

Peak Values Ltd

Quarterly Report 3Q/2016

Quartalsbericht 3Q/2016

Investment Report

Investment Committee



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**Performance (Balanced Portfolio)**

CCY	YTD	2015	2014	2013	2012	2011	2010	2009	2008	Ø
CHF	9.01%	-0.99%	6.14%	11.02%	7.54%	2.32%	6.89%	14.11%	-4.60%	5.30%
EUR	8.36%	10.84%	5.65%	8.61%	9.87%	2.11%	10.01%	13.31%	-3.70%	7.09%
USD	3.56%									

YTD till: 30.09.16 Performance numbers are net of fees

Comments

The quarter ended with a positive performance for the investor, headaches resulting from market turbulences during the reporting period were unavoidable. Speculations, forecasts, and rumours followed the Brexit-referendum, Central Bank announcements, and the uncertain status of the European banking system, just to name a few of the pressures affecting investments.

The positive ending of global equity markets helped many to forget the storms they passed through. While the FTSE 100 was only initially affected by the various analyses regarding the negative effects of Brexit, the GBP moved in the opposite direction and kept losing ground. The Euro-Stoxx 50 rose by 4.5% and surpassed the performance of the US equity market. Despite the negative news that over shadowed the European financial sector the sector performed positively in both its segments: banks and insurance.

European Central Banks kept their monetary policies unchanged in September. This resulted in strong movements in the markets, as some participants had expected the ECB to widen the scope of its quantitative easing program. A different situation was witnessed in the US as the Federal Reserve Bank didn't change interest rates and thus contributed to calming the market.

Yields from the international bond market have fallen further, and bonds traded with negative yields. Due to the coup attempt in Turkey, the disappointing economic data, and the credit downgrade of the country to junk level, market participants tended to sell their holdings in bonds issued by Turkey.

A continuation of market turbulence is very much expected for the coming quarter due to the upcoming US presidential elections and the FED's meeting scheduled for December. Market participants anticipate a hike by the FED by year's end; however, as long as inflation levels and the growth rates of the world economy are low a crash in the bond market is not expected. A change in the current expansive monetary policy by the Bank of Japan and European Central Bank is not expected.

As the world's current political leaders look forward to the changes that look possible in their countries—the elections in Germany and Austria following the upheaval of Brexit, right-leaning moods and nationalistic trends in Russia, Turkey, France, and the US—they recognize a



departure from the idea of globalisation. Therefore, we are seeing many current leaders taking countermeasures to increase fiscal spending especially on infrastructure and abandon budget austerity. This could invoke an increased demand for raw materials and result in increasing prices for those commodities. That would lift the burden on the FED, acting currently as the world's central bank, to hike interest rates in several steps in the coming year.

Notes related to our performance

- Performance is net to the investor, i.e. net of fees.
- While Peak Values has been established in Apr. 2013, performance numbers reflect actual results of continuously managed portfolios by our team since mentioned dates.
- Historical data on the performance of the financial service provide no guarantee of future performance.

**Wertentwicklung (Ausgewogenes-Mandat)**

CCY	YTD	2015	2014	2013	2012	2011	2010	2009	2008	Ø
CHF	9.01%	-0.99%	6.14%	11.02%	7.54%	2.32%	6.89%	14.11%	-4.60%	5.30%
EUR	8.36%	10.84%	5.65%	8.61%	9.87%	2.11%	10.01%	13.31%	-3.70%	7.09%
USD	3.56%									

YTD bis: 30.09.16 Performance ist netto für den Investor nach Abzug aller Gebühren

Quartalsbericht

Obwohl unter dem Strich ein Plus stand für den Anleger, zeichnete sich das 3.Quartal durch heftige Kursschwankungen aus. Es häuften sich Prognosen, Spekulationen und Gerüchte um die Folgen des Brexit, die Politik der Notenbanken und Europa's Bankensysteme um nur einige Aspekte zu nennen.

Das Quartal endete mit einer positiven Entwicklung der Aktien-Märkte und so schien alles in Vergessenheit zu raten. Der FTSE 100 liess sich von den diversen Annahme-Folgen des Brexit-Referendums nur vorübergehend beeinflussen; ganz im Gegensatz zum GBP dessen Abschwächung sich fortsetzte. Der Euro-Stoxx 50 kletterte um 4.6% und überholte dabei die Entwicklung der US-Aktienmärkte.

Die Notenbanken Europas haben im September ihre Geldpolitik unverändert gelassen. Dies führte zu Rückschlägen, da viele Teilnehmer mit einer Ausweitung des Anleihenkaufprogrammes der EZB gerechnet hatten. Anders war es in den USA, die unveränderte Geldpolitik der FED führte zu einer Erholung. Trotz der negativen Meldungen und Nachrichten, die die Europäische Finanzbranche überschatteten, präsentierten die Titel der Banken und Versicherungen gute Kursgewinne.

Die internationalen Anleihenmärkte zeichneten neue Renditen-Tiefstände. Obligationen mit negativen Vorzeichen wurden gehandelt. Anleger trennten sich jedoch von Zinstiteln der Türkei. Der Putschversuch, die enttäuschenden Kunjunkturdaten sowie die Herabstufung auf Junk-Niveau haben dazu geführt.

Wegen der Präsidentenwahlen in den USA und der Sitzung der FED im Dezember, wo viele Beobachter einen Zinsschritt erwarten, ist mit einer Fortsetzung der Volatilität im kommenden Quartal zu rechnen. Die Märkte rechnen mit einem Zinsschritt seitens der FED.

Sollten die niedrigen Inflationsraten sich weiterhin nicht auf einem niedrigen Niveau bewegen und die globale Wirtschaft nicht an Dynamic gewinnen, ist nicht mit einem Crash an den Bondmärkten zu rechnen. Von der BOJ und EZB ist mit einer weiteren Festhaltung an der bisherigen expansiven Geldpolitik zu rechnen.

Seit einem Jahr beobachten wir ein steigendes Verlangen nach einer rechts orientierten Politik, sei es in den USA oder insbesondere in Europa. Wir glauben, dass dies eine Expansion in der Fiskal-Politik mit sich bringen wird und damit eine Erhöhung der Ausgaben bzw. Investitionen



in der eigenen Infrastruktur. Dies könnte zu steigenden Nachfragen nach Rohstoffen führen und somit zu steigenden Preisen, das die FED erlauben würde, die zur Zeit als Zentralbank der Welt agiert, nächstes Jahr mehrere Zinsschritte einzuleiten.

Kommentar zur Entwicklung der Performance

- Performance ist netto für den Investor nach Abzug aller Gebühren.
- Peak Values wurde im April 2013 gegründet, die Wertentwicklung entspricht aktuellen Zahlen welche von unseren Mitgliedern des Portfolio Management seit Beginn erwirtschaftet wurden.
- Die historische Entwicklung der Performance stellt keine Garantie für die zukünftige Entwicklung der Portfolios dar.



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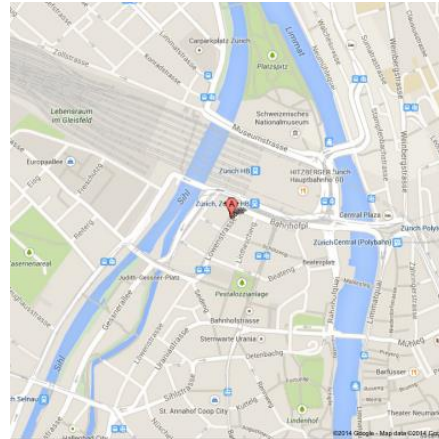
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