

SAMBA ROUNDTABLE OPINION (January 26, 2022)

POSSIBLE OUTCOMES FOR 2022

- 1) Inflation consequences /we have a delivery chain problem:
 - FED will taper & raise interest rates 3 times
 - no tightening during 2022
 - ECB without any activities during this year
- 2) Market change: From no-profit technology to quality stocks (Value & Dividend strategies)
- 3) Swiss equity market will end positive with around +7% to 14'000 (present PE 17.5 / long-term average PE 16.5), global equities perform between 5 – 10%
- 4) European equities will outperform the US equities (ongoing QE in Europe till mid-/end 2022)
- 5) US markets slightly positive but not like in 2021 / much more volatility
- 6) China & HK bottom out / slow increase of equities (interest rate reduction, Covid-situation open)
- 7) Emerging markets in general (Brazil) as well as Asian stocks with positive surprise (Japan & Korea)
- 8) Gold/Silver - the forgotten raw materials with higher levels
- 9) Commodities: Mining stocks will see a revival & Oil service stocks driven by exploration activities
- 10) Crypto Currencies will recover during the year but don't achieve old levels (missing liquidity)

UNEXPECTED OUTCOMES FOR 2022

- 1) Swiss Franc against EUR will fall further to parity or below; Swiss small/mid-caps with problems
- 2) Swiss real estate market with negative performance
- 3) Interest rates in Europe will go above 1.0 – 1.5%
- 4) USD will significantly lose value
- 5) Political tensions - war in the Ukraine / Taiwan
- 6) Covid will develop new problematic versions and will further limit our life conditions
- 7) Bonds develop positive during the year

REMARKS FROM THE MEETING OF TODAY

- 1) Now Russia is very cheap
- 2) FED could raise interest rates more than 3 times (now priced in 4 times)
- 3) Mining stocks more interesting than Gold/Silver positions / higher interest rate and stronger USD negative for gold investments
- 4) Negative real interest rate will stay for a longer time
- 5) Reduced impact of virus and its mutations