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BBGI GROUP Global Investments

BBGI OPP2 Compliant STRATEGIES & INDICES CHF

A BBGI exclusivity since 1999

April 2022

Annualized performance of +5.10% to +5.81%

The bearish trend is back and affecting all types of assets

NEGATIVE PERFORMANCES FOR ALL THREE BBGI OPP2 COMPLIANT INDICES IN APRIL

BBGI OPP2 Compliant Index « Low Risk »	**- 1.47%**	**(YTD -6.36%)**
BBGI OPP2 Compliant Index « Medium Risk »	**- 1.49%**	**(YTD -5.91%)**
BBGI OPP2 Compliant Index « Dynamic Risk »	**- 1.51%**	**(YTD -5.47%)**

Comments (performances in Swiss Francs)

The widespread negative momentum has resumed in April as illustrated by the negative performance of our BBGI OPP2 Compliant indices. The low-risk index was down by -1.47% while the moderate risk strategy was slightly lower, surrendering -1.49%. The dynamic risk index was impacted by its broader exposure to international equities and alternative investments, which caused it to lose -1.51%. The three strategies are still in a negative territory in 2022 in a generally negative context for all the financial markets (-6.36%, -5.91%, -5.47%). The fixed Income markets continued their negative movements even though they were showing a slowdown in momentum both in Switzerland and internationally. The Swiss segment fell once more during April (-1.99%), whereas the decline was less significant on the international level (-0.43%). The real estate sector entered again into a negative territory this month. The local market intensified its downward trend and lost -1.13%, while the international segment fell under the zero-performance level again (-0.15%) following a significant upsurge in March (+4.55%). Equity markets were again under heavy selling pressure in April. However, the domestic segment held up well and even rose slightly this month (+0.42%). The international market erased the gains made last month and dropped significantly by -3.02%. Commodities are still the only asset class to clearly be taking advantage of the current geopolitical and economic situation in Europe. These tensions on the energy market pushed the prices at historical highs again and allowed the segment to rise by a solid +4.00%. The segment managed to achieve a return of +30.17% on the year-to-date basis. The private equity sector slumped by -13.74% and achieved the worst performance of the month and of the year (-23.67%). The Hedge fund sector also declined slightly in April (-1.06%).

Financial market developments (performances in local currencies, USD)

After a short interruption in March, the month of April was characterized by a strong return to a bearish pattern that affected all asset classes except commodities. The war in Ukraine remained the main factor destabilizing the markets through its indirect consequences on the evolution of inflation and on the global economic growth. The return to the foreground of the Covid situation in China was also a major source of concern for the global macroeconomic scenario, which is also threatened by monetary tightening in the United States. Energy prices have consistently risen as the relationship between the European and Russian governments has become more intense. The European Union is seeking to free itself from its dependence on Russian supplies and realizes that alternatives are expensive and difficult to put in place. While Europe is seriously searching for new suppliers, a new step was taken by Russia, which was to discontinue natural gas deliveries to Poland and Bulgaria because they refused to pay the new contracts in Rubles. The process leading to an interruption of Russian oil and gas deliveries to Europe has been set in motion. While inflation is spreading around the world, sometimes reaching historical highs, the growth of the world economy is already plummeting. The -1.4% contraction of the US GDP in Q1 surprised all the observers after a +6.9% increase in Q4, 2021. Europe should also be expected to report a decline in its GDP growth. We anticipated a new global paradigm for inflation and growth prospects that is already materializing, validating our "stagflation" scenario. The fixed income markets continued to adjust to this new situation and declined another -1.99% in April. A similar deterioration hit the equity markets (-3.02%), while the private equity sector crashed by -13.34%. Real estate, which behaves better in a period of stagflation, only slipped -0.15% (YTD). Commodities were the only assets to take advantage of this environment, advancing +4.00% over the month and +30.17% over the last four months.

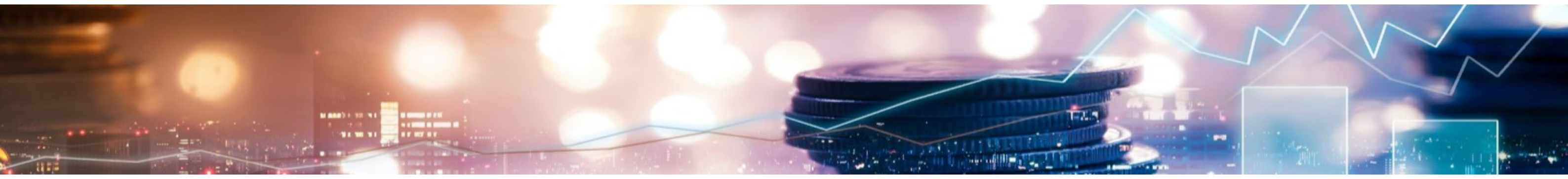
PERFORMANCE OF ASSET CLASSES

APRIL

+ 4.00%	Commodities
+ 0.42%	Swiss Equities
- 0.15%	International Real Estate
- 0.43%	International fixed Income
- 1.06%	Hedge Funds
- 1.13%	Swiss Real Estate
- 1.99%	Swiss fixed Income
- 3.02%	International Equities
- 13.34%	Private Equity

YTD

+ 30.17%	Commodities
- 2.53%	International Real Estate
- 3.02%	Hedge Funds
- 5.12%	Swiss Equities
- 5.25%	Swiss Real Estate
- 5.58%	International fixed Income
- 7.13%	International Equities
- 7.93%	Swiss fixed Income
-23.67%	Private Equity



COMMENTS BY ASSET CLASS

Fixed Incomes

Rate adjustments have continued in April in the fixed income markets. The yield curves are rising again as tensions continue to build on various inflation measures. The ten-year Treasury yields continued to rise quite strongly from 2.33% to 2.9% in one month, while the 5-year yields also rose from 2.45% to 2.92%. In Europe, the trend was very similar, with the ten-year rates rising from 0.54% to 0.94%. The markets suffered more losses in the range of -1.99% for Swiss bonds and -0.43% for the international bonds. Inflationary risks are still progressing under the threat of new pressures on the prices of energy and possible interruptions in the supply of the raw materials. The U.S. economy could enter a recession as early as the second quarter and confirm the announced stagflation scenario. The bond markets are therefore still under pressure.

Equities

Equity markets are not expected to react positively to the stagflation scenario that is taking shape. Margins and earnings prospects will be under pressure in several key sectors of the equity indices. Rising interest rates also threaten the previous PE expansion cycle, which is now expected to contract. The environment of monetary tightening and reduced liquidity is no longer favorable for equities.

Commodities

The commodities sector continued its spectacular ascension. The asset class achieved another month's best performance, with an increase of +4.00%. Geopolitical pressures in Europe have not abated and the strains on the energy market are still vera present. The sector has reached a cumulative performance of +30.17% since the beginning of the year, which places it far ahead of all the other asset classes.

Real Estate

After a clear rebound of +4.55% on the international markets in March, the real estate sector returned below its neutral performance level. However, in comparison with other asset classes, it was more resilient to the global bear trend that affected the markets in April. Historically, the real estate sector performs better during periods of stagflation. A situation that seems to be materializing, judging by the quarterly economic growth figures for Europe and the United States.

BBGI OPP2 Compliant Indices (Monthly Indices)

Performances in Swiss Francs	last 3 months: February 2022	March 2022	April 2022	YTD: Year to date	Current Year: 1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annualized performances: 2021	Annualized perf fm 1984 to date**
BBGI OPP2 Compliant "Low Risk"	-2.41%	-0.97%	**-1.47%**	**-6.36%**	-4.96%				5.61%	5.10%
BBGI OPP2 Compliant "Medium Risk"	-2.43%	-0.15%	**-1.49%**	**-5.91%**	-4.49%				9.36%	5.47%
BBGI OPP2 Compliant "Dynamic Risk"	-2.45%	0.67%	**-1.51%**	**-5.47%**	-4.02%				13.22%	5.81%
Assets										
Swiss Bonds	-2.04%	-2.73%	**-1.99%**	**-7.93%**	-6.06%				-1.82%	3.58%
International Bonds	-2.30%	-2.44%	**-0.43%**	**-5.58%**	-5.17%				-1.72%	3.71%
Swiss Real Estate	-3.45%	-0.56%	**-1.13%**	**-5.25%**	-4.17%				7.32%	6.46%
International Real Estate	-3.64%	4.55%	**-0.15%**	**-2.53%**	-2.39%				25.63%	5.42%
Swiss Stocks	-2.20%	2.42%	**0.42%**	**-5.12%**	-5.51%				23.38%	8.89%
International stocks	-3.76%	2.54%	**-3.02%**	**-7.13%**	-4.24%				22.05%	6.46%
Commodities *	6.08%	8.55%	**4.00%**	**30.17%**	25.17%				25.81%	0.07%
Private Equity *	-5.11%	0.17%	**-13.34%**	**-23.67%**	-11.92%				49.92%	15.16%
Hedge Funds *	-0.43%	0.37%	**-1.06%**	**-3.02%**	-1.98%				2.55%	0.75%
* hedged in Swiss Francs										
Forex										
USD/CHF	-1.12%	0.62%	**5.34%**	**9.78%**	4.21%				3.81%	-2.60%
EUR/CHF	-1.22%	-0.72%	**0.48%**	**-5.09%**	-5.55%				-3.66%	-1.97%

****Annualized data for international bonds, commodities, private equity and alternative investments are calculated from their introduction on January 1, 2009. International real estate was introduced in November 1989. The annualized performance of the EUR/CHF exchange rate has been calculated since December 1999.**

Sources : Bloomberg/BBGI