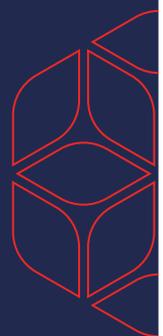


Quick recap

- A 9.1% U.S. CPI print on Wednesday spooked markets this week, and futures were briefly pricing a 1% hike. This was reversed on Friday when the UoM inflation expectation came in lower than anticipated.
- Bank earnings were another significant event this week, with JP Morgan delivering a rare miss despite higher interest income caused by stale deal-making. Citi coped better, reporting higher trading revenues, offsetting weaker investment banking results.
- While heatwaves and airport chaos are already plaguing Europe this summer, Italy found its way back to the top of investors' worries after the Five Star movement pulled out of Draghi's coalition. As a consequence, periphery bonds came under pressure again, even though finishing the week off at worst levels.
- Lastly, Chinese markets were feeling the bite of zero-Covid, giving up most of their YTD outperformance.



Overview

Equities

- Equities Broad Market
- Equities Sectors
- Equities Styles
- Implied Volatility

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Fixed Income

- Government Yields
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Commodities

- Precious Metals
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- Cryptocurrencies

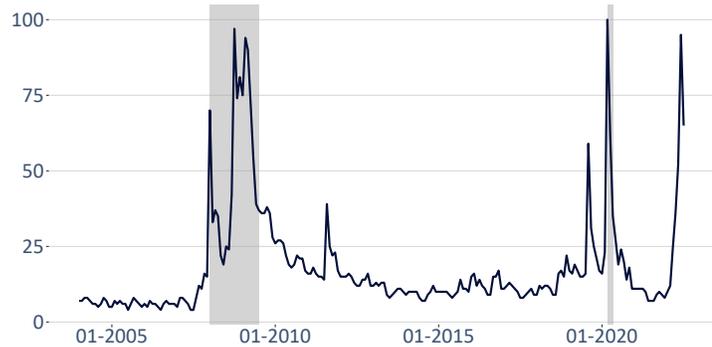
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Economic Calendar

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Recession is trending

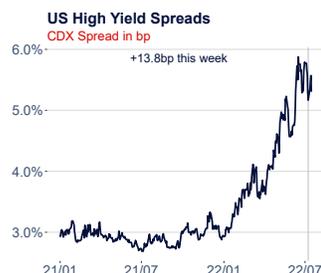
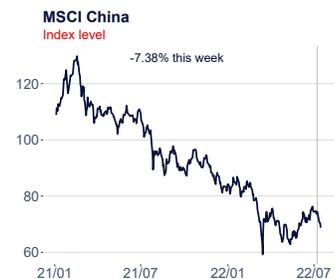
Worldwide Google Trends for the Term 'Recession'



Source: FRED, Amadeus

'Recession' has become the dominating buzzword these days as another ugly surprise in U.S. inflation data has stoked renewed fears of a near-term policy error. According to Google search trends, economic contraction is all but inevitable, even though the sample size is admittedly small. The inverted yield curve and another significant fall in oil prices point in the same direction. However, as the rebound in equities towards the end of the week emphasized, the near-term implications for risk assets are less clear. Overwhelming bearish sentiment is always good for surprises.

Markets at a glance



Major Equity Markets

Broad Markets
Total return %



Source: Amadeus Capital SA 2022-07-16

Broad Markets
Total return %



Major Equity Markets

Broad Markets
Total return %



Source: Amadeus Capital SA 2022-07-16

Broad Markets
Total return %



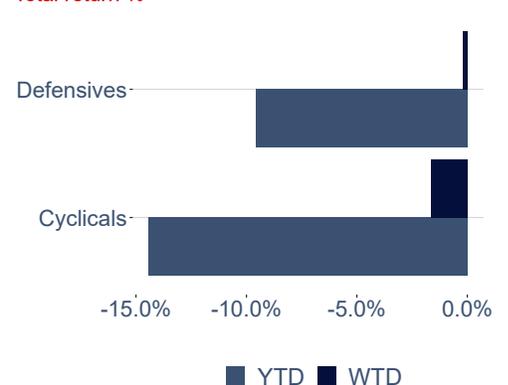
Equity Sectors

Cyclicals vs Defensives Europe
Total return %



Source: Bloomberg, Amadeus 2022-07-16

Cyclicals vs Defensives Europe
Total return %



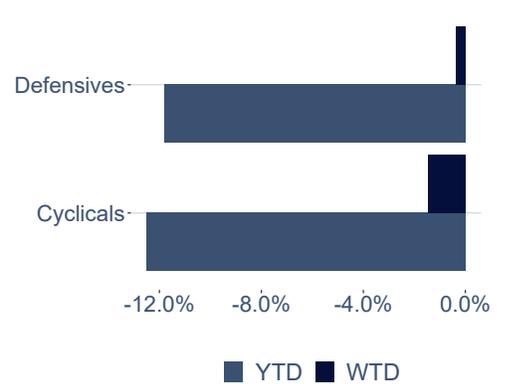
Equity Sectors

Sectors U.S.
Total return %



Source: Bloomberg, Amadeus 2022-07-16

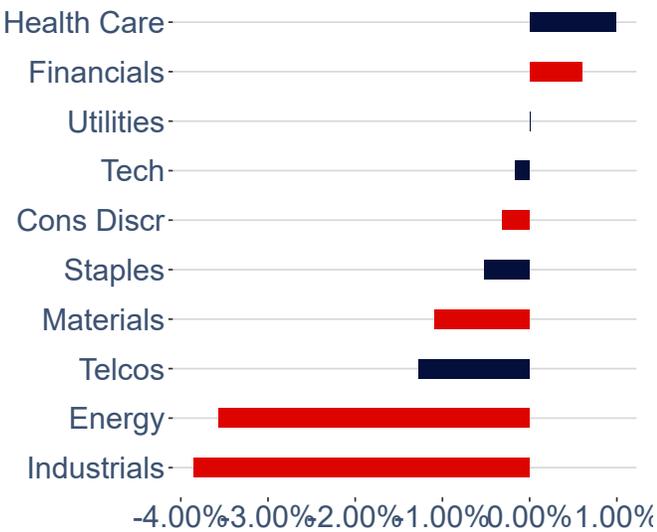
Cyclicals vs Defensives U.S.
Total return %



Equity Sectors

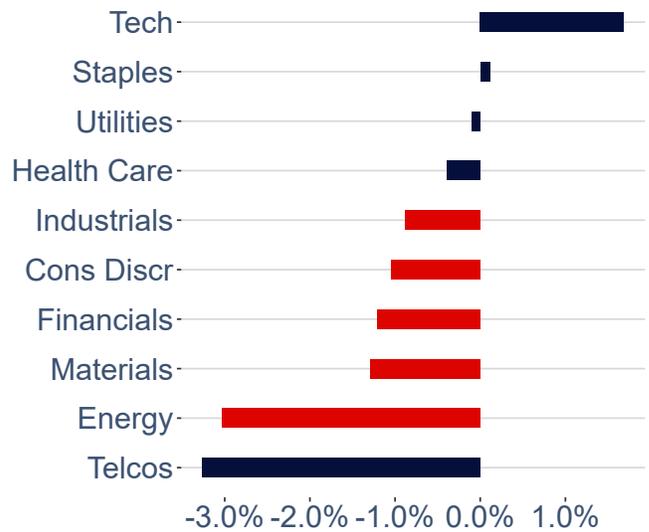
Sectors Europe

Last week's performance % (Cyc = red, def = blue)



Sectors U.S.

Last week's performance %



Equity Styles

Styles Europe

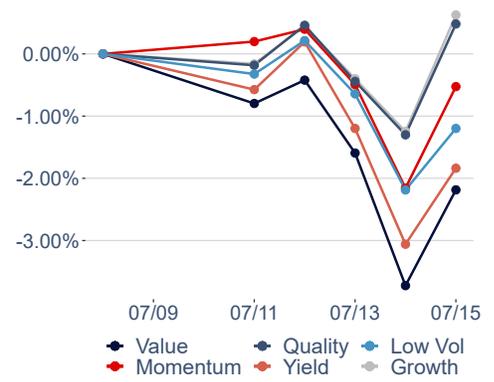
Total return %



Source: Bloomberg, Amadeus 2022-07-16

Styles Europe

Total return %



Source: Amadeus Capital SA 2022-07-16

Equity Styles

Styles U.S.

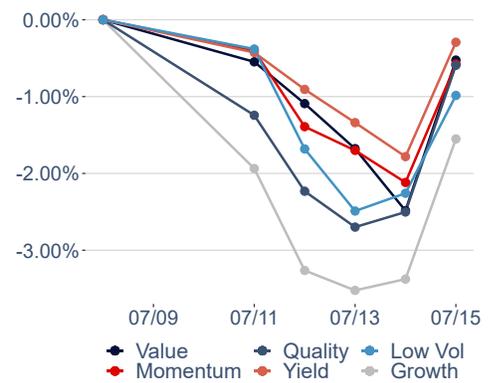
Total return %



Source: Bloomberg, Amadeus 2022-07-16

Styles U.S.

Total return %



Source: Amadeus Capital SA 2022-07-16

Equity Styles

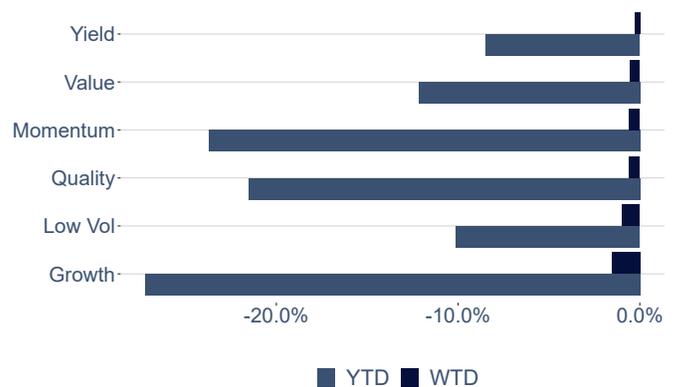
Styles Europe

Total return %

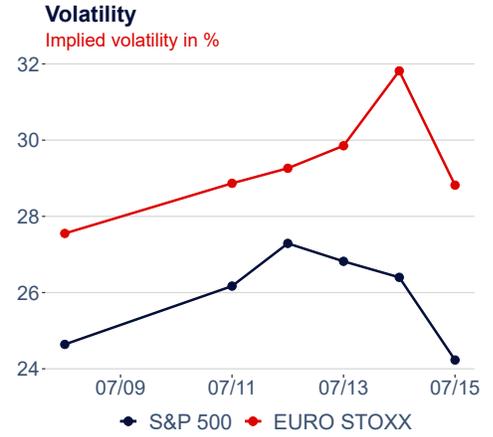
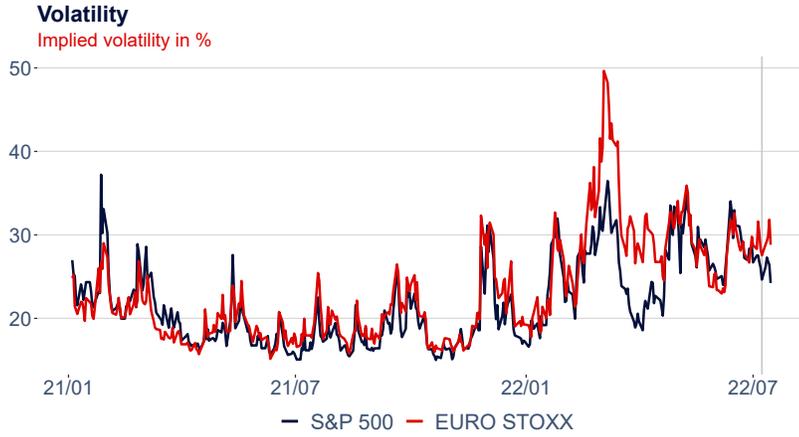


Styles U.S.

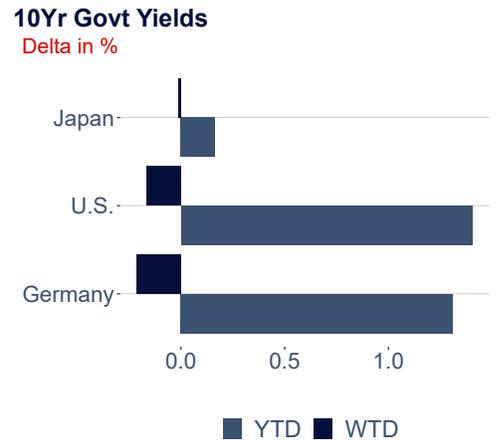
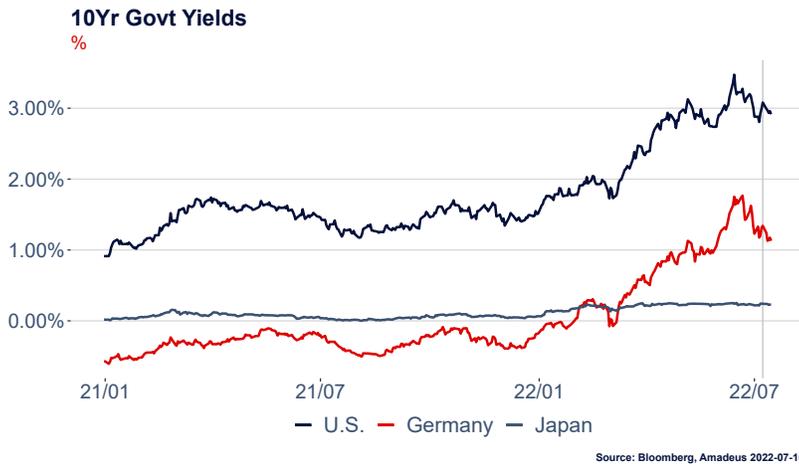
Total return %



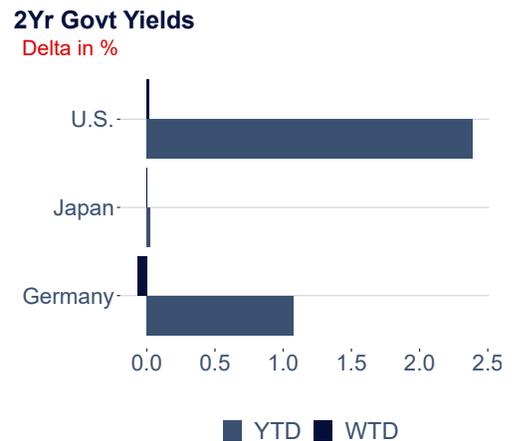
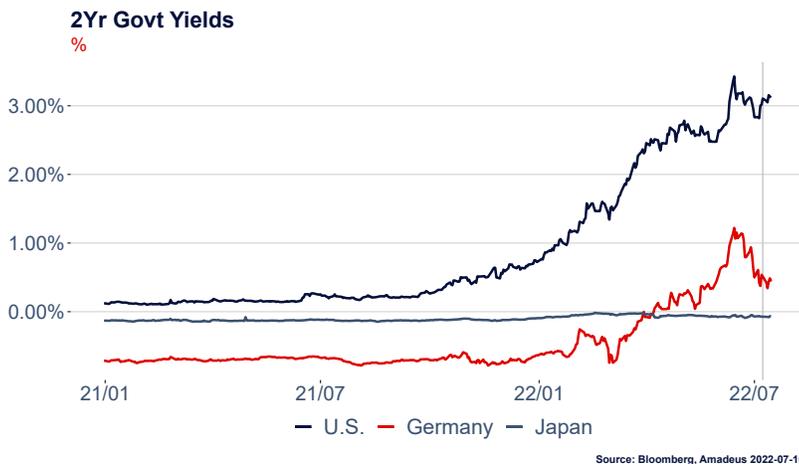
Volatility



Government Bond Yields



Government Bond Yields



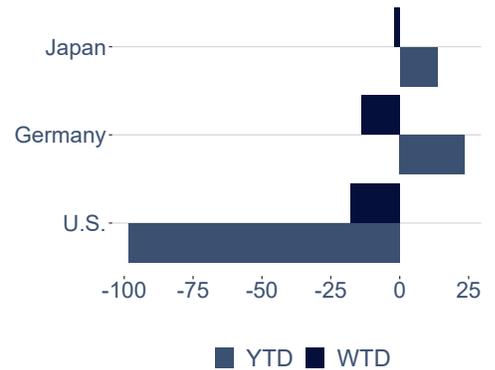
Government Bond Yields

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



Source: Amadeus Capital SA 2022-07-16

10Yr-2Yr Govt Yields
Delta in bp



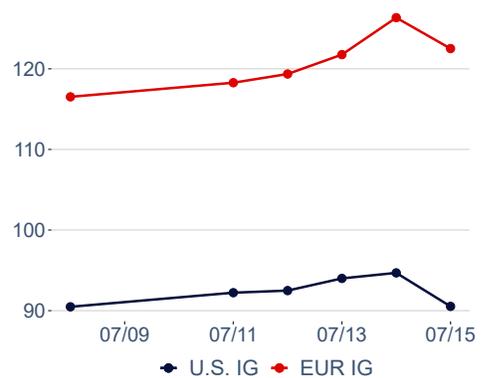
Credit Spreads

Investment grade credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-07-16

Investment grade credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-07-16

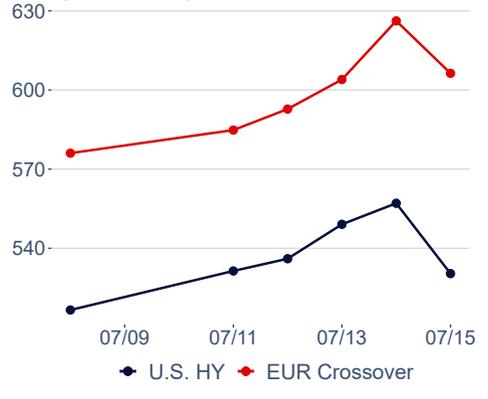
Credit Spreads

High yield credit spreads
Spread in basis points



Source: Amadeus Capital SA 2022-07-16

High yield credit spreads
Spread in basis points

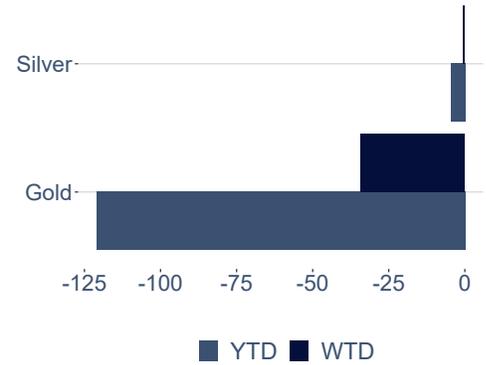


Source: Amadeus Capital SA 2022-07-16

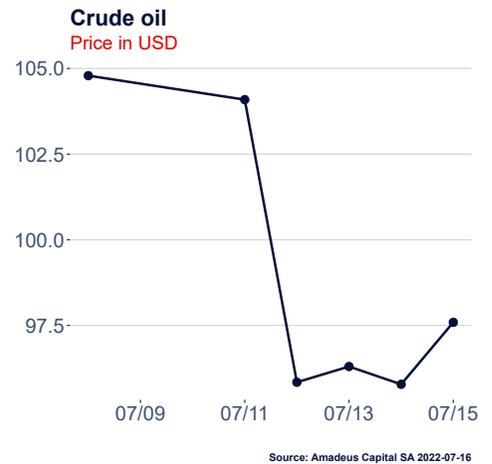
Precious Metals



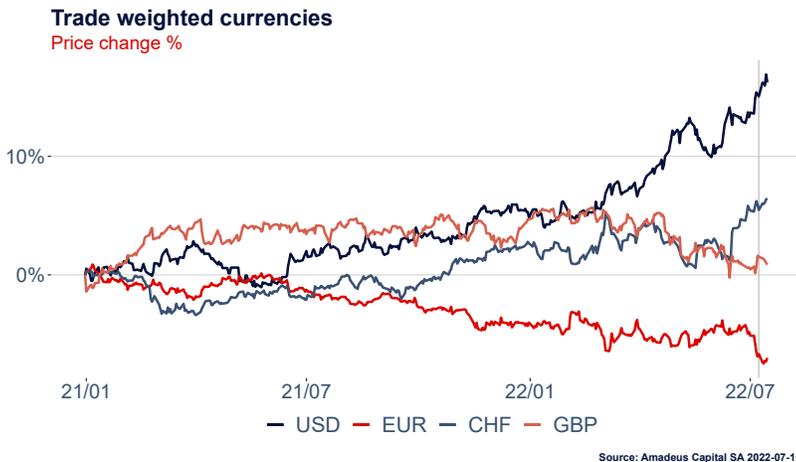
Precious metals
Price change in USD



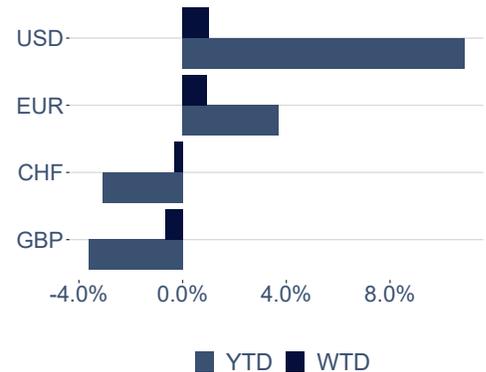
Commodities



Currencies



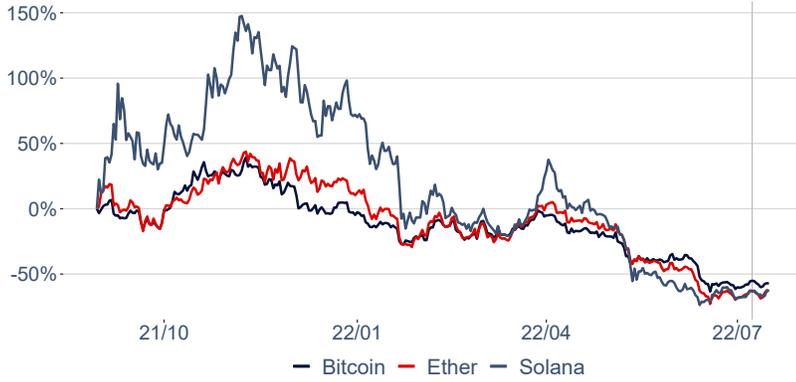
Trade weighted currencies
Price change %



Cryptocurrencies

Major cryptocurrencies in USD

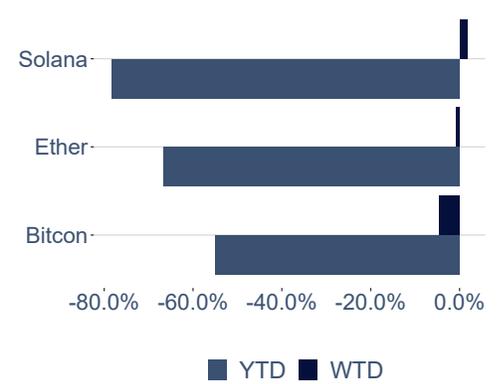
Price change %



Source: Amadeus Capital SA 2022-07-16

Major cryptocurrencies in USD

Price change %



■ YTD ■ WTD

Major Events Last Week

June U.S. inflation was 30bp higher than expected and rose half a per cent compared to the last period, stoking fear of even more aggressive monetary policy tightening. However, the Biden administration was quick to point out that this number does not include the latest drop in energy prices. With oil back under 100\$, price pressures should indeed ease over the coming months. Markets calmed down on Friday when the University of Michigan published the results of its latest survey, showing a drop in 5-year inflation expectations from 3.1% to 2.8%. The latest minutes emphasized that the Fed is closely monitoring this indicator as a potential debasement of inflation expectations has become a significant concern.

Date	Zone	Event	Previous	Forecast	Actual
11/07/2022	United Kingdom	BoE Gov Bailey Speaks	-	-	-
12/07/2022	Germany	German ZEW Economic Sentiment (Jul)	-28.0	-38.3	-53.8
13/07/2022	United States	EIA Short-Term Energy Outlook	-	-	-
13/07/2022	United Kingdom	BoE Gov Bailey Speaks	-	-	-
13/07/2022	New Zealand	RBNZ Interest Rate Decision	2.00%	2.50%	2.50%
13/07/2022	New Zealand	RBNZ Rate Statement	-	-	-
13/07/2022	United Kingdom	GDP (YoY)	3.7%	2.7%	3.5%
13/07/2022	United Kingdom	GDP (MoM)	-0.2%	0.1%	0.5%
13/07/2022	United Kingdom	GDP (QoQ)	0.8%	0.0%	0.4%
13/07/2022	United Kingdom	Manufacturing Production (MoM) (May)	-0.6%	0.1%	1.4%
13/07/2022	United Kingdom	Monthly GDP 3M/3M Change	0.3%	0.0%	0.4%
13/07/2022	United States	Core CPI (MoM) (Jun)	0.6%	0.6%	0.7%
13/07/2022	United States	CPI (YoY) (Jun)	8.6%	8.8%	9.1%
13/07/2022	Canada	BoC Monetary Policy Report	-	-	-
13/07/2022	Canada	BoC Interest Rate Decision	1.50%	2.25%	2.50%
13/07/2022	United States	Crude Oil Inventories	8.235M	-0.154M	3.254M
13/07/2022	Canada	BOC Press Conference	-	-	-
14/07/2022	Australia	Employment Change (Jun)	60.6K	30.0K	88.4K
14/07/2022	United States	Initial Jobless Claims	235K	235K	244K
14/07/2022	United States	PPI (MoM) (Jun)	0.9%	0.8%	1.1%
15/07/2022	China	GDP (YoY) (Q2)	4.8%	1.0%	0.4%
15/07/2022	China	Industrial Production (YoY) (Jun)	0.7%	4.1%	3.9%
15/07/2022	Israel	CPI (YoY) (Jun)	4.1%	4.5%	4.4%
15/07/2022	Israel	CPI (MoM) (Jun)	0.6%	0.5%	0.4%
15/07/2022	United States	Core Retail Sales (MoM) (Jun)	0.6%	0.6%	1.0%
15/07/2022	United States	Retail Sales (MoM) (Jun)	-0.1%	0.8%	1.0%

The Week Ahead

The political developments in Italy will likely continue to unnerve markets. The EUR could resist further depreciation this week, and European equity markets slightly outperformed the S&P 500. However, there was a notable divergence in the development of credit spreads between the U.S. and Europe. In this context, the announcement of the June Eurozone CPI on Tuesday and the ECB's statements on Thursday will undoubtedly be in the spotlight. The political crisis in Italy is also sensitive due to the central bank's recently announced but not yet introduced aid anti-fragmentation aid plan.

Date	Zone	Event	Previous	Forecast	Actual
18/07/2022	New Zealand	CPI (QoQ) (Q2)	1.8%	1.5%	-
19/07/2022	Australia	RBA Meeting Minutes	-	-	-
19/07/2022	United Kingdom	Average Earnings Index +Bonus (May)	6.8%	6.9%	-
19/07/2022	United Kingdom	Claimant Count Change (Jun)	-19.7K	-	-
19/07/2022	Euro Zone	CPI (YoY) (Jun)	8.6%	8.6%	-
19/07/2022	United States	Building Permits (Jun)	1.695M	1.650M	-
20/07/2022	United Kingdom	BoE Gov Bailey Speaks	-	-	-
20/07/2022	United Kingdom	CPI (YoY) (Jun)	9.1%	9.2%	-
20/07/2022	Canada	Core CPI (MoM) (Jun)	0.8%	-	-
20/07/2022	United States	Existing Home Sales (Jun)	5.41M	5.38M	-
20/07/2022	United States	Crude Oil Inventories	3.254M	-	-
21/07/2022	Japan	BoJ Outlook Report (YoY)	-	-	-
21/07/2022	Japan	BoJ Press Conference	-	-	-
21/07/2022	Turkey	One-Week Repo Rate (Jul)	14.00%	14.00%	-
21/07/2022	Turkey	Overnight Borrowing Rate (Jul)	12.50%	-	-
21/07/2022	Euro Zone	Deposit Facility Rate (Jul)	-0.50%	-0.25%	-
21/07/2022	Euro Zone	ECB Marginal Lending Facility	0.25%	-	-
21/07/2022	Euro Zone	ECB Monetary Policy Statement	-	-	-
21/07/2022	Euro Zone	ECB Interest Rate Decision (Jul)	-	0.25%	-
21/07/2022	United States	Initial Jobless Claims	244K	240K	-
21/07/2022	United States	Philadelphia Fed Manufacturing Index (Jul)	-3.3	-2.5	-
21/07/2022	Euro Zone	ECB Press Conference	-	-	-
22/07/2022	United Kingdom	Retail Sales (MoM) (Jun)	-0.5%	-0.4%	-
22/07/2022	Germany	German Manufacturing PMI (Jul)	52.0	51.0	-
22/07/2022	United Kingdom	Composite PMI	53.7	-	-
22/07/2022	United Kingdom	Manufacturing PMI	52.8	-	-
22/07/2022	United Kingdom	Services PMI	54.3	-	-
22/07/2022	Russia	Interest Rate Decision (Jul)	9.50%	9.00%	-
22/07/2022	Canada	Core Retail Sales (MoM) (May)	1.3%	0.6%	-

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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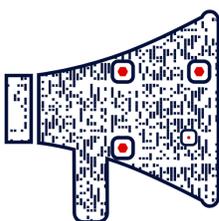
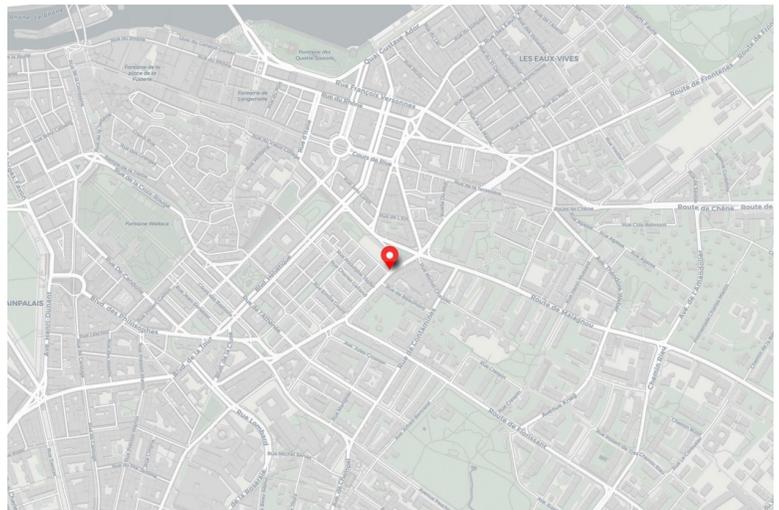
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