

Tina or Tara - who is the most beautiful of them all?

The 2008 global financial crisis had a big winner: TINA (There Is No Alternative). Low interest rates, low inflation and an expansive financial and fiscal policy formed the ideal breeding ground for the global upward trend on the stock markets in recent years. The pandemic abruptly ended the dream of ever-rising markets. Galloping inflation, driven by destroyed supply chains and war in Ukraine, has since forced global central banks to synchronize interest rate hikes. While the sharp rise in yields caused bond markets to fall, they also reduced the relative attractiveness of equities, based on the risk premium. In short: for the first time since the great financial crisis, bonds are again appearing more attractive than stocks. The new fairest of

them all seems to be TARA (There Are Reasonable Alternatives). So, trends come and go, but a long-term strategy based on diversification seems timeless.

Global markets were unanimous on the direction of the trend last month: S&P 500 fell -9.34%, STOXX Europe 600 -6.57%, Nasdaq -10.60%, Japan's Nikkei 225 -7.67% and China CSI 300 -6.72% (all indices in local currency).



Depending on the share class, the **BlackPoint Evolution Fund** lost between -5.06% and -5.19% (-15.6% since the fund was launched on October 18, 2021). Dynamic financial service providers such as Upstart or Block in particular made a negative contribution to the value of the equity portfolio, as did the British company Vodafone. Zscaler, Kinsale and the pharmaceutical companies Roche, UCB and Pfizer made a positive contribution. Bond investments had also come under pressure but lost less than the equity markets. Short-dated US government bonds and CAT bonds made a positive contribution in these turbulent times. August's focus on de-risking resulted in the following

adjustments: Decreasing holdings in Assa Abloy, Intuit, Apple and Estée Lauder. Kering and AirBnB were sold. In addition, we established a first position in European CO2 emission allowances (carbon credits). The fund allocation is therefore 49% equities, 39% bonds (including ~6% short-dated US government bonds and 3% CAT bonds),

4% gold / commodities / carbon credits rights and 8% cash.

As long as the high volatility on the financial markets persists, we will act cautiously and, if necessary, selectively adjust the proportion of equities in the portfolio from time to time.

	BlackPoint Evolution Fund		Morningstar Peer Group**	
	Return*	Volatility	Return*	Volatility
1 month	--	--	--	--
3 months	--	--	--	--
6 months	--	--	--	--
1 year	--	--	--	--
since inception**	--	--	--	--

* The MIFID legislation prohibits the disclosure of performance data for funds with a track record of less than 12 months.

** Morningstar EAA EUR moderate allocation - global
*** 10/18/2021