Investors' Outlook

Revving up

October 2025
For US, Canadian and Latin American Clients

Vontobel Swiss Financial Advisers AG

Content

Imprint

Publishing by
Vontobel Swiss Financial Advisers AG
Gotthardstrasse 43
8022 Zürich
Switzerland

Editors
Vontobel editing team

G.J. Midge Brown
Senior Business Developer,
Vontobel SFA

Authors*
Dr. Pascal Köppel
Chief Investment Officer (CIO),
Vontobel SFA
Dr. Pieter Jansen
Chief Investment Strategist,
Vontobel SFA
Christoph Windlin
Deputy Head Investment Management,
Vontobel SFA
Susanne Knorr
Head Managed Solutions,
Vontobel SFA
Philipp Wartmann
Senior Investment Adviser,
Vontobel SFA

Frequency
Ten times per year
(next issue November 6, 2025)

Concept
MetaDesign AG

Creation & Realization
Vontobel

Images
Getty Images, Vontobel

Input deadline for this edition
September 26, 2025

Remarks
* Legal information on page 13

Revving up

—
Dr. Pascal Köppel
Chief Investment Officer,
Vontobel SFA

Dear readers,

Investors have been running on optimism since the summer, but the US Federal Reserve's first interest-rate cut of the year has given markets some extra horsepower to shift up a gear.

The Fed opted for a quarter percentage point cut, weighing the trade-off between stubborn inflation, which it said has risen recently, against signs of a weaker-than-expected labor market after some large downward revisions of payroll data.

In recent months, inflation and job growth have moved in different directions, posing a dilemma for the Fed. In the end, it was the latter that swayed policymakers. Chair Jerome Powell acknowledged the downside risks and said he could no longer describe the labor market as being "very solid".[1] Investors had already priced in the likelihood of more easing ahead of the decision, which the Fed confirmed in its dot plot,[2] projecting another half-point of interest rate cuts by year-end and one quarter-point cut in 2026. This modest move shifts the Fed's monetary policy stance from a tight stance to a more neutral one. In other words, it is easing the brake on economic activity. Nonetheless, US economic activity visibility is limited as it is unclear whether the hiring freeze will end here or whether the negative momentum will endure.

However, there are also positive developments outside of the US labor market. Database software giant Oracle reported a massive jump in cloud infrastructure revenue and its backlog of contracts, and announced USD 35 billion in planned capital expenditure for its current fiscal year on data centers and infrastructure. High-profile partnerships in artificial intelligence (AI), for example, with ChatGPT operator OpenAI, also added a tailwind. This highlights how increased investment by big tech firms may be supporting broader economic activity.

Other regions are reporting positive developments too. Various stimulus measures are in play in Europe, and especially in China, as expected, where policymakers appear to be eyeing up measures to support the weakening economy.

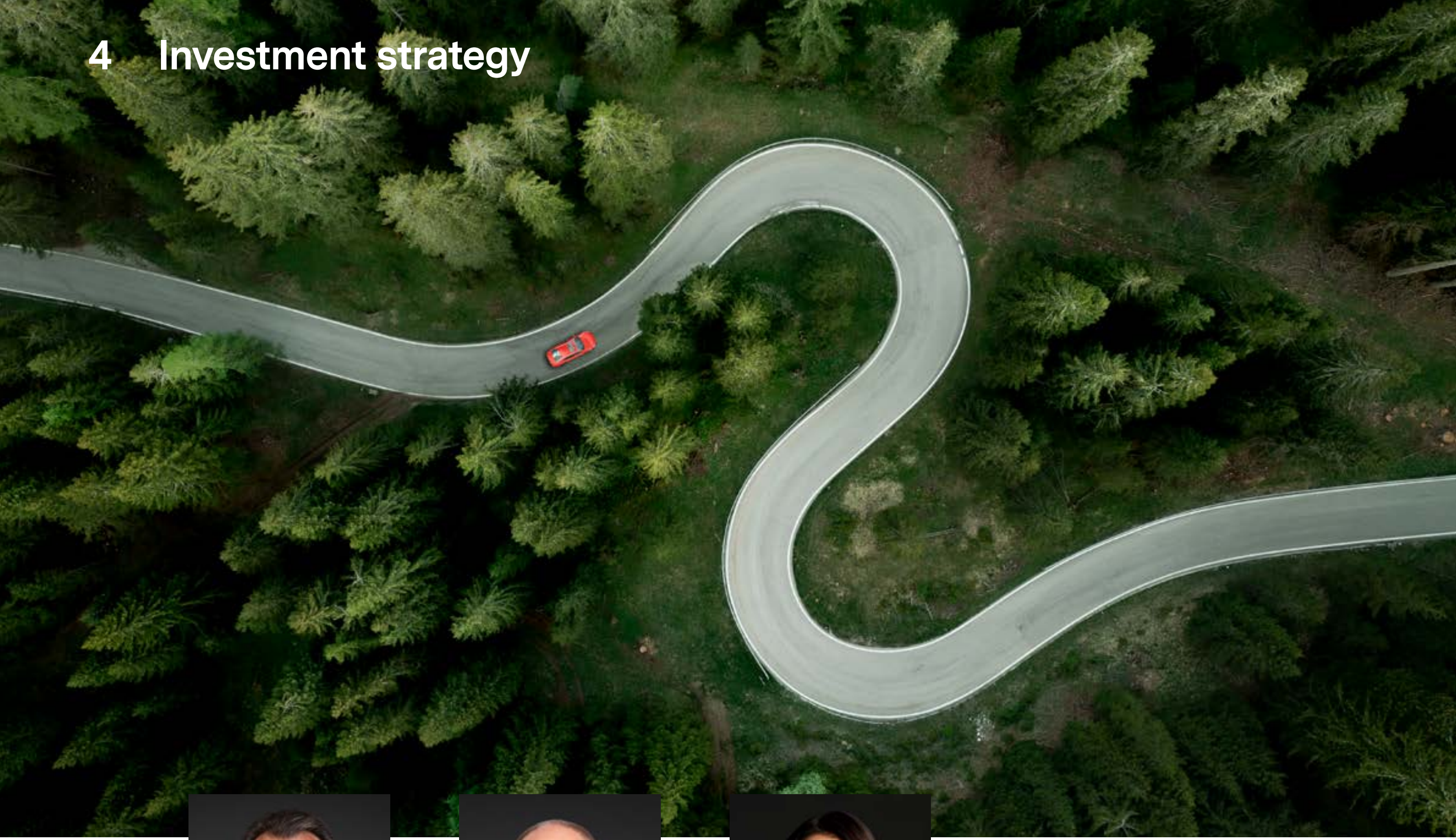
We believe that short term cyclical US risks together with opportunities stemming from the technology side, and particularly European fiscal and monetary stimulus, are keeping the outlook for equities balanced. With regards to other assets, lingering concerns about debt sustainability, fiscal deficits and the ongoing loss of confidence in fiat currencies[3] should keep US bond yields higher relative to other developed bond markets. It also leaves room for portfolio stabilizers like gold.

We aim to help our clients maneuver their way around potential obstacles and limited visibility, and offer them insight and perspective on what may lie ahead.

[1] Source: Bloomberg article, published September 17, 2025. www.bloomberg.com/news/articles/2025-09-17/fed-cuts-rates-quarter-point-signals-labor-market-concerns

[2] The dot plot is a chart that the Fed releases. It shows where each Fed official expects interest rates to be in the future. Each dot represents one policymaker's projection.

[3] Government-issued currency that isn't pegged to a physical commodity like gold or silver but has value because people trust the government that issues it. Currencies include the US dollar, the euro, or the Japanese yen.



—
Dr. Pascal Köppel
Chief Investment Officer,
Vontobel SFA

—
Christoph Windlin
Deputy Head
Investment Management,
Vontobel SFA

—
Susanne Knorr
Head Managed Solutions,
Vontobel SFA

Steering through weaker data

Investor sentiment was generally constructive in September and equity markets managed to reach new highs. Weaker-than-expected labor market data supported a Fed rate cut and the focus on trade tariffs started to move somewhat into the background.

The month seemed to carry the weight of the "September Effect," where equities tend to underperform historically, possibly as investors rebalance after the summer lull. The engine ran smoother this time: equities rallied, fixed income also gained as US Treasury yields fell slightly and credit spreads tightened modestly. Commodities also posted gains during the period, with gold reaching USD 3,600 per ounce in September.

Ironically, it was weak data that fueled the rally. July's disappointing US jobs report was followed by an even weaker August, with payrolls up just 22,000 versus the expected 75,000 and downward revisions revealing that 911,000 fewer jobs were created in the 12 months through March than first estimated. At the same time, the unemployment rate edged up to 4.3%. The Fed responding by cutting rates by 25 basis points (bps), allowing it to take interest rates a little closer to a neutral stance. In the absence of an increase in layoffs, markets welcomed the labor market cooling.

The outlook for economic activity in the US is still gloomy, especially where consumers are concerned. There are also positive factors in the global economy, such as interest rates easing in Europe or the ongoing tailwind of AI related investments. However, we still believe this calls for a balanced asset allocation stance.

The Vontobel SFA Investment Committee left its asset allocation unchanged. Details on page 5.

	UNDERWEIGHT significantly	UNDERWEIGHT slightly	NEUTRAL	OVERWEIGHT slightly	OVERWEIGHT significantly	
1 Liquidity	→					We are keeping a lower allocation to liquid assets. This reflects our current assessment that fixed income investments may offer a more favorable risk-adjusted return potential than cash.
2 Bonds					→	We believe the outlook for high-quality fixed income is constructive, with support offered by current market conditions, including a moderately upward-sloping yield curve and largely positive real yields. Our current positioning within fixed income continues to emphasize investment-grade credit. Our strategy remains focused on higher-quality issuers, with a reduced allocation to high-yield bonds, reflecting a cautious approach to market conditions. In our opinion, companies with weaker balance sheets and a greater reliance on external borrowing may face challenges if the economic outlook were to deteriorate. Based on our analysis, valuations presently, as suggested by the spreads between high-yield and investment-grade securities, may not fully reflect potential risks.
3 Equities			→			The near-term outlook for economic growth remains uncertain, in light of the additional weakening in the US labor market. Even so, global policy easing and support from AI investments represent positive developments. Given this balance of risks, we find a neutral stance on equities to be appropriate. Regionally, we continue to favor a relative overweight in Swiss over UK equities. We believe the impact of tariffs on Swiss equities should be limited, given that many of the companies produce goods for the US market domestically. The equities in the Swiss Leaders Index (SLI) are largely global companies that sell goods in the US, of which a relatively high proportion is produced in the US itself. Additionally, Swiss companies are positioned to potentially participate in any cyclical improvement in the European economy. The Swiss franc has historically shown resilience during periods of global uncertainty, which has also been observed this year.
4 Commodities / Gold			→			Our positive view on gold remains intact. Gold rallied strongly in 2023 and 2024, and this trend extended into 2025. Heightened geopolitical and macroeconomic uncertainties, and ongoing strategic purchases of gold, especially by emerging markets central banks, continue to support this asset.

Changes month-on-month: same → higher ↗ lower ↘

Off balance?

One of the dominant themes in today's global economy is imbalance, be it in trade, consumption, fiscal policy, investment or currencies. These distortions can undermine stability at the national level and ripple across borders, potentially putting a strain on the health of the global economy.

—
Dr. Pieter Jansen
Chief Investment Strategist,
Vontobel SFA

According to the Cambridge Dictionary, the term "imbalance" is a situation in which two things that should be equal or that are normally equal are not. In other words, its suggests it is unsustainable.

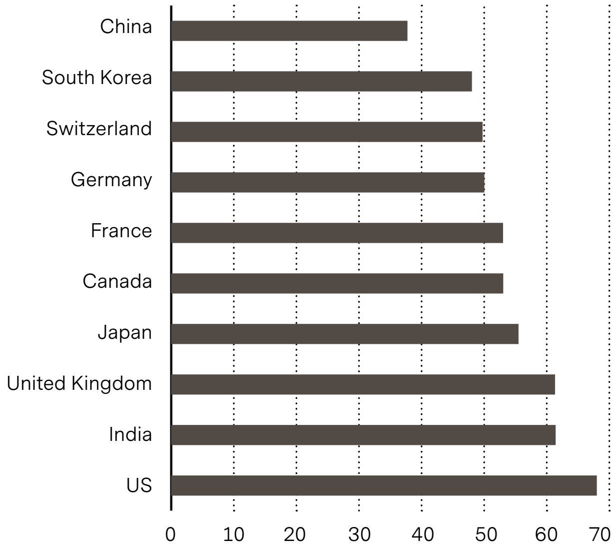
On initial observation, global trade balances have never been as unbalanced as in the 21st century since the global economy opened up. Countries like Germany, Japan and China are running substantial trade surpluses, relying heavily on foreign demand to fuel their domestic growth. By contrast, economies such as the US, India and the UK maintain chronic trade deficits, effectively serving as "consumers of last resort" for global goods. Are these balances "imbalances" or are they simply "balances" that are inevitable in an open global economy?

For countries with a surplus, overreliance on exports can leave them exposed to demand shocks abroad. Prolonged dependence on imported goods by countries with a deficit erodes domestic industrial bases and widens income inequality through offshoring of jobs. Beyond economics, reliance on imported critical minerals, such as those used in semiconductor production, has also driven up national security concerns.

Too few imports or excessive savings?
The current account balance is often viewed as exports minus imports. But it can also be seen from a net savings perspective. In other words, national savings minus investments also equal the current account balance.[5] This can be helpful in order to observe some factors that may have contributed to more stubborn and structural current account deficits.

Chart 1: Consumption share in GDP

Final household expenditure, in % of GDP



Source: LSEG, Vontobel; as of 2022.

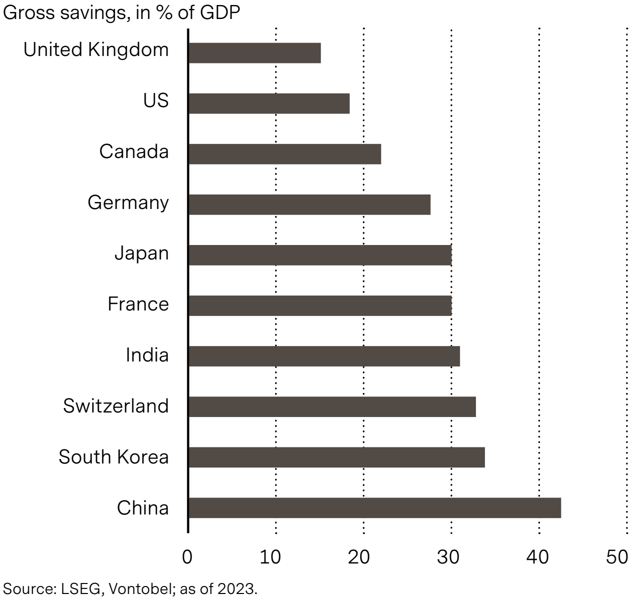
[4] The national income identity as introduced by economist John Maynard Keynes is often written as $Y=C+I+G+(X-M)$ but can be rewritten to $(Y-T-C)+(T-G)-I=X-M$, where $(Y-T-C)$ represents private savings and $(T-G)$ government savings. Where, Y represents national income, C consumption, I investment, G government spending, X exports, M imports and T taxes

We can see significant differences in savings and therefore consumer behavior across countries. In the US, for instance, household expenditures account for about two-thirds of US GDP, which is high in comparison with other countries (see chart 1). This share is much lower in other countries, and notably in Europe and in China. The savings rate shows a reverse picture. Chinese households' savings levels are high, with the national savings rate exceeding 40 % of GDP in 2023 (see chart 2), which is well above the global average.

One might initially conclude that US consumers save too little, while their European and Chinese counterparts save too much. However, savings behavior may be driven by many different factors. It can be institutional in nature. For instance, a consumer with no organized pension plan or income certainty in case of job loss, may have a higher level of precautionary savings. Also, the availability and access to credit can play a role, as can the requirement to have a certain deposit sum out of own funds to finance a house purchase.

There can also be cultural factors, such as differences in risk appetite when it comes to economic and financial decisions. For instance, the US has a history of entrepreneurship and invention, and risk-taking may come more naturally than in Germany and Nordic countries and in parts of Asia, like Japan, which have a more conservative approach to risk.[5] This in itself may determine higher precautionary savings across countries but equally can lead to different levels of required savings too. There are indications that US investors are more willing to take risks in their investment allocation. For instance, they are more inclined to take equity risks than perhaps in Europe and Japan, where there is a bias towards lower risk assets or even savings. With equities having significantly outperformed cash investments historically in terms of return, there is less need for higher savings in the US, despite the higher volatility.[6]

Chart 2: Savings as percentage of GDP



Source: LSEG, Vontobel; as of 2023.

Can and should structural balances be resolved?
The implication could be that consumers may need other incentives to save more or less, given the current sizeable current account imbalances and depending on which country you look at. These incentives can be higher interest rate differentials between countries or perhaps currency adjustments. The drivers behind savings, consumption and investment decisions can be complex and have different drivers. The different attitudes towards both investment and savings behavior will probably lead to enduring trade "imbalances" in an open global economy. Policymakers can try to address underlying misalignments where and if necessary.

Each region or country in an open economy has its own strengths. Some produce unique products with strong pricing power, while others offer excellent products that generate higher profit margins. For investors, the key is to focus on businesses that have these advantages—whether unique products, strong brands or high-margin products—no matter where they are located. By doing so, investors may seek to identify opportunities across different regions by focusing on businesses with competitive advantages.

[5] ndto.com/consider-it-culture-the-dynamics-of-risk-aversion-and-risk-taking/

[6] See for instance cepr.org/voxeu/columns/cross-country-differences-risk-attitudes-towards-financial-investment

Off the brakes

—
Philipp Wartmann
Senior Investment Adviser,
Vontobel SFA

The Fed cut rates for the first time since 2024 and signaled two more cuts this year, while market-implied pricing suggests the possibility of further easing through 2026.

In September, the Fed lowered its benchmark rate by 25bps to 4.00 – 4.25 %. It was its first cut since December 2024, citing a weakening labor market as job gains have slowed, unemployment has edged up and forward-looking indicators point to softer demand for workers. Inflation is still above the 2 % target, but the Fed acknowledged that employment risks have grown. Projections now indicate two more cuts this year, which would bring the fed funds rate to around 3.50 – 3.75 %.

Looking ahead, monetary policy is expected to remain data-dependent, with future adjustments tied to inflation and labor market conditions. However, markets are pricing in an additional 50bps of easing through 2026, beyond the Fed's own projections. The market-implied Fed floor (see chart 1), which is defined as the lowest expected policy rate over the next three years, has also edged lower.

Since the September payroll numbers were published at much weaker levels than the consensus (22 k vs 75 k consensus), we have seen US treasury rates moving up between 7 to 10 bps (two to seven years) and dropping by 8 bps at the ultra-long end of the curve (20- and 30-year rate) despite the Fed's rate cut on September 17.

Treasury yields rose in response to recent continuing low jobless claims level which brought two-year yields close to the highest level since early September (see chart 2). The two-year Treasury note is most responsive to Fed policy rate changes.

This should be a reminder to bond investors that the bond market trades on a forward-looking expectations vis-a-vis policy rates, growth and inflation, and demand and supply dynamics.

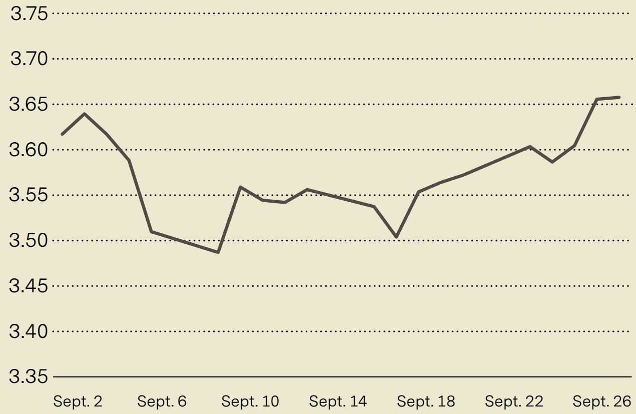
Chart 1: Markets are pricing a deeper trough in the Fed's easing path

Market-implied Fed floor, in %

Source: LSEG, Vontobel; as of September 19, 2025.

Chart 2: Two year US Treasury yield

In %



Source: Bloomberg, Vontobel SFA, September 26, 2025

Maintaining a steady stance on equities

—
Susanne Knorr
Head Managed Solutions,
Vontobel SFA

Equity markets continued their upward trajectory in September, with the MSCI World Index still rising steadily (see chart 1). The index closed at new all-time highs on eight trading days during the month. Key drivers included the Fed resuming rate cuts and reduced uncertainty around global trade policies.

Investor sentiment toward equities has gradually improved and can now be characterized as mildly positive. Chart 2 highlights the American Association of Individual Investors (AAII) investor sentiment differential, which measures the net percentage of investors expecting equities to rise over the next six months versus those anticipating a decline. While this contrarian indicator typically signals tactical shifts only at extremes, current levels suggest a modestly constructive outlook. Other indicators also reflect this trend, for instance, the put-to-call ratio is still below its long-term average, signaling less downside protection among investors. Additionally, equity market volatility, currently at 17 points, is below historical norms. Surveys, such as the BoAML Fund Managers' Survey, further reveal a shift toward more overweight equity positions over the past month.

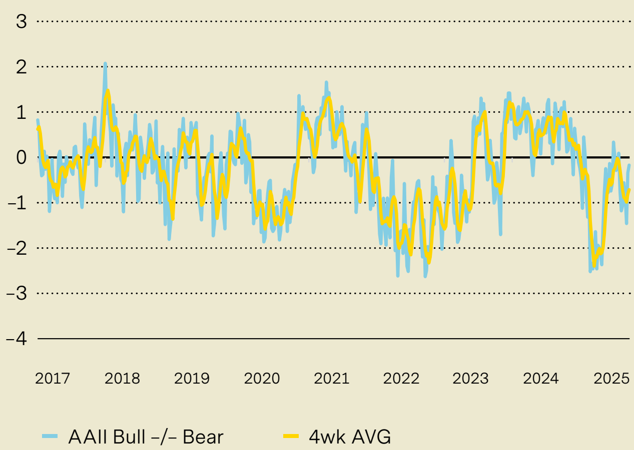
From an economic perspective, short-term risks persist in the US, particularly due to labor market softness. However, Fed rate cuts are expected to provide near-term support. Over the medium term, corporate investments in AI may support earnings growth, which could influence the broader market outlook. In Europe, the backdrop of robust policy support—both monetary and fiscal—continues to bolster the macroeconomic environment.

When achieving a balance between improving investor sentiment and solid corporate earnings fundamentals, we believe it is appropriate to maintain an equity allocation at strategic weight. However, we must emphasize the importance of active selection when determining where to take equity risks. That said, we prefer to wait for better fundamental visibility and a clearer positioning landscape before adding to long positions.

Chart 1: MSCI World in USD

Source: Bloomberg, Vontobel SFA

Chart 2: AAII bull bear differential (standardized)



Source: Bloomberg, Vontobel SFA

Performance rebalancing within precious metals

—
Christoph Windlin
Deputy Head
Investment Management,
Vontobel SFA

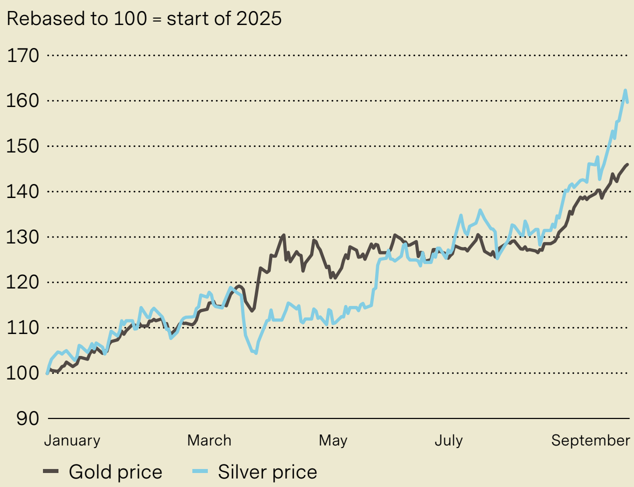
Gold is the undisputed heavyweight in the precious metals world: it's considered to be the safe haven and a store of value. Silver, often viewed as its little brother, is more volatile and more reactive to economic road bumps, but it has performed well too recently.

Gold reached USD 3,600 per ounce in September, reflecting a year-to-date increase of around 40% based on publicly available market data.[7] The key catalyst here was weaker-than-expected US employment data, which fueled expectations of a US interest-rate cut. Lower rates typically boost demand for non-yielding assets like gold. Additional support came from a weaker US dollar and sustained central bank demand, with key buyer China continuing to add gold to its reserves for a tenth consecutive month.

That said, the price of silver has accelerated recently. It surged past USD 42 per ounce, a level last seen in 2011, bringing year-to-date gains to 45% (see chart 1). Several factors have contributed to this outperformance. Silver typically lags during bull runs but often gets pulled higher when interest in metals surges. Investment demand (retail and institutional) via strong exchange-traded fund inflows (+14% year-to-date) is also adding tailwind to the recent rally (see chart 2). On the technical side, the gold-silver ratio, which measures how many ounces of silver are needed to buy one ounce of gold, has narrowed. Although still elevated, the ratio declined as silver began to catch up. Investors tracking this metric found that silver appeared "cheap" relative to gold, silver's relative valuation to gold has drawn increased investor attention. That said, silver's volatility cuts both ways. It can rally hard to the upside, but reverse to the downside just as quickly. Industrial demand accounts for 55% of total silver demand and consequently, prices are more vulnerable to pullbacks should rate-cut expectations fade or industrial demand slow. The demand for jewelry demand is another key factor to observe. It accounts for around 17% of total silver demand. The Silver Institute trade association expects silver jewelry demand to decline by 6% this year.

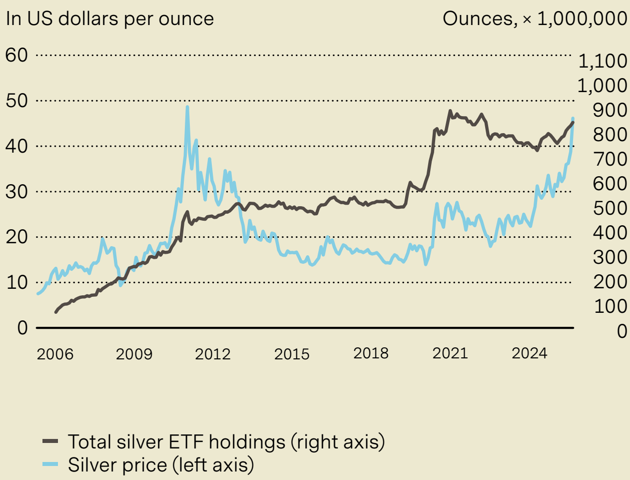
[7] Past performance is not indicative of future results.

Chart 1: Precious metals are living life in the fast lane



Source: LSEG, Vontobel; as of October 1, 2025.

Chart 2: Silver ETF demand has accelerated



Source: LSEG, Vontobel; as of October 1, 2025.

Resilience in the euro and the franc

—
Dr. Pieter Jansen
Chief Investment Strategist,
Vontobel SFA

The euro remains supported by resilient growth, moderating inflation and a stable policy outlook. As the Fed continues easing, narrowing rate differentials are reducing the US dollar's advantage and supporting the euro.

Most of the euro's gains this year came early, as markets priced in Fed cuts and euro area (EA) data surprised to the upside. Momentum slowed somewhat over the summer amid renewed tariff concerns and stronger US economic data, but the broader uptrend remains in place. European Central Bank (ECB) projections show inflation near target and growth stabilizing at around 1 to 1.2% through 2026. With inflation gradually cooling and economic activity holding up, the ECB has likely reached the end of its easing cycle. In contrast, the Fed is expected to continue cutting into next year, shifting the policy differential in favor of the euro (see chart 1). While US yields remain higher in absolute terms, narrowing rate expectations are reducing the dollar's advantage and helping to support the euro.

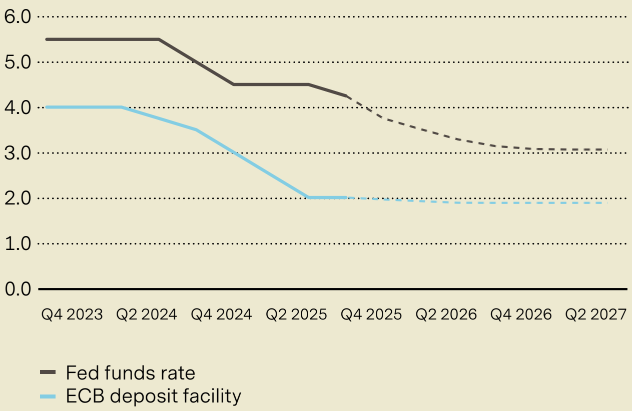
The Swiss franc has gained more than 12% against the dollar this year and held steady versus the euro. Despite 175 bps of rate cuts since early 2024, the currency has remained resilient. Inflation is low and hovering near the bottom of the Swiss National Bank (SNB)'s target range, while the franc continues to draw support from Switzerland's strong fundamentals, including low public debt, a solid external position and institutional credibility.

The franc has remained resilient amid growing concerns about fiscal risks and debt sustainability. Markets have punished currencies like the pound sterling and Japanese yen when long-end yields rise on budget concerns. By contrast, the franc has attracted flows, not only as a safe haven but also as a structurally sound alternative. Looking ahead, the SNB is poised to remain focused on inflation rather than growth. If it deems it necessary, it could lower rates below zero again (it has surprised markets before). Another lever is foreign-exchange (FX) intervention. However, despite claiming readiness, the SNB has barely acted over the last five quarters (see chart 2). We believe heavy intervention now could carry balance-sheet risks and could provoke political backlash, especially from the US. We find that talk of reintroducing negative rates or stepping into the FX market is more like a warning than a likely scenario.[8] As long as inflation stays contained and deflation risks remain limited, the SNB appears willing to tolerate a gradual strengthening of the franc.

[8] The Swiss National Bank (SNB), the Federal Department of Finance (FDF) and the US Department of Treasury adopted a joint statement on macroeconomic and currency issues. The joint statement also confirms that interventions in the foreign exchange market are an important monetary policy instrument for the SNB to ensure appropriate monetary conditions and thus be able to fulfil its legal mandate of price stability.

Chart 1: ECB pause and Fed easing are pushing rate differentials in the euro's favor

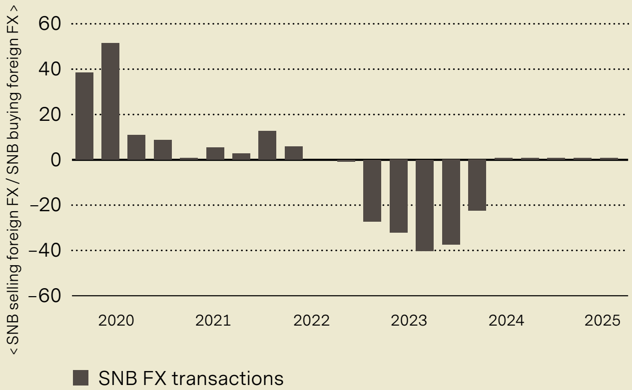
Policy rate, in %



Source: LSEG, Vontobel; as of September 19, 2025.

Chart 2: The SNB has barely intervened in currency markets in recent quarters

In CHF billion



Source: LSEG, Vontobel; as of September 19, 2025.

Economy and financial markets 2024 – 2026

The following list shows the actual values, exchange rates, and prices from 2024, as well as consensus forecasts for 2025 and 2026 for gross domestic product (GDP), inflation / inflationary expectations, key central bank interest rates, 10-year government bonds, exchange rates, and commodities.

GDP (IN %)	2024[1]	CURRENT[2]	2025 CONSENSUS	2026 CONSENSUS
Global (G20)	3.0	3.2	2.3	2.4
Eurozone	0.9	1.5	1.2	1.1
USA	2.8	2.1	1.6	1.7
Japan	0.1	1.7	1.1	0.7
UK	0.9	1.2	1.3	1.1
Switzerland	1.4	1.3	1.1	1.4
Australia	1.0	1.8	1.6	2.2
China	5.0	5.2	4.8	4.2

INFLATION	2024[3]	CURRENT[4]	2025 CONSENSUS	2026 CONSENSUS	VONTOBEL VIEW IN 2025[5]
Eurozone	2.4	2.0	2.1	1.8	↓
USA	3.0	2.9	2.8	2.8	↓
Switzerland	1.1	0.2	0.2	0.6	→

KEY INTEREST RATES (IN %)	2024	CURRENT	CONSENSUS IN 3 MONTHS	CONSENSUS IN 12 MONTHS	VONTOBEL VIEW IN 12 MONTHS[5]
EUR (deposit rate)	3.00	2.00	1.81	1.83	→
USD (Fed funds rate, upper bound)	4.50	4.25	3.91	3.43	↓
CHF	0.50	0.00	–0.09	–0.07	→

GOVERNMENT BOND YIELDS, 10 YEARS (IN %)	2024	CURRENT	CONSENSUS IN 3 MONTHS	CONSENSUS IN 12 MONTHS	VONTOBEL VIEW IN 12 MONTHS[5]
EUR (Germany)	2.37	2.70	2.68	2.83	↓
USD	4.57	4.08	4.20	4.14	↓
CHF	0.33	0.20	0.43	0.54	↓

FOREIGN EXCHANGE RATES	2024	CURRENT	CONSENSUS IN 3 MONTHS	CONSENSUS IN 12 MONTHS	VONTOBEL VIEW IN 12 MONTHS[5]
CHF per EUR	0.94	0.93	0.94	0.96	↑
CHF per USD	0.91	0.79	0.80	0.80	↓
USD per EUR	1.04	1.18	1.19	1.22	↑

COMMODITIES	2024	CURRENT	CONSENSUS IN 3 MONTHS	CONSENSUS IN 12 MONTHS	VONTOBEL VIEW IN 12 MONTHS[5]
Brent crude oil, USD per barrel	75	68	63	64	↑
Gold, USD per troy ounce	2,625	3,666	3,400	3,570	↑
Copper, USD per metric ton	8,768	9,996	9,588	9,773	→

Note: Views are as of September 2025. Subject to change without further notice.
Forecasts do not guarantee future results.

1 Subject to revisions (e.g., potential revisions to 4Q data)
2 Latest available quarter
3 Subject to revisions
4 Latest available month, G20 data only quarterly
5 ↑ above consensus, → in line with consensus, ↓ below consensus

Source: Vontobel, respective statistical offices and central banks; as of September 18, 2025.

Legal notice
This report has been prepared and published by Vontobel Swiss Financial Advisers AG (“Vontobel SFA”). Vontobel SFA CIO is independent. The views of the Vontobel SFA CIO may vary from the view and opinions of others Vontobel group entities.

This publication is for your information only and is not intended as an offer, or a solicitation of an offer, to buy or sell any investment or other specific product. The analysis contained herein does not constitute a personal recommendation or take into account the particular investment objectives, investment strategies, financial situation and needs of any specific recipient. It is based on numerous assumptions. Different assumptions could result in materially different results. Certain services and products are subject to legal restrictions and cannot be offered worldwide on an unrestricted basis and / or may not be eligible for sale to all investors.

All information and opinions expressed in this document were obtained from sources believed to be reliable and in good faith, but no representation or warranty, express or implied, is made as to its accuracy or completeness. All information and opinions as well as any forecasts, estimates and market prices indicated are current as of the date of this report and are subject to change without notice. Opinions expressed herein may differ or be contrary to those expressed by other business areas or divisions of Vontobel as a result of using different assumptions and / or criteria.

In no circumstances may this document or any of the information [including any forecast, value, index or other calculated amount (“Values”)] be used for any of the following purposes (i) valuation or accounting purposes; (ii) to determine the amounts due or payable, the price or the value of any financial instrument or financial contract; or (iii) to measure the performance of any financial instrument including, without limitation, for the purpose of tracking the return or performance of any Value or of defining the asset allocation of portfolio or of computing performance fees. By receiving this document and the information you will be deemed torepresent and warrant to Vontobel that you will not use this document or otherwise rely on any of the information for any of the above purposes.

Vontobel SFA and its affiliates and any of its directors or employees may be entitled at any time to hold long or short positions in investment instruments referred to herein, carry out transactions involving relevant investment instruments in the capacity of principal or agent, or provide any other services or have officers, who serve as directors, either to / for the issuer, the investment instrument itself or to / for any company commercially or financially affiliated to such issuers. At any time, investment decisions (including whether to buy, sell or hold securities) made by Vontobel SFA and its employees may differ from or be contrary to the opinions expressed in Vontobel SFA publications. Some investments may not be readily realizable since the market in the securities is illiquid and therefore valuing the investment and identifying the risk to which you are exposed may be difficult to quantify. Vontobel SFA does not maintain information barriers to control the flow of information contained in one or more areas within Vontobel SFA, into other areas, units, divisions or affiliates of Vontobel. The analyst(s) responsible for the preparation of this report may interact with trading desk personnel, sales personnel and other constituencies prior to publication of this report and those constituencies are able to consider and act on this information before it is published.

Past performance of an investment is no guarantee for its future performance. Additional information will be made available upon request. Some investments may be subject to sudden and large falls in value and on realization you may receive back less than you invested or may be required to pay more. Changes in foreign exchange rates may have an adverse effect on the price, value or income of an investment. Tax treatment depends on the individual circumstances and may be subject to change in the future. Vontobel SFA and its employees do not provide legal or tax advice and Vontobel SFA makes no representations as to the tax treatment of assets or the investment returns thereon both in general or with reference to specific client’s circumstances and needs. We are of necessity unable to take into account the particular investment objectives, financial situation and needs of our individual clients and we would recommend that you take financial and / or tax advice as to the implications (including tax) of investing in any of the products mentioned herein.

This material may not be reproduced or copies circulated without prior authority of Vontobel SFA. Unless otherwise agreed in writing Vontobel SFA expressly prohibits the distribution and transfer of this material to third parties for any reason. Vontobel SFA accepts no liability whatsoever for any claims or lawsuits from any third parties arising from the use or distribution of this material. This report is for distribution only under such circumstances as may be permitted by applicable law. For information on the ways in which Vontobel SFA manages conflicts and maintains independence of its investment views, please refer to the Vontobel SFA Wrap Fee Program Brochure (ADV Part 2A) available at vontobelsfa.com. Additional information on the relevant authors of this publication and other publication(s) referenced in this report; and copies of any past reports on this topic; are available upon request from your Wealth Management Consultant.

Vontobel Swiss Financial Advisers AG is a subsidiary of Vontobel Holding AG.

Vontobel Swiss Financial Advisers AG
Gotthardstrasse 43
8022 Zurich
Switzerland

www.vontobel.com/sfa