

## A turbulent end to the year rewarded investors with strong nerves in December.

The increased volatility reflected the profound uncertainty in the financial markets. Prices usually rise during an economic upswing and stagnate or fall during periods of economic weakness. The pandemic is currently turning this paradigm on its head. New waves of infection and the associated restrictions lead to delivery bottlenecks for important intermediate products such as semiconductors, the price of which increases and the lack of which also blocks the production of end products. The economic upturn in the meantime is thus repeatedly dampened.

On a monthly basis, the US stock market (S&P 500) was in a record mood, trading at new highs for the 70th time this year and rising by + 3.67%. European stocks (Euro Stoxx 50) exceeded this result with + 5.79%. A rate hike cycle is already in full swing in the emerging markets, although the economy has not yet reached pre-pandemic levels. The broad market (MSCI EM) had to be content with + 0.95%. The moderate rise in interest rates in Europe and the USA led to

price discounts for defensive bonds such as US government bonds. Despite the light and shade in the individual development of the risk premiums, corporate bonds made a positive contribution to performance overall.

The general conditions for 2022 are mixed. The ambitious valuation of many companies, rising interest rates and a persistently high rate of inflation will cause nervousness. On the other hand, there are legitimate scenarios such as a possible endemic situation or the continuously robust US economy that support a more optimistic outlook. However, one thing seems certain: a carefully balanced portfolio consisting of elite companies and selected bonds will also be able to prevail in 2022.



In accordance with our investment strategy, our asset allocation is global, broadly diversified and balanced. The equity component – our DARWIN portfolio – is the basis for this and made up 63% of the total portfolio at the end of December, while our bond portfolio, which follows a core / satellite approach and consists of government and corporate bonds, makes up around a third of the total portfolio.

In December we reduced the weighting of US Treasuries bonds and invested equally in physical gold. Reinsurance products (so-called CAT bonds), financed by the sale of the Georgia Power and Edison International bonds, were also added to the portfolio. In addition,

there was profit-taking on the Kinsale Capital Group stock amounting to around 65% of the Kinsale's exposure and we reduced our holding Marriott International.

The BlackPoint Evolution Fund gained between +0.74% and +0.89% on a monthly basis, depending on the unit class. The largest contribution came from the

equity portfolio (Visa, Kinsale, Apple, Estée Lauder). There were price losses at Upstart and Block (formerly Square, Inc.). Corporate bonds such as Cheniere Energy and Avis particularly had a positive contribution within our bond portfolio.

	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