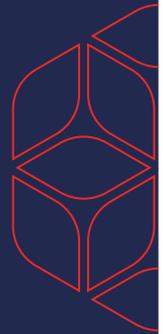


Quick recap

- Western equity markets finished higher this week, following a surge in Put buying at the end of last week.
- Relatively stable stock markets were accompanied by a recovery in credit spreads, slightly higher benchmark rates and little changes in the oil price.
- Eyes were on China as the CCP held its National Congress, which ended with dramatic scenes as Premier Li Keqiang prematurely retired, and Xi's predecessor Hu Jintao was escorted from the stage while Xi was proclaimed as China's most significant leader since Mao Zedong.
- Meanwhile, the PBoC went for a weaker yuan fix, accepting the USD's strength amid the hawkish Fed and the market's disappointment about the outlook on China's Covid policy. Moreover, there has been some optimism about an easing of entry requirements, but new lockdowns in Xi'an give other signals.



Overview

Equities

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- Equities Sectors
- Equities Styles
- Implied Volatility

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Fixed Income

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Economic Calendar

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Expected EBITDA Margin China Bloomberg Analyst Consensus Estimates



Source: Amadeus Capital 2022-10-22

While corporations in the U.S. and Europe have achieved record-breaking margins over the past years, corporate China's decline manifests itself in an increasingly worrisome slump in revenues and profitability, way beyond the country's struggling construction sector. Unfortunately, the terrible economic consequences of the president's policies have failed to prevent him from tightening his grip on power. Needless to say, his open adoration of Mao Zedong, whose mismanagement caused one of the greatest famines in the world's history and the death of millions, doesn't bode well for the future of the world's second-largest economy.

Markets at a glance



Major Equity Markets

Broad Markets
Total return %



Source: Amadeus Capital SA 2022-10-22

Broad Markets
Total return %



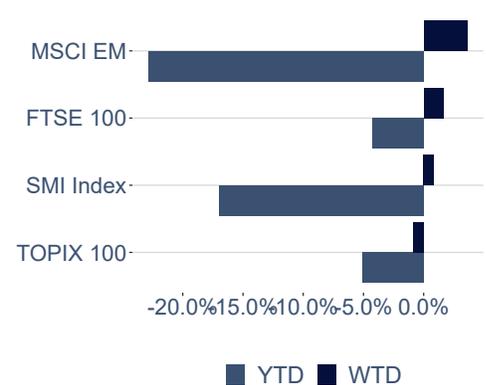
Major Equity Markets

Broad Markets
Total return %



Source: Amadeus Capital SA 2022-10-22

Broad Markets
Total return %



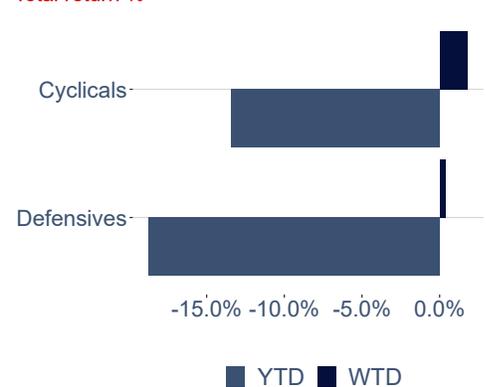
Equity Sectors

Cyclicals vs Defensives Europe
Total return %



Source: Bloomberg, Amadeus 2022-10-22

Cyclicals vs Defensives Europe
Total return %



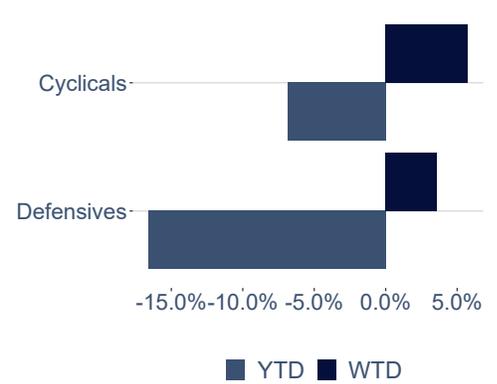
Equity Sectors

Sectors U.S.
Total return %



Source: Bloomberg, Amadeus 2022-10-22

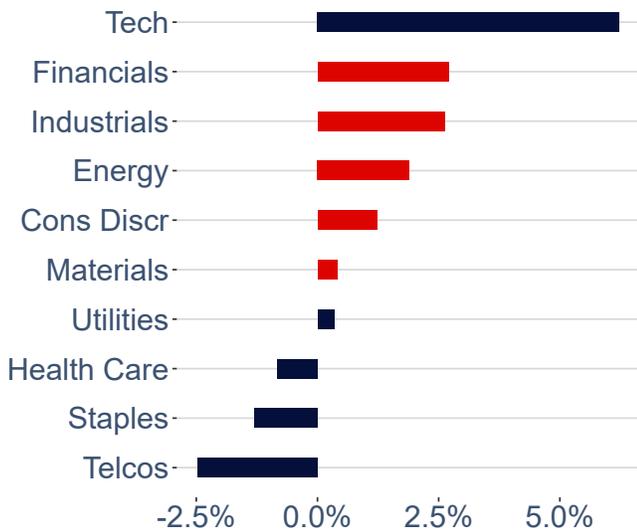
Cyclicals vs Defensives U.S.
Total return %



Equity Sectors

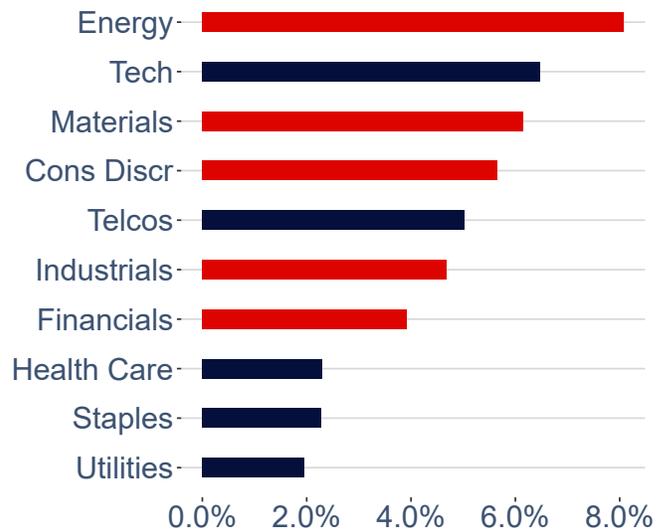
Sectors Europe

Last week's performance %



Sectors U.S.

Cyc = red, def = blue



Equity Styles

Styles Europe

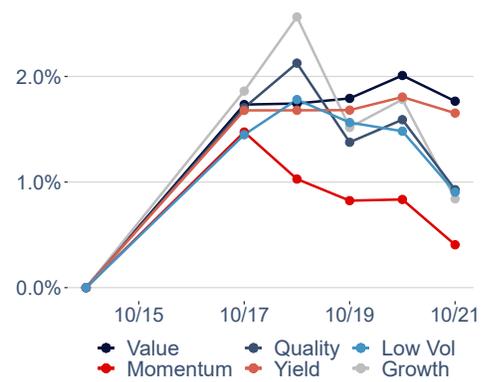
Total return %



Source: Bloomberg, Amadeus 2022-10-22

Styles Europe

Total return %



Source: Amadeus Capital SA 2022-10-22

Equity Styles

Styles U.S.

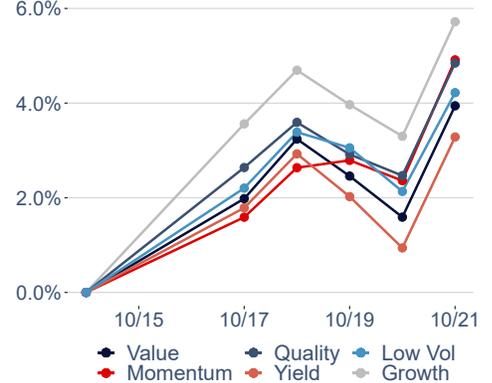
Total return %



Source: Bloomberg, Amadeus 2022-10-22

Styles U.S.

Total return %

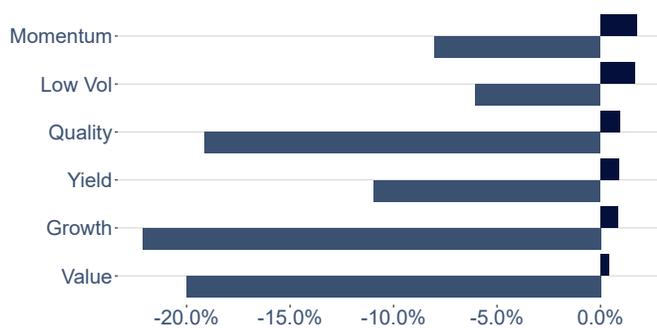


Source: Amadeus Capital SA 2022-10-22

Equity Styles

Styles Europe

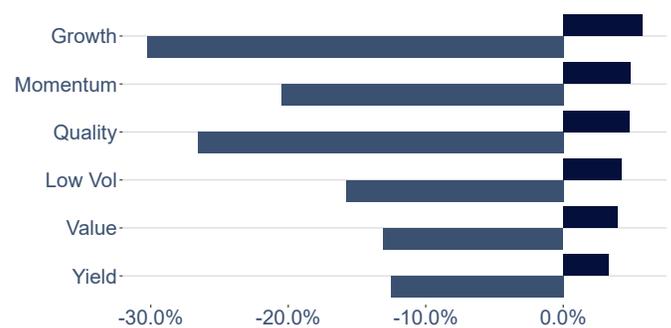
Total return %



■ YTD ■ WTD

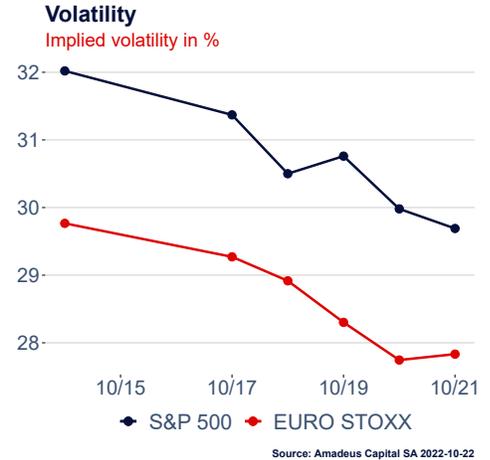
Styles U.S.

Total return %

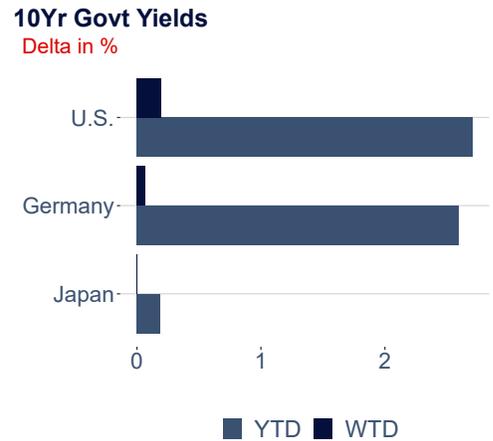
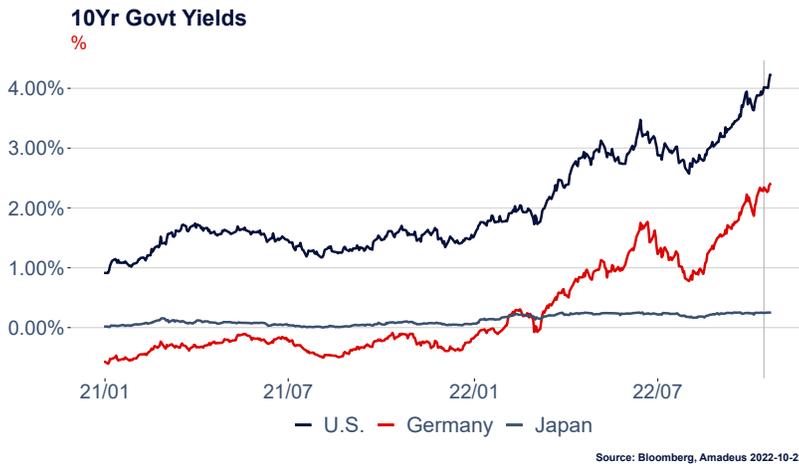


■ YTD ■ WTD

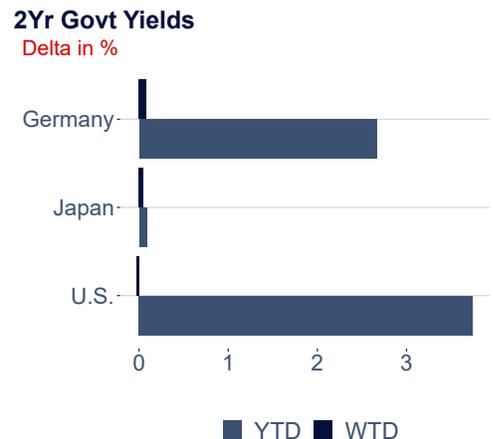
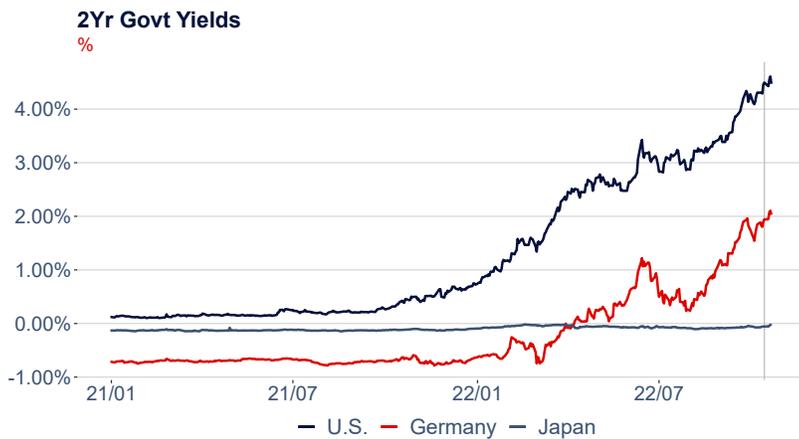
Volatility



Government Bond Yields



Government Bond Yields



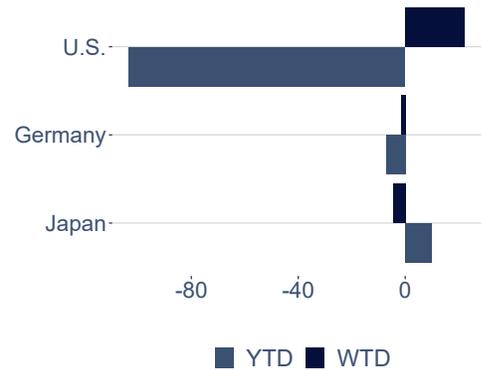
Government Bond Yields

Steepness of the curve
10Yr - 2Yr Govt Yields %



Source: Amadeus Capital SA 2022-10-22

10Yr-2Yr Govt Yields
Delta in bp



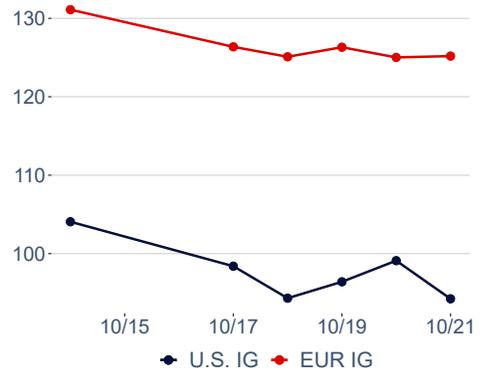
Credit Spreads

Investment grade credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-10-22

Investment grade credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-10-22

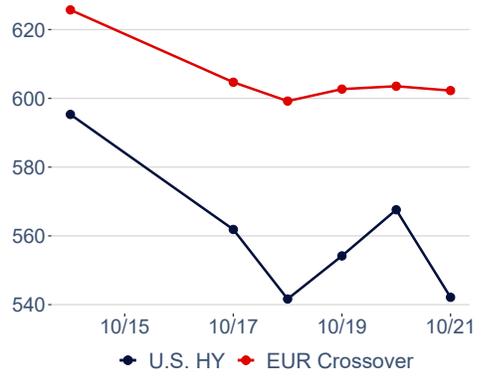
Credit Spreads

High yield credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-10-22

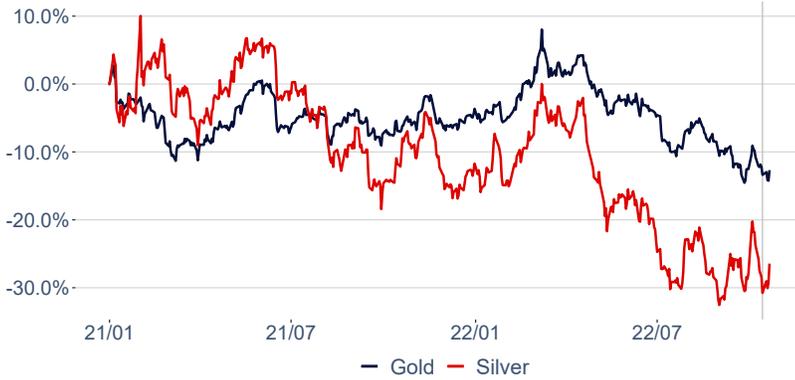
High yield credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-10-22

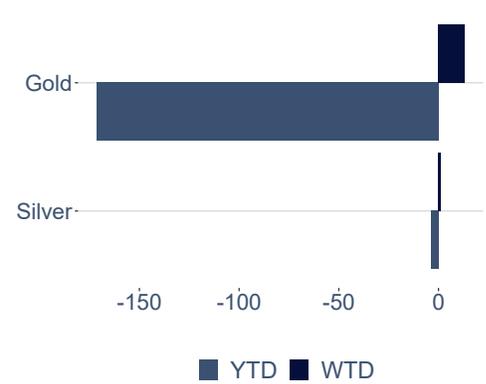
Precious Metals

Precious metals
Price change %



Source: Amadeus Capital SA 2022-10-22

Precious metals
Price change in USD



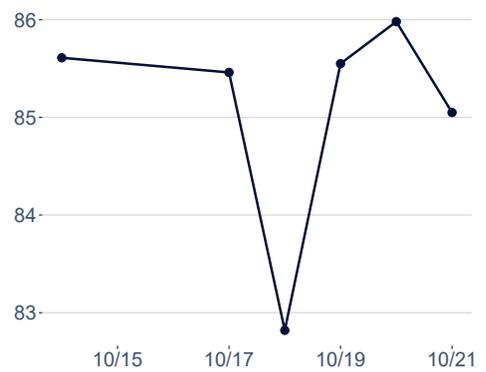
Commodities

Crude oil
Price in USD



Source: Amadeus Capital SA 2022-10-22

Crude oil
Price in USD



Source: Amadeus Capital SA 2022-10-22

Currencies

Trade weighted currencies
Price change %



Source: Amadeus Capital SA 2022-10-22

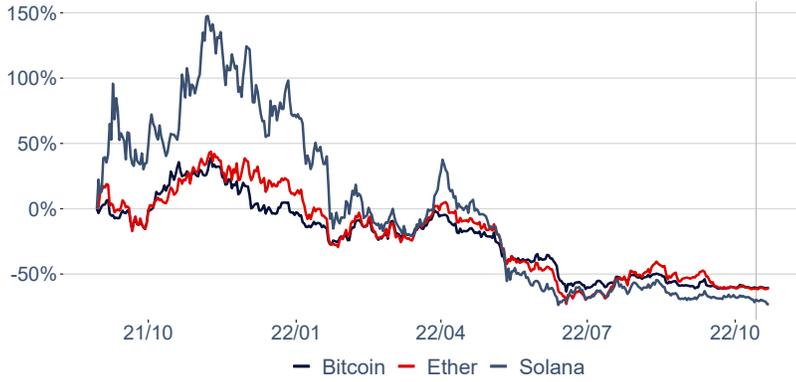
Trade weighted currencies
Price change %



Cryptocurrencies

Major cryptocurrencies in USD

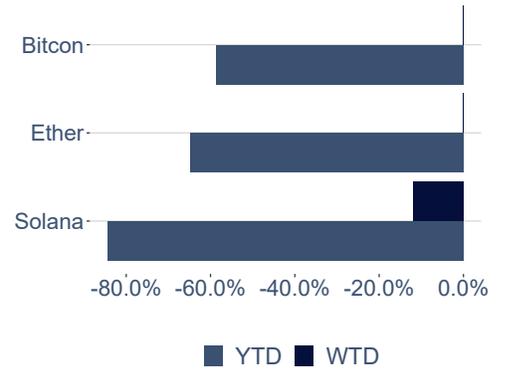
Price change %



Source: Amadeus Capital SA 2022-10-22

Major cryptocurrencies in USD

Price change %



Major Events Last Week

Falling gas prices in Europe and stabilization in crude have helped calm some concerns, likely influencing the relatively better, though still very pessimistic, ZWE Economic Sentiment print in Germany. Inflation came in slightly below consensus expectations in the Eurozone but overshot in the U.K. amid the ongoing political unrest. In the U.S., Initial Jobless Claims surprised on the downside, underpinning the strength of the job market again, while Building Permits and Existing Home Sales were slightly better than expected. The PBoC abstained from cutting rates further, but most traders expect the yuan to weaken further amid disappointing political and economic developments.

Date	Zone	Event	Previous	Forecast	Actual
-713026	New Zealand	CPI (QoQ) (Q3)	1.7%	1.6%	2.2%
-713026	Australia	RBA Meeting Minutes	-	-	-
-712661	Germany	German ZEW Economic Sentiment (Oct)	-61.9	-65.7	-59.2
-712296	United Kingdom	CPI (YoY) (Sep)	9.9%	10%	10.1%
-712296	Eurozone	CPI (YoY) (Sep)	9.1%	10%	9.9%
-712296	United States	Building Permits (Sep)	1.542M	1.530M	1.564M
-712296	Canada	Core CPI (MoM) (Sep)	0%	-	0.4%
-712296	United States	Crude Oil Inventories	9.880M	1.380M	-1.725M
-712296	Australia	Employment Change (Sep)	36.3K	25.0K	0.9K
-712296	China	PBoC Loan Prime Rate	3.65%	-	3.65%
-711930	Eurozone	EU Leaders Summit	-	-	-
-711930	United States	Initial Jobless Claims	226K	230K	214K
-711930	United States	Philadelphia Fed Manufacturing Index (Oct)	-9.9	-5	-8.7
-711930	United States	Existing Home Sales (Sep)	4.78M	4.70M	4.71M
-711565	United Kingdom	Retail Sales (MoM) (Sep)	-1.7%	-	-1.4%
-711565	Eurozone	EU Leaders Summit	-	-	-
-711565	Canada	Core Retail Sales (MoM) (Aug)	-2.5%	-	0.7%

The Week Ahead

A lot of macroeconomic releases are awaiting us next week, including Q3 GDP data for China, the U.S. and Germany. In the U.S., Core PCE is expected to drop slightly to 0.5% m/m, while Germany inflation is expected to have reached 10.1% in October, another uptick from the previously published 10%.

As the USD briefly traded for 150 JPY this week, it will be interesting to watch the BoJ's Monetary Policy Statement on Thursday. The relatively sharp drop back to 147.7 on Friday is widely attributed to suspected intervention by the BoJ. While markets will assess the likelihood of the BoJ staying the course in its ultra-accommodative monetary policy, the ECB and the BoC are both expected to lift rates by 75bp this week.

Date	Zone	Event	Previous	Forecast	Actual
23/10/2022	China	GDP (YoY) (Q3)	0.4%	3.4%	-
23/10/2022	China	Industrial Production (YoY) (Sep)	4.2%	4.5%	-
24/10/2022	Germany	German Manufacturing PMI (Oct)	47.8	47	-
25/10/2022	Germany	German Ifo Business Climate Index (Oct)	84.3	83.3	-
25/10/2022	United States	CB Consumer Confidence (Oct)	108	106.5	-
25/10/2022	Australia	CPI (QoQ) (Q3)	1.8%	1.6%	-
26/10/2022	United States	New Home Sales (Sep)	685K	590K	-
26/10/2022	Canada	BoC Monetary Policy Report	-	-	-
26/10/2022	Canada	BoC Interest Rate Decision	3.25%	4%	-
26/10/2022	United States	Crude Oil Inventories	-1.725M	1.380M	-
26/10/2022	Canada	BOC Press Conference	-	-	-
26/10/2022	Japan	BoJ Outlook Report (YoY)	-	-	-
27/10/2022	Eueozone	Deposit Facility Rate (Oct)	0.75%	1.5%	-
27/10/2022	Eurozone	ECB Marginal Lending Facility	1.5%	-	-
27/10/2022	Eurozone	ECB Interest Rate Decision (Oct)	1.25%	2%	-
27/10/2022	United States	Core Durable Goods Orders (MoM) (Sep)	0.3%	0.2%	-
27/10/2022	United States	GDP (QoQ) (Q3)	-0.6%	2.1%	-
27/10/2022	United States	Initial Jobless Claims	214K	223K	-
27/10/2022	Eurozone	ECB Press Conference	-	-	-
27/10/2022	Japan	BoJ Monetary Policy Statement	-	-	-
27/10/2022	Japan	BoJ Outlook Report (YoY)	-	-	-
28/10/2022	Japan	BoJ Press Conference	-	-	-
28/10/2022	Germany	German CPI (YoY) (Oct)	10%	10.1%	-
28/10/2022	Germany	German GDP (QoQ) (Q3)	0.1%	-0.2%	-
28/10/2022	Russia	Interest Rate Decision (Oct)	7.5%	7.5%	-
28/10/2022	United States	Core PCE Price Index (MoM) (Sep)	0.6%	0.5%	-
28/10/2022	Canada	GDP (MoM) (Aug)	0.1%	0.1%	-
28/10/2022	United States	Pending Home Sales (MoM) (Sep)	-2%	-5%	-

About Amadeus

We cater to wealthy families and institutions with a pronounced ownership approach, making sure that the interests of our clients and ourselves are aligned by investing alongside them.

We offer a special know-how in niche strategies and we provide access to exclusive investment opportunities through our network

Amadeus Capital finds itself in the centre of a full-service ecosystem controlled by the Brockmann family, which allows us to easily connect all aspects of private wealth management.

While we are proud of our heritage, we constantly seek to adapt to a rapidly changing financial industry and don't shy away from undertaking the necessary investments to stay ahead of the curve.

We actively foster and cultivate an entrepreneurial corporate culture, encourage continuous innovation and work closely together with our external network of specialists and consultants.

Amadeus Capital merged in 2019 with Nucleo Capital, a Geneva based multi-family office created in 2005 by Laurent Timonier; further to the merger Laurent Timonier and Marovita Holding are the sole shareholders of Amadeus Capital.

Amadeus Capital is a member of the Swiss Association of Asset Managers and is audited by Ernst & Young.

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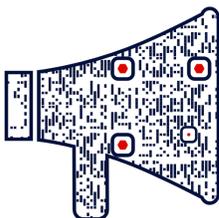
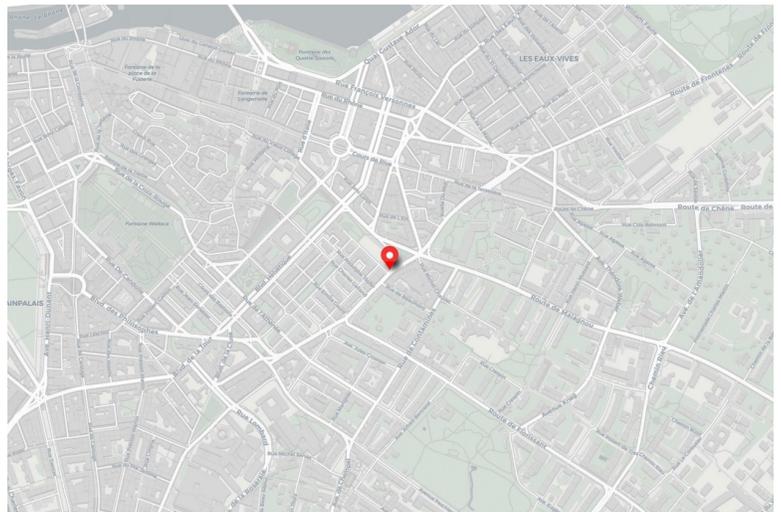
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