iBovespa: UNDERWEIGHT

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

Bonds – Govies USD: UW (Target Spread 275 => Target yield 7.5%)

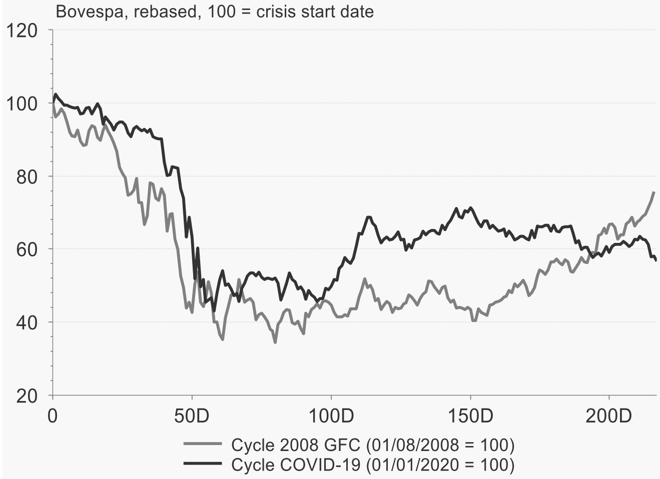
FX – BRL/USD: UNDERWEIGHT (Mid-term target 5.80)

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



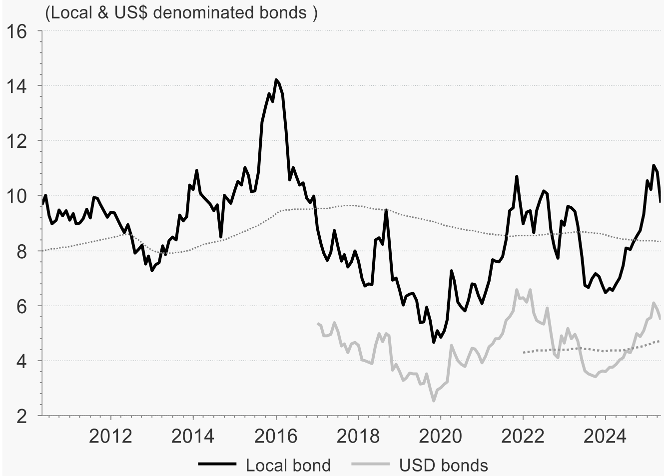
Source: LSEG Datastream / ANDBANK

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

Staying out of the tariff war spotlight, but facing increased political volatility

Monetary Policy

The current makeup of Banxico's board and its recent voting behavior suggest another 50 bps cut is likely in the upcoming May meeting. We believe Banxico may have moved preemptively, stepping outside its non-dual mandate by anticipating slower economic growth. Now that this slowdown is materializing between late 2024 and early 2025, this perspective has solidified. The justification for future cuts remains the still-restrictive ex-ante real interest rate. Despite an upward revision in core inflation forecasts, the trend continues downward, converging with the long-term target by early 2026. Market expectations already price in 150 to 175 bps of rate cuts for the rest of the year, with the policy rate likely ending 2025 between 7.25% and 7.50%.

Economy and Inflation

Mexico's GDP contracted in 4Q24 — the first negative print since 2021. The economic deceleration stemmed from weakened consumption and a pause in investment during Q2, further compounded by muted export growth. This was partly due to the private sector front-loading exports ahead of Trump's anticipated inauguration. So far in 2025, the weakness persists: industrial production in January plunged 2.8% y/y. Headline inflation rose to 3.80% y/y in March, driven by a rebound in non-core components, which had reached multi-year lows. Core inflation remained anchored around 3.65% y/y. While services inflation remains sticky, recent monthly data suggests a shift in core dynamics, with goods inflation beginning to pick up.

Economic Policy

After fading from the spotlight amid tariff and trade noise, attention is now turning to the upcoming elections to fill half of all federal and local judicial seats in June — a result of the judiciary reform. This constitutional change significantly rattled perceptions of the rule of law in Mexico. Now it re-emerges as a potential headwind to President Sheinbaum's vision of a "Nearshoring 2.0" boom, especially as the environment under Trump becomes relatively favorable for Mexico. The 25% "fentanyl" tariff remains in place on Mexican exports not covered by the USMCA — these represent roughly half of all exports to the U.S. However, this tariff could be reduced to 10–12% depending on Mexico's progress on security and migration. So far, Mexico has not faced reciprocal tariffs, and Trump has continued to praise Sheinbaum's leadership and the results of bilateral negotiations.

Financial Markets

Equities: We maintain a constructive view on Mexican equities. Valuations reflect a significant discount — not only versus global peers but also relative to their own historical averages. The stock index trades at a nearly 15% discount to 2023 EV/EBITDA levels, and 21% below the three-year average. Based on a 14x P/E multiple and projected earnings growth of ~11%, our 12-month target places the index above 60,000 points. The backdrop for local assets has improved, with much of the earlier downside (late 2024 to early 2025) driven by fears Mexico would be the biggest loser under Trump's trade policy.

Fixed Income & FX: With the Fed on pause and Banxico easing, the 10-yr bond spread is compressing, reaching 508 bps as of April 11 — below the yearly average of 553 bps — after peaking above 600 bps twice in 2024. We maintain our year-end estimate at 525 bps, expecting further volatility, particularly in line with monetary policy expectations and economic performance. In USD terms, the spread rose to 225 bps in March, and we forecast it to end the year at 200 bps.

The peso has shown resilience amid volatility. After an "overshoot" around early February and March — when tariffs were rumored to kick in — causing the exchange rate to briefly surpass 21.20, the peso has since stabilized in a range between 20.00 and 20.75. In fact, following the tariff announcements, the peso appreciated and has hovered closer to 20. We maintain a year-end forecast of 21.00.

Market outlook – Recommendations & Targets from fundamental analysis

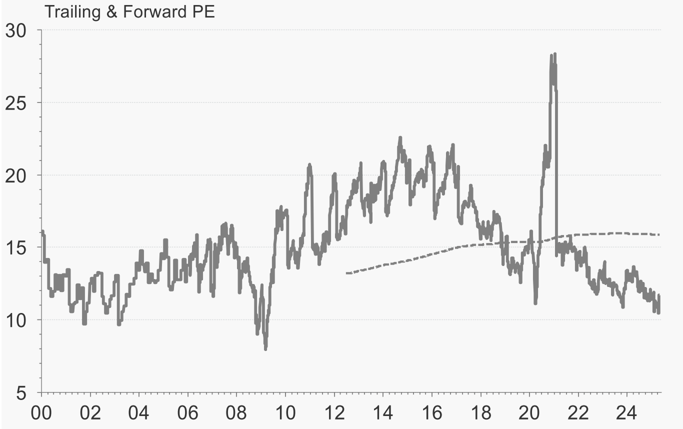
Equities – Mex IPC: OVERWEIGHT

Bonds – Govies Local: UW (Target Spread 525 => Target yield 10.00%)

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

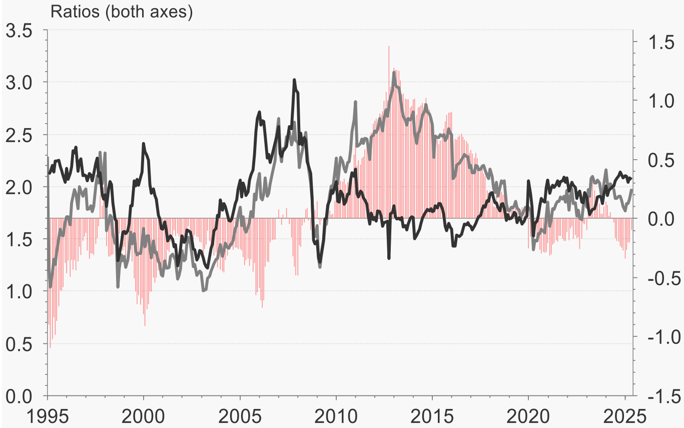
FX – MXN/USD: UNDERWEIGHT (Mid-term target 21.00)

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



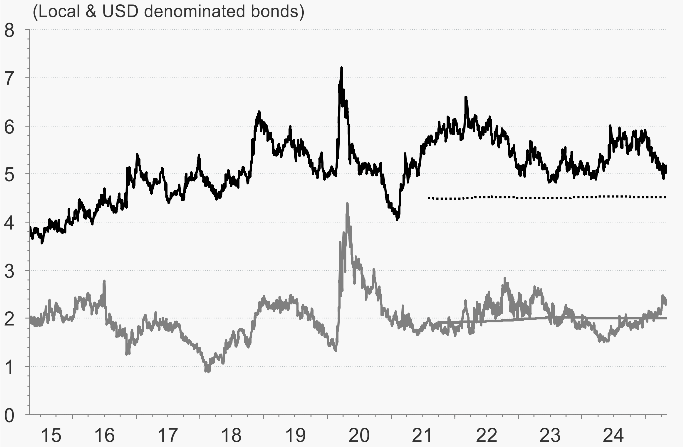
Source: LSEG Datastream / ANDBANK

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

ANDBANK Private Bankers

ARGENTINA

Another step toward the normalization of the economy with the third Stage of the stabilization plan

A New Chapter: Argentina Phase III

Argentina began a new stage of economic reform, labeled as Phase III. This transition introduces substantial changes in the country's exchange rate regime, monetary framework, and fiscal strategy. It is supported by a new 20 billion USD agreement with the IMF (12 bn upfront and 3 bn more in the rest of the year), accompanied by disbursements from other international lenders (6 bn USD in 2025) and a repo line of 2 bn USD with international banks, further strengthening the Central Bank's reserves.

The government introduced an exchange rate band between ARS 1,000 and 1,400, with a widening pace of 1% per month. Although the central bank retains the right to intervene, it is not obliged to act unless the exchange rate touches the limits. The peso did initially devalue, but the adjustment was limited. Meanwhile, the parallel exchange rate has strengthened by about 10%, bringing it nearly level with the official rate, thus effectively unifying the dual FX system. This transition did not happen by accident. Previously, the fiscal deficit had been eliminated, and monetary policy has shifted to a stable footing, with the government no longer resorting to unchecked money printing. Timing has also played a crucial role. Farmers are bringing their harvests to market, and the influx of foreign currency from agricultural exports is expected to increase materially in the months ahead. Monetary policy is now based on controlling private M2 (cash and demand deposits) using quarterly targets aligned with IMF benchmarks.

In addition to the new exchange rate regime, there was a significant reduction in the capital controls that had been in place until now. All foreign exchange restrictions on individuals were removed, and legal entities will now be allowed to access the official market for dividend payments and debt service for earnings starting in 2025. For the stock of pending dividends that companies need to remit to their parent companies—privately estimated at around USD 6 billion—the Central Bank will issue a new bond, similar to the ones previously used to regularize debt with importers.

The agreement with the IMF includes the following targets: i) accumulate around USD 9 billion in reserves by year-end; ii) maintain zero monetary financing of the Treasury; iii) achieve a 1.3% primary surplus in 2025, with government ambition to exceed that target and reach 1.6%. Medium-term projections foresee a 2.2% surplus in 2026 and 2.5% by 2027. These targets reinforce debt sustainability and further anchor expectations.

By liberalizing the exchange rate regime, reinforcing monetary discipline, and committing to long-term fiscal sustainability, the reform has opened a path toward greater financial stability, with a view to regaining access to global capital markets, and has laid the foundation for durable growth. Nevertheless, risks remain. Globally, financial conditions are tight, commodity prices are under pressure, and geopolitical tensions persist. Domestically, social fragility, potential inflation volatility, and upcoming elections could test the resilience of the new framework. Success will depend on the government's consistency in execution.

The visit to Buenos Aires by U.S. Treasury Secretary Scott Bessent, on the day the new phase of the program started, sends a clear signal that Washington is firmly backing Argentina's new path. Financial markets have responded constructively. Sovereign bonds, especially those governed under foreign law, have narrowed the spread to comparable emerging markets, signaling a reevaluation of country risk and improved investor outlook.

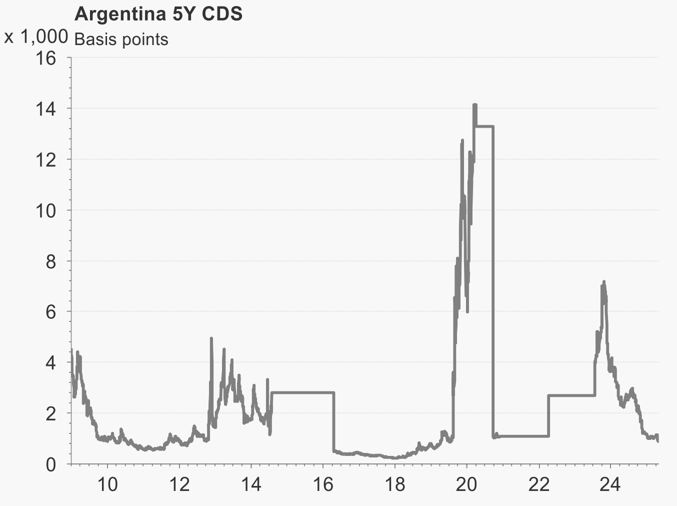
Prices: Data Disappoints Government Expectations

Inflation accelerated for the second consecutive month, reaching +3.7% m/m, significantly exceeding market expectations (+2.6% m/m). The annual inflation rate stood at 55.9% y/y. Education experienced the most significant monthly rise, at +21.6% m/m, attributed to the start of the academic year, while Food and non-alcoholic beverages followed, with a +5.9% m/m increase, driven by higher prices in vegetables.

Market outlook – Recommendations & Targets

Bonds – 10YGov USD: NEUTRAL

FX – USDARS: NEGATIVE (2025 year-end target 1500)



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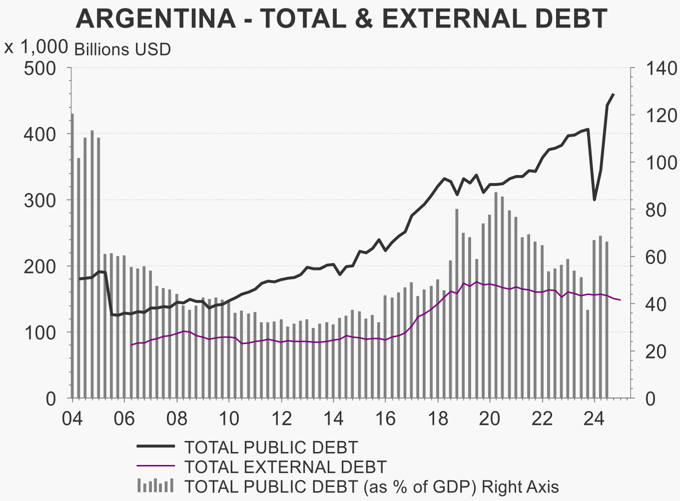
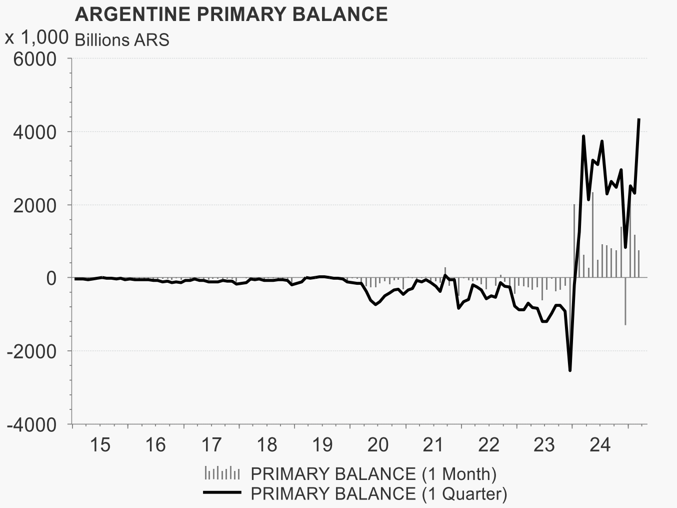


Source: LSEG DatastreamThomson Reuters Datastream / ANDBANK



Source: LSEG Datastream / ANDBANK

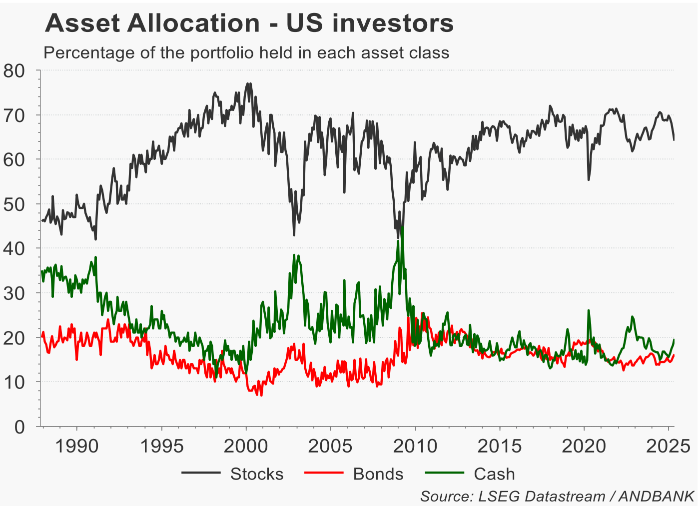
GLOBAL EQUITY INDICES

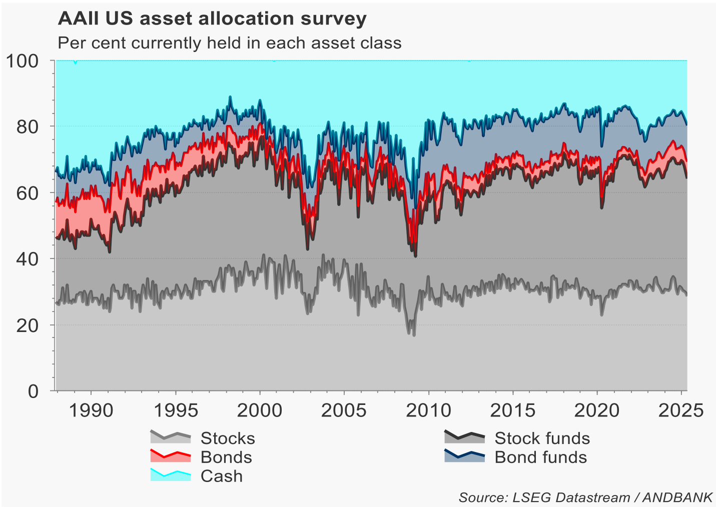
Fundamental assessment

Index	Projected EPS 2025	Projected EPS Growth 2025	PE Trailing (2024)	Price Earning (forward)	Current Equity Yied	Current Risk Premium	Hist Risk Premium	Spread curr RP vs hist RP	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%	24,10	21,54	4,64%	0,33%	2,00%	-1,67%	24,76	5.687	6.537	15,0%	**OW**	7.191
Europe - Stoxx Europe 600	**38,8**	7,9%	14,91	13,82	7,24%	4,73%	5,00%	-0,27%	15,00	536	582	8,5%	**MW**	640
Spain IBEX 35	**1.100,0**	6,0%	12,97	12,24	8,17%	5,01%	5,70%	-0,69%	12,00	13.465	13.200	-2,0%	**UW**	14.520
Mexico IPC GRAL	**4.800**	11,9%	13,01	11,63	8,60%	-0,77%	-0,90%	0,13%	13,00	55.812	62.400	11,8%	**OW**	68.640
Brazil BOVESPA	**16.500**	13,5%	9,29	8,19	12,21%	-1,84%	-1,10%	-0,74%	8,50	135.134	140.250	3,8%	**UW**	154.275
Japan TOPIX	**186,0**	8,8%	15,72	14,45	6,92%	5,66%	4,00%	1,66%	**15,00**	2.688	2.790	3,8%	**OW**	3.069
China SSE Comp. A share	**247,0**	-5,7%	13,12	13,91	7,19%	0,35%	4,80%	-4,45%	12,81	3.436	3.163	-8,0%	**UW**	3.479
China Shenzhen Comp	**94,7**	-5,8%	19,05	20,23	4,94%	-1,89%	1,25%	-3,14%	**21,00**	1.916	1.989	3,8%	**UW**	2.188
India SENSEX	**3.800**	8,1%	22,99	21,26	4,70%	-1,62%	-2,00%	0,38%	**22,00**	80.797	83.600	3,5%	**OW**	91.960
Vietnam VN Index	**126,4**	19,6%	11,74	9,81	10,19%				**12,00**	1.240	1.517	22,3%	**OW**	1.668
MSCI EM ASIA	**49,4**	15,0%	14,41	12,54	7,98%				**14,00**	620	692	11,7%	**OW**	761

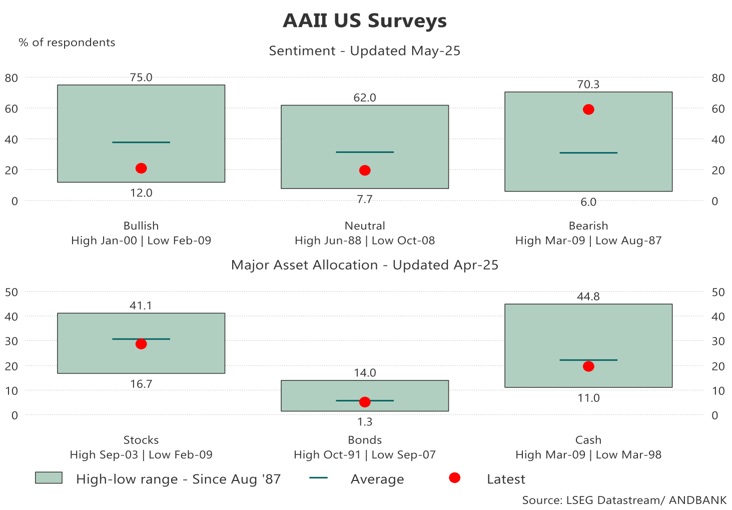
ANDBANK ESTIMATES

Positioning indicators (Funds & direct assets): Equities, Fixed Income, and Cash





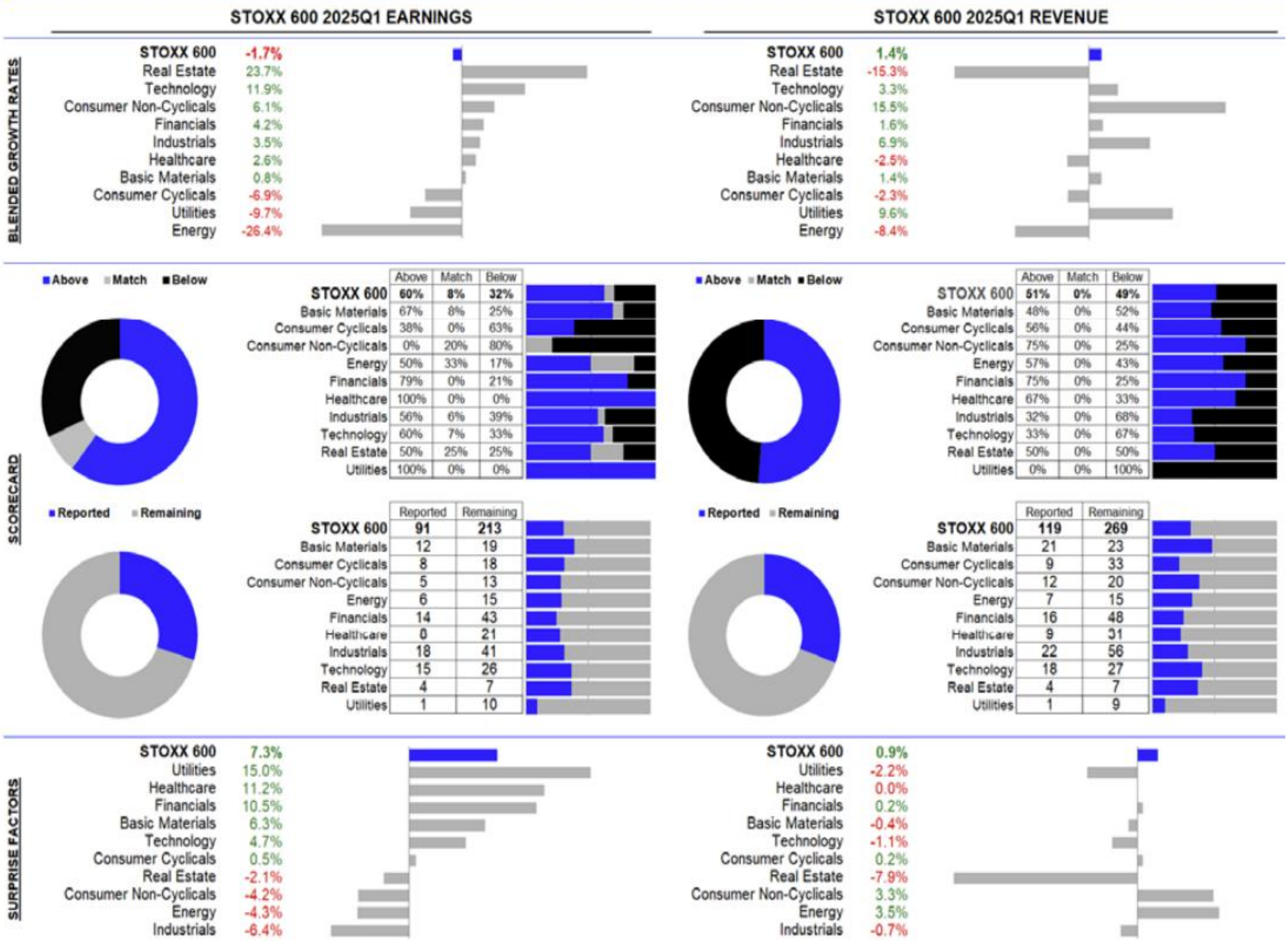
Positioning indicators (Direct assets only): Stocks, Bonds, and Cash



GLOBAL EQUITY INDICES

Earnings Dashboard - EUROPE

Exhibit 1A. STOXX 600: Q1 2025 Earnings Dashboard



Blended growth rates

Earnings		Revenue	
STOXX 600	-1.7%	STOXX 600	1.4%
Real Estate	23.7%	Real Estate	-15.3%
Technology	11.9%	Technology	3.3%
Consumer Non-Cyclicals	6.1%	Consumer Non-Cyclicals	15.5%
Financials	4.2%	Financials	1.6%
Industrials	3.5%	Industrials	6.9%
Healthcare	2.6%	Healthcare	-2.5%
Basic Materials	0.8%	Basic Materials	1.4%
Consumer Cyclicals	-6.9%	Consumer Cyclicals	-2.3%
Utilities	-9.7%	Utilities	9.6%
Energy	-26.4%	Energy	-8.4%

Scorecard – Earnings

	Above	Match	Below
STOXX 600	60%	8%	32%
Basic Materials	67%	8%	25%
Consumer Cyclicals	38%	0%	63%
Consumer Non-Cyclicals	0%	20%	80%
Energy	50%	33%	17%
Financials	79%	0%	21%
Healthcare	100%	0%	0%
Industrials	56%	6%	39%
Technology	60%	7%	33%
Real Estate	50%	25%	25%
Utilities	100%	0%	0%

Scorecard – Revenue

	Above	Match	Below
STOXX 600	51%	0%	49%
Basic Materials	48%	0%	52%
Consumer Cyclicals	56%	0%	44%
Consumer Non-Cyclicals	75%	0%	25%
Energy	57%	0%	43%
Financials	75%	0%	25%
Healthcare	67%	0%	33%
Industrials	32%	0%	68%
Technology	33%	0%	67%
Real Estate	50%	0%	50%
Utilities	0%	0%	100%

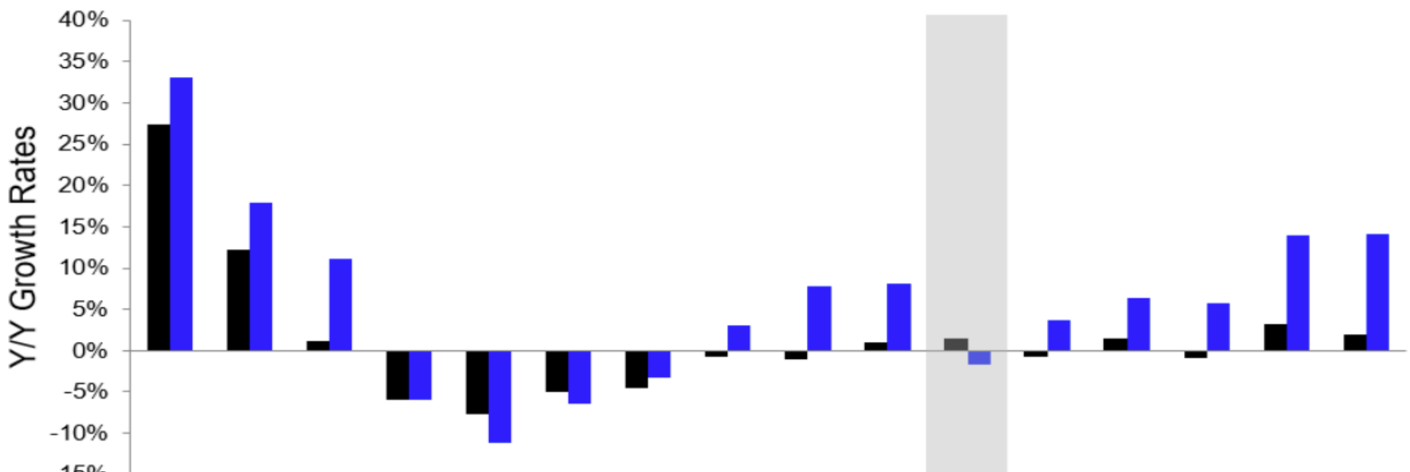
Reported / Remaining

	Earnings Reported	Earnings Remaining	Revenue Reported	Revenue Remaining
STOXX 600	91	213	119	269
Basic Materials	12	19	21	23
Consumer Cyclicals	8	18	9	33
Consumer Non-Cyclicals	5	13	12	20
Energy	6	15	7	15
Financials	14	43	16	48
Healthcare	8	21	9	31
Industrials	18	41	22	56
Technology	15	26	18	27
Real Estate	4	7	4	7
Utilities	1	10	1	9

Surprise factors

Earnings		Revenue	
STOXX 600	7.3%	STOXX 600	0.9%
Utilities	15.0%	Utilities	-2.2%
Healthcare	11.2%	Healthcare	0.0%
Financials	10.5%	Financials	0.2%
Basic Materials	6.3%	Basic Materials	-0.4%
Technology	4.7%	Technology	-1.1%
Consumer Cyclicals	0.5%	Consumer Cyclicals	0.2%
Real Estate	-2.1%	Real Estate	-7.9%
Consumer Non-Cyclicals	-4.2%	Consumer Non-Cyclicals	3.3%
Energy	-4.3%	Energy	3.5%
Industrials	-6.4%	Industrials	-0.7%

Exhibit 3A. STOXX 600 YoY Growth Rates



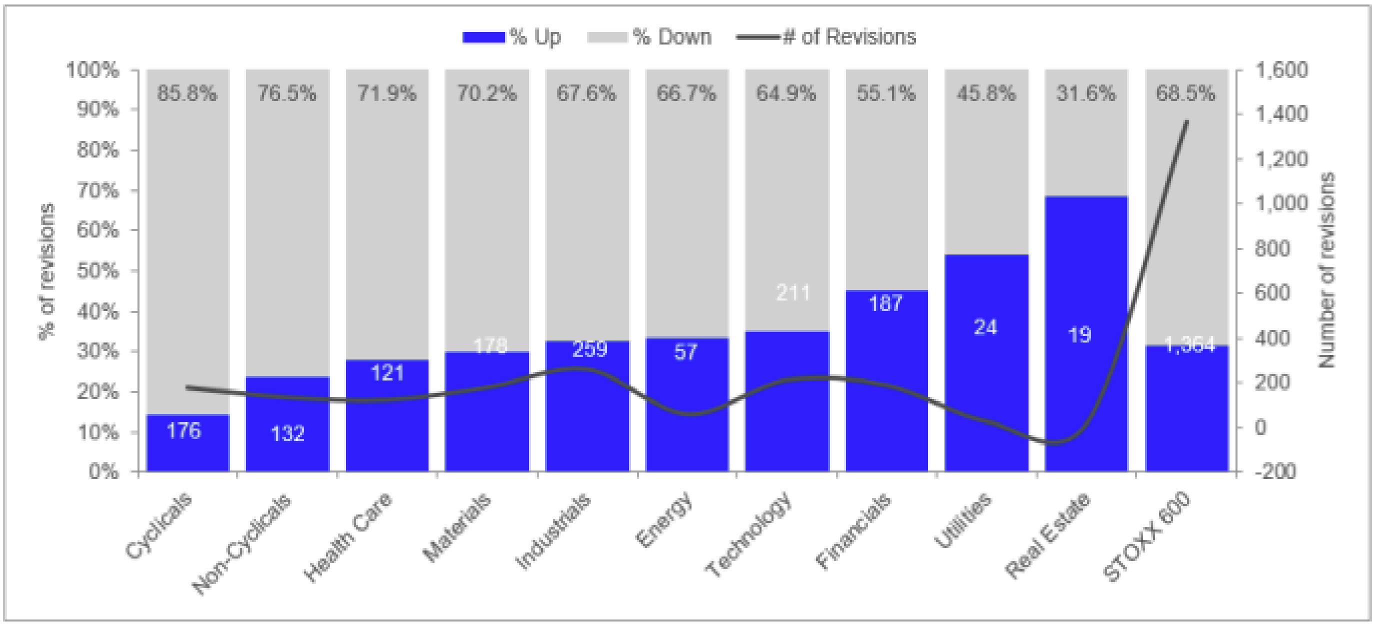
	22Q3	22Q4	23Q1	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1	25Q2	25Q3	25Q4	26Q1	26Q2
Revenue	27.4%	12.2%	1.1%	-6.0%	-7.6%	-5.0%	-4.6%	-0.8%	-1.1%	1.0%	1.4%	-0.7%	1.4%	-0.9%	3.1%	1.9%
Earnings	33.1%	17.9%	11.1%	-5.9%	-11.1%	-6.5%	-3.3%	3.0%	7.8%	8.0%	-1.7%	3.6%	6.3%	5.8%	14.0%	14.2%

Source: LSEG I/B/E/S

GLOBAL EQUITY INDICES

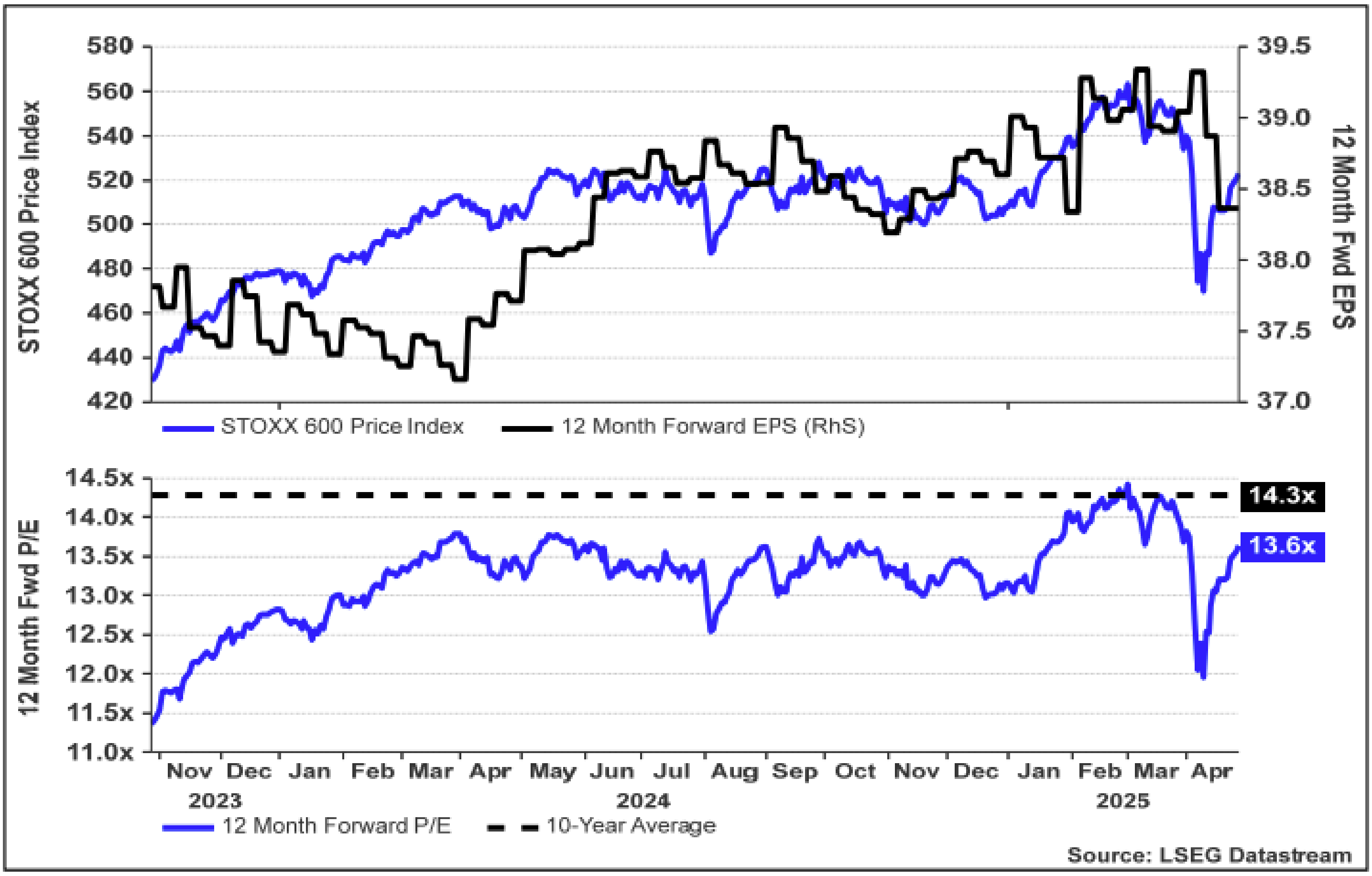
Corporate Earnings Estimates Revision: Europe

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

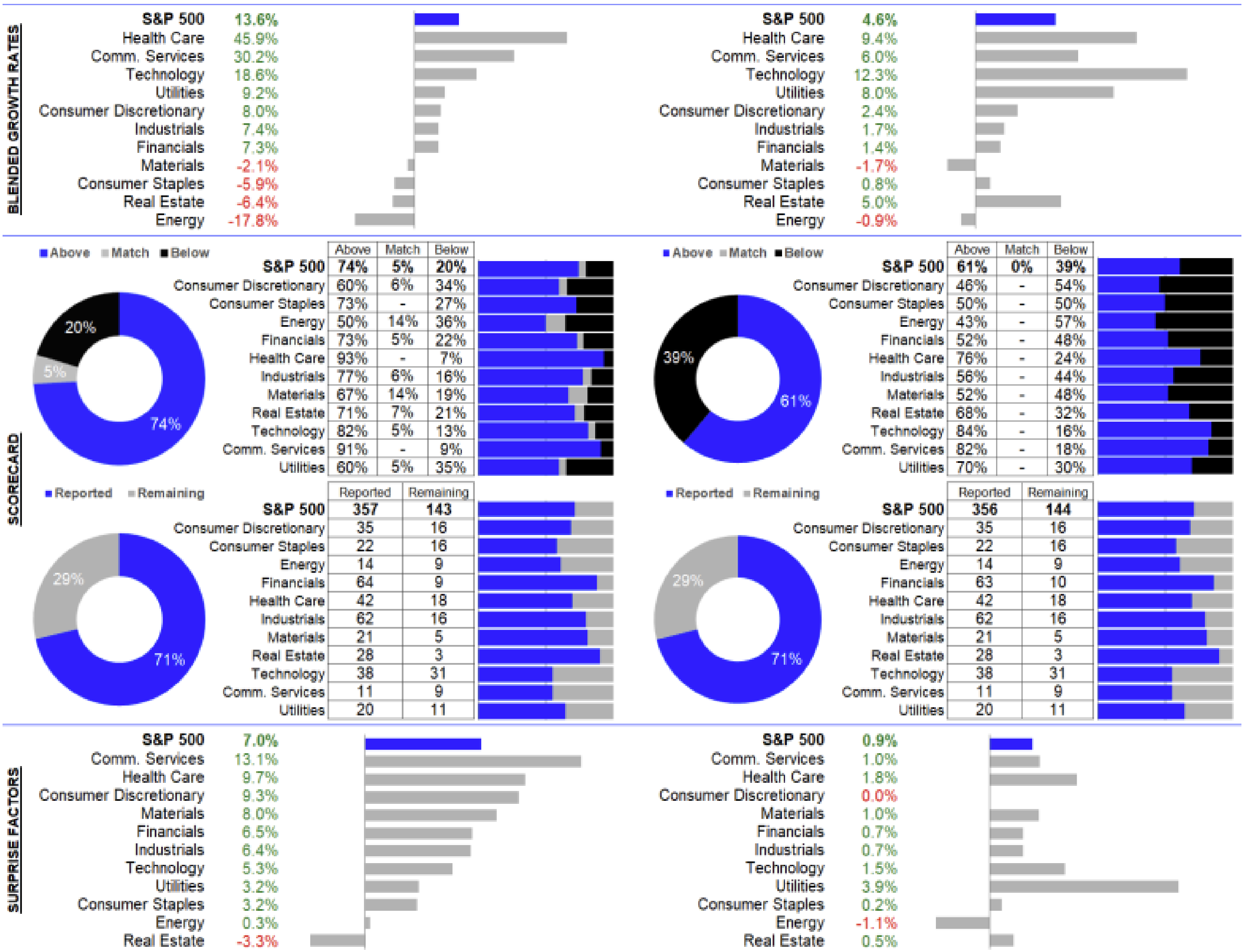


Source: LSEG Datastream

GLOBAL EQUITY INDICES

Earnings Dashboard - US

Exhibit 1. 2025Q1 S&P 500 Earnings Dashboard



BLENDED GROWTH RATES

S&P 500 2025Q1 EARNINGS		S&P 500 2025Q1 REVENUE	
S&P 500	13.6%	S&P 500	4.6%
Health Care	45.9%	Health Care	9.4%
Comm. Services	30.2%	Comm. Services	6.0%
Technology	18.6%	Technology	12.3%
Utilities	9.2%	Utilities	8.0%
Consumer Discretionary	8.0%	Consumer Discretionary	2.4%
Industrials	7.4%	Industrials	1.7%
Financials	7.3%	Financials	1.4%
Materials	-2.1%	Materials	-1.7%
Consumer Staples	-5.9%	Consumer Staples	0.8%
Real Estate	-6.4%	Real Estate	5.0%
Energy	-17.8%	Energy	-0.9%

SCORECARD – Earnings

	Above	Match	Below
S&P 500	74%	5%	20%
Consumer Discretionary	60%	6%	34%
Consumer Staples	73%	-	27%
Energy	50%	14%	36%
Financials	73%	5%	22%
Health Care	93%	-	7%
Industrials	77%	6%	16%
Materials	67%	14%	19%
Real Estate	71%	7%	21%
Technology	82%	5%	13%
Comm. Services	91%	-	9%
Utilities	60%	5%	35%

SCORECARD – Revenue

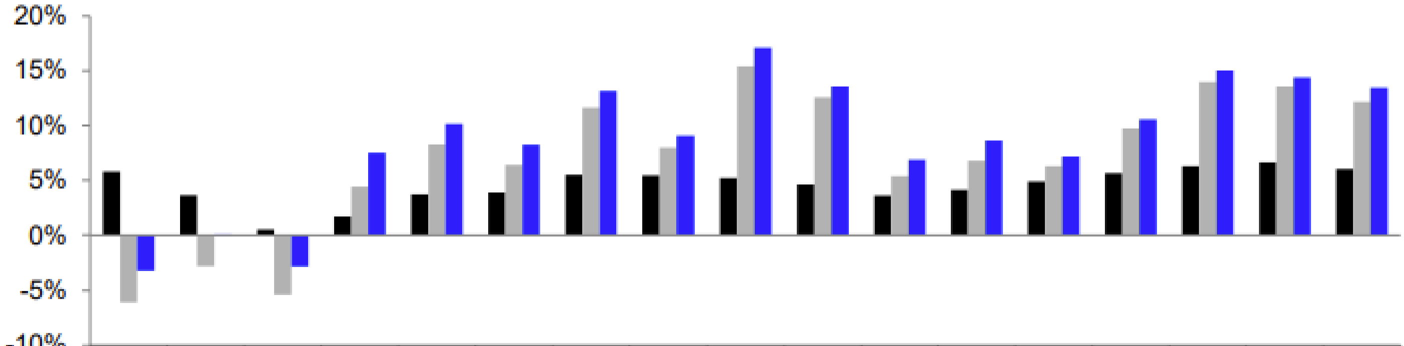
	Above	Match	Below
S&P 500	61%	0%	39%
Consumer Discretionary	46%	-	54%
Consumer Staples	50%	-	50%
Energy	43%	-	57%
Financials	52%	-	48%
Health Care	76%	-	24%
Industrials	56%	-	44%
Materials	52%	-	48%
Real Estate	68%	-	32%
Technology	84%	-	16%
Comm. Services	82%	-	18%
Utilities	70%	-	30%

	Reported (Earnings)	Remaining (Earnings)	Reported (Revenue)	Remaining (Revenue)
S&P 500	357	143	356	144
Consumer Discretionary	35	16	35	16
Consumer Staples	22	16	22	16
Energy	14	9	14	9
Financials	64	9	63	10
Health Care	42	18	42	18
Industrials	62	16	62	16
Materials	21	5	21	5
Real Estate	28	3	28	3
Technology	38	31	38	31
Comm. Services	11	9	11	9
Utilities	20	11	20	11

SURPRISE FACTORS

Earnings		Revenue	
S&P 500	7.0%	S&P 500	0.9%
Comm. Services	13.1%	Comm. Services	1.0%
Health Care	9.7%	Health Care	1.8%
Consumer Discretionary	9.3%	Consumer Discretionary	0.0%
Materials	8.0%	Materials	1.0%
Financials	6.5%	Financials	0.7%
Industrials	6.4%	Industrials	0.7%
Technology	5.3%	Technology	1.5%
Utilities	3.2%	Utilities	3.9%
Consumer Staples	3.2%	Consumer Staples	0.2%
Energy	0.3%	Energy	-1.1%
Real Estate	-3.3%	Real Estate	0.5%

Exhibit 5. S&P 500 YoY Growth Rates



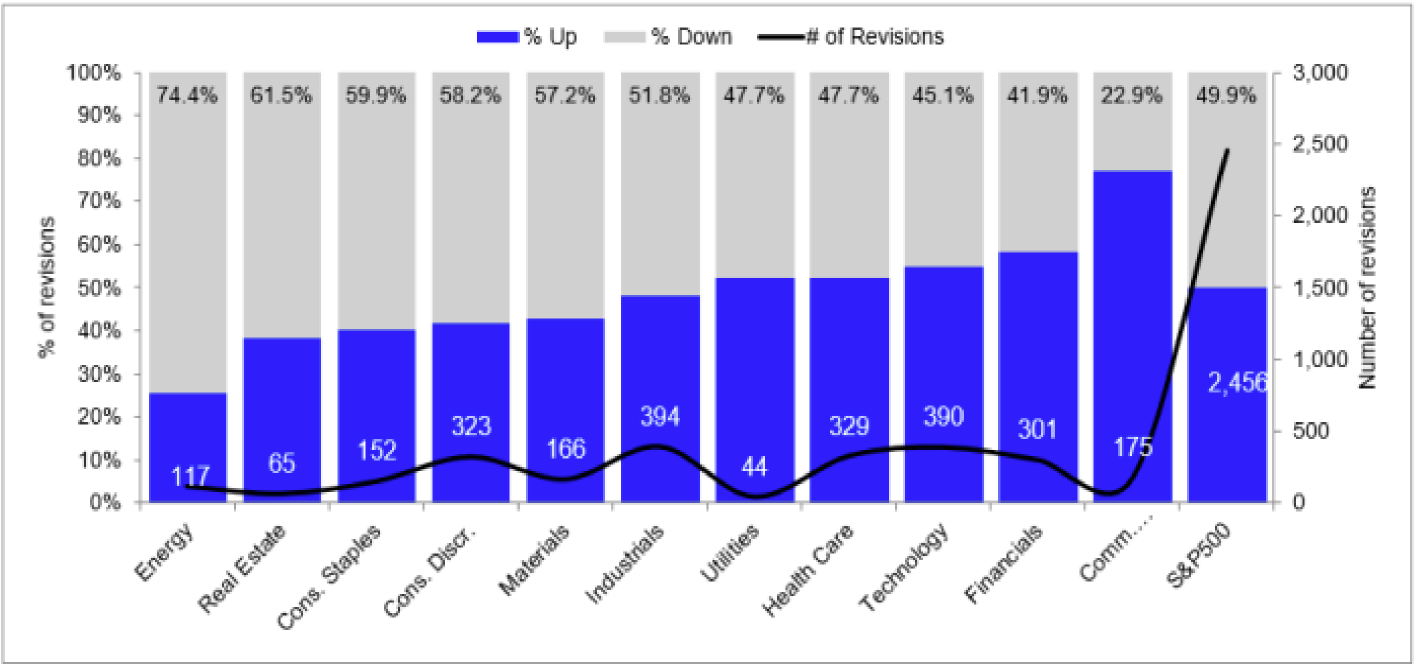
	22Q4	23Q1	23Q2	23Q3	23Q4	24Q1	24Q2	24Q3	24Q4	25Q1E	25Q2E	25Q3E	25Q4E	26Q1E	26Q2E	26Q3E	26Q4E
Revenue	5.8%	3.6%	0.5%	1.7%	3.7%	3.9%	5.5%	5.5%	5.2%	4.6%	3.6%	4.1%	4.9%	5.6%	6.3%	6.6%	6.0%
Net Income	-6.1%	-2.8%	-5.4%	4.4%	8.3%	6.4%	11.6%	8.0%	15.4%	12.6%	5.4%	6.8%	6.3%	9.7%	14.0%	13.6%	12.2%
Earnings	-3.2%	0.1%	-2.8%	7.5%	10.1%	8.2%	13.2%	9.1%	17.1%	13.6%	6.9%	8.6%	7.2%	10.5%	15.0%	14.4%	13.5%

Source: LSEG I/B/E/S

GLOBAL EQUITY INDICES

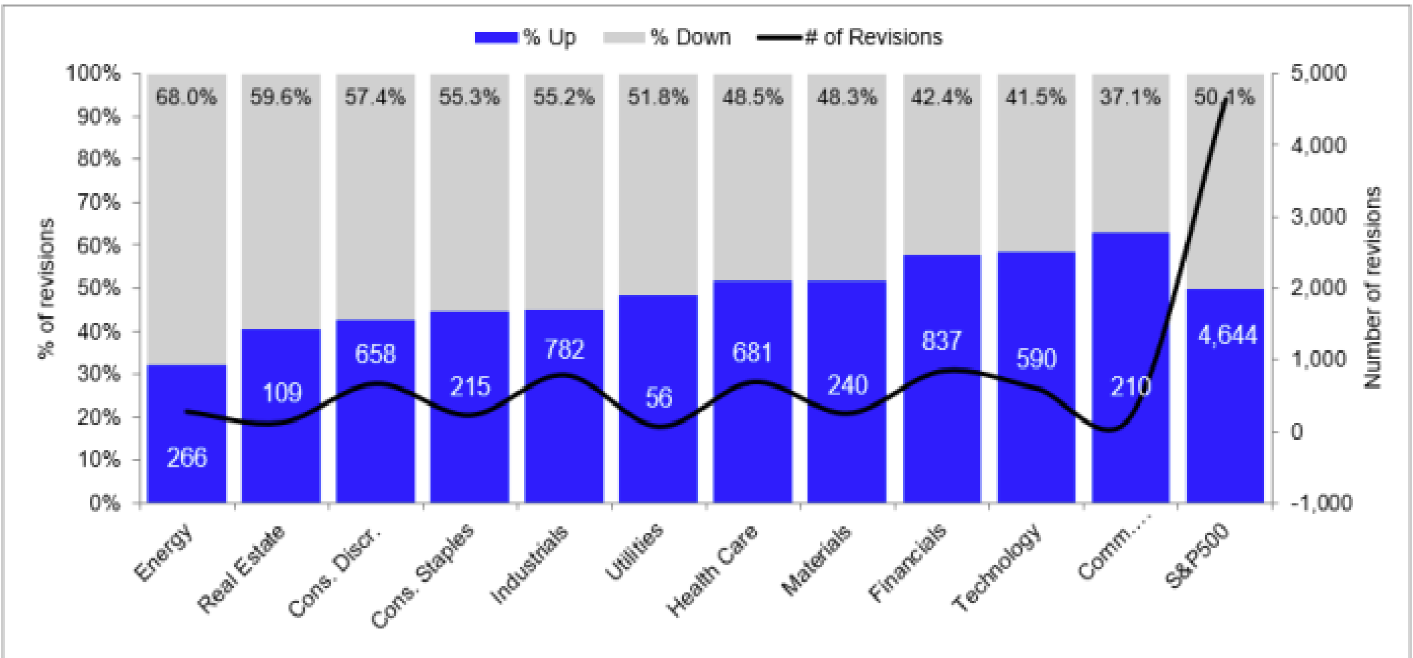
Corporate Earnings Estimates Revision: US

EXHIBIT 12A. S&P 500: WEEKLY EARNINGS ESTIMATE REVISIONS BY SECTOR



Source: LSEG I/B/E/S

EXHIBIT 13A. ALL U.S. COMPANIES: WEEKLY EARNINGS ESTIMATE REVISIONS BY SECTOR



Source: LSEG I/B/E/S

ENERGY – OIL

Fundamental view (WTI): Target range USD60-70bbl

Buy < USD60; Sell >USD70.

Short-term drivers

(Bearish price factor) – Demand drop: US tariff actions are expected to sharply slow growth in oil demand. The IEA lowered its 2025 demand forecast by about 300K barrels per day (bpd) due to trade tensions. World oil demand this year will rise by 730,000 bpd, the IEA, which advises industrialized countries, said in a monthly report. This represents a sharp cut from the 1.03 million bpd expected last month. The reduction is larger than a cut made on Monday by producer group OPEC. Roughly half of this downgrade occurs in the United States and China.

(Bearish price factor) – Goldman Sachs said oil prices will decline through 2026 due to recession risk and OPEC+ output. The bank expects Brent and WTI oil prices to edge down, averaging $63 and $59 a barrel, respectively, for the remainder of 2025, and $58 and $55 in 2026. Given the weak growth outlook amid a global trade war, the bank expects that oil demand will rise by only 300,000 bpd between the end of last year and the end of 2025

(Bearish price factor) – Lower prices: Bloomberg reported US Energy Secretary said energy prices will be lower under the current administration vs prior.

(Bearish price factor) – Oversupply worries: OPEC output hikes and trade wars have US oil producers wary of 'drill baby drill'. The country's oil industry is actually starting to think about cutting output and jobs due to a double whammy of higher crude output from OPEC and on-again, off-again tariffs that have dented demand. The U.S. is the world's largest oil producer, pumping some 13.55 million barrels per day, employing millions of workers and generating trillions of dollars annually. Trump campaigned on the motto of "drill baby drill," and the national energy emergency he declared on his first day of office was designed to make it easier for companies to increase production, while he instructed officials to do everything they could to bolster the industry.

(Bearish price factor) – Gulf revision: the US has revised upwards the oil and gas reserves contained in the US section of the Gulf. According to an analysis done by the Bureau of Ocean Energy Management, the U.S. Outer Continental Shelf contains an extra 1.30 billion barrels of oil equivalent, compared to previous estimates done in 2021. This means the total of oil and gas reserves in the area stand at over 7 billion barrels of oil equivalent. This is a 22.6% increase in recoverable reserves compared to earlier estimates, the BOEM said. The analysis covered more than 37,000 reservoirs across 1,336 fields in the Gulf, the Interior Department said. The new grand total includes 5.77 billion barrels of crude oil and 7.15 trillion cu ft of natural gas. "This new data confirms what we've known all along—America is sitting on a treasure trove of energy, and under President Trump we're unlocking it," Secretary of the Interior Doug Burgum said in comments on the news. "The Gulf of America is a powerhouse, and by streamlining permitting and expanding access, we're not just powering our economy—we're strengthening our national security and putting thousands of Americans back to work. The Gulf of America is delivering 14% of the nation's oil."

(Bullish price factor) – Saudi Arabia's crude oil supply to China will surge in May from the month before as a sharp price cut by the kingdom boosts demand. State oil firm Saudi Aramco (2222.SE) will ship about 48 million barrels to China in May, a tally of allocations to Chinese refiners showed, up from April's 35.5 million barrels. This could be seen as an incentive for the Saudi kingdom to abandon the production quota system and start selling more crude oil (even if at a lower price) in order to maximize tax revenue (from energy sales) and avoid a substantial deterioration of the deficit and public finances.

(Bullish price factor) – Saudi budget: Bloomberg reported Goldman Sachs warns oil crash could push Saudi's budget deficit to $67B. Iran's Supreme Leader, Ayatollah Ali Khamenei, said on March 8 that Tehran would not be bullied into negotiations, a day after Trump said he had sent a letter urging Iran to engage in talks on a new nuclear deal. Trump has reinstated the "maximum pressure" campaign he applied in his first term as president to isolate Iran from the global economy and drive its oil exports down towards zero.

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): In recent years, specifically since the beginning of the first trade war between the US and China, 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 liquidity at risk.

Within the four-quadrants framework, the projected scenario 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 1.27634), 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$2,556. In real terms gold continues to trade well above its 20-year average of US$1,346oz. For the gold price to stay near its historical average in real terms, the nominal price must remain near US$1,717.

Gold in terms of silver: The Gold/Silver ratio rose to 101.91, still above its 20-year average of 69.54x, 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$2,226oz.

Gold in terms of palladium: The Gold/Palladium ratio increased to 3.30x, above its 20-year average of 1.64x. 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 $1,508 per ounce.

Gold to oil ratio: This ratio is at 54.69x, still well above its 20-year average of 20.90x. Considering our mid-term outlook for WTI oil at US$72.5 (in the lower our new range of $60-70 for oil) and assuming that the utility function of both commodities will remain unchanged, the price of gold must approach US$1,515 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.

ANDBANK Private Bankers

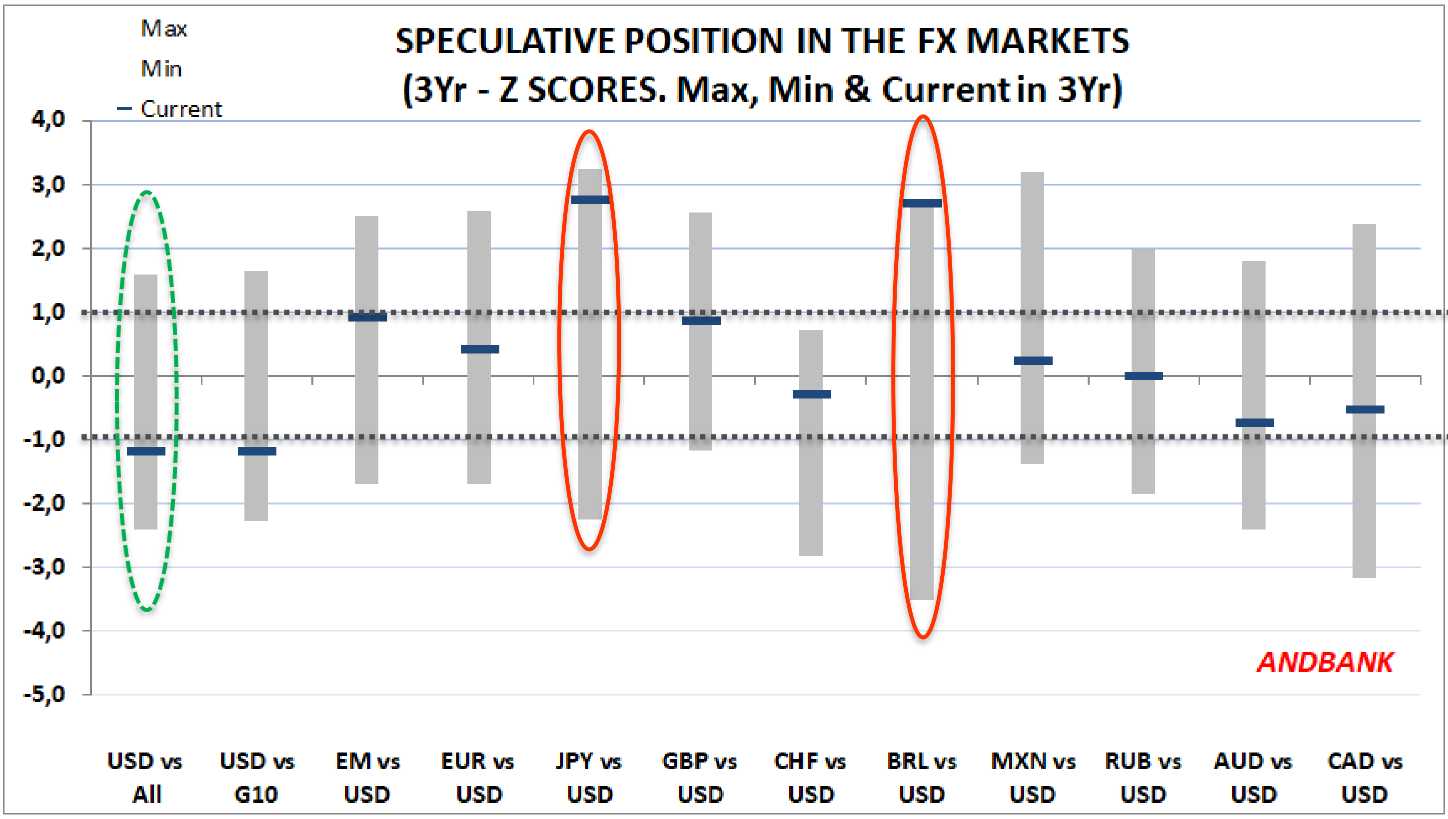
CURRENCIES

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	-18,26	-18,86	35,2	-28,2	5,2	-1,18
USD vs G10	-15,52	-18,03	34,8	-25,4	6,3	-1,17
EM	2,74	0,83	3,9	-0,8	1,5	0,93
EUR	10,79	3,79	23,4	-9,9	6,3	0,43
JPY	15,74	5,56	15,7	-15,0	-5,4	2,78
GBP	2,01	-0,79	6,1	-6,5	-0,7	0,88
CHF	-3,69	2,36	0,2	-6,1	-3,2	-0,27
BRL	1,22	0,56	1,2	-0,8	-0,1	2,72
MXN	1,52	0,27	3,3	-0,5	1,3	0,24
RUB	0,00	0,00	1,2	-0,3	0,3	0,00
AUD	-3,19	1,57	6,1	-5,2	-0,8	-0,72
CAD	-4,86	4,23	6,1	-13,2	-2,1	-0,51

ANDBANK

Positive
Neutral-Positive
Neutral-Negative
Negative



Positive
Neutral-Positive
Neutral-Negative
Negative

The currencies we technically favour are circled in green

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	12,3%	-3,3%	5.687	**6.537**	15,0%
	Europe - Stoxx Europe 600	13,1%	5,6%	536	**582**	8,5%
	SPAIN - IBEX 35	14,2%	16,1%	13.465	**13.200**	-2,0%
	MEXICO - MXSE IPC	10,6%	12,7%	55.812	**62.400**	11,8%
	BRAZIL - BOVESPA	7,6%	12,3%	135.134	**140.250**	3,8%
	JAPAN TOPIX	17,4%	-3,5%	2.688	**2.790**	3,8%
	China SSE Comp. A share	5,9%	-2,2%	3.436	**3.163**	-8,0%
	CHINA - SHENZEN COMPOSITE	7,8%	-2,1%	1.916	**1.989**	3,8%
	INDIA - SENSEX	10,5%	3,4%	80.797	**83.600**	3,5%
	VIETNAM - VN Index	2,4%	-2,1%	1.240	**1.517**	22,3%
	MSCI EM ASIA (in USD)	13,4%	3,8%	620	**692**	11,7%
Fixed Income Core countries	US Treasury 10 year Govie	-0,6%	3,7%	4,31	**4,75**	0,8%
	UK 10 year Gilt	1,5%	2,2%	4,48	**4,75**	2,3%
	German 10 year BUND	0,9%	-0,4%	2,51	**3,10**	-2,2%
	Japanese 10 year Govie	-1,1%	-1,0%	1,26	**1,50**	-0,7%
Fixed Income Peripheral	Spain - 10yr Gov bond	1,7%	0,2%	3,16	**3,85**	-2,4%
	Italy - 10yr Gov bond	2,4%	0,6%	3,59	**4,35**	-2,5%
	Portugal - 10yr Gov bond	1,7%	-0,7%	3,04	**3,60**	-1,4%
	Ireland - 10yr Gov bond	1,5%	-0,9%	2,84	**3,50**	-2,4%
	Greece - 10yr Gov bond	1,1%	-0,2%	3,32	**4,10**	-2,9%
Fixed Income Credit	Credit EUR IG-Itraxx Europe	0,7%	1,7%	64,75	**65**	2,8%
	Credit EUR HY-Itraxx Xover	2,7%	4,5%	333,18	**350**	5,0%
	Credit USD IG - CDX IG	0,7%	2,1%	64,40	**75**	4,8%
	Credit USD HY - CDX HY	2,6%	5,0%	392,67	**450**	6,6%
Fixed Income EM Europe (Loc)	Turkey - 10yr Gov bond (local)	-9,8%	-29,9%	32,00	**30,00**	48,0%
	Russia - 10yr Gov bond (local)	1,2%	5,2%	15,11	**25,00**	-64,0%
Fixed Income Asia (Local curncy)	China - 10yr Gov bond (local)	0,5%	0,9%	1,62	**1,25**	4,6%
	India - 10yr Gov bond (local)	1,8%	5,8%	6,32	**5,75**	10,9%
	Singapore - 10yr Gov bond (loc	0,1%	4,0%	2,46	**2,25**	4,2%
	Indonesia - 10yr Gov bond (loc	1,4%	3,5%	6,84	**5,75**	15,5%
	South Korea - 10yr Gov bond (l	0,5%	3,5%	2,48	**2,75**	0,3%
	Taiwan - 10yr Gov bond (local)	0,1%	1,5%	1,50	**2,50**	-6,5%
	Philippines - 10yr Gov bond (loc	-1,6%	0,6%	6,26	**5,00**	16,3%
	Malaysia - 10yr Gov bond (loca	0,1%	2,5%	3,66	**3,00**	9,0%
	Thailand - 10yr Gov bond (loca	0,2%	2,2%	2,05	**1,75**	4,5%
	Vietnam - 10yr Gov bond (local	-0,5%	0,3%	3,11	**3,00**	4,0%
Fixed Income Latam	Mexico - 10yr Govie (Loc)	-0,2%	12,0%	9,37	**10,00**	4,3%
	Mexico - 10yr Govie (USD)	-0,4%	3,6%	6,52	**6,75**	4,7%
	Brazil - 10yr Govie (Loc)	7,0%	13,7%	14,05	**14,75**	8,5%
	Brazil - 10yr Govie (USD)	0,6%	5,6%	6,68	**7,50**	0,2%
Commodities	Oil (WTI)	-5,7%	-20,2%	57,4	**65,00**	13,3%
	GOLD	11,0%	24,1%	3.312,7	**2.400**	-27,6%
Fx	EURUSD (price of 1 EUR)	4,0%	9,6%	1,13	**1,05**	-7,4%
	GBPUSD (price of 1 GBP)	4,6%	6,4%	1,33	**1,29**	-3,1%
	EURGBP (price of 1 EUR)	-0,5%	3,0%	0,85	**0,81**	-4,4%
	USDCHF (price of 1 USD)	-4,3%	-9,3%	0,82	**0,87**	5,7%
	EURCHF (price of 1 EUR)	-0,5%	-0,6%	0,93	**0,91**	-2,2%
	USDJPY (price of 1 USD)	-2,6%	-8,4%	143,95	**150,0**	4,2%
	EURJPY (price of 1 EUR)	1,3%	0,3%	163,31	**157,5**	-3,6%
	USDMXN (price of 1 USD)	-5,3%	-5,9%	19,59	**21,00**	7,2%
	EURMXN (price of 1 EUR)	-1,4%	3,2%	22,22	**22,05**	-0,8%
	USDBRL (price of 1 USD)	-4,3%	-8,4%	5,66	**5,80**	2,5%
	EURBRL (price of 1 EUR)	-0,5%	0,2%	6,42	**6,09**	-5,1%
	USDARS (price of 1 USD)	8,9%	13,6%	1.171	**1.000**	-14,6%
	USDINR (price of 1 USD)	-1,8%	-1,5%	84,28	**86**	2,0%
	CNY (price of 1 USD)	-0,5%	-0,4%	7,27	**7,50**	3,2%

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

UPWARD REVISION   DOWNWARD REVISION

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