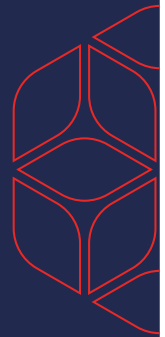


Quick recap

- Last week's relief rally was short-lived as this week became a reminder of how nervous markets are at the moment. Again, Powell promised to curb inflation and prevent a drift towards structurally higher inflation rates. The speech was widely perceived as indicating that the Fed continues to prioritize the fight against inflation over mitigating risks to economic growth and the labour market.
- Benchmark rates retraced across the curve, and 2-year Treasuries, an indicator of the market's assessment of the peak of the current hike cycle, dipped below 3%.
- There was a notable dispersion in style factor returns. While the sell-off in the U.S. was led by Growth and Quality stocks, Value became the worst-performing factor in Europe as recession fears mounted.
- Also noteworthy was a Supreme Court ruling restricting the EPA's ability to limit carbon emissions.



Overview

Equities

- Equities Broad Market
- Equities Sectors
- Equities Styles
- Implied Volatility

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Fixed Income

- Government Yields
- Government Curve
- Credit Spreads

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Commodities

- Precious Metals
- Oil
- Cryptocurrencies

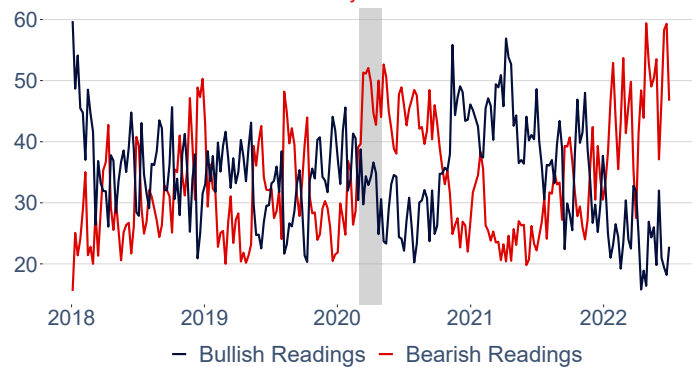
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Economic Calendar

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Investor Sentiment

AAII US Investor Sentiment Survey



Source: Amadeus Capital 2022-07-01

Sentiment improved slightly last week but is still at extremely depressed levels, making markets prone to sharp sell-offs and sudden snap-backs alike. Not surprisingly, Mean Reversion has been an exceptionally well-performing strategy this year, while trend following and momentum approaches are struggling.

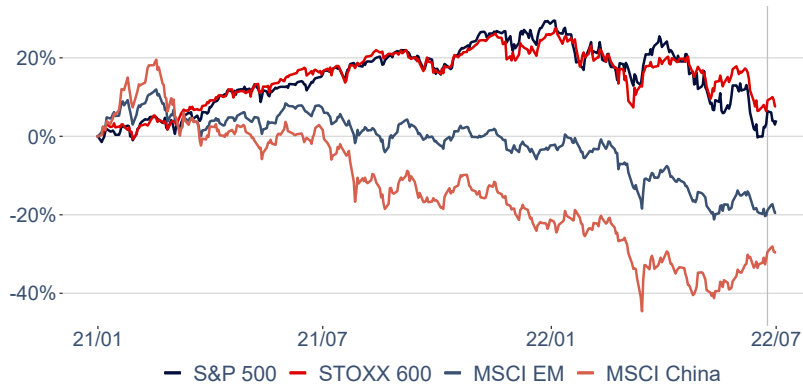
Markets at a glance



Major Equity Markets

Broad Markets

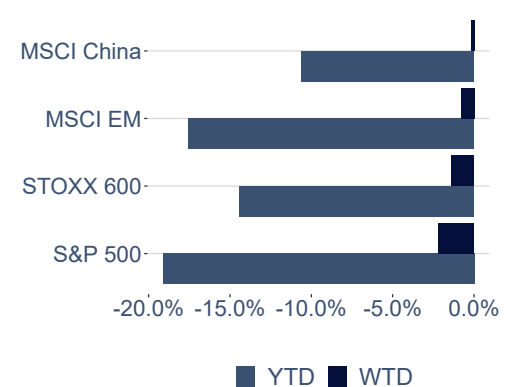
Total return %



Source: Amadeus Capital SA 2022-07-02

Broad Markets

Total return %



Major Equity Markets

Broad Markets

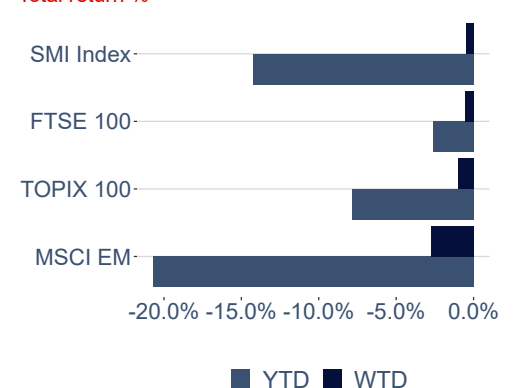
Total return %



Source: Amadeus Capital SA 2022-07-02

Broad Markets

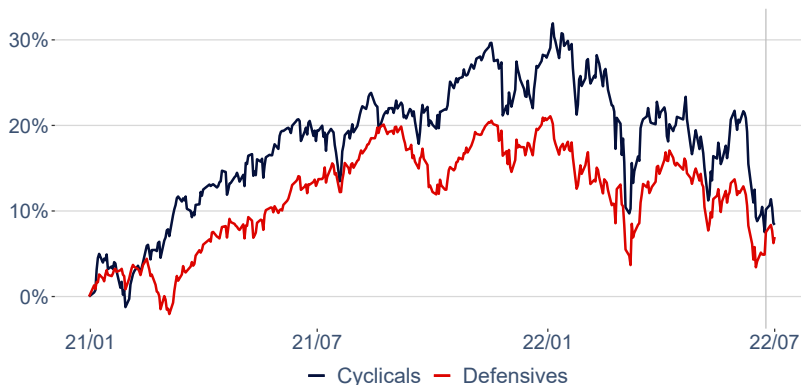
Total return %



Equity Sectors

Cyclicals vs Defensives Europe

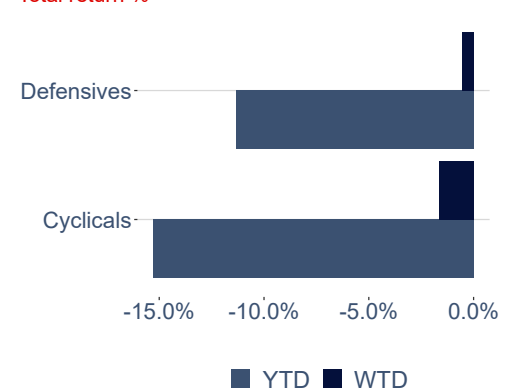
Total return %



Source: Bloomberg, Amadeus 2022-07-02

Cyclicals vs Defensives Europe

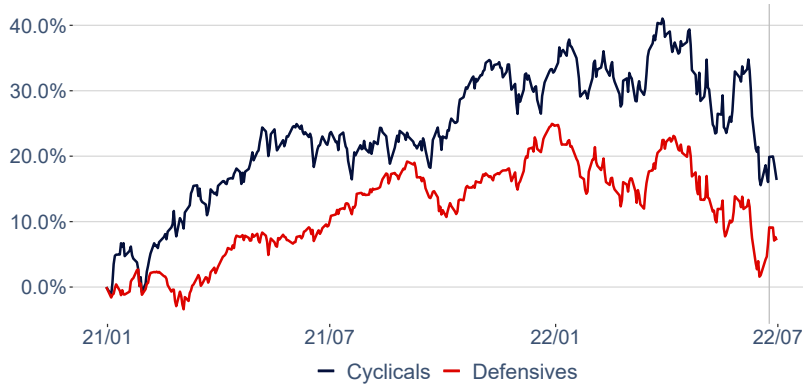
Total return %



Equity Sectors

Sectors U.S.

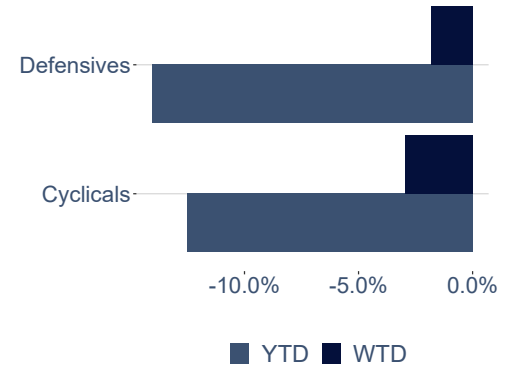
Total return %



Source: Bloomberg, Amadeus 2022-07-02

Cyclicals vs Defensives U.S.

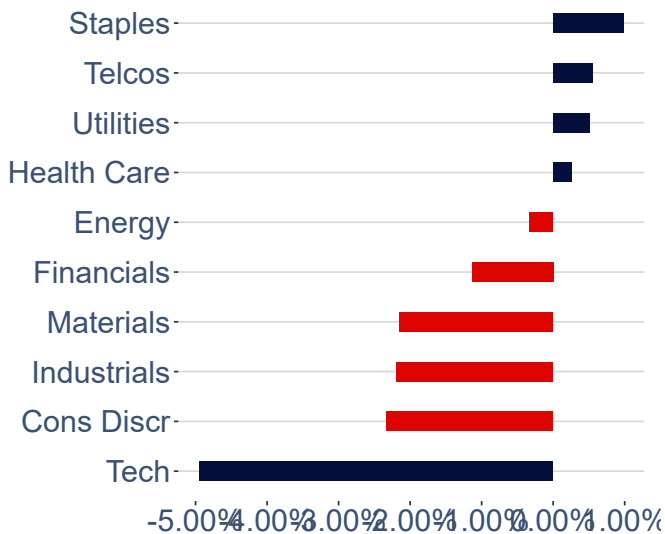
Total return %



Equity Sectors

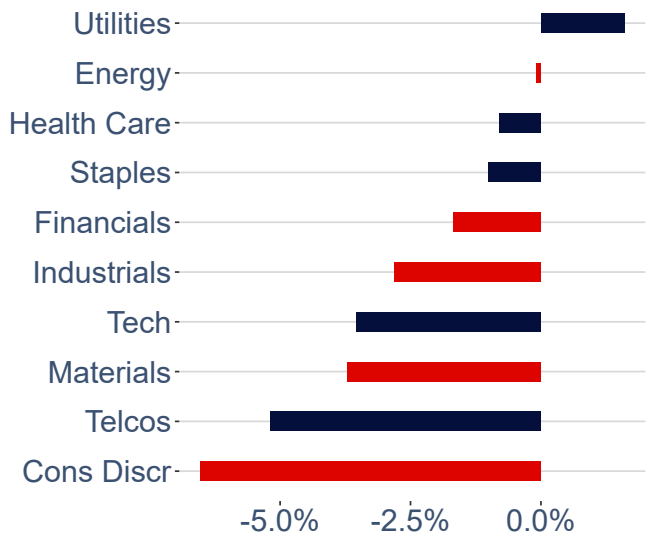
Sectors Europe

Last week's performance % (Cyc = red, def = blue)



Sectors U.S.

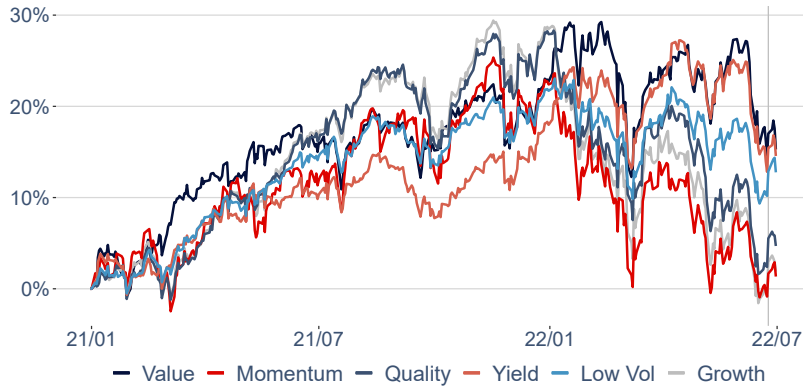
Last week's performance %



Equity Styles

Styles Europe

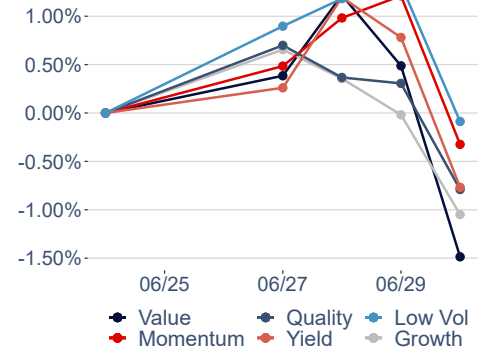
Total return %



Source: Bloomberg, Amadeus 2022-07-02

Styles Europe

Total return %



Source: Amadeus Capital SA 2022-07-02

Equity Styles

Styles U.S.

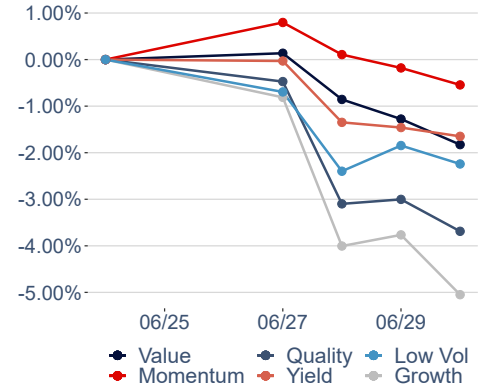
Total return %



Source: Bloomberg, Amadeus 2022-07-02

Styles U.S.

Total return %

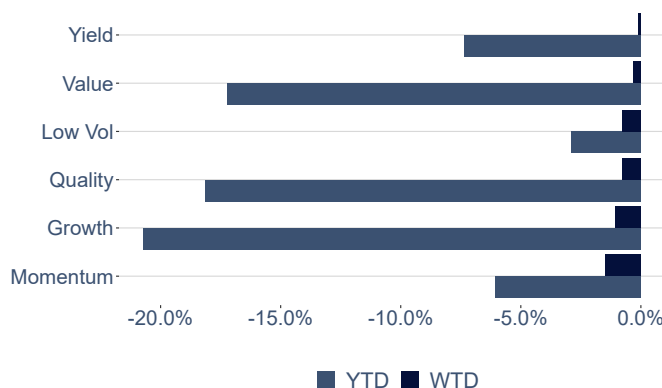


Source: Amadeus Capital SA 2022-07-02

Equity Styles

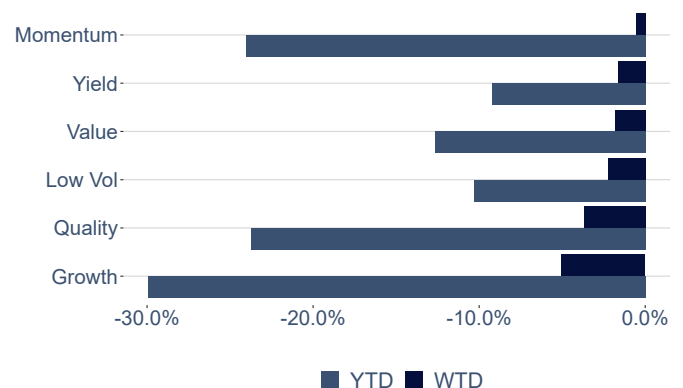
Styles Europe

Total return %



Styles U.S.

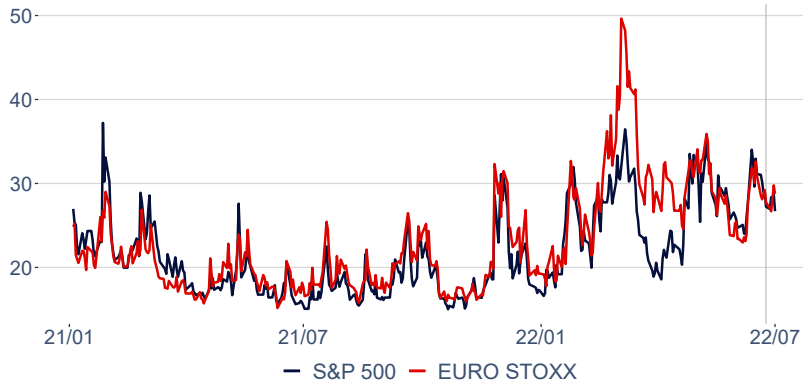
Total return %



Volatility

Volatility

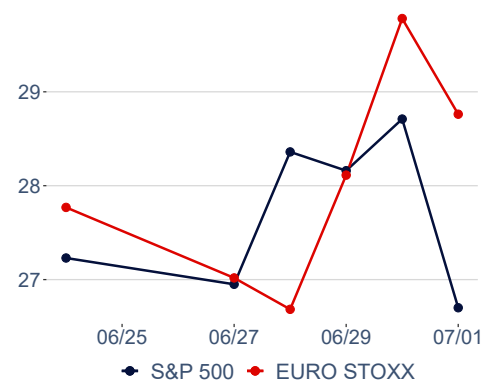
Implied volatility in %



Source: Amadeus Capital SA 2022-07-02

Volatility

Implied volatility in %

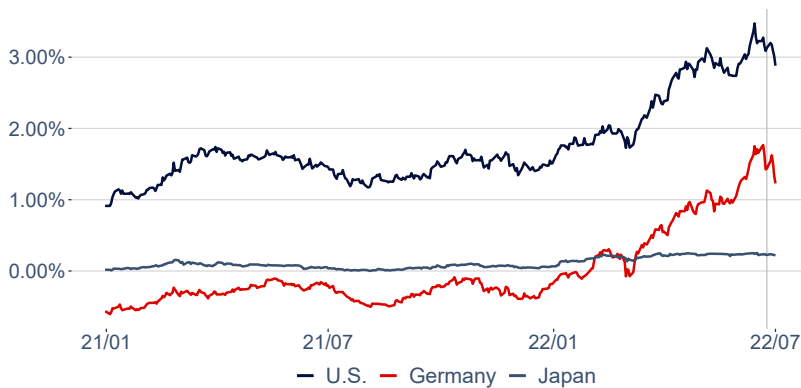


Source: Amadeus Capital SA 2022-07-02

Government Bond Yields

10Yr Govt Yields

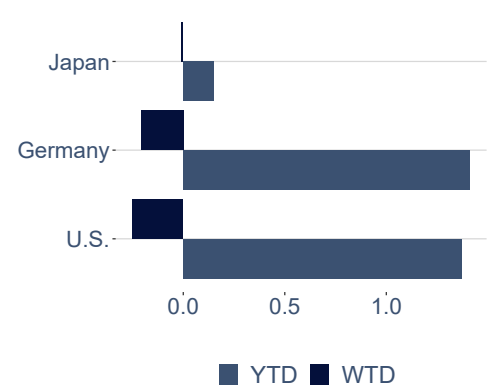
%



Source: Bloomberg, Amadeus 2022-07-02

10Yr Govt Yields

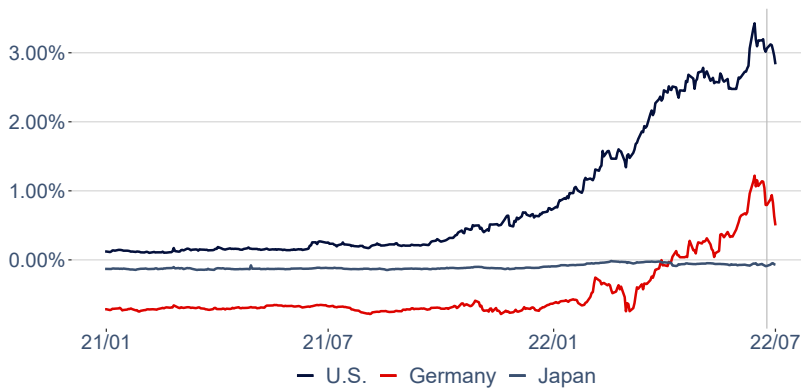
Delta in %



Government Bond Yields

2Yr Govt Yields

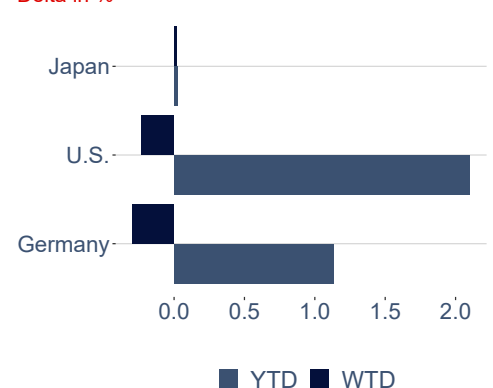
%



Source: Bloomberg, Amadeus 2022-07-02

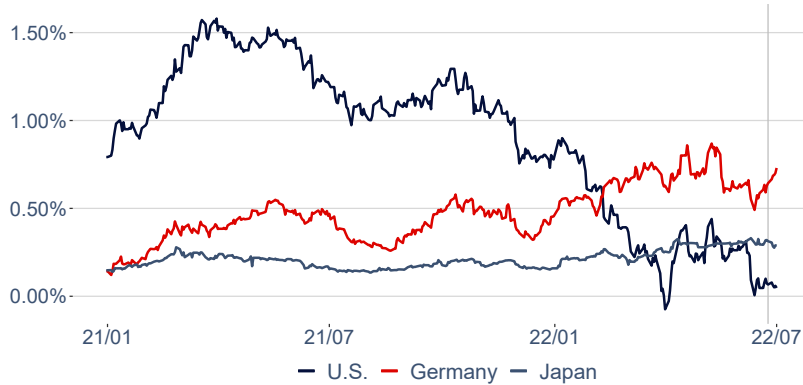
2Yr Govt Yields

Delta in %



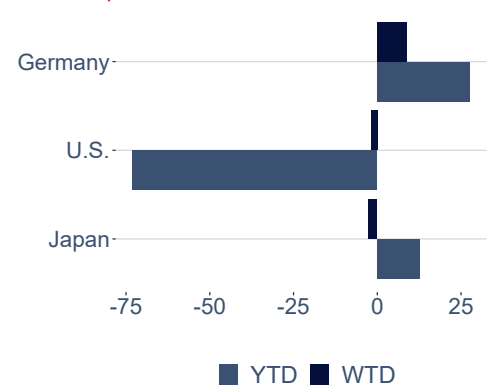
Government Bond Yields

Steepness of the curve
10Yr - 2Yr Govt Yields %



Source: Amadeus Capital SA 2022-07-02

10Yr-2Yr Govt Yields
Delta in bp



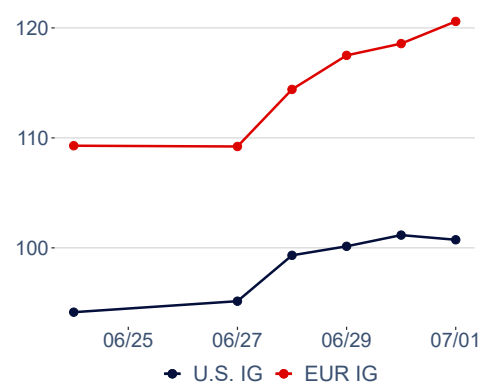
Credit Spreads

Investment grade credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-07-02

Investment grade credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-07-02

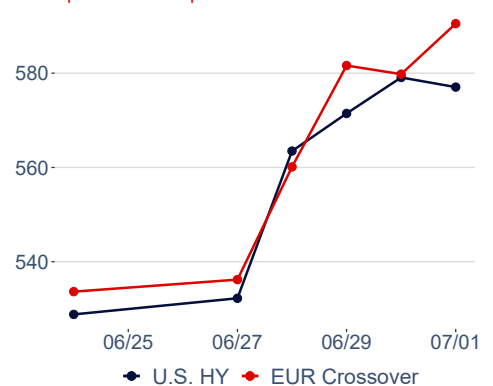
Credit Spreads

High yield credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-07-02

High yield credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-07-02

Precious Metals

Precious metals

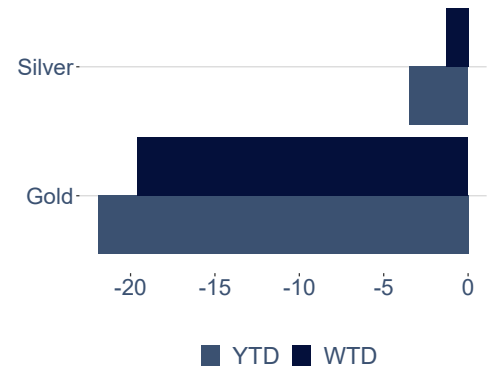
Price change %



Source: Amadeus Capital SA 2022-07-02

Precious metals

Price change in USD



Commodities

Crude oil

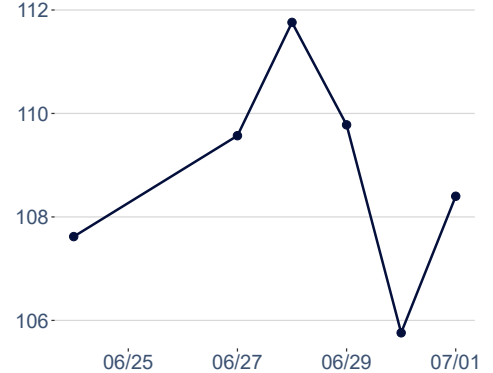
Price in USD



Source: Amadeus Capital SA 2022-07-02

Crude oil

Price in USD

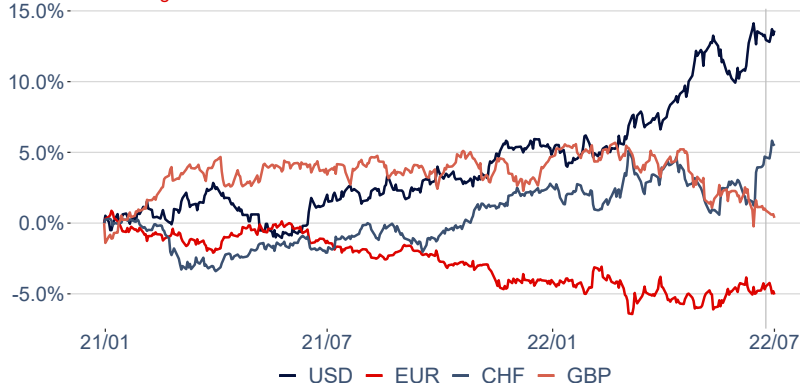


Source: Amadeus Capital SA 2022-07-02

Currencies

Trade weighted currencies

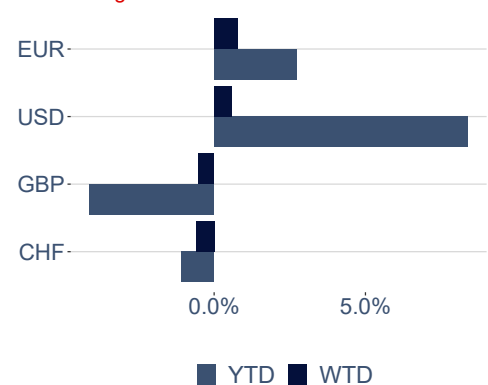
Price change %



Source: Amadeus Capital SA 2022-07-02

Trade weighted currencies

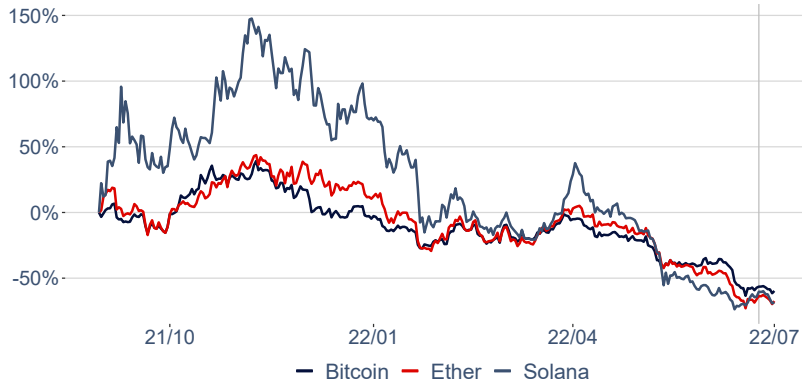
Price change %



Cryptocurrencies

Major cryptocurrencies in USD

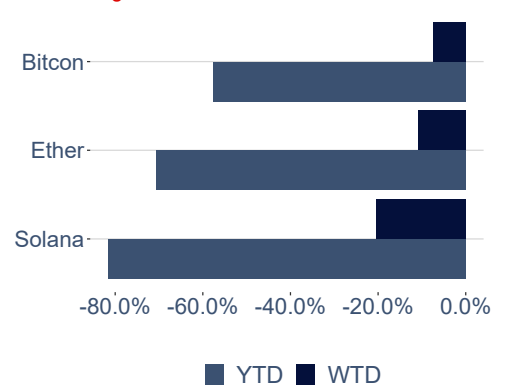
Price change %



Source: Amadeus Capital SA 2022-07-02

Major cryptocurrencies in USD

Price change %



Major Events Last Week

Stronger than expected Durable Goods Orders and Pending Home Sales kicked off the week on a positive note, but another decline in Consumer Confidence and a weaker than forecasted GDP print alongside higher than prognoses Jobless Claims quickly reversed this impression. In Europe, a surprise surge in German unemployment was the most notable news on the macro-side, indicating that the effects of disappointing economic data and terrible confidence are starting to trickle through. On a positive note, a surprisingly low inflation print (-0.1% m/m) from the German state of North-Rhine Westphalia raised hopes that hawkish pressure on the ECB is receding and triggered a decline in the yields of Italian government bonds.

Date	Zone	Event	Previous	Forecast	Actual
27/06/2022	United States	Core Durable Goods Orders (MoM) (May)	0.2%	0.3%	0.7%
27/06/2022	United States	Pending Home Sales (MoM) (May)	-4.0%	-3.7%	0.7%
28/06/2022	Euro Zone	ECB President Lagarde Speaks	-	-	-
28/06/2022	Euro Zone	ECB President Lagarde Speaks	-	-	-
28/06/2022	United States	CB Consumer Confidence (Jun)	103.2	100.4	98.7
29/06/2022	Australia	Retail Sales (MoM) (May)	0.9%	0.4%	0.9%
29/06/2022	United Kingdom	BoE Gov Bailey Speaks	-	-	-
29/06/2022	United States	GDP (QoQ) (Q1)	-1.5%	-1.5%	-1.6%
29/06/2022	United States	Fed Chair Powell Speaks	-	-	-
29/06/2022	Euro Zone	ECB President Lagarde Speaks	-	-	-
29/06/2022	United Kingdom	BoE Gov Bailey Speaks	-	-	-
29/06/2022	United States	Crude Oil Inventories	1.956M	-	-0.386M
29/06/2022	United States	Crude Oil Inventories	-0.386M	-0.569M	-2.762M
29/06/2022	Euro Zone	ECB President Lagarde Speaks	-	-	-
30/06/2022	China	Manufacturing PMI (Jun)	49.6	50.5	50.2
30/06/2022	United Kingdom	GDP (YoY) (Q1)	6.6%	8.7%	8.7%
30/06/2022	United Kingdom	GDP (QoQ) (Q1)	1.3%	0.8%	0.8%
30/06/2022	Germany	German Unemployment Change (Jun)	-4K	-6K	133K
30/06/2022	United States	Core PCE Price Index (MoM) (May)	0.3%	0.4%	0.3%
30/06/2022	United States	Initial Jobless Claims	233K	228K	231K
30/06/2022	Canada	GDP (MoM) (Apr)	0.7%	0.3%	0.3%
30/06/2022	Euro Zone	ECB President Lagarde Speaks	-	-	-
01/07/2022	Japan	Tankan Large Manufacturers Index (Q2)	14	13	9
01/07/2022	Japan	Tankan Large Non-Manufacturers Index (Q2)	9	14	13
01/07/2022	China	Caixin Manufacturing PMI (Jun)	48.1	50.1	51.7
01/07/2022	Germany	German Manufacturing PMI (Jun)	54.8	52.0	52.0
01/07/2022	United Kingdom	Manufacturing PMI (Jun)	54.6	53.4	52.8
01/07/2022	Euro Zone	CPI (YoY) (Jun)	8.1%	8.4%	8.6%
01/07/2022	United States	ISM Manufacturing PMI (Jun)	56.1	54.9	53.0

The Week Ahead

In an otherwise quiet week, the focus will likely be on June Nonfarm Payrolls, to be released on Friday. Consensus expects a further decline from 390k to 295k, the weakest number since April 2021.

Date	Zone	Event	Previous	Forecast	Actual
04/07/2022	Israel	Interest Rate Decision (Jul)	0.75%	1.25%	-
05/07/2022	Australia	Retail Sales (MoM)	0.9%	-	-
05/07/2022	Australia	RBA Interest Rate Decision (Jul)	0.85%	1.35%	-
05/07/2022	United Kingdom	Composite PMI (Jun)	53.1	-	-
05/07/2022	United Kingdom	Services PMI (Jun)	53.4	-	-
06/07/2022	United Kingdom	Construction PMI (Jun)	56.4	56.6	-
06/07/2022	United States	ISM Non-Manufacturing PMI (Jun)	55.9	55.7	-
06/07/2022	United States	JOLTs Job Openings (May)	11.400M	11.400M	-
07/07/2022	United States	ADP Nonfarm Employment Change (Jun)	128K	200K	-
07/07/2022	Canada	Ivey PMI (Jun)	72.0	-	-
07/07/2022	United States	Crude Oil Inventories	-2.762M	-0.569M	-
08/07/2022	United States	Nonfarm Payrolls (Jun)	390K	295K	-
08/07/2022	United States	Unemployment Rate (Jun)	3.6%	3.6%	-
08/07/2022	Canada	Employment Change (Jun)	39.8K	-	-

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We cater to wealthy families and institutions with a pronounced ownership approach, making sure that the interests of our clients and ourselves are aligned by investing alongside them.

We offer a special know-how in niche strategies and we provide access to exclusive investment opportunities through our network

Amadeus Capital finds itself in the centre of a full-service ecosystem controlled by the Brockmann family, which allows us to easily connect all aspects of private wealth management.

While we are proud of our heritage, we constantly seek to adapt to a rapidly changing financial industry and don't shy away from undertaking the necessary investments to stay ahead of the curve.

We actively foster and cultivate an entrepreneurial corporate culture, encourage continuous innovation and work closely together with our external network of specialists and consultants.

Amadeus Capital merged in 2019 with Nucleo Capital, a Geneva based multi-family office created in 2005 by Laurent Timonier; further to the merger Laurent Timonier and Marovita Holding are the sole shareholders of Amadeus Capital.

Amadeus Capital is a member of the Swiss Association of Asset Managers and is audited by Ernst & Young.

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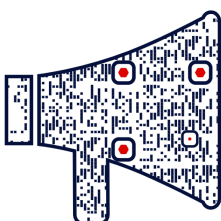
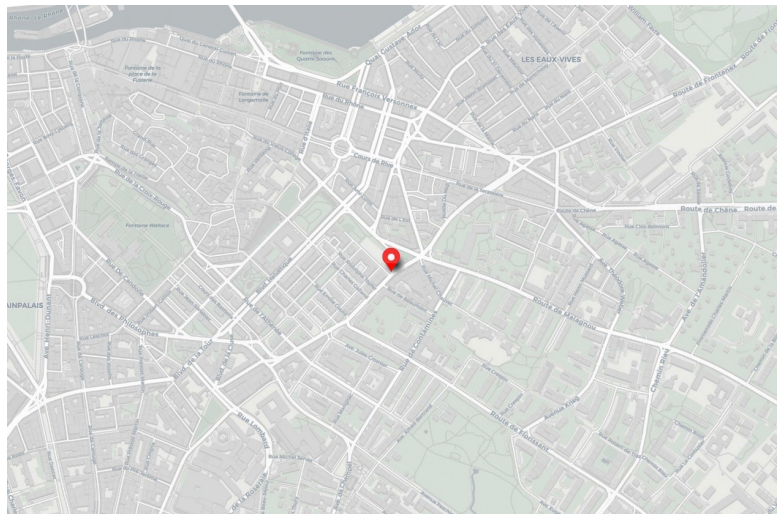
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