

Peak Values Ltd

Quarterly Report 4Q/2016

Quartalsbericht 4Q/2016

Investment Report

Investment Committee



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Performance

CCY	2016	2015	2014	2013	2012	2011	2010	2009	2008	Ø
CHF	1.15%	-0.99%	6.14%	11.02%	7.54%	2.32%	6.89%	14.11%	-4.60%	4.84%
EUR	3.17%	10.84%	5.65%	8.61%	9.87%	2.11%	10.01%	13.31%	-3.70%	6.65%
USD	-1.13%									

Performance numbers are net of fees

Comments

All in all, 2016 was a turbulent year with, overall, a mixed ending: a positive one for the Global Equity Markets and, in general, a negative one for the bond markets and gold.

The development was significantly influenced by the concerns of the economic development of emerging markets, mainly China, and the beginning of the year, followed by the unexpected Brexit vote result, which surprised even the initiatives' supporters and then, in November, the unexpected outcome of the US elections. Gold behaved surprisingly and lost in value as investors sought alternative safe haven currencies such as the Japanese Yen and the Swiss Franc. Oil stabilized with OPEC countries finally agreeing on production quotas.

The 4th quarter of 2016 can be divided into two periods: before the election, during which most investors feared the possibility of Trump's election and decided to wait and see while at the same time finalizing plans to invest in the US after the elections. Most investors expected the Federal Reserve to raise interest rates, which it did by ¼%. Europe witnessed a setback with Italian voters rejecting proposed reforms of their political and economical system.

With populist movements running high, further political uncertainties can be expected during 2017 in the coming elections in France and Germany. In general it can be said the global economy remains in a low-growth trap with high policy uncertainties and financial risks while the general trend to provide fiscal stimulus could generate growth. Fiscal and structural trade policies needed to be interwoven to obtain meaningful and sustainable gains.

Much lies in the hands of the politicians nowadays—and they have short legs and a high degree of maneuverability. Investments and trade are weak and having a negative effect on consumption drivers. For the moment, US equities have—in general—high equity valuations while the equities of the emerging markets are still being valued at historical



lows. However, having said that, it can be safely said that equities offer a better value than cash or bonds.

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

CCY	2016	2015	2014	2013	2012	2011	2010	2009	2008	Ø
CHF	1.15%	-0.99%	6.14%	11.02%	7.54%	2.32%	6.89%	14.11%	-4.60%	4.84%
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USD	-1.13%									

Performance ist netto für den Investor nach Abzug aller Gebühren

Quartalsbericht

Im allgemeinen war 2016 ein turbulentes Jahr mit einem gemischten Ende. Die Aktienmärkte zeichneten eine positive Entwicklung während die Bond-Märkte und das Gold sich negativ entwickelten.

Anfänglich war die Entwicklung massgeblich beeinflusst durch die Sorgen um die wirtschaftliche Entwicklung in China und in den Entwicklungsländern. Kaum hatte sich die Lage beruhigt kam das unerwartete Resultat des Brexit. Das Resultat überraschte auch die Befürworter. Im November sorgte der unerwartete Sieg von Donald Trump zusätzlich für erhöhte Unsicherheit. Erstaunlicherweise verhielt sich Gold auf eine eigenartige Weise, es diente nicht primär als Flucht- Währung sondern der Japanische Yen gefolgt vom Schweizer Franken übernahmen diese Funktion. Nachdem sich die OPEC-Länder endlich auf Produktionsquoten geeinigt hatten, stabilisierte sich der Erdölpreis.

Das vierte Quartal 2016 könnte man zeitlich in zwei Perioden teilen, d.h. vor und nach den US-Wahlen. Vor der Wahl, fürchteten die Investoren dass die US-Wähler Donald Trump wählen würden, so formulierten sie ihre Strategien und hielten sich mit der Umsetzung zurück. Nach den Wahlen wurden die jeweiligen Strategien rasch umgesetzt. Eine Zinserhöhung seitens der Federal Reserve of America (FED) war von den meisten Experten erwartet worden. Die FED erhöhte im Dezember die Zinssätze um ¼%. Durch die Ablehnung des Reformpaketes in Italien, erhielt Europa einen Rückschlag.

Zur Zeit reiten die Populisten auf einer Erfolgswelle, dies wird die politischen Unsicherheiten in 2017 erhöhen. Die bevorstehenden Wahlen in Frankreich und Deutschland sollte man mit Argusaugen beobachten. Im allgemeinen, befindet sich die Welt in einer tiefen Wachstumsfalle verbunden mit grosser politischer und finanzieller Unsicherheit. Strukturelle Handels und Fiskalpolitik sollten mit einander gut verflochten werden um einen nachhaltigen und sinnvollen Gewinn zu erlangen.



Zur Zeit liegt extrem vieles in den Händen von Politikern. Bekanntlich hat Politik kurze Beine und Politiker ein kurzes Gedächtnis. Investition und Handel befinden sich auf einem tiefen Niveau und haben einen negativen Effekt auf den Konsumenten, der zur Zeit als Motor des Wachstums gilt. Die Aktientitel in den USA sind im allgemeinen teuer während die Aktienmärkte in Asien sich an einem, historisch gesehen, relativ tiefen Bewertungsniveau befinden. Generell bieten zur Zeit Investitionen in Aktien einen höheren Mehrwert als Bonds oder Cash.

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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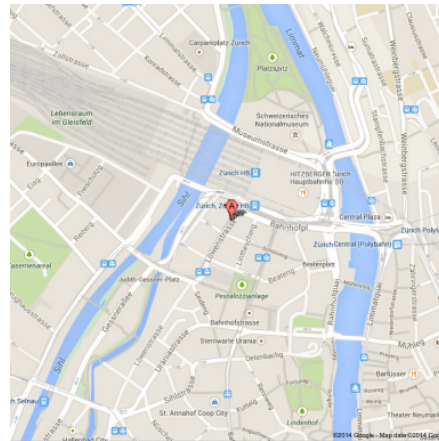
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