

Quarterly Report 04/2022

Dear ladies & gentlemen, dear customers

The year 2022 will go down in history as an exceptional year on the financial markets: Both shares and bonds lost more than 10% in value over the course of the year. This phenomenon has never been observed in the past fifty years. But the unusual market constellation also opens up new horizons and opens up attractive investment opportunities in 2023.

However, the general weather situation is likely to cloud over again in the new year. In a first phase, we assume that the interaction between inflation and growth will deteriorate further. In the course of 2023, however, a gradual brightening should begin. The transition from the first to the second phase will be marked by the change of course of the leading central banks, which will put an end to the cycle of interest rate hikes. The US Federal Reserve (Fed) will take the lead here.

Name	Index Level 30.12.2021	Index Level 30.12.2022	Performance 2022 YTD
SMI	12'875	10'729	- 16.67 %
CAC	12'864	10'436	- 18.88 %
DAX	15'884	13'923	- 12.35 %
DOW	36'338	33'147	- 8.78 %
S&P 500	4'766	3'839	- 19.70 %
NIKKEI 225	28'791	26'094	- 9.36 %

Reference Bonds	Yield
Schweiz (10J)	1.41 %
USA (10J)	3.71 %
USA (30J)	3.97 %
Deutschland (10J)	2.36 %

Forex	Price
USD / CHF	0.9111
EUR / CHF	0.9870
GBP / CHF	1.1179
JPY / CHF	0.7051

Commodities	Price		Price
Gold (USD/oz)	1'687.32	Gold (CHF/ kg)	53'950
Silver (USD/oz)	22.13	Silver (CHF/kg)	699.25
RohölWTI (USD/Fass)	81.76	CRB - Index	298.14

Indices SMI - DAX - Nikkei 225, Dow Jones, S&P 500 und STOXX Europe 600



Quelle MarketMap

Demographic change and «Silver Society»

- The growth of the world population is slowing down as life expectancy increases and the average age increases
- The development towards the "Silver Society" is an important megatrend with clear economic consequences.

Demographic change is one of the most important megatrends of our time, which - and this is in the nature of every megatrend - will change life in the long term, globally and across all areas of life. In analogy to the pharmaceutical industry, where drugs with annual sales of more than one billion US dollars are referred to as "blockbusters", this term can be applied to the megatrend of demographic change, above all because of the diverse effects.

Albeit slower, but we are becoming more and more

Driven by increasing prosperity, together with improved medical care and the resulting increase in life expectancy, the world population has grown rapidly. During 1950 around 2.5 billion people

inhabited the planet, the United Nations estimates that before the end of this year - to be precise, on November 15 (an indication that is more likely to be indicative) - eight billion people will be living on earth at the same time for the first time. This number will initially continue to rise. However, this development varies greatly from region to region. While some countries are still experiencing strong population growth - India will overtake China as the most populous country next year - growth rates in other countries are declining. Overall, a significant slowdown in growth is expected. As a result, world population could peak at around 10.4 billion people in the 2080s and remain at that level until 2100, before declining.

The percentage of people over 65 is increasing significantly

However, it is not only the increase in world population that is decisive, but qualitative changes in particular are likely to gain in importance. The proportion of people aged 65 and over is projected to increase by 10% in 2022 to 16% by 2050. This means that by 2050, the number of people aged 65 and over worldwide is expected to more than double the number of children under five years and about as high as the number of children under the age of twelve. While population growth in the older age groups is attributed to lower mortality and higher survival rates, an upward shift in the age distribution of the population is reflected caused a sustained decline in the birth rate. In summary, we can say that the world population will initially grow before it starts to decrease, and at the same time the average age will increase significantly.

Like hardly any other megatrend, this development is likely to influence almost all areas of life. In addition to the social challenges, clear economic consequences can be expected from the change in the population structure.

Rising healthcare costs

Despite medical advances, it is likely to continue in the future the increase in associated with increased life expectancy. Chronic diseases such as diabetes or cardiovascular diseases, but also cancer, remain a major cost factor for most economies.

Increased interest in pension solutions

A higher average age suggests that interest in old-age provision solutions will continue to rise. The increasing awareness of a longer life is forcing younger people to think about how they can finance themselves for another 25-30 years after their retirement. Above all, the providers of annuity and life insurance are likely to benefit in the future from the increasing need for security in old age. The fact that by no means all countries have modern social systems and private pension solutions are therefore necessary should be another growth engine for the industry.

Consequences of demographic change

Changes in the world of work - robots take over

The changed age structure is likely to have massive consequences for the world of work. Due to the fact that the proportion of young people is constantly falling, fewer and fewer workers will be available in the future. At the same time, the rising number of pensioners is likely to put an increased burden on public budgets. Politicians are called upon to create modern solutions here. For example, promoting migration or extending working life are sufficient solutions, it remains to be seen.

Increased awareness of healthy eating

In addition to medical progress, a more conscious lifestyle also contributes to an increase in life expectancy. Last but not least, the Covid-19 pandemic has led to an increased awareness of a healthy lifestyle, or to a diet to prevent illness - after, for example, people with previous illnesses such as high blood pressure or diabetes were more at risk during the pandemic - which promotes market growth.

Changing leisure behavior is driving the travel industry

The combination of a longer lifespan and more leisure time in retirement age with increasing prosperity at the same time offers ideal growth conditions for the tourism industry. Hardly any sector has suffered as badly from the corona crisis as the travel and leisure industry. For the short to medium-term development, it will be decisive whether and to what extent there could be renewed pandemic measures.

In our opinion, however, the long-term prospects are intact, because the desire to travel seems unbroken and should also ensure demand in the future.

"Demographic change is one of the most important megatrends of our time, which will change life in the long term, globally and across all areas of life."

H.A.M. Global Convertible Bond Fund

The aim of the fund is to achieve long-term capital gains. The fund is actively managed and is not based on any benchmarks.

<u>Tranche</u>	<u>ISIN</u>	<u>NAV</u>	<u>YTD in %</u>
-CHF- A	LI0045967341	1'700.62	- 14.28 %
-EUR- A	LI0010404585	2'106.94	- 14.18 %
-USD- A	LI0028897788	1'636.54	- 11.41 %
-GBP- A	LI0364737259	1'123.06	- 12.95 %

HVP Global Opportunities Fund

The main aim of the fund is to achieve increased capital growth. The fund is actively managed and is not based on any benchmarks. At least 51% is invested directly in equities and equity securities (shares, shares with warrants, etc.) of companies worldwide. The remaining part of his assets is invested worldwide in fixed- or variable-interest debt securities and debt claims from private, mixed-economic and public-law debtors (bonds, annuities, notes, zero bonds, floating rate notes, convertible and option bonds, bonds, etc.) invested.

<u>Tranche</u>	<u>ISIN</u>	<u>NAV</u>	<u>YTD in %</u>
-CHF- A	LI0105946334	118.85	- 21.72 %
-EUR- A	LI0105946391	190.07	- 17.80 %

Please do not hesitate to contact us at any time if you have any further questions.

Your HighValue Team