INDOSUEZ
WEALTH MANAGEMENT

Marketing Material

MONTHLY HOUSE VIEW

October 2024

A new era of easing has begun

Architects of Wealth

• Table of contents

01 • Editorial — P3
A NEW ERA OF EASING HAS BEGUN

02 • Macroeconomics — P4
DOING OUR HOMEWORK

03 • Fixed Income — P6
EUPHORIA ON THE FIXED INCOME MARKETS

04 • Equities — P8
IS THIS THE START OF A ROTATION?

05 • Forex — P10
THE DANCE OF THE DOVES

06 • Private Markets — P12
THE SECONDARY MARKET, A KEY COMPONENT OF THE PRIVATE MARKETS

07 • Asset Allocation — P14
INVESTMENT SCENARIO AND ALLOCATION CONVICTIONS

08 • Market Monitor — P16
OVERVIEW OF SELECTED MARKETS

09 • Glossary — P17

Disclaimer — P18

A NEW ERA OF EASING HAS BEGUN

Alexandre
DRABOWICZ
Chief Investment Officer

Dear Reader,

Over the summer, market sentiment around the US economy grew increasingly cautious. A poor US employment report, an unexpected 15 basis point (bps) rate hike by the Bank of Japan, and light summer trading created a "butterfly effect" in financial markets. However, by the time investors returned from their summer holidays, most equity markets had fully recovered. We maintained our position during this period, adhering to our soft landing outlook, but we remain vigilant.

COOLING BUT NOT COLD

Despite concerns, macroeconomic data has not signaled the kind of weakness that would suggest an impending recession. Retail sales continue to demonstrate the resilience of the US consumer, with Q2 GDP growth at 3% and Q3 tracking similarly. The focus, however, has shifted to the labour market. While the July jobs report was concerning, August's data showed improvement, though it fell short of expectations. The labour market is clearly softening: hiring has slowed, but layoffs remain limited. This normalisation offers some reassurance. Notably, the "Sahm Rule," which has accurately predicted past recessions, recently triggered a recession signal. Yet even Claudia Sahm herself has cautioned against over-reliance on historical patterns, stressing the need for a nuanced approach. The job market is certainly weaker; new workers are entering, which is a positive sign, even if it takes them time to find employment.

THE FED'S DUAL MANDATE

Concerns over a potential halt in disinflation are now largely behind us, with US inflation down to 2.5%. This allowed Fed Chair Powell to open the door to rate cuts in August, which were realised with a significant 50 bps cut at the September FOMC meeting. The message is now clear: the Fed has shifted its focus from protecting the US consumer from inflation, to protecting employment. In its dual mandate "pursuing the economic goals of maximum employment and price stability", employment is now the priority. With price stability largely achieved, the Fed's goal is to safeguard jobs.

This recent rate cut, the first in more than four years, is intended to pre-empt any significant economic slowdown. As Powell stated, "The US economy is in a good place, and our decision today is designed to keep it there." In light of this, we have revised our Fed forecasts, now anticipating the Fed Funds rate to fall to 3.5% by the end of 2025, which includes two additional cuts than previously expected. For the European Central Bank (ECB), we have adjusted our outlook, now projecting rates to reach 2% by the end of 2025, down from 2.5%.

FROM MACROECONOMICS TO POLITICS

Looking ahead, macroeconomic factors will remain front and center for investors. Seasonality is typically unfavorable in the lead-up to US elections, where the race is expected to be much tighter than anticipated. As always, the outcome is difficult to predict, with the final result hinging on the so-called seven swing states rather than the popular vote.

Investor positioning remains cautious on equities. Retail investors seized the August dip to increase equity exposure, but institutional investors have held back. We remain optimistic about equities for now, given our continued belief in a soft landing scenario and undemanding earnings expectations going into the Q3 season. However, we are also aware of the uncertainties ahead and are proceeding with caution.

On the bonds front, we are more perplexed by the sharp decline in the US bond market. In just four months, 10-year US Treasury yields have dropped from 4.7% to 3.6% on recession fears, while equities remain near their highs. Which market is right? Concerns over US debt sustainability have faded, yet currently over USD 1 trillion is added to the debt pile every 100 days, ultimately pushing the total to more than USD 35 trillion. Given this backdrop, we have adopted a more cautious stance on duration and are avoiding the long end of the bond market for now.

Enjoy reading!

DOING OUR HOMEWORK

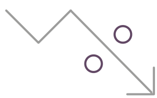
Bénédicte KUKLA
Senior Investment Officer

It would have been easy to fall into the market's gloomy macroeconomic scenario this summer, particularly for the US, where employment data can quickly throw us for a loop. But in this back-to-school season, we focus on our homework and find no recession in the US, green shoots in the UK and certain Asian economies faring better despite a (very) downbeat China.

US: A SOFT LANDING SCENARIO

Our slightly above consensus scenario on the US is forged on the resilience of the US consumer. Admittedly, excess savings are a thing of the past and so are explosive wages from the tight post-pandemic labour market. The US job creation is indeed decelerating, but not falling off a cliff, with supply side factors, such as immigration, pushing the unemployment rate upwards (4.2% in August). Nevertheless, US employment remains sturdy (with a ratio of more than one job opening per unemployed person) and real wages elevated. Household balance sheets are relatively healthy with low debt levels (at 70% of GDP versus 100% in 2017) and positive wealth effects (from favourable equity and the real estate performances).

Layoffs are still at historical lows, as the corporate sector benefits from still sizeable margins. Overall, we see private consumption decelerating from 3% Quarter-on-Quarter (QoQ) annualised to 2% over the next few quarters, as the labour market normalises. The Federal Reserve's rate cuts take time to pass-through to the economy, but financial conditions are beginning to improve and should support this transition to a more modest growth cycle. Home-builder surveys point to an improvement in expected home sales as mortgage rates begin to decline (6.3% for a 30-year mortgage compared to 7.4% in May 2024). The Fed has made it very clear that its priority is currently the jobs market, given that inflation has returned to more palatable levels (2.5% Year-on-Year (YoY) in August).



US inflation down to
2.5% YOY
in August

Nevertheless, we expect service sector inflation to remain a monetary-easing risk factor, along with the looming Presidential elections. Both candidates are seen as poor contenders for fiscal sustainability, but if Donald Trump's campaign were to gain *momentum* again, it would increase economic uncertainty for agents, and his tariff-focused foreign policy would bring inflation back to centre-stage.

SEARCHING FOR GROWTH ELSEWHERE

Europe is experiencing a period of subpar growth (GDP grew at 0.2% QoQ in Q2 2024). The third quarter should be better, thanks to the boom in Spanish tourism numbers (up 12% Year-on-Year) and the one-off impact of the French Olympic Games (adding +0.3 points to Q3 2024 GDP in France according to INSEE[1]). German consumers should also increase consumption as a result of higher rates of pay (above 4% in H1 2024 according to Bundesbank), prompted by inflation compensation measures and persistent labour shortages.

But that's where the good news dwindles, as the structurally impaired German export-driven industrial economy will continue to weigh on the European growth outlook. Germany is in need of solid investment, but is forced to transition to a more energy-efficient economy with little help from fiscal or monetary policy. Mario Draghi's recent 400-page report on European Union (EU) competitiveness underlines the need for investment and joint EU debt that is today no longer focused on the European periphery (Greek GDP rose 1.1% QoQ in Q2 2024), but also the core.

1- French national statistics bureau.

Against this backdrop, we are maintaining our below-consensus growth forecast for the region up to 2025 (Table 1), and have revised our inflation forecast downwards due also to the recent fall in oil prices (down 15% over the summer).

Oil prices are declining in part over Chinese demand concerns. While China is still growing, monthly data continue to disappoint investor forecasts (retail sales 2.1% YoY in August, industrial production slowed to 4.5%). We have maintained our GDP growth forecast for China unchanged, but risks are clearly skewed to the downside. The domestic climate remains bogged down in the residential real estate sector, and the decline in bank lending suggests no further stimulus for the economy to reach the now unrealistic official GDP growth target of 5%.

Other emerging markets are coping relatively well. Recent Purchasing Managers' Index (PMI) data indicate emerging markets (excluding China) grew slightly above their long-run average in August. India has been a domestic demand bright spot, while Brazil has returned to growth in August, but continues to battle persistent inflation (4.2%) forcing the BCB (Banco Central do Brasil) to remain an outlier among central bank policy makers.

TABLE 1: MACROECONOMIC FORECAST 2024 - 2025, %

● Downward forecasts since July ● Upward forecasts since July

	GDP		INFLATION	
	2024	2025	2024	2025
United States	2.6%	1.9%	2.9%	2.2%
Euro Area	0.7%	1.2%	2.4%	1.9%
China	4.8%	4.2%	0.7%	1.6%
World	3.0%	2.8%	-	-

Source : Indosuez Wealth Management.

EUPHORIA ON THE FIXED INCOME MARKETS

Thomas GIQUEL
Head of Fixed Income

With the contribution
of the Fixed Income Team

The slowdown in the US labour market has given the fixed income markets a boost. The rate cut cycle is taking shape in developed countries, with the notable exception of Japan. After the performance it delivered in August, the fixed income market is expected to catch its breath in the coming weeks.

A NEW MONETARY EASING CYCLE

Markets do not take any breaks. The employment figures published on 2 August in the United States point to an economic slowdown. In the context of low summertime liquidity, this report surprised investors and exacerbated volatility. It also paved the way for the Fed's first rate cut, which was confirmed at the Jackson Hole symposium.

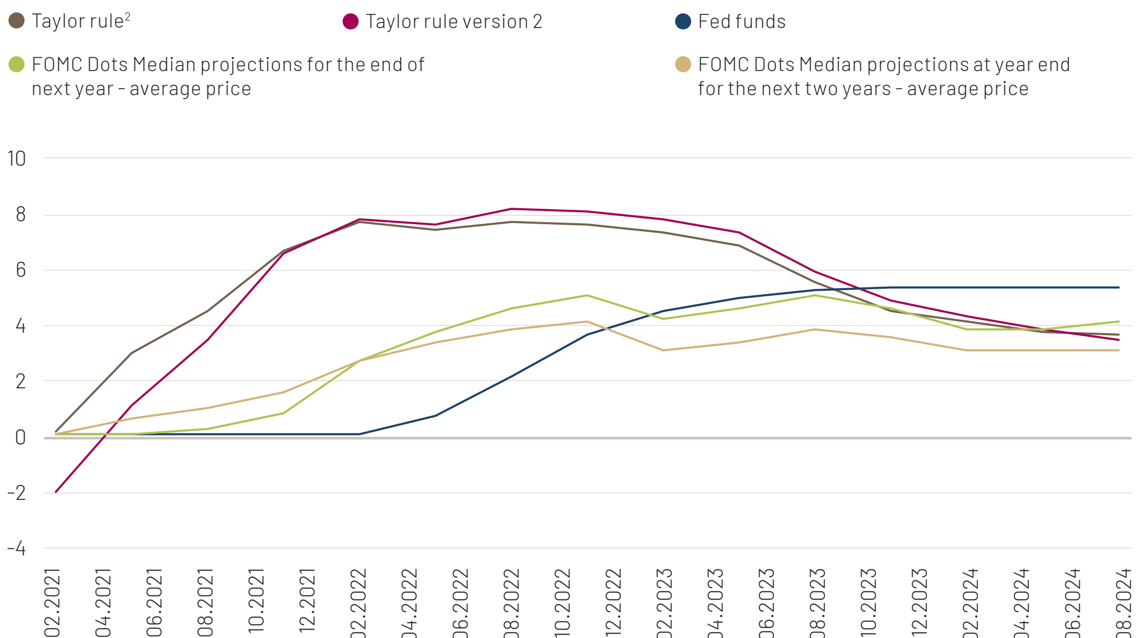
On Wednesday, 19 September, the Fed lowered its key rate by 50 bps. The institution hinted that more cuts are on the way, as the official forecasts – known as dot plots – point to 4.25-4.5% by end-2024. Like Christine Lagarde in Europe, Jerome Powell said that rates are not on a preset path. He thus shifted attention away from the battle against inflation and towards the health of the job market, the second pillar of his mandate (Chart 1).

The strong rally in the fixed income markets over a very short period suggests a pause in the coming weeks. Technically, the market is overbought. Let us take a step back and a close look in order to discuss the changing direction of our investments in the last quarter of the year.

Long-term yields in China have hit their all-time lows: 10-year government bonds have risen above 2.04% as we write this. The People's Bank of China has repeatedly warned that falling yields could cause a liquidity crisis in the banking system. It has also said it is ready to buy and sell directly on the market to avoid a sharp decline in long-term yields.

The
FED
lowered its key rate
by
50 BPS

CHART 1: THE TAYLOR RULE AS AN INDICATOR OF FED POLICY?



Source: Atlanta Federal Reserve, Indosuez Wealth Management.

2 - The Taylor Rule is an equation linking the Fed's benchmark interest rate to levels of inflation and economic growth. The formula ties the difference between the actual and targeted inflation rates and that between the desired potential growth in GDP and real GDP (also known as the output gap).

Some are calling it a bubble, but mainland China's economic fundamentals look mixed: three years after the bursting of the real estate bubble, household demand remains weak and deflation looms. According to Richard Koo[3], a balance sheet recession is underway in China.

Commodity markets are sending mixed signals to investors. Energy prices (oil, gas and electricity in Europe) are trading at their 2024 lows. The war in the Middle East poses a serious risk of an oil shortage, and tensions with Russia remain elevated. However, gold has hit an all-time high, rising by 25% since the beginning of the year. To what extent are these markets anticipating a recession, and in what region?

Yields in developed markets are sending divergent messages to investors. Yield curves are once again in positive territory in the United States, and are nearly there in Germany. This reflects the rate cuts that the central banks are expected to make and that have been factored into the 2-year yield, which is outperforming 10-year and longer yields. We have favoured and overweighted this segment in our portfolios for months, but the time has now come to take profits and return to neutral. While remaining underexposed to the long end of the yield curve, our portfolios in fact underweight sensitivity.

In Europe, after a challenging summer on the political front in France, the 10-year spread with Germany is between 70 bps and 75 bps. Italy is fluctuating around 140 bps. Seven countries are facing excessive public deficit procedures opened by the European Union (EU) Commission. Any reduction in the deficit will weigh on growth outlooks in 2025, while German manufacturers are seeing some dark clouds looming over the automotive sector, for example.

CREDIT

Credit markets remain staunchly optimistic: spreads are tight across all segments.

The primary market is very active between regions and currencies. Companies are rushing to refinance their current debt and obtain yields they consider sustainable thanks to their balance sheets. In contrast, investors have locked in yields, which are expected to continue to fall.

Since mid-2023, we have favoured financial or corporate hybrid subordinated debt in our portfolio. This allocation has benefited from a low volatility environment in the equity market, solid fundamentals for very highly rated issuers, and the search for yield. Volatility has risen in the equity markets since 5 August. The lows of June and July are now behind us. This upwards trend has a negative impact on the future performance of subordinated debt. We are therefore taking profits and lowering our forecasts in order to even out performance.

In addition to this conviction on subordinated debt, we had shied away from the high-yield market in order to diversify risk and avoid correlations. European high-yield issuers are benefiting from sound balance sheets and high earnings before interest, taxes, depreciation, and amortisation (EBITDA), and have already refinanced most of their 2025 requirements. It's all systems go on this market, but with the rise in volatility described above it would be prudent to favour 1- to 3-year investments to benefit from carry and guard against any spread widening.

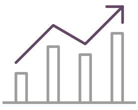
Liquidity was once again low in August and exchange-traded fund (ETF) outflows weighed heavily on the market. Yield-seeking investors might pull out when markets are choppy, as they have done in the past!

3 - Richard Koo heads the Nomura Research Institute (*The Escape from Balance Sheet Recession and the QE Trap: A Hazardous Road for the World Economy; 2014*).

IS THIS THE START OF A ROTATION?

Michel BOURGON
Head of US Equity Portfolio Management

Volatility was high in August, and it was exacerbated by the month's usual low liquidity. The crash in Japan dragged global markets down before they staged a rebound. The sharp correction in the Japanese financial markets was sparked by several economic and financial factors.



The VIX
REACHED
65
during the summer, its highest level since 2020

The sudden surge in the yen, due to the end of the speculative movement known as carry trade, caused a wave of panic in the markets. In addition, the VIX – nicknamed the fear index – actually reached levels not seen since COVID-19. This rapid correction was fleeting, to say the least, since the equity markets quickly rebounded and once again neared their all-time highs.

EUROPE

The European market (MSCI Europe) proved highly volatile in August. It corrected by nearly 6% in the first five days of the month before returning to its highs at the end of the month and then erasing nearly half of that rebound in the first few days of September.

Euro Area purchasing managers' indices showed some encouraging signs: the services PMI continued to rise in August and hit 52.9, while the manufacturing PMI rose slightly but remained depressed at 45.8. Headline inflation in the Euro Area was at a three-year low of 2.2% in August, allowing the ECB to cut its key rate for the second time on 12 September. The uncertainty surrounding French politics started to wane at around the same time, with the new Prime Minister (Michel Barnier) named on 5 September.

After a lacklustre earnings season and in light of many companies' fairly low visibility on the second half of the year, earnings per share (EPS) growth outlooks for 2024 were revised downwards over the month. However, the European market remains relatively attractive in valuation terms, particularly for companies in the small and mid-cap segment, which are also expected to benefit from the rate cut environment.

UNITED STATES

The US earnings season was in line with expectations, but surprises to the upside proved more mixed. Overall, earnings expectations in the region remain resilient and continue to be driven by the Magnificent Seven, as well as by the tech sector as a whole.

Despite the recent volatility, the US markets once again returned to their all-time highs. The market is still highly valued relative to the past, although more recently the decline in long rates has been supportive.

As expected by the markets, Jerome Powell lowered interest rates which triggered the start of monetary policy easing. The economic climate at the time was one of solid industrial production and gradual deceleration in inflation linked to the job market. The central bank's first rate cut has historically been a strong catalyst in terms of equity market performance, but also attracts flows to the region. Investors are expected to remain tentative until the presidential election in November, with polls showing a tight race between the two candidates. Will we see the traditional year-end rally once this uncertainty has been removed?

ASIA

The Asian stock markets also saw heightened volatility in the last few weeks, as demonstrated by the two-stage equity sell-off (early August and early September). This movement was driven mainly by fears over the valuation of some of the large US tech companies, as well as concerns about the timing of the upcoming interest rate cuts in the United States. Most of the Asian companies that are part of the US tech supply chain took a hit, and that included Taiwanese and South Korean companies.

However, economies more oriented towards the domestic market and non-US companies focused on technology held up better (including the Asian laggards of 2024), namely Thailand, Indonesia and the Philippines.

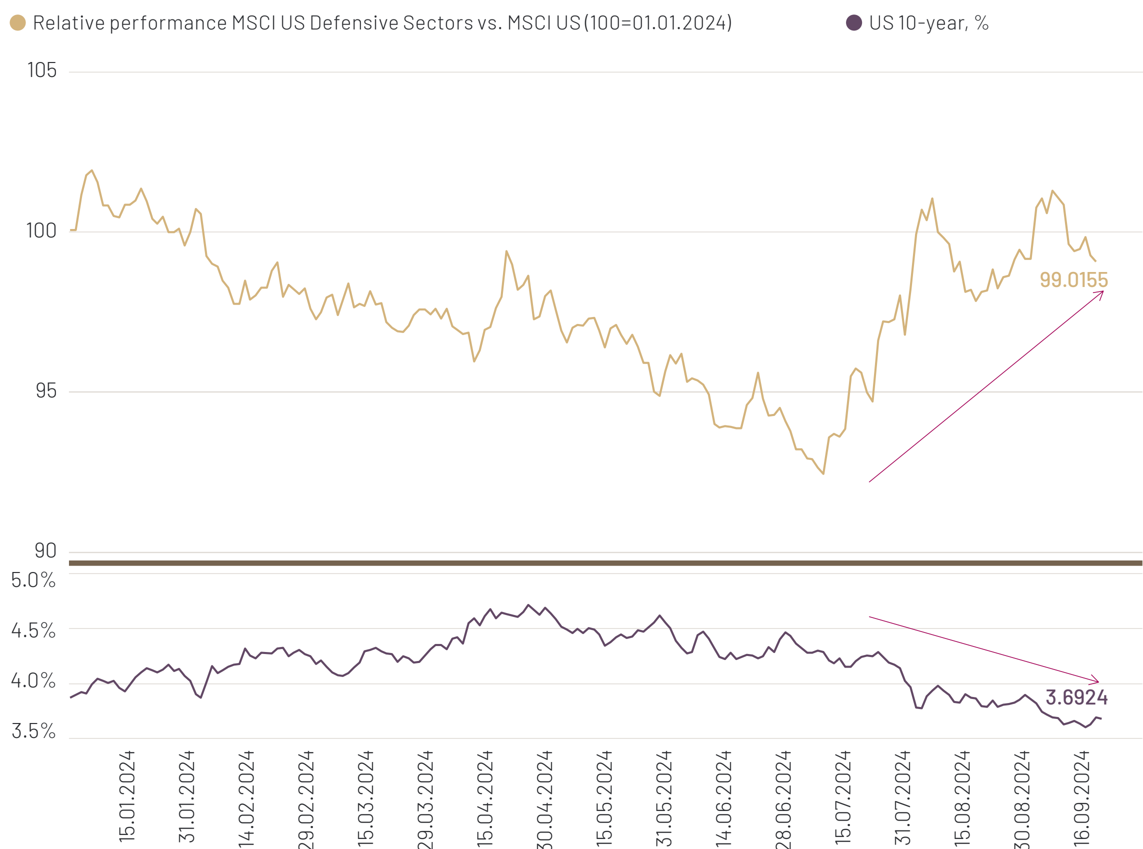
Despite the recent sector rotation in Asia, the top-performing sectors to date in 2024 have been utilities, communication services, information technologies, and energy. Recent economic data for China have been mixed: manufacturing industry indicators for state-owned companies are negative, while the Caixin (mainly private-sector companies) and services indicators remain positive. Furthermore, the very high export figures, while positive for overall GDP growth, mean major stimulus measures are less likely in the short-term. The real estate sector remains a drag for now.

INVESTING STYLES

The rotation that began in previous months between the Growth and Defensive styles continued (Chart 2) after the recent shock during the summer break.

Sectors such as utilities, telecommunications and real estate have excellent visibility on their future cash flows regardless of the economic climate. They also have high debt levels, so a decline in long rates should provide some relief, which could support the level of rotation we have recently seen.

CHART 2: MSCI USA DEFENSIVE SECTORS VERSUS US 10-YEAR



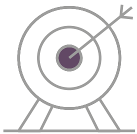
Note: Relative performance of the MSCI USA Defensive Sectors (versus the MSCI USA Net Total Return) compared with the US 10-year since the beginning of the year.

Source: Bloomberg, Indosuez Wealth Management.

THE DANCE OF THE DOVES

Lucas MERIC
Investment Strategist

Over the course of a not particularly calm summer for the financial markets, investor attention quickly shifted away from inflationary risk and towards the risk of a possible US recession, resulting in a drastic rise in US Federal Reserve rate cut expectations and strongly penalising the US dollar. However, we believe these recession fears are overblown, which should ultimately justify a tactical recovery of the greenback.



EUR/USD:
a target range of
1.085-1.125

USD: HURT BY EXCESSIVE RATE CUT EXPECTATIONS

Although we had a mostly positive view on the dollar under our soft-landing scenario, due mainly to its ability to hedge against multiple risks (recession, inflation, US elections), the US dollar underperformed significantly this summer. This underperformance can be attributed to the sharp rise in the market's Fed rate cut expectations, which increased over the summer from 150 bps to 265 bps for end-December 2025, due to a series of reassuring inflation reports and to job figures that caused significant concern in the markets, particularly in the fixed income markets.

The decline in the polls of Republican candidate Donald Trump, whose intention to raise tariffs on imports from China by 60% and by 10% for the rest of the world, representing an upside risk to US inflation and the dollar, also likely weighed on the greenback. Against this backdrop, we believe the market's Fed rate cut expectations are extremely optimistic (key rate at 2.8% at end-2025 versus 3.25% to 3.5% in our scenario), which should ultimately justify a partial recovery of the dollar overall.

EUR: MACRO FUNDAMENTALS TAKE A BACK SEAT

The euro was one of the summer's big winners against the dollar, having closed at 1.12, its highest level since July 2023. It benefited from the easing of political risk in France as well as the markets' significant caution on ECB rate cut expectations, in contrast to the aggressive expectations for the Fed.

Despite modest activity in the Euro Area, with the German economy showing signs of weakness, particularly in the manufacturing sector, and our expectation that inflation will continue to normalise and approach 2% in the coming months, the market now anticipates fewer rate cuts from the ECB by the end of 2025 than from the Fed. These expectations reflect a spread between the US and German 2-year that has fallen by nearly 60 bps since the summer, a trend we do not believe can be justified given that, in our scenario, the economy and inflation (Chart 3, page 11) are more resilient in the United States than across the Atlantic. This scenario should justify the EUR/USD trading between 1.085 and 1.125 in the coming months.

CHF: A HAVEN ATOP THE MOUNTAIN

The financial markets' concerns about the US recession were positive for safe havens, and the Swiss franc in particular, which also benefited from the dollar's summer weakness, with the USD/CHF hitting its lowest level of the year at 0.84. The Swiss franc factors in a lot of positive news and appears to be richly valued. The Swiss National Bank is watching this trend very closely, as the strength of the Swiss currency represents a downside risk to inflation which, due to its weakness (1.1% year-on-year in August), stands in contrast to the inflation trajectories of other developed countries. We therefore remain cautious on the Swiss franc.

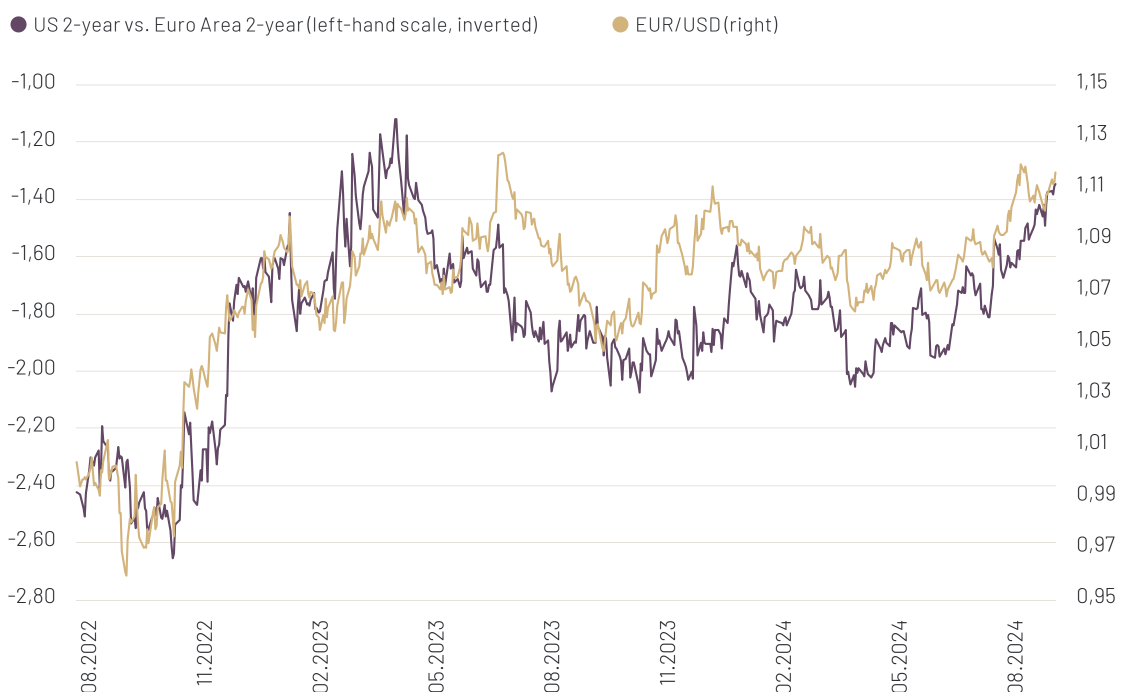
JPY: SPECULATORS GONE WITH THE WIND

The yen hit an all-time low of 160 early in the summer, but then benefited from a combination of two factors: the Bank of Japan started down the path to interest rate normalisation and the market's rate expectations for the Fed became more aggressive. The rebound in the Japanese currency triggered a massive unwinding of yen-funded carry trades, leading to significant corrections in the global financial markets, and in the equity markets particularly. Under these circumstances, the positioning of investors (mainly hedge funds) on the yen went from extremely short to slightly long in just a few days, and the USD/JPY now looks less overvalued and more in line with levels that would justify the transpacific rate differential. In an environment in which the Bank of Japan now seems more inclined to observe the effects of its first rate hikes on the Japanese economy before taking additional steps towards normalising its monetary policy, and in which we believe the rate cuts expected for the Fed look overblown, we could expect a period where the USD/JPY consolidates around 140.

GOLD: CAUTION IS ADVISED

Gold also benefited from the decline in real rates reflecting fears about US growth in an environment where geopolitical risk remains high. However, we continue to anticipate a soft landing for the US economy, as we believe the extent of the monetary easing expected by the markets is excessive. This leads us to remain tactically cautious on the yellow metal, at a time when the People's Bank of China – a major buyer of gold since the end of 2022 – has not bought gold since May and could leave the yellow metal without one of its significant supports in the future.

CHART 3: THE EUR/USD BENEFITED FROM THE DECLINE IN THE TRANSATLANTIC SPREAD DURING THE SUMMER



Source: Bloomberg, Indosuez Wealth Management.

THE SECONDARY MARKET, A KEY COMPONENT OF THE PRIVATE MARKETS

Remy POMATHIOS
Head of Private Markets Investments

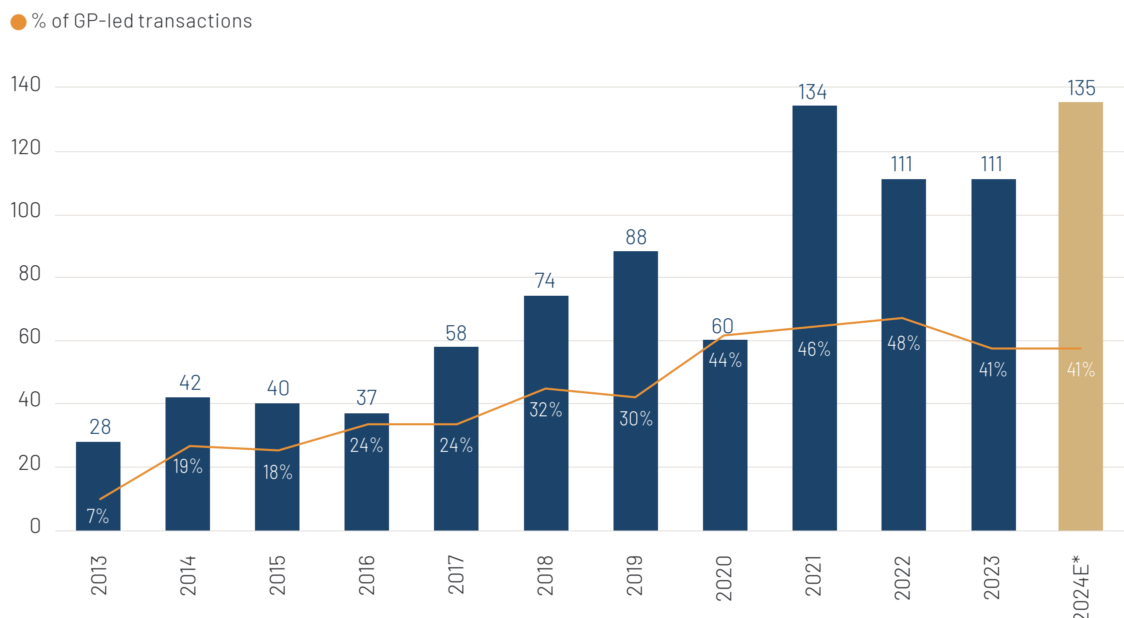
Daniel SUARDI
Senior Investment Manager

The secondary market allows investors to sell their stakes in private equity, infrastructure and private debt funds, as well as in other types of unlisted assets, before the planned maturity date for these investments. In other words, this is a second-hand market for shares of unlisted funds.

These stakes may be sold for different reasons, such as the need for liquidity, a change in the seller's investment strategy or just as part of a portfolio management exercise. By replacing the initial investor, the buyer, generally an institutional investor or secondary fund manager, takes over that investor's rights and obligations (for example, responsibility for funding future capital calls). "LP-led" transactions, referring to the limited partners (i.e. the fund's investors) who initiate these sales, are the classic model and the most common type of secondary transaction.

The secondary Private Equity market has evolved significantly in the last two decades, transforming from what was previously a niche segment into a broader, more liquid and more sophisticated market. This change has been characterised by a significant increase in transaction volumes, as shown in Chart 4. In 2021, the volume of secondary transactions actually hit record amounts, totalling 134 billion dollars for the year. The evolution of the secondary market has also been characterised by the emergence of new players and the increasing complexity of the transactions.

CHART 4: ANNUAL VOLUME OF SECONDARY TRANSACTIONS, IN USD BILLIONS



E* : Estimations

Source: Greenhill - Global Secondary Market Review H1-2024, Indosuez Wealth Management.

Will we see RECORD VOLUMES in 2024?

THE RISE IN GP-LED TRANSACTIONS

New types of secondary transactions have surfaced as the market matured. One example being "GP-led" transactions, which include transactions where the asset sale is initiated directly by the fund manager (the general partner).

"Continuation funds" are a classic example of GP-led transaction. They occur when fund managers want to provide liquidity for their existing investors while retaining exposure to their top assets. These assets (or, in some cases, a single asset) are then transferred to a new vehicle, which provides a way to extend the holding period and very often to inject additional capital. Existing investors in the fund then have the option to transfer their stake to this new vehicle or sell it to secondary buyers who are capitalising the continuation fund. These GP-led transactions now account for a significant share of annual secondary transaction volumes, having increased from 7% of the market in 2013 to nearly half in 2021. They reflect a market trend that gives general partners more flexibility when managing assets while providing investors with the option of exiting or continuing to invest, depending on their financial objectives.

THE BENEFITS TO INVESTORS OF THE SECONDARY MARKET

Unlike a primary investment where the investor puts capital into a fund during the initial fundraising period, a secondary investment makes it possible to acquire funds that are already mature and therefore already deployed. This key distinction allows secondary investors to gain immediate exposure to a diversified portfolio, and also provides visibility on the past performance and quality of this portfolio. In addition, the maturity of the underlying assets is reflected in a shorter holding period and therefore in faster distributions.

Furthermore, secondary investors can often take advantage of attractive entry prices, generally benefiting from a discount on the assets' valuation. The discount in a secondary transaction naturally depends on the quality of the acquired assets but can also vary over time based on market conditions and the macroeconomic environment.

Rising interest rates, having sharply slowed the mergers and acquisitions (M&A) market in 2022 and 2023, and thus the pace of distributions in the private markets, prompted a growing number of investors and managers to turn to the secondary market to generate liquidity. As a result, secondary players have had a very nice window over the last 24 months with numerous opportunities coming to the market. This allowed them to be highly selective in their investments and buy high-quality assets at larger discounts.

As the M&A market has only recovered moderately since early 2024, we believe the secondary market could still offer a number of attractive opportunities in the coming quarters. We therefore expect record secondary transaction volumes in 2024, which we project could reach 130-140 billion dollars.

The secondary market is now a key component of the private markets. It is expected to continue to evolve and expand on the back of (i) the very strong growth we have seen in the last 10 years in assets under management in the asset class; and (ii) investors' growing need for liquidity in a traditionally illiquid investment universe.

Secondary investments in the private markets therefore present a unique opportunity for investors seeking to optimise their portfolio through access to more mature assets with better visibility on potential returns. We believe it is now an essential component in building a private market portfolio.

INVESTMENT SCENARIO AND ALLOCATION CONVICTIONS

Grégory STEINER
Global Head of Multi Asset

Adrien ROURE
Portfolio Manager

Scenario of a
SOFT LANDING
for the economy maintained

INVESTMENT SCENARIO

- **Growth:** we maintain our scenario of a soft landing for the US economy against the backdrop of resilient consumption (real gains in purchasing power, positive wealth effects). We believe the market uncertainties over the employment situation in the United States are overdone: we remain confident in its soundness and believe the normalisation is more an effect of supply-side factors specific to the post-pandemic period than a sign of a deterioration indicating a recession. We remain more cautious on growth in the Euro Area despite a clear differentiation between economies in the South, which continue to benefit from a tourism rebound, and those in the North – Germany in particular – which have been affected by weak manufacturing activity.
- **Inflation:** the disinflation process continues in developed economies. However, we believe the market has gone a little too far in its expectations of a slowdown in inflation in 2025 and think it could stabilise above the 2% target. In the Euro Area, we continue to believe that inflation will gradually converge towards the ECB's target. We think the ECB is likely overly cautious on price trends.
- **Central banks:** given the rebalancing of growth and inflation risks, we have adjusted our rate cut forecasts for 2025 to 3.5% (versus 4% previously) and 2% (versus 2.5% +/- 25 bps) in the United States and the Euro Area, respectively.
- **Corporate earnings:** the positive trend in earnings revisions for 2025 continues in the United States – driven by the tech sector – and continues to spread to all regions (excluding China) as well as to certain market segments, particularly to small and mid-caps.
- **Risk environment:** the normalisation of the global economy has led investors to pay particular attention to labour market conditions in the United States, which could translate into increased market jitters when the next US economic reports are published. At the same time, political risk remains high in the run-up to the US elections while the risks associated with the public debt trajectory remain a reality and could take centre stage again by the end of the year.

ASSET ALLOCATION CONVICTIONS

Equities

- We maintain our scenario of a soft landing for the global economy. This normalisation, along with the start of the central banks' rate cuts in most developed countries and encouraging earnings growth expectations for 2025, leads us to maintain a constructive view on risky assets within our diversified management.
- We maintain our preference for US equities overall but continue to highlight the possibility of increasing the markets' performance through broader participation of business sectors other than tech stocks.
- In addition to our "core portfolio" positions, some sources of diversification included in our portfolios are oriented to benefit from a more accommodative monetary environment. We therefore remain positive on small and mid-caps in developed countries, the European real estate sector and, to a lesser extent, the renewable energies sector.

Fixed income and credit markets

- We tactically reduced our interest rate sensitivity over the summer and now maintain an under-sensitivity versus our benchmarks. In particular, we believe the rate cut expectations in the United States are excessive based on our growth and inflation projections. We still have limited exposure to the longest segments of the rate curve, while the latter seems to be trending towards normalisation and the public debt trajectory calls for caution.
- We favour bond carry through high-quality corporate debt with short maturities. Despite the high valuations in high yield, investors' need for reinvestment in the asset class and the quality of the fundamentals seen in the highest-rated segments are solid arguments in favour of maintaining diversification in this credit segment and benefiting from its attractive carry.

Forex market

- The US dollar suffered over the summer from the sharp downwards revision due to Fed rate cut expectations for 2025. We believe these expectations are extremely optimistic, which could lead to a one-off appreciation of the dollar in the short-term. In addition, we believe the greenback remains the best asset to hedge against the main risks to our scenario.
- We are tempering our optimism on gold prices after their sharp rise in recent months, as we believe the extent of the monetary easing expected by the markets is excessive while purchases from China are no longer acting as a support, at least in the short-term. In the medium-term, the yellow metal does nonetheless have some appeal, against the backdrop of rate cuts, concerns about growth, and still-high geopolitical risks.

KEY CONVICTIONS

	TACTICAL VIEW (ST)	STRATEGIC VIEW (LT)
FIXED INCOME		
GOVERNMENTS		
EUR 2-Year	=	=/+
EUR 10-Year	=/-	=/-
EUR Periphery	=/-	=/-
US 2-Year	=	=/+
US 10-Year	=/-	=/-
EUR Breakevens Inflation	=/+	=/+
US Breakevens Inflation	=/+	=
CREDIT		
Investment grade EUR	=/+	=/+
High yield EUR	=	=
Financials Bonds EUR	=	+
Investment grade USD	=	=/+
High yield USD	=/-	=/-
EMERGING DEBT		
Hard Currencies	=	=/+
Local Currencies	=	=/+
EQUITIES		
GEOGRAPHIES		
Europe	=/-	=/+
United States	=/+	=/+
Japan	=	=
Latin America	=/-	=
Asia ex-China	=/+	=/+
China	=	=/-
STYLES		
Growth	=	=/+
Value	=/+	=
Quality	=/+	=
Cyclical	=	=
Defensive	=/-	=/-
FOREX		
United States (USD)	=	=/-
Euro Area (EUR)	=/-	=
Switzerland (CHF)	=/-	=
Japan (JPY)	=	=/+
China (CNY)	=	=
Gold (XAU)	=	=/+

Source: Indosuez Wealth Management.

OVERVIEW OF SELECTED MARKETS

DATA AS OF 20 SEPTEMBER 2024

GOVERNMENT BONDS	YIELD	4 WEEKS CHANGE (BPS)	YTD CHANGE (BPS)
US Treasury 10-year	3.71%	-13.90	-16.60
France 10-year	2.93%	-2.40	37.50
Germany 10-year	2.20%	-4.60	17.50
Spain 10-year	2.99%	-6.00	1.10
Switzerland 10-year	0.49%	5.70	-20.90
Japan 10-year	0.84%	-2.60	23.30

BONDS	LAST	4 WEEKS CHANGE	YTD CHANGE
Government Bonds Emerging Markets	38.24	2.80%	4.14%
Euro Government Bonds	208.07	0.73%	1.92%
Corporate EUR high yield	226.25	0.87%	4.58%
Corporate USD high yield	361.06	2.15%	7.79%
US Government Bonds	321.37	1.21%	4.33%
Corporate Emerging Markets	45.81	1.04%	3.81%

CURRENCIES	LAST SPOT	4 WEEKS CHANGE	YTD CHANGE
EUR/CHF	0.9463	-0.07%	1.87%
GBP/USD	1.3284	1.47%	4.34%
USD/CHF	0.8478	-0.52%	0.76%
EUR/USD	1.1162	0.45%	1.11%
USD/JPY	142.63	-2.50%	1.13%

VOLATILITY INDEX	LAST	4 WEEKS CHANGE (POINTS)	YTD CHANGE (POINTS)
VIX	16.33	-1.22	3.88

EQUITY INDICES	LAST PRICE	4 WEEKS CHANGE	YTD CHANGE
S&P 500 (United States)	5'713.64	2.57%	19.79%
FTSE 100 (United Kingdom)	8'328.72	0.49%	7.70%
STOXX 600	521.67	1.15%	8.91%
Topix	2'616.87	-2.04%	10.58%
MSCI World	3'689.52	2.27%	16.42%
Shanghai SE Composite	3'196.04	-3.53%	-6.85%
MSCI Emerging Markets	1'100.15	-0.08%	7.46%
MSCI Latam (Latin America)	2'274.24	0.52%	-14.59%
MSCI EMEA (Europe. Middle East. Africa)	210.36	0.79%	4.78%
MSCI Asia Ex Japan	705.41	0.22%	9.96%
CAC 40 (France)	7615.41	1.21%	0.96%
DAX (Germany)	19'002.38	2.75%	13.44%
MIB (Italy)	34'044.86	2.20%	12.17%
IBEX (Spain)	11'778.10	5.57%	16.59%
SMI (Switzerland)	12'058.30	-2.01%	8.26%

COMMODITIES	LAST PRICE	4 WEEKS CHANGE	YTD CHANGE
Steel Rebar (CNY/Tonne)	3'108.00	2.14%	-23.07%
Gold (USD/Oz)	2'586.74	4.10%	25.39%
Crude Oil WTI (USD/Bbl)	71.95	-1.45%	0.42%
Silver (USD/Oz)	31.09	7.05%	29.10%
Copper (USD/Tonne)	9'515.00	4.21%	11.17%
Natural Gas (USD/MMBtu)	2.35	14.37%	-6.60%

Source: Bloomberg. Indosuez Wealth Management.
Past performance does not guarantee future performance.

MONTHLY INVESTMENT RETURNS. PRICE INDEX

FTSE 100 · Topix · MSCI World · MSCI EMEA · MSCI Emerging Markets
STOXX 600 · S&P 500 · Shanghai SE Composite · MSCI Latam · MSCI Asia Ex Japan

	JUNE 2024	JULY 2024	AUGUST 2024	4 WEEKS CHANGE	YTD (20.09.2024)
BEST PERFORMING (+)	15.18%	3.39%	2.51%	2.57%	19.79%
	14.75%	2.50%	2.28%	2.27%	16.42%
	11.06%	1.70%	1.83%	1.15%	10.58%
	9.93%	1.32%	1.75%	0.79%	9.96%
	8.33%	1.13%	1.40%	0.52%	8.91%
	7.03%	0.90%	1.33%	0.49%	7.70%
	6.97%	-0.14%	0.46%	0.22%	7.46%
	2.10%	-0.55%	0.10%	-0.08%	4.78%
	-0.46%	-0.57%	-2.92%	-2.04%	-6.85%
WORST PERFORMING (−)	-17.97%	-0.59%	-3.51%	-3.53%	-14.59%

Source: Bloomberg. Indosuez Wealth Management.
Past performance does not guarantee future performance.

09 • Glossary

Basis point (bps): 1 basis point = 0.01%.

Blockchain: A technology for storing and transmitting information. It takes the form of a database which has the particularity of being shared simultaneously with all its users and generally does not depend on any central body.

BLS: Bureau of Labor Statistics.

BNEF: Bloomberg New Energy Finance.

Brent: A type of sweet crude oil, often used as a benchmark for the price of crude oil in Europe.

CPI (Consumer Price Index): The CPI estimates the general price level faced by a typical household based on an average consumption basket of goods and services. The CPI tends to be the most commonly used measure of price inflation.

Cyclicals: Cyclicals refers to companies that are dependent on the changes in the overall economy. These stocks represent the companies whose profit is higher when the economy is prospering.

Defensives: Defensives refers to companies that are more or less immune to the changes in the economic conditions.

Deflation: Deflation is the opposite of inflation. Contrary to inflation, it is characterised by a sustained decrease in general price levels over an extended period.

Duration: Reflects the sensitivity of a bond or bond fund to changes in interest rates. This value is expressed in years. The longer the duration of a bond, the more sensitive its price is to interest rate changes.

EBIT (Earnings Before Interest and Taxes): Refers to earnings generated before any financial interest and taxes are taken into account. It takes earnings and subtracts operating expenses and thus also corresponds to non-operating expenses.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation): EBITDA takes net income and adds interest, taxes, depreciation and amortisation expenses back to it. It is used to measure a company's operating profitability before non-operating expenses and non-cash charges.

ECB: The European Central Bank, which governs the euro and Euro Area member countries' monetary policy.

Economic Surprises Index: Measures the degree of variation in macro-economic data published versus forecasters' expectations.

Economies of scale: Decrease in a product's unit cost that a company obtains by increasing the quantity of its production.

EPS: Earnings per share.

ESG: Non-financial corporate rating system based on environmental, social and governance criteria. It is used to evaluate the sustainability and ethical impact of an investment in a company.

Fed: The US Federal Reserve, i.e. the central bank of the United States.

FOMC (Federal Open Market Committee): The US Federal Reserve's monetary policy body.

GDP (Gross Domestic Product): GDP measures a country's yearly production of goods and services by operators residing within the national territory.

Growth: Growth style refers to companies expected to grow sales and earnings at a faster rate than the market average. As such, growth stocks are generally characterised by a higher valuation than the market as a whole.

IEA: International Energy Agency.

IMF: The International Monetary Fund.

Inflation breakeven: Level of inflation where nominal bonds have the same return as inflation-linked bonds (of the same maturity and grade). In other words, it is the level of inflation at which it makes no difference if an investor owns a nominal bond or an inflation-linked bond. It therefore represents inflation expectations in a geographic region for a specific maturity.

Inflation swap rate 5-Year, 5-Year: A market measure of what 5-Year inflation expectations will be in five years' time. It provides a window into how inflation expectations may change in the future.

IPPC: The Intergovernmental Panel on Climate Change.

IRENA: International Renewable Energy Agency.

ISM: Institute for Supply Management.

Japanification of the economy: Refers to the stagnation the Japanese economy has faced in the last three decades, and is generally used to refer to economists' fears that other developed countries will follow suit.

Metaverse: A metaverse (portmanteau of meta and universe) is a fictional virtual world. The term is regularly used to describe a future version of the internet where virtual, persistent and shared spaces are accessible via 3D interaction.

OECD: Organisation for Economic Co-operation and Development.

Oligopoly: An oligopoly occurs when there is a small number of producers (supply) with a certain amount of market power and a large number of customers (demand) on a market.

OPEC: Organization of the Petroleum Exporting Countries; 14 members.

OPEC+: OPEC plus 10 additional countries, notably Russia, Mexico, and Kazakhstan.

PMI: Purchasing Managers' Index.

Policy mix: The economic strategy adopted by a state depending on the economic environment and its objectives, mainly consisting of a combination of monetary and fiscal policy.

Pricing power: Refers to the ability of a company or brand to increase its prices without affecting demand for its products.

Quality: Quality stocks refers to companies with higher and more reliable profits, low debt and other measures of stable earnings and strong governance. Common characteristics of Quality stocks are high return to equity, debt to equity and earnings variability.

Quantitative easing (QE): A monetary policy tool by which the central bank acquires assets such as bonds, in order to inject liquidity into the economy.

SEC (Securities and Exchange Commission): The SEC is an independent federal agency with responsibility for the orderly functioning of US securities markets.

Spread (or credit spread): A spread is the difference between two assets, typically between interest rates, such as those of corporate bonds over a government bond.

Secular stagnation: Refers to an extended period of little or no economic growth.

SRI: Sustainable and Responsible Investments.

Stagflation: Stagflation refers to an economy that is experiencing simultaneously an increase in inflation and stagnation of economic output.

TPI: An addition to the Eurosystem's toolkit that can be activated by the ECB to counter unwarranted, disorderly market developments if these pose a serious threat to the smooth transmission of monetary policy across the euro area. The ECB Governing Council approved the instrument on the 21 July 2022.

Uberisation: Term derived from the name of US company Uber which develops and operates digital platforms that connect drivers and riders. It refers to a new business model that leverages new digital technologies and is part of the sharing economy, insofar as it puts customers in direct contact with service providers, at a reduced cost and with lower prices.

Value: Value style refers to companies that appear to trade at a lower price relative to its fundamentals. Common characteristics of value stocks include high dividend yield, low price-to-book ratio, and a low price-to-earnings ratio.

VIX: The index of implied volatility in the S&P 500 Index. It measures market operators' expectations of 30-day volatility, based on index options.

WTI (West Texas Intermediate): Along with Brent crude, the WTI is a benchmark for crude oil prices. WTI crude is produced in America and is a blend of several sweet crude oils.

WTO: World Trade Organization.

DISCLAIMER

This document entitled "Monthly House View" (the "Brochure") is issued for marketing communication only.

The languages in which it is drafted form part of the working languages of Indosuez Wealth Management.

The information published in the Brochure has not been reviewed and is not subject to the approval or authorisation of any regulatory or market authority whatsoever, in whatever jurisdiction.

The Brochure is not intended for or aimed at the persons of any country in particular.

The Brochure is not intended for persons who are citizens, domiciled or resident in a country or jurisdiction in which its distribution, publication, availability or use would contravene applicable laws or regulations.

This document does not constitute or contain an offer or an invitation to buy or sell any financial instrument and/or service whatsoever. Similarly, it does not, in any way, constitute a strategy, personalised or general investment or disinvestment recommendation or advice, legal or tax advice, audit advice, or any other advice of a professional nature. No representation is made that any investment or strategy is suitable and appropriate to individual circumstance or that any investment or strategy constitutes a personalised investment advice to any investor.

The relevant date in this document is, unless otherwise specified, the editing date mentioned on the last page of this disclaimer. The information contained herein are based on sources considered reliable. We use our best effort to ensure the timeliness, accuracy, and comprehensives of the information contained in this document. All information as well as the price, market valuations and calculations indicated herein may change without notice. Past prices and performances are not necessarily a guide to future prices and performances.

The risks include, amongst others, political risks, credit risks, foreign exchange risks, economic risks and market risks. Before entering into any transaction you should consult your investment advisor and, where necessary, obtain independent professional advice in respect of risks, as well as any legal, regulatory, credit, tax, and accounting consequences. You are advised to contact your usual advisers in order to make your decisions independently, in light of your particular financial situation and your financial knowledge and experience.

Foreign currency rates may adversely affect the value, price or income of the investment when it is realised and converted back into the investor's base currency.

CA Indosuez a French company, the holding company for the Crédit Agricole group's wealth management business, and its related subsidiaries or entities, namely CA Indosuez (Switzerland) SA, CA Indosuez Wealth (Europe), CFM Indosuez Wealth, their respective subsidiaries, branches, and representative offices, whatever their location, operate under the single brand Indosuez Wealth Management. Each of the subsidiaries, their respective subsidiaries, branches, and representative offices, as well as each of the other Indosuez Wealth Management entities are referred to individually as the "Entity" and collectively as the "Entities".

The Entities or their shareholders as well as its shareholders, subsidiaries, and more generally companies in the Crédit Agricole SA group (the "Group") and respectively their corporate officers, senior management or employees may, on a personal basis or in the name and on behalf of third parties, undertake transactions in the financial instruments described in the Brochure, hold other financial instruments in respect of the issuer or the guarantor of those financial instruments, or may provide or seek to provide securities services, financial services or any other type of service for or from these Entities. Where an Entity and/or a Crédit Agricole Group Entity acts as an investment adviser and/or manager, administrator, distributor or placement agent for certain products or services mentioned in the Brochure, or carries out other services in which an Entity or the Crédit Agricole Group has or is likely to have a direct or indirect interest, your Entity shall give priority to the investor's interest.

Some investments, products, and services, including custody, may be subject to legal and regulatory restrictions or may not be available worldwide on an unrestricted basis taking into consideration the law of your country of origin, your country of residence or any other country with which you may have ties. In particular, any the products or services featured in the Brochure are not suitable for residents of US and Canada. Products and services may be provided by Entities under their contractual conditions and prices, in accordance with applicable laws and regulations and subject to their licence. They may be modified or withdrawn at any time without any notification.

Please contact your relationship manager for further information.

In accordance with applicable regulations, each Entity makes the Brochure available:

- **In France:** this Brochure is distributed by CA Indosuez, a public limited company with a capital of 584'325'015 euros, a credit institution and an insurance brokerage company registered with the French Register of Insurance Intermediaries under number 07 004 759 and with the Paris Trade and Companies Register under number 572 171 635, whose registered office is located at 17, rue du Docteur Lancereaux - 75008 Paris, and whose supervisory authorities are the Prudential Control and Resolution Authority and the Autorité des Marchés Financiers.
- **In Luxembourg:** the Brochure is distributed by CA Indosuez Wealth (Europe), a limited company (société anonyme) under Luxembourg law with share capital of euros 415.000.000, having its registered office at 39 allée Scheffer L-2520 Luxembourg, registered with the Luxembourg Companies Register under number B91.986, an authorised credit institution established in Luxembourg and supervised by the Luxembourg financial regulator, the Commission de Surveillance du Secteur Financier (CSSF).
- **In Spain:** the Brochure is distributed by CA Indosuez Wealth (Europe) Sucursal en España, supervised by the Banco de España (www.bde.es) and the Spanish National Securities Market Commission (Comision Nacional del Mercado de Valores, CNMV, www.cnmv.es), a branch of CA Indosuez Wealth (Europe), a credit institution duly registered in Luxembourg and supervised by the Luxembourg financial regulator, the Commission de Surveillance du Secteur Financier (CSSF). Adress: Paseo de la Castellana numero 1, 28046 Madrid (Spain), registered with the Banco de Espana under number 1545. Registered in the Madrid Trade and Companies Register, number T 30.176,F 1,S 8, H M-543170, CIF (Company tax ID): W-0182904-C.
- **In Belgium:** the Brochure is distributed by CA Indosuez Wealth (Europe) Belgium Branch, located at 120 Chaussée de la Hulpe B-1000 Brussels, Belgium, registered with the Brussels Companies Register under number 0534 752 288, entered in the Banque-Carrefour des Entreprises (Belgian companies database) under VAT number 0534.752.288 (RPM Brussels), a branch of CA Indosuez Wealth (Europe).
- **In Italy:** the Brochure is distributed by CA Indosuez Wealth (Europe), Italy Branch based in Piazza Cavour 2, 20121 Milan, Italy, registered in the Register of Banks no. 8097, tax code and registration number in the Business Register of Milan, Monza Brianza and Lodi n. 97902220157.
- **Within the European Union:** the Brochure may be distributed by Indosuez Wealth Management Entities authorised to do so under the Free Provision of Services.
- **In Monaco:** the Brochure is distributed by CFM Indosuez Wealth, 11, Boulevard Albert 1er - 98000 Monaco registered in the Monaco Trade and Industry Register under number 56S00341, accreditation: EC/2012-08.
- **In Portugal:** the Brochure is distributed by CA Indosuez Wealth (Europe), Sucursal em Portugal located at Avenida da Liberdade,190, 2.° B - 1250-147 Lisboa, Portugal, registered with the Bank of Portugal under number 282, tax code 980814227.
- **In Switzerland:** the Brochure is distributed by CA Indosuez (Switzerland) SA, Quai Général-Guisan 4, 1204 Geneva and by CA Indosuez Finanziaria SA, Via F. Pelli 3, 6900 Lugano and by their Swiss branches and/or agencies. The Brochure constitutes marketing material and does not constitute the product of a financial analysis within the meaning of the directives of the Swiss Bankers Association (SBA) relating to the independence of financial analysis within the meaning of Swiss law. Consequently, these directives are not applicable to the Brochure.
- **In Hong Kong Special Administrative Region:** the Brochure is distributed by CA Indosuez (Switzerland) SA, Hong Kong Branch, Suite 2918, Two Pacific Place - 88 Queensway – Hong Kong. No information contained in the Brochure constitutes an investment recommendation. The Brochure has not been referred to the Securities and Futures Commission (SFC) or any other regulatory authority in Hong Kong. The Brochure and products it may mention have not been authorised by the SFC within the meaning of sections 103, 104, 104A or 105 of the Securities and Futures Ordinance (Cap. 571)(SFO).
- **In Singapore:** the Brochure is distributed by CA Indosuez (Switzerland) SA, Singapore Branch 168 Robinson Road #23-03 Capital Tower, 068912 Singapore. In Singapore, the Brochure is only intended for accredited investors, institutional investors or expert investors as defined by the Securities and Futures Act 2001 of Singapore. For any questions concerning the Brochure, recipients in Singapore can contact CA Indosuez (Switzerland) SA, Singapore Branch.
- **In the DIFC:** the Brochure is distributed by CA Indosuez (Switzerland) SA, DIFC Branch, Al Fattan Currency House, Tower 2 – Level 23 Unit 4 DIFC PO Box 507232 Dubai – UAE a company regulated by the Dubai Financial Service Authority ("DFSA"). This Brochure is intended for professional client and/or market counterparty only and no other person should act upon it. The financial products or services to which this Brochure relates will only be made available to a client who meets the DFSA professional client and /or market counterparty requirements. This Brochure is provided for information purposes only. It is not to be construed as an offer to buy or sell or solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction.
- **In the UAE:** the Brochure is distributed by CA Indosuez (Switzerland) SA, Abu Dhabi Representative Office, Zayed - The 1st Street - Nayel & Bin Harmal Tower, 5th Floor office 504, P.O. Box 44836 Abu Dhabi, United Arab Emirates. CA Indosuez (Switzerland) SA operates in the United Arab Emirates (UAE) via its representative office which comes under the supervisory authority of the UAE Central Bank. In accordance with the rules and regulations applicable in the UAE, CA Indosuez (Switzerland) SA representation office may not carry out any banking activity. The representative office may only market and promote CA Indosuez (Switzerland) SA's activities and products. The Brochure does not constitute an offer to a particular person or the general public, or an invitation to submit an offer. It is distributed on a private basis and has not been reviewed or approved by the UAE Central Bank or by another UAE regulatory authority.
- **Other countries:** laws and regulations of other countries may also limit the distribution of this Brochure. Anyone in possession of this Brochure must seek information about any legal restrictions and comply with them.

The Brochure may not be photocopied or reproduced or distributed, in full or in part, in any form without the prior agreement of your Bank.

© 2024, CA Indosuez (Switzerland) SA/All rights reserved.

Photo credits: Adobe Stock.

Edited as per 20.09.2024.