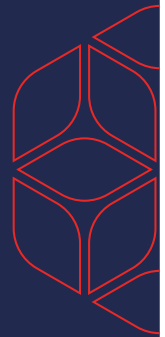


Quick recap

- The well anticipated Russian invasion of Ukraine is a tragedy but this week again confirmed that political events' impact on equity markets tends to be short-lived. Stocks sold off, and volatility surged during the onset of the invasion, but markets were quick to rebound at the end of the week.
- Nevertheless, Quality stocks and defensive sectors were sought after while Momentum continued to underperform.
- Brent briefly crossed the magical threshold of \$100 before finishing the week at \$98.57, adding to concerns about energy costs in Europe.
- Alongside broadly stable equity markets and only minor changes in benchmark yields, High Yield spreads consolidated, and gold ended the week higher.



Overview

Equities

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

p. 2-5
p. 2
p. 3
p. 3
p. 5

Fixed Income

- Government Yields
- Government Curve
- Credit Spreads

p. 5-6
p. 5
p. 6
p. 6

Commodities

- Precious Metals
- Oil
- Cryptocurrencies

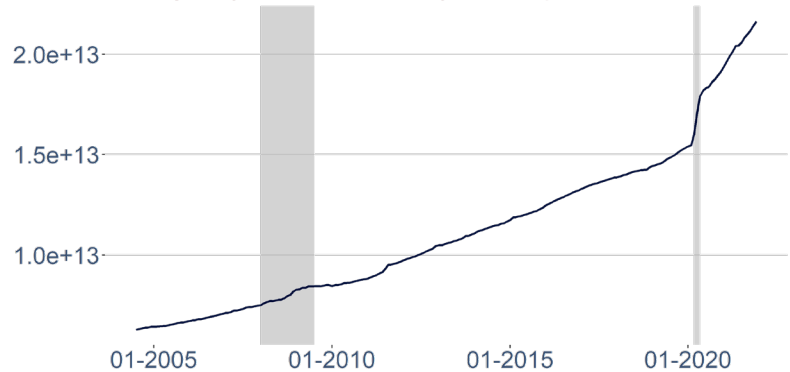
p. 7-8
p. 7
p. 7
p. 8

Economic Calendar

p. 9-10

Chart of the week

The trajectory of M3 has been very different post Covid



There was an interesting [comment in the Financial Times this week](#) about the comeback of monetarist theory in the wake of the Covid crisis and the surge in inflation around the world. While the relationship between prices and quantity of monetary aggregates has always been messy and subject to substantial lags, economists are coming to the conclusion that money still matters. The fast growth of M3 indicates that inflation is finally there to stay.

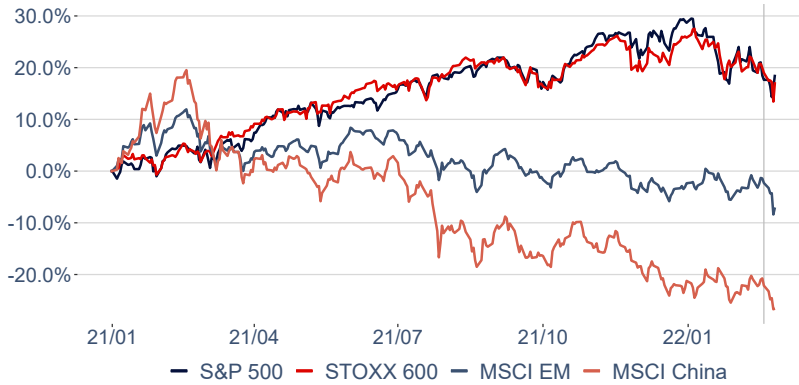
Markets at a glance



Major Equity Markets

Broad Markets

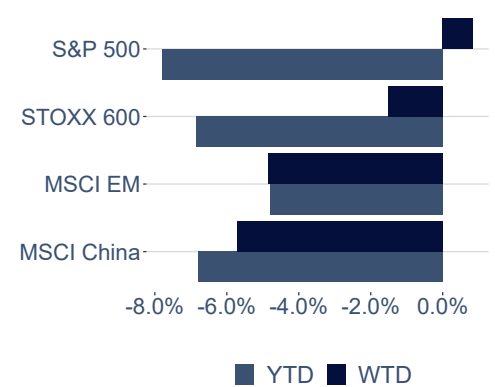
Total return %



Source: Amadeus Capital SA 2022-02-26

Broad Markets

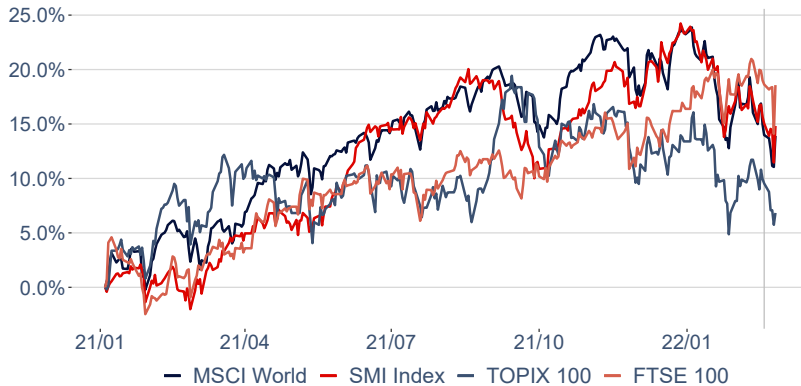
Total return %



Major Equity Markets

Broad Markets

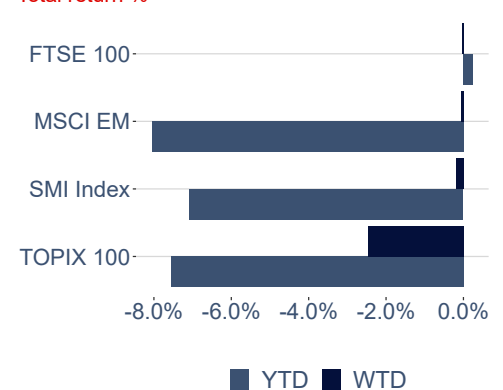
Total return %



Source: Amadeus Capital SA 2022-02-26

Broad Markets

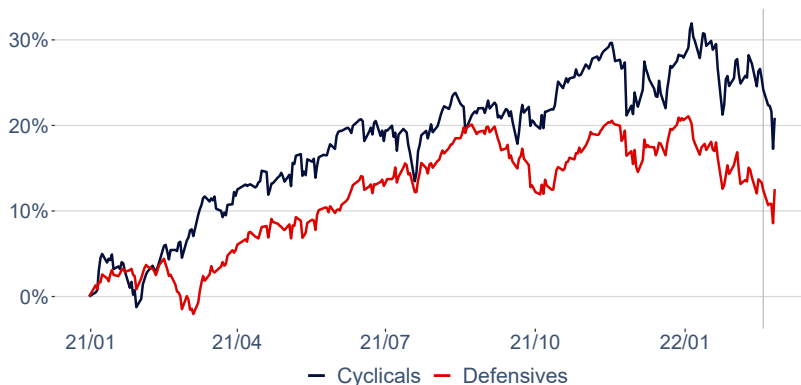
Total return %



Equity Sectors

Cyclicals vs Defensives Europe

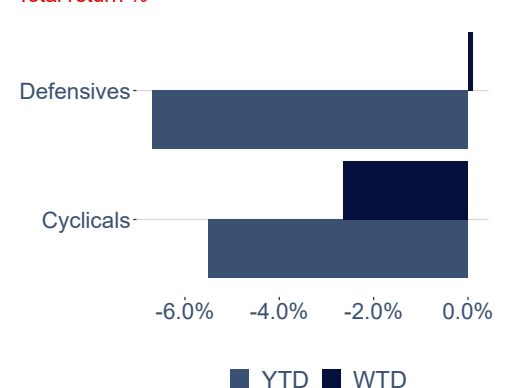
Total return %



Source: Bloomberg, Amadeus 2022-02-26

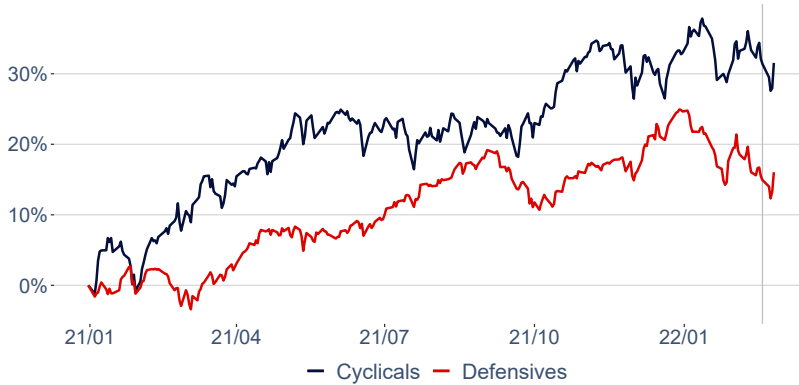
Cyclicals vs Defensives Europe

Total return %



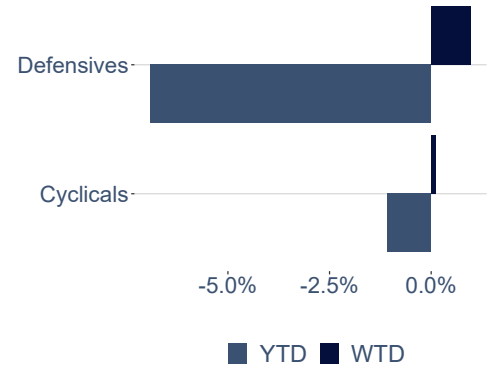
Equity Sectors

Sectors U.S.
Total return %



Source: Bloomberg, Amadeus 2022-02-26

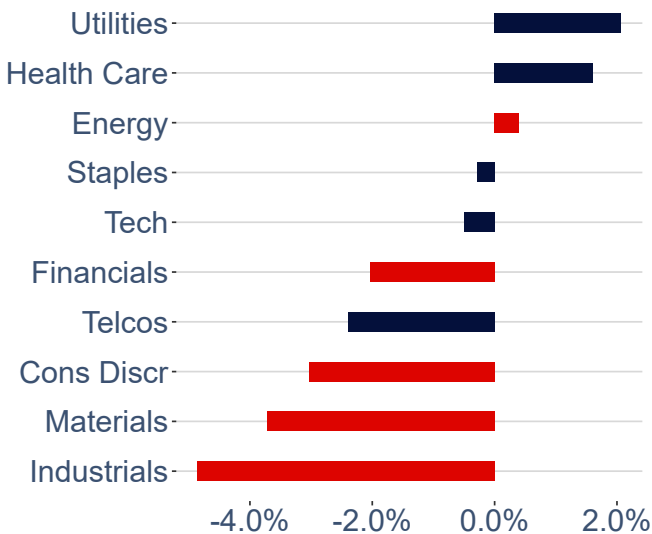
Cyclicals vs Defensive U.S.
Total return %



Equity Sectors

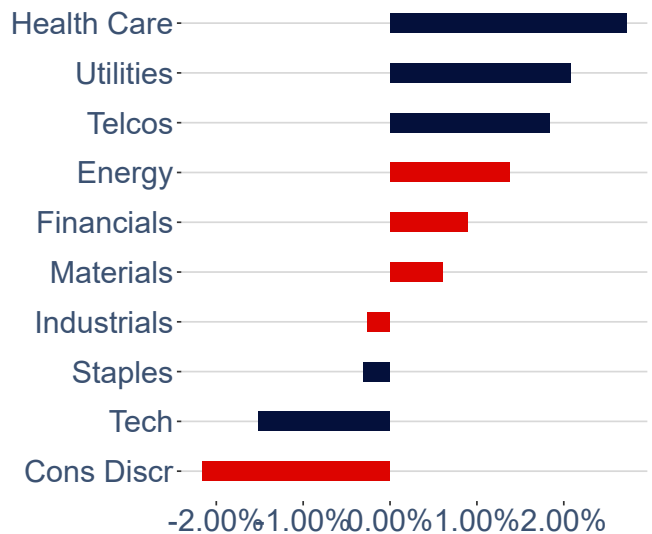
Sectors Europe

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



Sectors U.S.

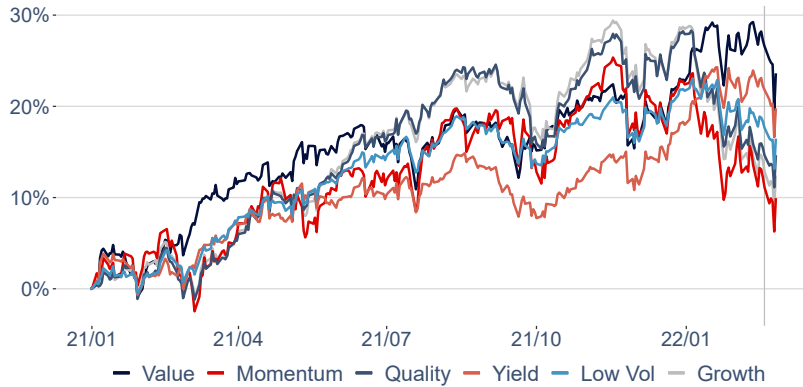
Last week's performance %



Equity Styles

Styles Europe

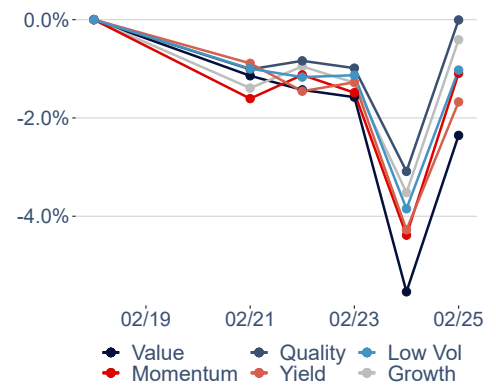
Total return %



Source: Bloomberg, Amadeus 2022-02-26

Styles Europe

Total return %



Source: Amadeus Capital SA2022-02-26

Equity Styles

Styles U.S.

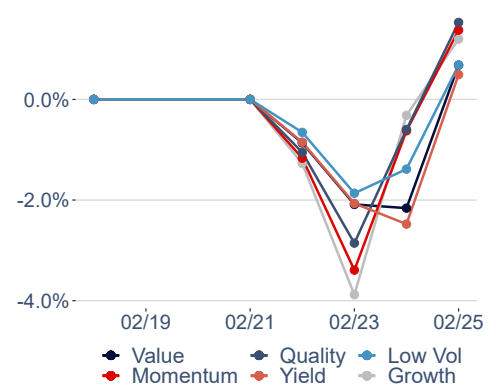
Total return %



Source: Bloomberg, Amadeus 2022-02-26

Styles U.S.

Total return %

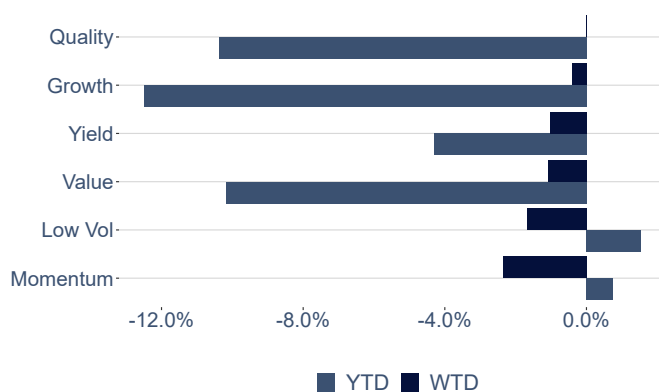


Source: Amadeus Capital SA2022-02-26

Equity Styles

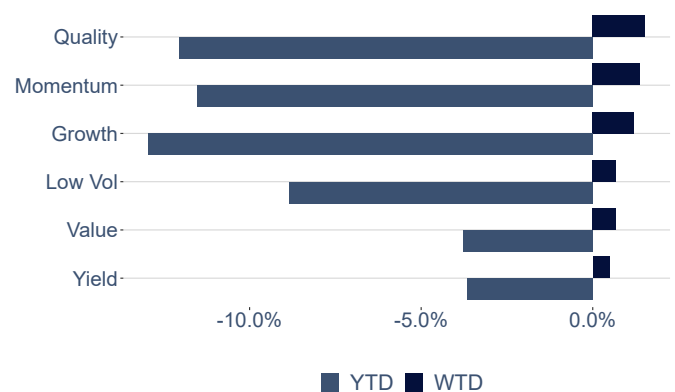
Styles Europe

Total return %



Styles U.S.

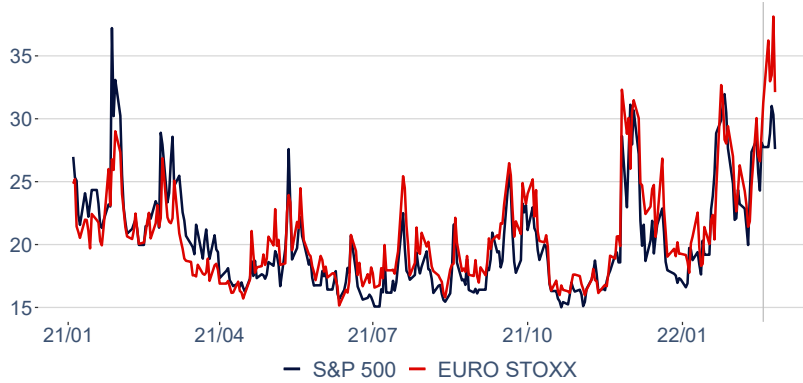
Total return %



Volatility

Volatility

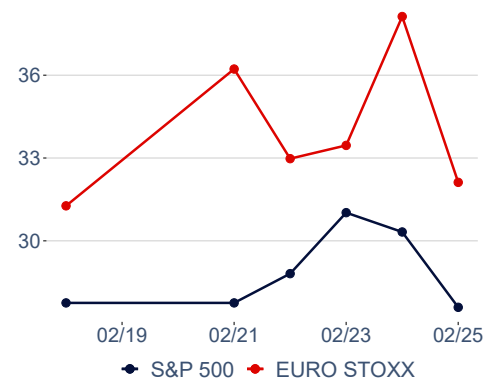
Implied volatility in %



Source: Amadeus Capital SA2022-02-26

Volatility

Implied volatility in %

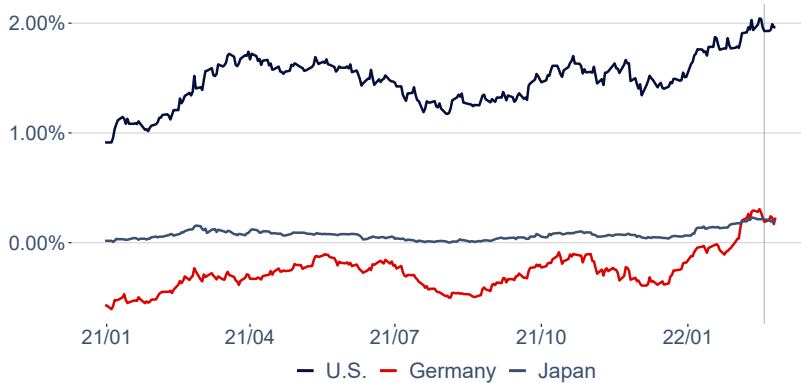


Source: Amadeus Capital SA2022-02-26

Government Bond Yields

10Yr Govt Yields

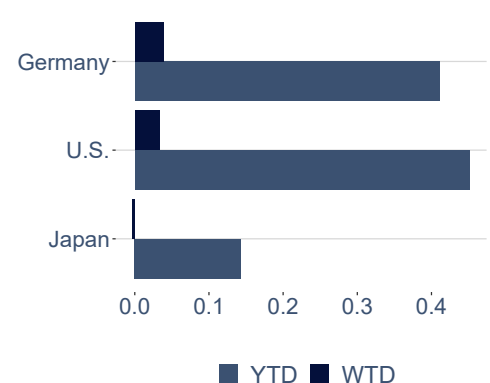
%



Source: Bloomberg, Amadeus 2022-02-26

10Yr Govt Yields

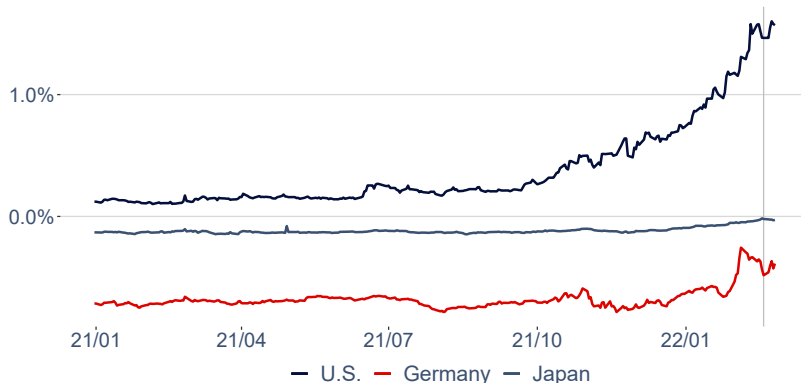
Delta in %



Government Bond Yields

2Yr Govt Yields

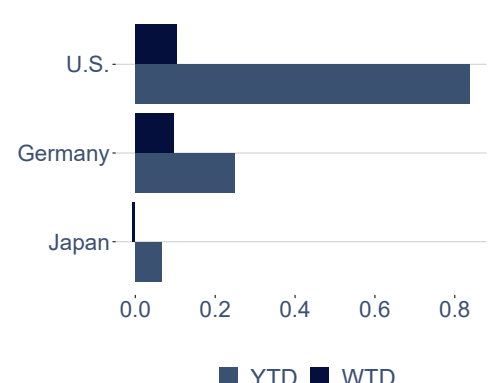
%



Source: Bloomberg, Amadeus 2022-02-26

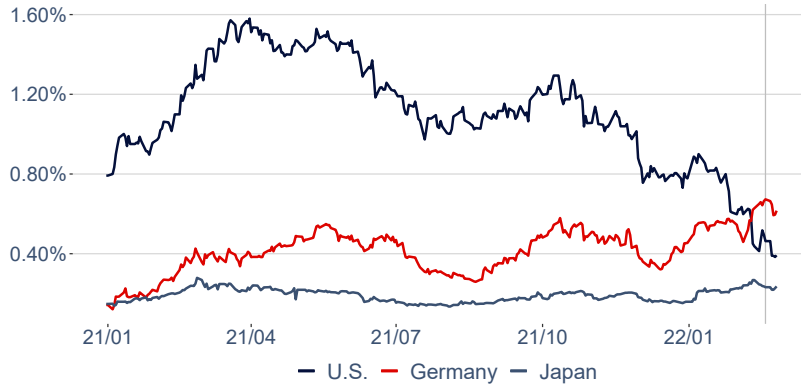
10Yr Govt Yields

Delta in %



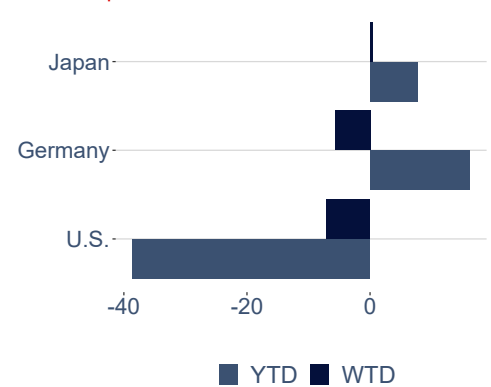
Government Bond Yields

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



Source: Amadeus Capital SA2022-02-26

10Yr Govt Yields
Delta in bp



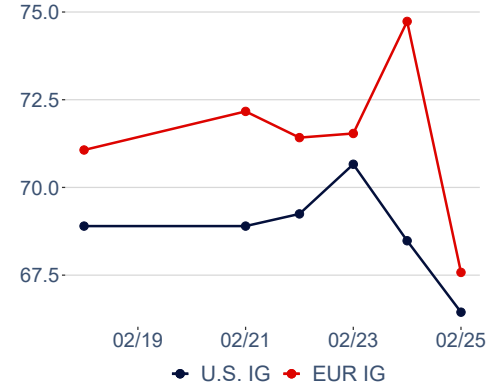
Credit Spreads

Investment grade credit spreads
Spread in basis points



Source: Amadeus Capital SA2022-02-26

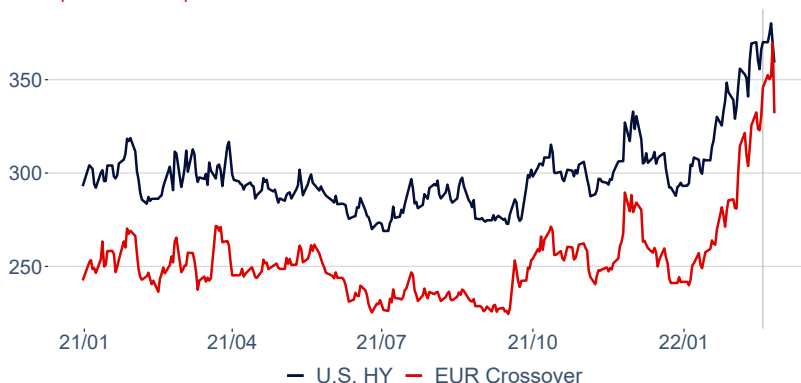
Investment grade credit spreads
Spread in basis points



Source: Amadeus Capital SA2022-02-26

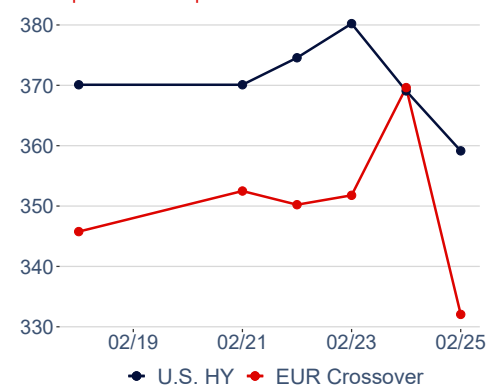
Credit Spreads

High yield credit spreads
Spread in basis points



Source: Amadeus Capital SA2022-02-26

High yield credit spreads
Spread in basis points



Source: Amadeus Capital SA2022-02-26

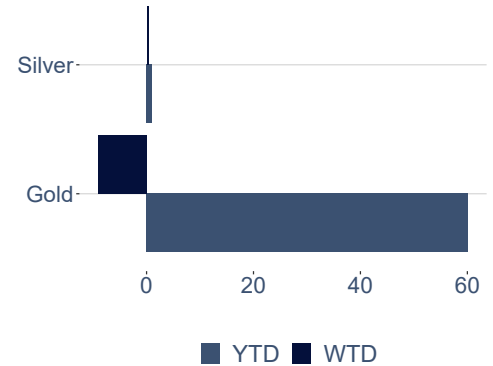
Precious Metals

Precious metals
Price change %



Source: Amadeus Capital SA2022-02-26

Precious metals
Price change %



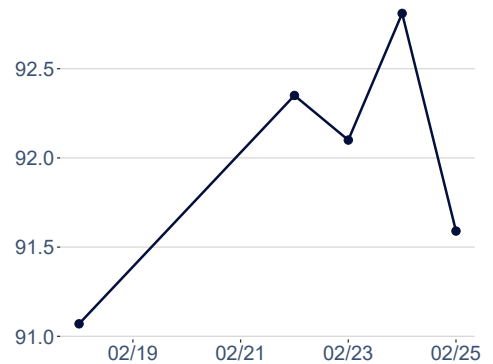
Commodities

Crude oil
Price in USD



Source: Amadeus Capital SA2022-02-26

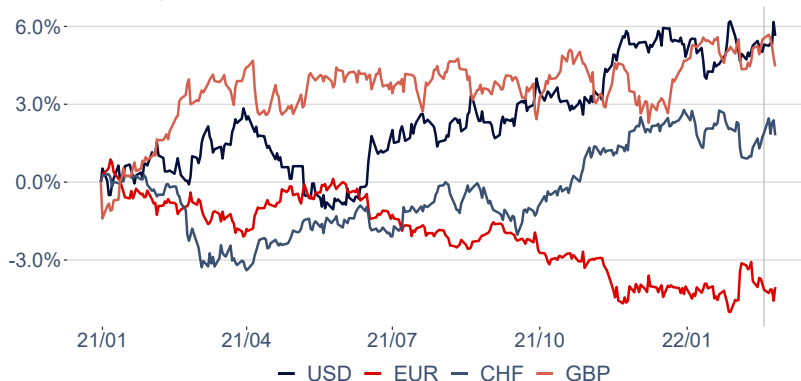
Crude oil
Price in USD



Source: Amadeus Capital SA2022-02-26

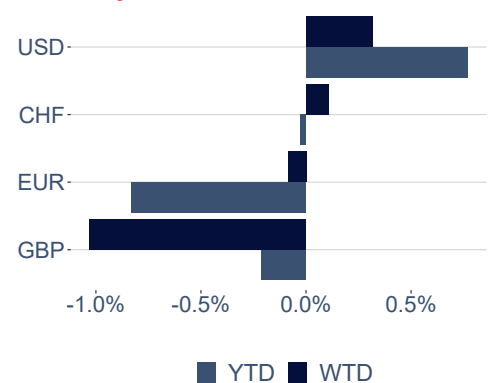
Currencies

Trade weighted currencies
Price change %



Source: Amadeus Capital SA2022-02-26

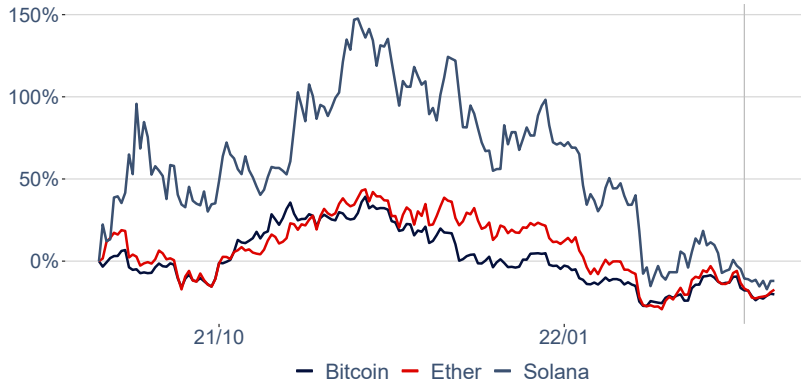
Trade weighted currencies
Price change %



Cryptocurrencies

Major cryptocurrencies in USD

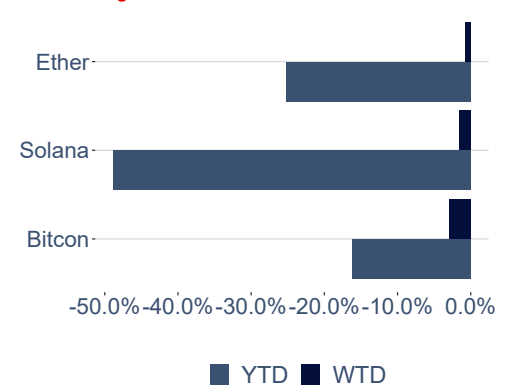
Price change %



Source: Amadeus Capital SA2022-02-26

Major cryptocurrencies in USD

Price change %



Major Events Last Week

As expected, the PBoC kept its Loan Prime Rate unchanged this week, abstaining from further stimulatory moves. There was a notable surprise in UK PMIs, driven by solid sentiment in the services sector, probably caused by the country's abandonment of all Covid restrictions.

Manufacturing PMIs disappointed slightly in Germany, but the IFO Business Climate surprised on the upside.

This positive surprise was mirrored by the U.S., where February Consumer Confidence decreased less than expected alongside lower than forecasted Initial Claims.

Date	Zone	Event	Previous	Forecast	Actual
21/02/2022	China	PBoC Loan Prime Rate	3.70%	3.70%	3.70%
21/02/2022	Germany	German Manufacturing PMI (Feb)	59.8	59.5	58.5
21/02/2022	United Kingdom	Composite PMI	54.2	55.0	60.2
21/02/2022	United Kingdom	Manufacturing PMI (Feb)	57.3	57.2	57.3
21/02/2022	United Kingdom	Services PMI	54.1	55.5	60.8
21/02/2022	Israel	Interest Rate Decision (Feb)	0.10%	0.10%	0.10%
22/02/2022	Germany	German Ifo Business Climate Index (Feb)	96.0	96.5	98.9
22/02/2022	United States	CB Consumer Confidence (Feb)	111.1	110.0	110.5
23/02/2022	New Zealand	RBNZ Interest Rate Decision	0.75%	1.00%	1.00%
23/02/2022	New Zealand	RBNZ Rate Statement	-	-	-
23/02/2022	New Zealand	RBNZ Press Conference	-	-	-
23/02/2022	United Kingdom	Inflation Report Hearings	-	-	-
23/02/2022	Euro Zone	CPI (YoY) (Jan)	5.1%	5.1%	5.1%
24/02/2022	United Kingdom	BoE Gov Bailey Speaks	-	-	-
24/02/2022	United States	GDP (QoQ) (Q4)	6.9%	7.0%	7.0%
24/02/2022	United States	Initial Jobless Claims	249K	235K	232K
24/02/2022	United States	New Home Sales (Jan)	839K	806K	801K
24/02/2022	United States	Crude Oil Inventories	1.121M	0.442M	4.515M
24/02/2022	United States	U.S. President Biden Speaks	-	-	-
25/02/2022	Germany	German GDP (QoQ) (Q4)	1.7%	-0.7%	-0.3%
25/02/2022	Euro Zone	ECB President Lagarde Speaks	-	-	-
25/02/2022	United States	Core Durable Goods Orders (MoM) (Jan)	0.9%	0.4%	0.7%
25/02/2022	United States	Michigan Consumer Expectations (Feb)	64.1	57.4	59.4
25/02/2022	United States	Michigan Consumer Sentiment (Feb)	67.2	61.7	62.8
25/02/2022	United States	Pending Home Sales (MoM) (Jan)	-2.3%	1.0%	-5.7%
25/02/2022	Euro Zone	ECB President Lagarde Speaks	-	-	-
25/02/2022	United States	Fed Monetary Policy Report	-	-	-

The Week Ahead

As expected, equity markets nervously reacted to news related to Ukraine these days but eventually shrugged off the event and, in the U.S., even ended the week higher. As cynical as it sounds, we expect the war to have limited effects, except for its potential impact on European energy prices and consumer inflation.

Markets will look for further clues on the future path of monetary policy next week as the ECB is set to Publish its Monetary Policy Meeting Accounts on Wednesday, and Powell will testify on the same day.

Apart from that, consensus expects another strong round of Nonfarm payrolls and a further decline in U.S. unemployment. Eurozone February CPI is expected to increase slightly compared to January (5.3% vs 5.1%).

Date	Zone	Event	Previous	Forecast	Actual
28/02/2022	Australia	Retail Sales (MoM) (Jan)	-4.4%	0.4%	-
01/03/2022	China	Manufacturing PMI (Feb)	50.1	49.9	-
01/03/2022	China	Caixin Manufacturing PMI (Feb)	49.1	49.5	-
01/03/2022	Australia	RBA Interest Rate Decision (Mar)	0.10%	0.10%	-
01/03/2022	Australia	RBA Rate Statement	-	-	-
01/03/2022	Germany	German Manufacturing PMI (Feb)	58.5	58.5	-
01/03/2022	United Kingdom	Manufacturing PMI (Feb)	57.3	57.3	-
01/03/2022	Canada	GDP (MoM) (Dec)	0.6%	0.1%	-
01/03/2022	United States	ISM Manufacturing PMI (Feb)	57.6	58.0	-
01/03/2022	United States	U.S. President Biden Speaks	-	-	-
02/03/2022	Australia	GDP (QoQ) (Q4)	-1.9%	-2.7%	-
02/03/2022	Germany	German Unemployment Change (Feb)	-48K	-23K	-
02/03/2022	Euro Zone	CPI (YoY) (Feb)	5.1%	5.3%	-
02/03/2022	United Kingdom	Annual Budget Release	-	-	-
02/03/2022	United States	ADP Nonfarm Employment Change (Feb)	-301K	350K	-
02/03/2022	Canada	BoC Interest Rate Decision	0.25%	0.50%	-
02/03/2022	United States	Crude Oil Inventories	1.121M	-	-
03/03/2022	United Kingdom	Composite PMI (Feb)	60.2	60.2	-
03/03/2022	United Kingdom	Services PMI (Feb)	60.8	60.8	-
03/03/2022	Euro Zone	ECB Publishes Account of Monetary Policy Meeting	-	-	-
03/03/2022	United States	Initial Jobless Claims	248K	-	-
03/03/2022	United States	Fed Chair Powell Testifies	-	-	-
03/03/2022	United States	ISM Non-Manufacturing PMI (Feb)	59.9	61.0	-
04/03/2022	Australia	Retail Sales (MoM)	-4.4%	-	-
04/03/2022	United Kingdom	Construction PMI (Feb)	56.3	54.3	-
04/03/2022	United States	Nonfarm Payrolls (Feb)	467K	450K	-
04/03/2022	United States	Unemployment Rate (Feb)	4.0%	3.9%	-
04/03/2022	Canada	Ivey PMI (Feb)	50.7	-	-

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.

Where to find us

Address

Amadeus Capital SA
14, rue Rodolphe-Toepffer
1206 Geneva - Switzerland

Email

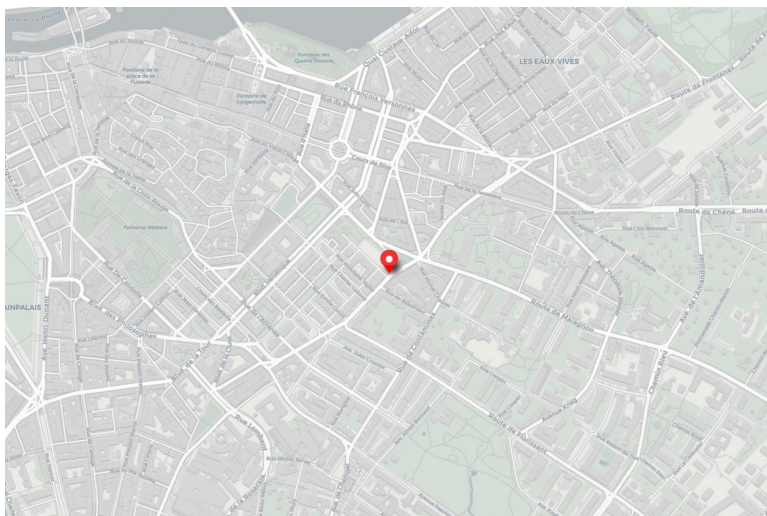
digital@amadeus.ch

Phone

+41 22 544 25 25

Web

<https://www.amadeus.ch/>
<https://investing.amadeusl.ch/>
<https://platform.amadeusquantamental.lu/>



Disclaimer

This presentation is proprietary to Amadeus Capital SA ("Amadeus"). This presentation does not purport to be all-inclusive or to necessarily contain all relevant information and may be subject to updating, withdrawal, revision or amendment. No representation or warranty, express or implied, is or will be given by Amadeus, their advisers or any of their respective directors, shareholders, partners or employees as to the accuracy or completeness of this presentation or the information or opinions contained therein.

Please consult a competent legal, regulatory, compliance, tax, accounting or other applicable professional as Amadeus does not provide any such advice and makes no representations or warranties in this regard. For the avoidance of doubt, Amadeus makes no representation or warranty about the suitability and/or appropriateness of any product or service for end-clients in any jurisdiction.

The content of this presentation and any and all discussions, negotiations and communications between the addressee and Amadeus and their respective directors, shareholders, employees, advisers and/or representatives will remain subject to the conclusion of a final and binding contract and/or the delivery of a finalized signed-off specification document.

The addressee of this presentation must make their own independent assessment of the information provided by Amadeus and is recommended to seek independent advice on the contents hereof from a person specializing in advising on matters contained herein. Neither Amadeus nor any of their advisers, nor their respective directors, partners, representatives, agents, consultants or employees shall be liable for any direct, indirect or consequential loss or damage suffered by any person relying on statements or omissions from this presentation and to the maximum extent permitted by law, all conditions, warranties and other terms which might be implied by statute, common law or the law of equity and any such liability are expressly excluded.

© 2022 Amadeus Capital SA. All rights reserved.

No part of this presentation may be changed in any format, sold, or used in any way, online or offline, other than what is outlined within this site, under any circumstances without express permission of Amadeus.

Contact: digital@amadeus.com