

# BBGI PRIVATE BANKING STRATEGIES & INDICES USD

A BBGI exclusivity since 1999

May 2026

Annualized performance  
of **+5.56%** to **+7.15%**

## An optimistic market despite the uncertainties

### POSITIVE PERFORMANCES FOR THE THREE BBGI PRIVATE BANKING USD INDICES IN MAY

<b>BBGI Private Banking Index « Low Risk »</b>	<b>+0.99%</b>	<b>(YTD +5.56%)</b>
<b>BBGI Private Banking Index « Medium Risk »</b>	<b>+1.27%</b>	<b>(YTD +7.80%)</b>
<b>BBGI Private Banking Index « Dynamic Risk »</b>	<b>+1.55%</b>	<b>(YTD +10.06%)</b>

### Comments (performances in USD)

The BBGI Private Banking indices posted positive returns in May. The low-risk approach gained +0.99%, the moderate-risk strategy gained +1.27%, and the aggressive-risk index delivered the best performance of the month (+1.55%). Since January, cumulative returns have also been positive (+5.56%, +7.80%, and +10.06%, respectively). Bond markets are in positive territory this month. The domestic segment rose slightly by +0.11%, and the international segment by +0.30%. Year-to-date, the trend remains favorable for both sectors, with respective returns of +0.38% internationally and +0.01% in the domestic market. In May, the equity market posted solid returns. The domestic segment recorded the best monthly performance at +5.23%, followed by the international segment, which rose by +5.03%. Both segments have continued on a favorable trajectory since the start of the year. The international segment rose by +14.36% and the domestic segment by +10.90%. The real estate sector declined slightly in May (-0.78%). Despite this monthly decline, its year-to-date performance remains positive at +9.12%. Commodities posted the sharpest decline of the month (-7.61%). However, they continue to lead in year-to-date performance, with a remarkable gain of +37.66%. Private equity declined this month, with a return of -1.13%, and continues its steep decline since the start of the year (-13.41%). Finally, alternative investments rose by +1.71% for the month and posted a cumulative return of +4.14% since January.

### Financial market developments (performances in local currencies)

The resurgence of tensions in May, despite the ceasefire between the United States and Iran, was not enough to undermine investor confidence, even though negotiations between the parties were not progressing and could break down at any moment. This lack of concrete progress and the US counter-blockade of Iranian exports had no real impact on investor sentiment, as investors remained on hold, waiting to see more serious effects on the global economy and on the earnings of listed companies before adopting a more defensive stance. After three months of conflict and diplomatic tensions, we believe, however, that supply chains for oil, gas, refined products, fertilizers, and other chemicals have been severely disrupted. Production and processing areas have sustained damage, in some cases serious, reducing overall supply levels, which will have lasting effects on available products and their price levels. Inflation indicators have already shown significant increases, which are expected to continue in the coming months. We believe the impact on consumption and investment is being greatly underestimated and is likely to lead to a sharp decline in global economic growth prospects. In this high-risk environment for the health of both developed and emerging economies, the financial markets' reactions over the past few weeks seem to us to reflect an extreme and dangerous complacency. The performance of the major asset classes over the month shows, in fact, relatively low volatility despite this highly uncertain context. Global equity indices gained +4.55% over the month, driven primarily by investments in AI and strong results from US tech companies, while international real estate stagnated (-0.75%), reflecting a surprising wait-and-see attitude given the expected backdrop of economic stagflation in many countries. Fixed-income markets (+0.34%) now appear to be taking a more realistic view, although still very moderate, of the materializing inflationary risks, while expectations of central bank rate cuts have logically faded, giving way to the risk of potential hikes. Our risk scores for equity markets remain very high and suggest that a degree of caution should be maintained.

### PERFORMANCE OF ASSET CLASSES (USD)

#### MAY

+ 5.23%	US equities
+ 5.03%	International equities
+1.71%	Hedge funds
+0.30%	International bonds
+0.11%	US bonds
- 0.78%	International real estates
- 1.13%	Private equity
- 7.61%	Commodities

#### YTD

+ 37.66%	Commodities
+ 14.36%	International equities
+ 10.90%	US equities
+ 9.12%	International real estates
+ 4.14%	Hedge funds
+ 0.38%	International bonds
+ 0.01%	US bonds
- 13.41%	Private equity

## COMMENTS BY ASSET CLASS

### Bonds

Activity on the fixed-income markets was subdued in May, as investors waited for greater clarity on the geopolitical situation and its impact on growth, inflation, and central bank monetary policies. The ceasefire in the Middle East and Trump's frequent announcements of an imminent agreement prolonged the lull in the markets, which stabilized at virtually unchanged levels (+0.34%). In the United States, 10-year yields still jumped to nearly 4.7% before easing slightly at the end of the month, while 30-year yields hit a recent all-time high (5.2%). In Europe, the benchmark 10-year yield also reached 3.2%, just a few basis points above inflation. The trend remains upward and is influenced by changes in price indices, but current yield levels still offer reasonable opportunities in the medium term. We continue to recommend short durations to limit the impact of negative inflation surprises and maintain our market positioning, which offers yields that are already high and exceed observable inflation.

### Equities

The main risks appear to be concentrated in the equity markets, which we believe remain overly complacent in the face of significant risks of economic shocks and major impacts on corporate margins and profits. Bond yields now offer a risk-free alternative that could weigh on equity markets. Risk scores suggest that equity markets remain fragile and will not withstand data confirming regional stagflation scenarios. Investments and earnings from U.S. tech companies are fueling optimism and driving global indices back to high levels. Scores are extreme and suggest a high risk of upcoming disappointments. The economic slowdown, rising production costs, and a likely decline in margins will certainly affect earnings expectations. Caution remains an appropriate strategy for the current situation.

### Commodities

In May 2026, commodity markets remained heavily influenced by ongoing tensions in the Middle East and uncertainties surrounding the reopening of the Strait of Hormuz. Despite some diplomatic progress, disruptions to global oil supplies continued to weigh on the market, leading to high price volatility. Crude oil prices remained at high levels, supported by declining global inventories and a still-significant supply deficit, although the slowdown in global demand helped to ease tensions. Meanwhile, precious metals entered a consolidation phase. Gold fell by approximately 1.40% over the month to close at \$4,546 per ounce, amid improving market sentiment and moderate outflows from gold ETFs. This decline was limited by persistent economic and geopolitical uncertainties. Despite this pullback, the medium-term outlook for gold remains favorable, supported by central bank purchases, inflationary risks, and growing uncertainty surrounding US monetary policy.

### BBGI Group Private Banking Indices - Historical Performances in USD

	Last three months			YTD	Full Year				Annualized Performances	
	March 2026	April 2026	May 2026	Current Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	2025 to date	1993 to date
<b>BBGI Group PBI "Low risk" (65% fxd income)</b>	-2.48%	3.51%	0.99%	5.56%	0.99%				11.02%	5.56%
<b>BBGI Group PBI "Medium risk" (48% fxd income)</b>	-2.64%	5.12%	1.27%	7.80%	1.26%				12.74%	6.40%
<b>BBGI Group PBI "Dynamic risk" (25% fxd income)</b>	-2.79%	6.74%	1.55%	10.06%	1.54%				14.47%	7.15%
<b>Sub-Indices</b>										
US Bonds	-1.72%	-0.07%	0.11%	0.01%	-0.04%				6.30%	3.94%
International Bonds	-3.18%	1.13%	0.30%	0.38%	-1.05%				7.55%	3.39%
US Equities	-4.93%	10.48%	5.23%	10.90%	-4.61%				17.31%	10.48%
International Equities	-10.79%	9.65%	5.03%	14.36%	-0.71%				32.39%	6.41%
Private equity	-5.50%	9.37%	-1.13%	-13.41%	-19.93%				1.10%	8.99%
Hedge Funds	-2.95%	2.98%	1.71%	4.14%	-0.57%				5.69%	5.47%
International Real Estate	-8.85%	8.56%	-0.78%	9.12%	1.30%				10.70%	6.95%
Commodities	24.53%	6.42%	-7.61%	37.66%	40.02%				7.12%	2.95%
<b>Forex</b>										
USD/EUR	2.24%	-1.52%	0.62%	0.74%	1.67%				6.62%	-1.19%

The BBGI Group Private Banking indices can be obtained free of charge from the BBGI Group Analysis & Research Department (reception@bbgi.ch). They provide the first objective benchmarks for the performance of the wealth management industry.

Sources : Bloomberg, BBGI Group SA

### Performance of the various BBGI Private Banking USD strategies (1993-2026)



Sources : Bloomberg, BBGI Group SA

The diversified systematic strategies of the BBGI Private Banking Indices have produced returns of +5.56% to +7.15% annualized since 1993 to date.

The composition of our indices is available on request.