BBGI Group SA – Place de Longemalle 1 - 1204 Geneva - Switzerland
www.BBGI.ch

BBGI GROUP Global Investments

BBGI OPP2 COMPLIANT STRATEGIES & INDICES CHF

A BBGI exclusivity since 1999

July 2026

Annualized performance of +4.84% to +5.66%

Continued upward trend

PERFORMANCE NEARLY STABLE FOR THE THREE BBGI OPP2 COMPLIANT INDICES IN JULY

BBGI OPP2 Compliant Index « Low Risk »	**-0.38%**	**(YTD +2.71%)**
BBGI OPP2 Compliant Index « Medium Risk »	**+0.04%**	**(YTD +4.25%)**
BBGI OPP2 Compliant Index « Dynamic Risk »	**+0.46%**	**(YTD +5.79%)**

Comments (performances in Swiss Francs)

In July, asset classes posted mixed results, with bonds declining and real assets rebounding. Bond markets edged lower over the month, with the international segment down -0.65% and the domestic segment down -1.07%. Since January, these two segments have continued to move in opposite directions, with the international segment up +1.12% compared to the domestic segment's decline of -0.34%. The real estate sector showed mixed results. International real estate rose by +2.68%, while Swiss real estate posted the weakest performance of the month across all asset classes, at -1.19%. Since the start of the year, the gap between the two segments has remained significant, with the international segment up 13.88% compared to the domestic segment's decline of 0.36%. The stock market stabilized in July. Swiss stocks are up slightly (+0.73%), while international stocks are trading virtually flat (+0.10%). Since January, these two segments have posted solid gains of +10.66% and +13.49%, respectively. Commodities posted the best performance of the month (+7.21%), confirming their momentum since January, when they also posted the best year-to-date performance at +20.17%. Private equity followed closely behind with a +7.11% gain in July, the second-best monthly performance, but remains the worst-performing asset class since the start of the year, with a decline of -14.16%, the weakest year-to-date performance over the period. Hedge funds continued to gain ground (+1.63% in July), bringing their return since January to +6.15%. Overall, July extended the year's underlying trend, with commodities and international real estate leading the way, while bonds and private equity remain the main drag on the annual performance.

Financial market developments (performances in local currencies, USD)

The month of July confirms the entrenchment of a global stagflation trend that is likely to shift investors' perception of risk. While the economic slowdown had raised hopes for a positive impact on inflationary risks, persistent price pressures and central banks' stances are causing concern. Faced with consumer price indices that refuse to converge toward their 2% targets, central banks are adopting a more hawkish tone. Market sentiment remains surprisingly optimistic, driven both by the U.S. administration's consistently positive statements regarding an imminent resolution to the conflict in the Middle East, and the expected positive effects on energy prices should that occur, and by U.S. corporate earnings, which have generally exceeded analysts' expectations. However, following the disappointing release of U.S. GDP growth of +1.5% in Q2, doubts remain, as evidenced by the stagnation of international stock indices over the month (+0.51%). Bond markets are struggling to price in persistent inflationary pressures and are not reflecting the ongoing slowdown, posting an overall loss of -0.53% for the month (with nearly all markets down). International real estate rose (+2.66%) thanks to attractive relative yields, while Swiss real estate hit a valuation ceiling and fell by -1.19%. Commodities soared to the top of the asset classes with a jump of +12.55%, driven by energy (+22.46%). Of particular note is the solid foundation that has emerged for precious metals, which are expected to resume an uptrend soon. The month was also notable on the currency front, with a historic joint intervention by the BoJ and the Fed to support the yen, which appears to have had some immediate success (+5%). A sustained reversal of this trend could have significant short-term consequences through adjustments to the "carry trade" and potentially substantial sales of dollar-denominated assets, which would reinforce the trend of asset repatriation by major Japanese institutions. Our overall risk scores have crossed critical thresholds, supporting a risk-reduction strategy.

PERFORMANCE OF ASSET CLASSES

JULY

+ 7.21%	Commodities
+ 7.11%	Private Equity
+ 2.68%	International real estate
+ 1.63%	Hedge funds
+ 0.73%	Swiss equities
+ 0.10%	International equities
- 0.65%	International bonds
- 1.07%	Swiss bonds
- 1.19%	Swiss real estate

YTD

+ 20.17%	Commodities
+ 13.88%	International Real Estate
+ 13.88%	International Equities
+ 10.66%	Swiss Equities
+ 6.15%	Hedge funds
+ 1.12%	International Bonds
-0.34%	Swiss Bonds
-0.36%	Swiss Real Estate
-14.16%	Private Equity

COMMENTS
BY ASSET CLASS

Bonds

The month was marked by a widespread decline in fixed-income markets, which fell by an average of -0.53% and -1.07% in Switzerland, despite very low inflation and a score lowered to 7.0. Despite expectations of easing following the signing of the memorandum of understanding in the Middle East, persistent inflationary pressures and the hawkish stance of central banks weighed on performance. Monetary policies continued to put pressure on the U.S. yield curve (score rising to 6.5), where yields remained at high levels as investors demanded higher risk premiums. The international bond score has thus adjusted to 6.4. In Japan, the tightening led by the BoJ has pushed the score to 6.0; we recommend maintaining short-duration strategies to protect portfolios against rate volatility in both Switzerland and other fixed-income markets.

Equities

Risk scores reached their highest levels in July for international stocks (9.2) and U.S. and European stocks (9.3), confirming that the markets are operating in a zone of high vulnerability. The stagnation of indices in July (+0.51% overall, -0.06% for the S&P 500) illustrates the increasingly untenable disconnect between high stock market valuations and the deterioration of real economic indicators, despite corporate earnings that largely beat expectations for Q2. The Japanese market has seen its risk score ease to 8.5, but is undergoing corrections (-8.13%) driven by the yen's appreciation, lower expected earnings, and rising local interest rates. Rising financing costs in an environment of slowing growth are now casting doubt on earnings expectations for the second half of the year. The situation calls for maintaining a defensive stance.

Commodities

In July 2026, commodity markets remained heavily influenced by geopolitical tensions in the Middle East and the ongoing closure of the Strait of Hormuz. The resumption of hostilities between Iran and the United States led to high volatility in oil prices, which fluctuated within a range of nearly $40 per barrel, reaching as high as $105 on July 23. North Sea Dated rose by $25.67 over the month to close at $96.80 per barrel. Despite a 2.4 mb/d increase in global production in July, output remained 6.3 mb/d below last year's level. Disruptions to exports also led to a 69-million-barrel decline in global inventories, exacerbating market tensions. The global oil deficit is thus expected to reach 1.8 mb/d in the third quarter, while refining margins hit record highs. At the same time, gold has shown a much more stable trend. After testing the $4,000-per-ounce threshold several times, it ended July virtually unchanged at $4,027, representing a monthly return of 0.0%. Positive inflows into ETFs, particularly in Europe, and the weak dollar offset the rise in bond yields. Despite this stability, the medium-term outlook remains favorable, supported by inflation risks, central bank purchases, and demand from Asian investors. However, gold's performance will depend on the trajectory of real interest rates, the U.S. dollar, and global growth.

BBGI OPP2 Compliant Indices (Monthly Indices)										
Performances in Swiss Francs	last 3 months			YTD	Current Year				Annualized performances	
	May 2026	June 2026	July 2026	Year to date	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	2025	Annualized perf fm 1984 to date**
BBGI OPP2 Compliant "Low Risk"	0,79%	1,44%	-0,38%	**2,71%**	-0,86%	3,99%			3,02%	4,84%
BBGI OPP2 Compliant "Medium Risk"	1,14%	1,48%	0,04%	**4,25%**	-1,08%	5,34%			4,58%	5,27%
BBGI OPP2 Compliant "Dynamic Risk"	1,49%	1,52%	0,46%	**5,79%**	-1,30%	6,70%			6,14%	5,66%
Assets										
Swiss Bonds	-0,03%	0,78%	-1,07%	**-0,34%**	0,23%	0,50%			-0,09%	3,39%
International Bonds	0,28%	2,78%	-0,65%	**1,12%**	-0,21%	1,99%			-5,52%	2,78%
Swiss Real Estate	0,92%	0,53%	-1,19%	**-0,36%**	-4,25%	5,32%			10,62%	6,28%
International Real Estate	-0,89%	3,97%	2,68%	**13,88%**	1,57%	9,19%			-3,89%	5,16%
Swiss Stocks	3,27%	4,48%	0,73%	**10,66%**	-2,11%	12,22%			17,76%	8,61%
International stocks	5,01%	2,66%	0,10%	**13,49%**	-2,27%	16,02%			6,93%	6,86%
Commodities *	-3,88%	-8,88%	7,21%	**20,17%**	23,22%	-9,03%			10,81%	1,18%
Private Equity *	-1,51%	-5,72%	7,11%	**-14,16%**	-21,01%	1,46%			-3,27%	19,71%
Hedge Funds *	1,71%	0,63%	1,63%	**6,15%**	-0,90%	5,40%			3,01%	1,12%
* hedged in Swiss Francs										
Forex										
USD/CHF	-0,05%	3,51%	-0,11%	**-4,03%**	-11,89%	-3,92%			-12,65%	-2,77%
EUR/CHF	-0,66%	1,40%	0,77%	**-1,03%**	-1,74%	-1,79%			-0,99%	-1,30%

****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