

OUT OF THE BLUE!

Letter to investors

June 2020

SHOW MUST GO ON

The strong rebound of the last two months has been classified as the most "hated" in history. Objectively, we did not expect such a rapid return of these conditions and therefore it should come as no surprise that optimism on the markets has returned. We are taking note. Moreover, the further rebound in recent weeks has consistently seen a very strong sector rotation on more cyclical sectors and geographies at the expense of those less affected by the pandemic and which had led the first part of the rally. We must admit that the markets have wind in their favour and that the possibility of a V shaped recovery of the economy is a real possibility. At least it seems clear to us that people want to forget quickly and that the states after the experience of March-April, even in the unfortunate hypothesis of a second wave, will not repeat a total and generalized lockdown: it has cost too much, politically and socially it would be unacceptable, the weakest people are now "gone", cure is more effective, the health systems are more ready. Show must go on!

Market	May 2020	Year to Date 2020
Bloomberg Barclays Euro Aggr. Bond Index	+0.2%	+0.3%
Bloomberg Barclays US Aggregate Bond Index	+0.5%	+5.5%
S&P 500 Index	+4.5%	-5.0%
Stoxx Europe 600 Index	+3.5%	-14.4%
MSCI Asia Pacific Index	+2.0%	-10.9%
Bloomberg Commodity Index	+4.3%	-21.5%

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