

BBGI OPP2 COMPLIANT STRATEGIES & INDICES CHF

A BBGI exclusivity since 1999

June 2025

**Annualized performance
of +4.82% to +5.53%**

Fragile markets in June

NEGATIVE PERFORMANCE FOR ALL THREE BBGI OPP2 COMPLIANT INDICES IN JUNE

BBGI OPP2 Compliant Index « Low Risk »	-0.81%	(YTD -0.40%)
BBGI OPP2 Compliant Index « Medium Risk »	-0.61%	(YTD +0.03%)
BBGI OPP2 Compliant Index « Dynamic Risk »	-0.41%	(YTD +0.45%)

Comments (performances in Swiss Francs)

The BBGI OPP2 Compliant indices moved into negative territory in June. The low-risk index lost 0.81%, the moderate-risk strategy followed a similar path, falling 0.61%, and the dynamic-risk approach achieved the best performance of the month, down 0.41%. Since the beginning of the year, the three strategies have recorded divergent performances of -0.40%, +0.03% and +0.45%, respectively. Bond markets were in the red in June. The domestic segment performed slightly better than the international segment, with -1.05% versus -1.74%. This trend has been more pronounced since the beginning of 2025, with the Swiss market losing -0.56% and the international segment -6.24%. The real estate sector diverged this month. The domestic class showed a slight increase of +0.21%, while the international class lost -2.32%, representing the worst performance in June. The opposite trajectories are confirmed over the year. The domestic class is up +3.18%, while the international class is down -6.98%. Swiss equities are below neutral with a performance of -1.87%, while international equities remain positive with +0.93%. However, since January, the trend has reversed. Domestic equities remain in the lead with a performance of +6.87%, while international equities posted a result of -3.72%. Commodities moved into positive territory with a performance of +1.99% in June and +3.26% for the year. Private equity jumped +4.59%, recording the best performance of the month. Nevertheless, the decline continues over the year (-0.64%), even if the performance is better than in May. Alternative management advanced +0.71%, with an annual performance of +0.72%.

Financial market developments (performances in local currencies, USD)

The stock market climate was ultimately fairly positive in June, despite developments in the Middle East that could have caused considerable concern among investors. Geopolitical risks were quickly deemed unlikely to have a major lasting impact on crude oil prices due to the rapid easing of tensions orchestrated by Washington. With the risk of a blockade of the Strait of Hormuz averted, crude oil prices stabilized at a higher level, as did precious metal prices. Traditional assets did not react strongly to this environment, with bond markets performing fairly well (+1.89%), while equity indices (+4.32%) benefited mainly in the US, Japan, and emerging markets from a continuation of May's upward trend. The quarter ended with generally positive performances for most markets and asset classes, with international bonds up 4.52%, bringing their gain since the beginning of the year to 7.27%. Equities posted a significant three-month gain (+11.47%), salvaging their six-month performance (+9.47%). On the macroeconomic front, inflation figures were often better at the end of the quarter, allowing the central banks concerned to continue their policy of lowering interest rates. However, in the United States, the Fed still fears that inflation will rebound due to tariff increases and remains in a wait-and-see mode, maintaining high key interest rates. The 90-day negotiation period announced by Trump to reach bilateral agreements ends on July 9, and the hoped-for agreements are slow to materialize, without the markets showing any concern. In the meantime, the OBBBA was narrowly passed and will come into force. In this context, the yield differential, which is very often favorable to the US dollar, has not been enough to strengthen the trade-weighted greenback, which slipped 2.47% in June for the sixth consecutive month, representing a 10.75% drop over six months. Equity indices have returned to high levels, sometimes exceeding the highs of the beginning of the year, yet a large number of economic indicators in the United States suggest an economic downturn that does not seem to be having an impact either, suggesting dangerous complacency on the part of investors and a high potential fragility of the markets.

PERFORMANCE OF ASSET CLASSES

JUNE

+4.59%	Private equity
+1.99%	Commodities
+0.93%	International equities
+0.71%	Hedge funds
+0.21%	Swiss real estate
-1.05%	Swiss bonds
-1.74%	International bonds
-1.87%	Swiss equities
-2.32%	International real estate

YTD

+6.87%	Swiss equities
+3.26%	Commodities
+3.18%	Swiss real estate
+0.72%	Hedge funds
-0.56%	Swiss bonds
-0.64%	Private equity
-3.72%	International equities
-6.24%	International bonds
-6.98%	International real estate

COMMENTS BY ASSET CLASS

Bonds

The volatility observed during the quarter clearly reflects the uncertainty and poor short-term visibility caused by Trump's policies on a number of key issues. Consumers and businesses are holding back, waiting for greater clarity on the economic outlook. Yields are not yet following any real trend, but are reacting to news and rumors in the very short term. Ultimately, the positive performance of global indices and the decline in long-term rates seem to be based more on positive inflation statistics, without concern for the future impact of US tariffs and US debt financing following the adoption of the OBBBA. Perceptions of potential default risk and investor mistrust of US Treasury bonds peaked in May, but June saw a complete reversal of this trend, with Treasury CDS returning to a more normal risk level. Despite relatively similar risk scores, we believe that the likelihood of further rate cuts is higher in the US, Canada, Australia, and the UK than in the eurozone.

Equities

The rebound in equity markets continued in June, but given the previous highs in March, we believe that this rebound may now lack support. The risks of a slowdown remain, while in a few days Trump may decide to announce shock tariffs on countries that have not sought enough compromise with the United States. Risk/return profiles appear more favorable in other markets, as evidenced by the underperformance of the United States. Risks increased overall in June, and we suggest increased vigilance and a more cautious equity exposure policy.

Commodities

Commodities rose sharply in June, driven by a rebound in the energy sector (+5.43%) amid tense geopolitical relations between Israel, Iran, and the United States. Oil, diesel, and fuel oil prices rose sharply, while natural gas prices fell slightly due to high production and large inventories. Precious metals posted mixed performances, with gold falling slightly in a more risk-friendly climate, while silver benefited from increased speculation. Industrial metals benefited from a risk-on effect, with copper, aluminum, and zinc showing strong momentum. Agricultural commodities were mixed, with sharp declines for sugar and coffee, while soybeans rose slightly. Overall, commodities ended the month higher, supported by energy and metals.

BBGI OPP2 Compliant Indices (Monthly Indices)										
Performances in Swiss Francs	last 3 months			YTD	Current Year				Annualized performances	
	April 2025	May 2025	June 2025	Year to date	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	2024	Annualized perf fm 1984 to date**
BBGI OPP2 Compliant "Low Risk"	-1.15%	1.38%	-0.81%	-0.40%	0.20%	-0.59%			9.12%	4.82%
BBGI OPP2 Compliant "Medium Risk"	-1.73%	1.83%	-0.61%	0.03%	0.58%	-0.54%			10.32%	5.19%
BBGI OPP2 Compliant "Dynamic Risk"	-2.32%	2.29%	-0.41%	0.45%	0.95%	-0.49%			11.51%	5.53%
Assets										
Swiss Bonds	1.52%	0.37%	-1.05%	-0.56%	-1.38%	0.83%			5.35%	3.48%
International Bonds	-3.87%	-0.77%	-1.74%	-6.24%	0.02%	-6.26%			6.02%	2.81%
Swiss Real Estate	-2.38%	3.49%	0.21%	3.18%	1.92%	1.24%			17.59%	6.28%
International Real Estate	-5.90%	2.42%	-2.32%	-6.98%	-1.20%	-5.85%			8.79%	4.61%
Swiss Stocks	-1.91%	2.25%	-1.87%	6.87%	8.58%	-1.58%			6.18%	8.32%
International stocks	-6.15%	5.74%	0.93%	-3.72%	-3.87%	0.15%			27.09%	6.44%
Commodities *	-5.18%	-0.95%	1.99%	3.26%	7.79%	-4.20%			1.04%	-1.77%
Private Equity *	-1.00%	3.27%	4.59%	-0.64%	-7.08%	6.94%			19.44%	18.67%
Hedge Funds *	-0.50%	0.79%	0.71%	0.72%	-0.28%	1.00%			0.77%	0.49%
* hedged in Swiss Francs										
Forex										
USD/CHF	-6.62%	-0.41%	-3.56%	-12.60%	-2.55%	-10.31%			7.84%	-2.90%
EUR/CHF	-2.13%	-0.29%	0.17%	-0.56%	1.73%	-2.25%			1.21%	-1.32%

**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



The systematic diversified strategies of the BBGI OPP2 COMPLIANT indices have produced returns of +4.82% to +5.53% annualized since 1984 to date.

The composition of our indices is available upon request.