HOUSE VIEW

JANUARY 2020

TRIPLE-TWISTING DOUBLE BACK

BancaMarch

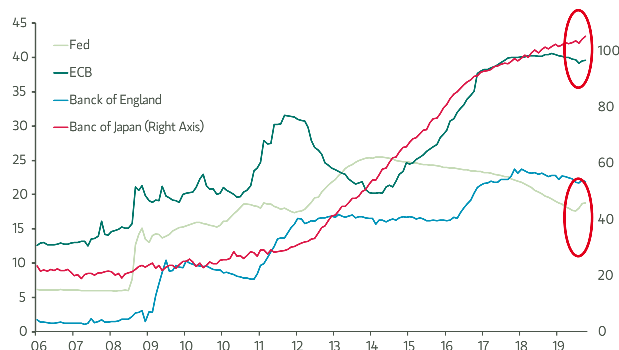
TRIPLE-TWISTING DOUBLE BACK

This summer, as the Fed cut rates for the first time in ten years, the gymnast Simone Biles made history in the US Gymnastic Championships in Kansas City. Defying the laws of gravity, Biles became the first woman to perform what is known as a "triple double": a double back somersault with three full twists. Courage, hard work and training apart, this extraordinary tumble requires two very specific skills: impressive power, to allow for a strong run-up, and high speed, to allow her to perform the three mid-air twists and land the move firmly.

When you look at it that way, isn't it fair to say that the measures taken by central banks – with the Fed at the helm – display similar characteristics? With the global economy undergoing the slowest growth phase in the cycle, the stimulus measures in place are powerful: 12 of the 15 main central banks have slashed interest rates and some of the largest ones, including the ECB and the FED, have resumed balance sheet expansion policies. In addition to this intensity, speed has also been crucial to mitigate the impact on economic growth of an industrial sector that has been weakened by declining global demand. In just three months, the FED has cut interest rates three times to the 1.75%-1.50% range; just a year ago, it was actually raising rates.

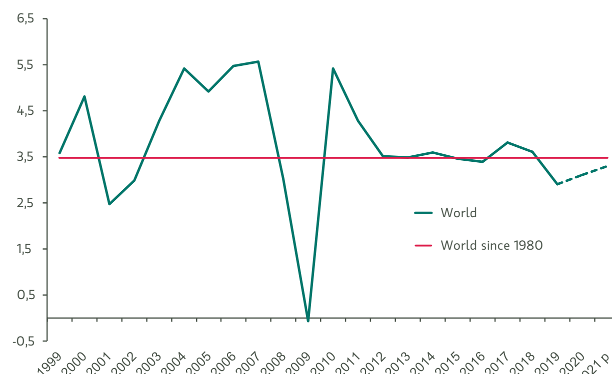
1. CENTRAL BANK BALANCE SHEETS

Source: Bloomberg and Banca March



2. GLOBAL GROWTH

Source: Bloomberg and Banca March



This volte-face by the central banks, coupled with the stabilisation of early macro indicators and the recent phase-one trade deal reached between the US and China (which will see a partial reduction in tariffs), will substantially decrease the chances that erroneous economic policy could lead to a recession in the months ahead. As such, we expect to see global growth stabilise in 2020. We expect GDP growth of 3.1%, two tenths of a percentage point higher than last year but still lower than the historical average of 3.5%. These developments will be set against a backdrop of contained inflation, which will allow monetary policy to remain accommodative, offering clear support for risk assets.

The markets ended 2019 with renewed optimism. In fact, the return on a balanced global portfolio (50% equities/50% fixed income) has hit its highest point in the last 21 years. Year-end 2019 could not be more different from the final straight of 2018; back then, we were talking about the Schrödinger's Cat paradox, and the stock markets – in stark contrast to the message conveyed by Banca March – had already pronounced the cat (in this case, equities) dead.

Following the V-shaped recovery of recent months, absolute stock valuations are more demanding: the P/E ratio of the MSCI AC World stands at 16x, 3% higher than its historical average, but it is important to bear in mind that in low interest rate scenarios like the present, valuations compared to sovereign debt and the credit market allow equities to maintain their appeal.

From now on, earnings growth will be the primary driving force behind the equity markets' performance, unlike in 2019, when valuation increases came solely on the back of multiple expansions due to improved expectations. As graph 3 shows, the expansion of the P/E ratio of the S&P 500 accounts for 90% of the total gains registered by the index throughout 2019.

3. S&P 500: CONTRIBUTING FACTORS TO HISTORIC RETURNS (%)

Source: Refinitiv and Banca March

Our outlook for 2020 is moderately optimistic. A transition year, with an increase in valuations versus last year thanks to improved outlooks and a return to positive corporate earnings figures following three consecutive quarters of negative results in Europe and one in the US. That said, patience will, as ever, be a virtue; the market is already pricing in a 9% improvement in earnings which means that the year will be less linear than last year, and that returns on equities will be lower, in the single digits. We will outline our positioning below and explain why we currently prefer to be overweight EM-Asia and the UK, as well as opting for a combination of tech with attractively-valued sectors like energy and health.

Just like Simone Biles with her triple-double, central banks have just made history. They landed the move perfectly, the longest cycle of all time is still ongoing and it is crucial to stay in the game over the months ahead.

Joan Bonet Majó
Director, Market Strategy

HOUSE VIEW

JANUARY 2020

TOPPING OUT THE CYCLE

BancaMarch

HOW SHOULD WE POSITION OURSELVES IN THE CURRENT LANDSCAPE?

Topping out the cycle

ASSET ALLOCATION

ASSET CLASS	-2	-1	NEUTRAL	+1	+2
LIQUIDITY			■		
FIXED-INCOME		■			
EQUITY			■		
ALTERNATIVE				■	

FIXED-INCOME	-2	-1	NEUTRAL	+1	+2
SOVEREIGN DEBT	■				
High quality (AAA)	■				
Peripheral			■		
CORPORATE BONDS			■		
Investment Grade			■		
High Yield		■			
EMERGING DEBT				■	
CONVERTIBLE BONDS			■		

EQUITIES	-2	-1	NEUTRAL	+1	+2
EUROPE			■		
United Kingdom				■	
UNITED STATES			■		
EMERGING				■	
REST OF THE WORLD		■			

CURRENCIES	-2	-1	NEUTRAL	+1	+2
U.S. DOLLAR		■			
STERLING POUND				■	

MACROECONOMIC LANDSCAPE

Following the recent synchronised slowdown, we expect to see global economic growth stabilise in 2020. The upturn in economic activity is likely to stem largely from the emerging economies.

The year 2019 saw a downturn in global growth, which fell to its slowest pace since the financial crisis. Specifically, global GDP grew at a rate of 2.9%, versus the 3.6% registered in 2018. As we predicted early last year, there has not been a global recession and the expansionary cycle has continued, but the economic slowdown has been acute, and has also been broadly synchronised, with curtailed growth in the main economies. However, if we look

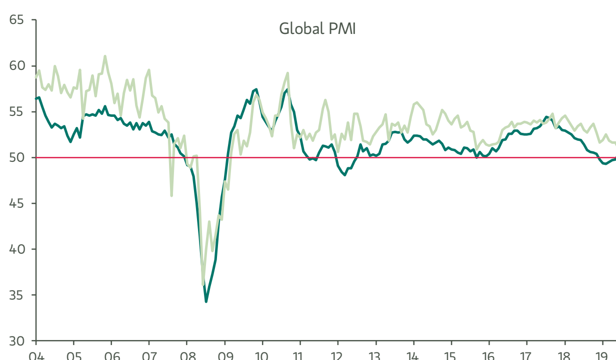
at the triggers behind this slowdown, it is clear that there were certain circumstantial factors involved which we expect to ease off in the quarter ahead, allowing economic activity to stabilise.

The key drivers behind this loss of economic momentum were the increase in trade barriers and heightening political tensions. The more favourable political landscape in the final quarter of the year was unarguably a positive factor: a no-deal Brexit is now virtually off the table, and a truce has been reached in the escalating trade tensions between the US and China. This trade agreement will likely involve a partial reduction in US tariffs (from 15% to 7.5% on products worth $125bn) and marks the beginning of a less belligerent era between the two powers, at least until the US elections on 3 November.

This reduction in the risk of economic policy errors (such as the introduction of further protectionist measures and/or a disorderly Brexit), coupled with the fact that central banks have resumed monetary stimulus measures, supports our baseline scenario of continued economic expansion over the year ahead.

1. BUSINESS CONFIDENCE

Source: Bloomberg, CPB and Banca March

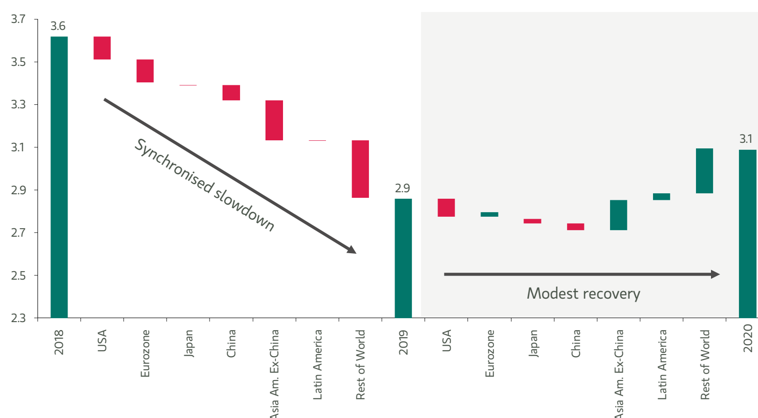


As graph 1 shows, early global business confidence indicators have begun to reflect this expected scenario, as the decline has begun to taper off in the figures published for the last quarter of the year and slight increases were even registered in the manufacturing sector.

Whilst we are expecting an improvement in activity over the year ahead, the economy will also be facing structural challenges that mean our outlook for global growth remains moderate, and below the historic average. These structural factors include, in particular: 1) the exhaustion of globalisation, 2) the fact that the Chinese economy will continue to slow as its growth model shifts towards a service economy, and 3) significant aggregate debt levels and extremely limited margin for additional monetary stimulus. With all this in mind, we believe it is unlikely that 2020 will bring a major upturn in economic growth to levels above the historical average.

2. CONTRIBUTION TO GLOBAL GROWTH

Source: Bloomberg, Oxford Economics and Banca March



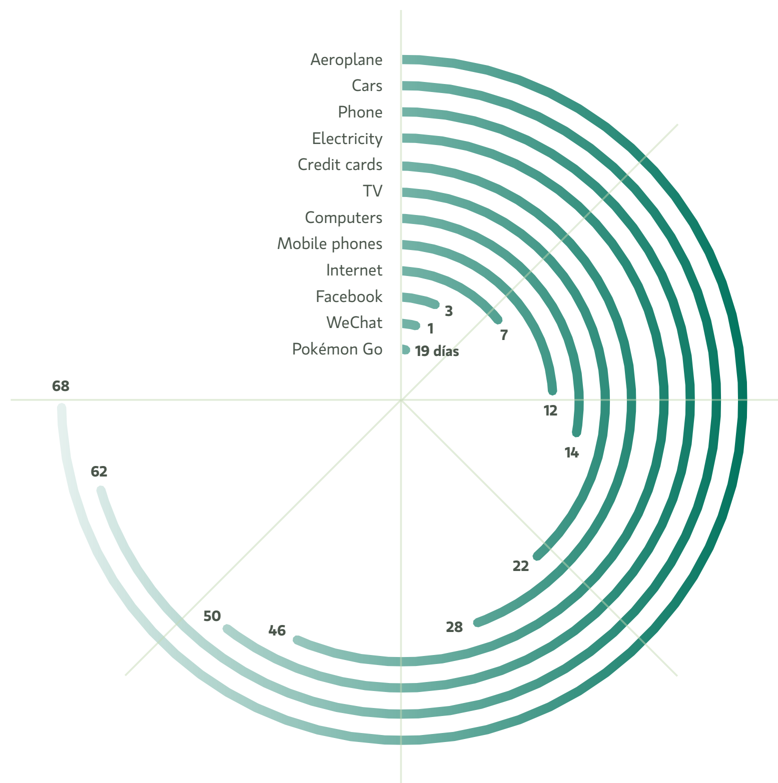
Our outlook for 2020 is influenced by two key assumptions: firstly, global growth will be modest but stable, and secondly, this improvement will stem largely from a recovery of the emerging economies. As graph 2 shows, we estimate that global GDP will grow by 3.1% year on year. However, growth in major economies like the US, Japan and China will be slower, and the general upturn will be underpinned primarily by a stronger performance in the emerging markets, Asia particularly.

We are embarking upon a new decade that holds both major challenges and long-term opportunities.

In line with our outlook for the economic cycle, and as we embark upon a brand new decade, it is important to take stock of the trends that will shape the economic landscape moving forward, where financing needs could give rise to investment opportunities.

Over the next 10 years, the biggest companies by market cap will likely be different from the ones that currently hold the top spots. If we look back at the past, the rate at which companies remain in this exclusive top 10 turns over at 20% per decade. The need to adapt in the business world has been evidenced throughout history, and today's winners may well not be tomorrow's. What makes this decade different is not change itself, but the speed of that change. As a simple example, if we look at the time it takes for specific innovations to reach 50 million users, we see that aeroplanes and cars took over 50 years, whilst Facebook hit 50 million in under 10 years and apps like PokemonGo did so in just 19 days. Business models change, but today, they change far faster than they ever have before.

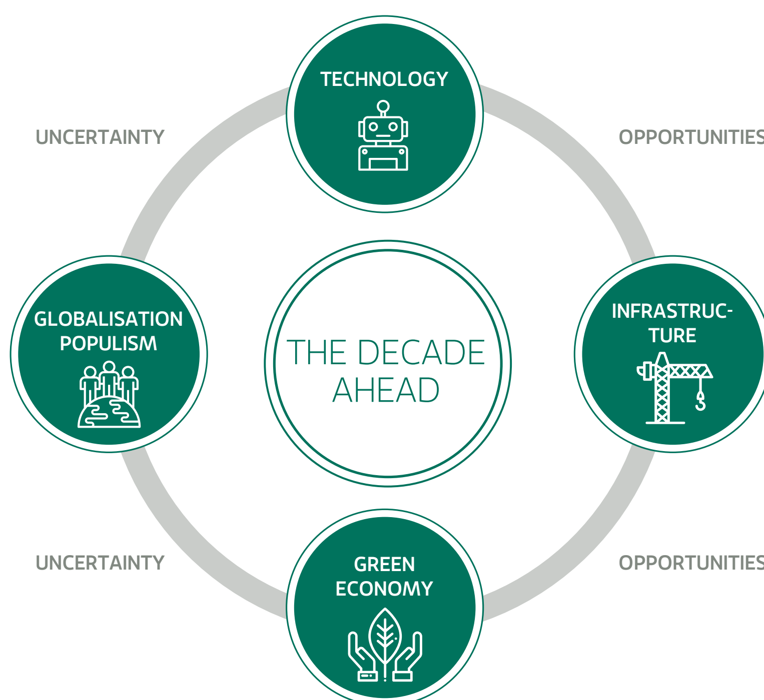
YEARS TAKEN TO REACH 50 MILLION USERS



This swift pace of change is the best possible reflection of the exponential speed of technology development we are currently witnessing. It is crucial to note, though, that whilst we are currently at a phase in the cycle where expectations of the effects of these technologies are running high, their tangible impact on productivity is still limited, and more sustained growth is required over the long term before a real impact is felt.

What seems clear today is that one key driver of global growth – greater integration of production chains – has now been jeopardised: until 2008, the intensity of trading between economies (the exchange of goods and services) grew constantly to represent, at the aggregated level, 60% of global GDP; however, in recent years, that trend has lost steam.

SUBJECT TO STRUCTURAL CHANGES



Whilst the economic driving force generated by globalisation will be less evident over the decade ahead, we have identified opportunities in other changes being rolled out by the global authorities themselves. Trends such as the need for infrastructure improvement and renovation and the shift towards a more sustainable economy reflect the demand for the transformation and improvement of the economic landscape, and will generate substantial financing needs over the next decade. Just as in the 90s there was an opportunity to be found in companies that stood to benefit from easier global trading (Amazon, for example), in the years ahead, it will be important to secure exposure to business models that will benefit from these structural changes.

CENTRAL BANKS AND FIXED INCOME

The Fed and ECB have extended their stimulus programmes.

The first ECB meeting with Christine Lagarde at the helm ended, as expected, with no changes to interest rates (official rate at 0% and deposit rate at -0.5%) or to its recently resumed €20bn a month bond-buying programme. Lagarde's speech did offer some news though; the new ECB President said the central bank had identified some "stabilisation in the economic slowdown" with "less pronounced" downside risks.

That being said, this possible change of tone will not translate to changes in monetary policy in the short term, given that the inflation forecast – 1.6% in 2022 – still falls short of the ECB's target of below, but close to 2%. Lagarde confirmed that the review of the ECB's monetary policy strategy will take place this year, and could redefine the inflation target and study other initiatives, such as the launch of a digital currency.

In December, the Fed also decided to keep official interest rates in the 1.50-1.75% range, with no change versus October following three consecutive cuts. The decision came as no surprise to the market, given that economic growth stands at around 2%, inflation is gradually approaching the 2% target and the labour market is close to full employment. The Fed also continues to roll out the short-term bond buying plan launched in September for a total of 60 billion dollars a month, which in practice means swelling its balance sheet at a rate three times faster than the ECB. Against this backdrop, most members of the Fed believe that the interest rate is at the right level and no further cuts will be required in 2020.

Swedish central bank brings negative interest rate policy to an end.

In another key development, Sweden's Riksbank – the world's oldest central bank – has ended its negative interest rate policy. The Riksbank has announced that as of 8 January, the official interest rate will be raised from -0.25% to zero, after five years of negative rates. The unconventional policy of negative rates, borne out of moderate inflation and low growth, remains in place – as well as in the eurozone – in countries like Switzerland (-0.75%), Denmark (-0.75%) and Japan (-0,10%).

Optimism around a US-China trade deal continued to take its toll on the best-rated government debt. We took advantage of this situation to pare back our underweight positioning in the asset from -2 to -1.

German and US government bonds closed 2019 with gains of almost 7%. However, these bonds – which are deemed the safest government bonds – fell for the fourth month running in December, endorsing our view that the asset class is overvalued. Expectations of a trade deal, the current pro-risk scenario and the substantial drop in volatility have once again hampered the performance of the German bund and the US 10-year treasury; their yields closed the year at -0.188% and 1.91%, respectively. From the -0.7% and 1.45% registered in September, bund and 10-year treasury prices have fallen by between 4.5% and 5%. The recent correction has also provided for a reduction in the total amount of negative-yielding debt, from a peak of 17 trillion dollars in the summer to just over 11 trillion at present.

In general terms, despite the weak recent performance that has driven yields to more compelling levels, we remain cautious on sovereign debt, as we expect to see yields stabilise versus current levels in the coming months. However, we are alert to any potential opportunities arising in short-term US treasuries if the weak performance continues, bearing in mind currency risk (we are betting on an addition depreciation of the dollar vs the euro from current levels).

In Europe, we have not ruled out taking tactical positions in Italian bonds, depending on the extent to which the country's debt reflects the instability of the current government and the possible return of Matteo Salvini's Northern League, which has been involved in major budget clashes with the European Commission in the past.

Following the corrections registered in the last quarter, we have neutralised the negative position in European investment grade credit.

After the substantial corrections in sovereign rates over the final quarter of the year, we believe that based on current levels, it will be possible to secure more compelling yields than cash from corporate debt, particularly on the back of the ECB's bond buying programme. We have therefore neutralised our negative position in European investment grade credit. As graph 3 shows, we believe the purchases underway by the ECB since November will encourage credit spreads to narrow, as they have in the past.

3. PERFORMANCE OF CORPORATE BONDS FOLLOWING ANNOUNCEMENT OF ECB BOND BUYING INVESTMENT GRADE EX FINANCIALS

Source: Fixed income indices: Bloomberg-Barclays Euro Corp IG, Bloomberg and Banca March

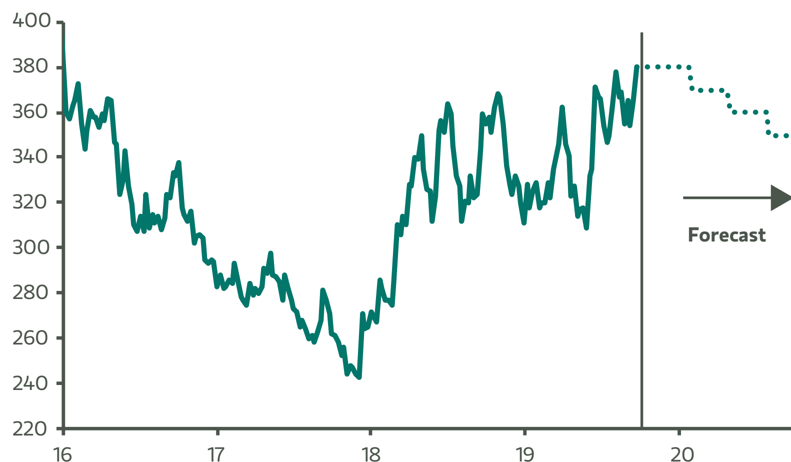
The ECB's acquisition of investment grade non-financial corporate bonds will buoy the performance of European high yield debt. Although they are not eligible and do not form part of the ECB's asset purchase programme, the riskiest bonds will continue to be supported by the broader landscape. However, we believe the maturity of the cycle and the degree of corporate leverage call for prudence, and mean this this risk should be absorbed via equity exposure as far as possible.

Emerging market debt in hard currency continues to offer the strongest potential in the asset class. We expect to see spreads narrowing in 2020.

Emerging market debt in hard currency is the asset with the strongest upside potential, buoyed by more expansive central bank policy and strong economic fundamentals, particularly in Asia. It is important to stress that despite the robust returns posted by this asset throughout 2019 – +13.1% in foreign currency and +12% in local currency – the tensions in Latin America have led to declining spreads (graph 4). Looking ahead to next year, we believe this situation is likely to reverse, providing an additional source of support and increasing our expected upside over the next 12 months.

4. EMERGING MARKETS: SPREADS

Source: Bloomberg Barclays indices



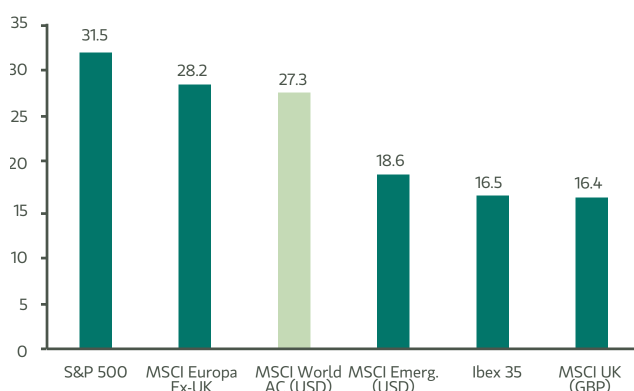
EQUITIES

After a tumultuous 2018, we saw optimism begin to recover in 2019.

The year 2019 will be remembered for the sharp U-turn in central bank monetary policy. This volte-face has given rise to a widespread recovery in asset valuations. The gains posted by the indices in the main global regions comfortably exceeded double digits (graph 5). The US and continental Europe put in a particularly strong performance; as well as the support afforded by their respective central banks, there was also a de-escalation of political risk in the final quarter which further buoyed valuations.

5. GAINS BY REGION 2019

Source: Bloomberg and Banca March



GAINS BY SECTOR 2019

SECTOR	Evolution (%)		52 Weeks (%)	
	1 M	2019	Max	Min
Technology	3,94	48,14	-0,52	53,56
Discretionary spending	2,79	27,15	-0,82	26,97
Financial	2,84	26,48	-0,31	23,97
Healthcare	3,22	23,90	-0,48	24,52
Industry	0,94	28,53	-0,73	28,54
Materials	3,87	24,04	-0,23	22,84
Utilities	3,57	23,83	-0,21	21,05
Real estate	0,81	23,94	-1,87	21,87
Telecom	1,82	27,94	-0,94	27,02
Consumer goods	1,88	23,61	-0,61	21,67
Energy	4,94	12,58	-8,87	11,88
MSCI World	2,81	28,44	-0,45	27,63

In December, we made the decision to kick off 2020 with higher equity exposure.

In the latter part of 2019 and particularly since October, we have begun rerouting our message of caution towards a more positive narrative. Our cyclical positioning, skewed in favour of growth sectors like tech (up 48.1% over the year) and of regions like emerging markets and the UK, which outperformed as of September (4% better than the MSCI World), has allowed us to largely offset the impact of our lower equity exposure.

As we head into 2020, we recommend raising equity exposure, taking investment levels from underweight to neutral. The dissipation of risk from economic policy and the accommodative stance of central banks diminish the likelihood of major setbacks in the short term in a scenario where flows into equities could continue. In a low interest rate scenario like the present, valuations versus sovereign debt and the credit market allow equities to maintain their appeal.

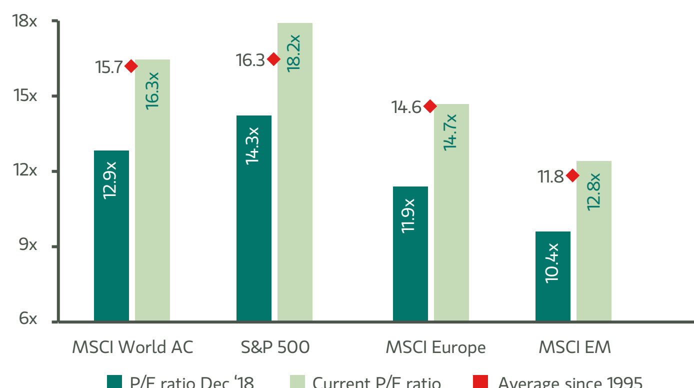
2020 gains generate unequal valuations.

That said, following the rally in recent months, equity market valuations are now more demanding: the P/E ratio of the MSCI AC World stands at 15.7x, 3% higher than its historical average. However, it is important to bear in mind that in low interest rate scenarios like the present, valuations versus sovereign debt and the credit market allow equities to maintain their appeal.

We expect 2020 to bring positive returns, but we will be looking at a very different situation from 2019. The gains will not reach double digits. From now on, earnings growth will be the primary driving force behind the equity markets' performance, unlike in 2019, when valuation increases came solely on the back of multiple expansions due to improved expectations. We expect to see global corporate earnings grow by almost 5%, which means that equities will need time to absorb the multiple expansions registered to date.

6. 12 MONTH P/E RATIO BY REGION

Source: Refinitiv and Banca March



Our favourite regions for the year are Emerging Asia and the UK.

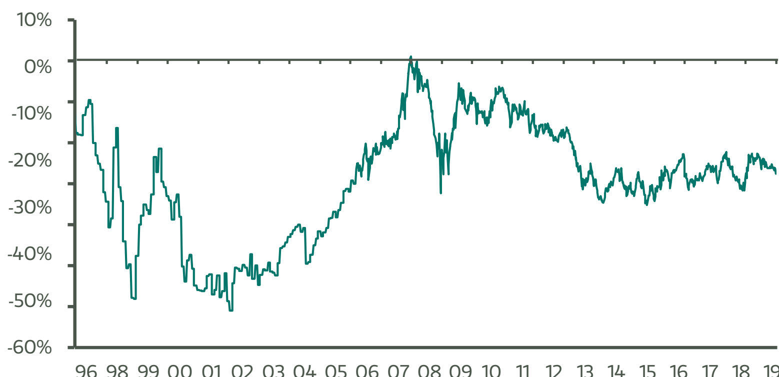
Within the slight acceleration we foresee in the macro scenario for this year, we believe that the emerging economies - which currently account for 60% of global GDP and will contribute 80% of global growth in 2020 - stand to benefit in particular. It is worth bearing in mind that EM companies are currently under-represented in the main global indices, with a weighting of just 12%. This situation will evolve over time, and the rising number of listed EM companies joining the global indices will be an increasingly significant factor.

Despite this situation, 2019 brought major disparities in emerging market returns. At the helm were markets like Russia, which gained 50.9% over the year, China, where the CSI 300 gained 36% and Taiwan, with gains of 36.7%. LatAm was at the tail end and fell short of most emerging regions with gains of 17%, its performance hampered by the various political shocks this year.

The recent truce between the US and China should continue to lend support to the Asian region in the months to come and help buoy the relative performance of EM equity markets, which are currently trading at a discount of 25% versus the rest of the world (graph 7).

7. 12M P/E RATIO: EM VS REST OF WORLD

Indices: MSCI Emerging Markets vs MSCI World AC.
Source: Refinitiv and Banca March



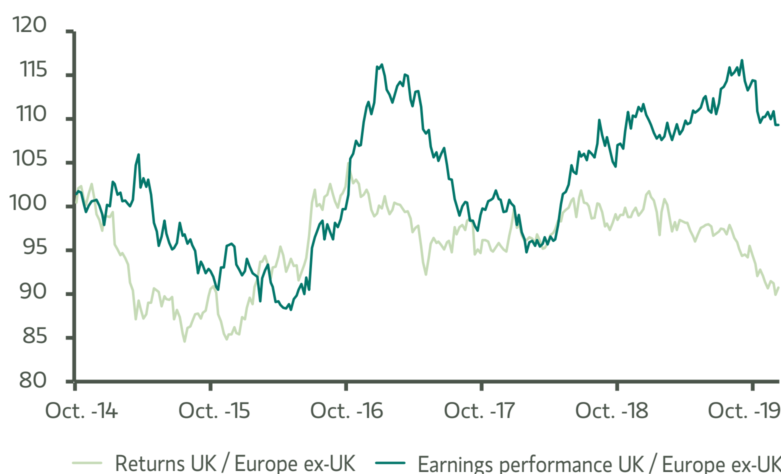
In the UK, the election of Boris Johnson as PM means a hard Brexit is practically off the table, and thanks to his landslide victory, he will be able to forge ahead with his fiscal stimulus plans. In their election campaign, the Conservative Party pledged estimated spending of 10 billion pounds over the next four years, to be rolled out gradually over the political term (1.5 billion per year in 2020 – 2022 and 3 billion per year in 2023 – 2024). In aggregate terms, this represents 0.75% of the UK's GDP. They also pledged tax cuts costing an estimated 3 billion a year and an investment commitment of 80 billion pounds (4% of GDP) for the next four years.

This new landscape has not generated a substantial improvement in trading prices versus the rest of Europe, despite the fact that earnings growth has been materially stronger in the UK (graph 8).

8. UK VS EUROPE: PRICES VS EARNINGS

Indices: MSCI UK vs MSCI Europe-exUK.

Source: Bloomberg, Refinitiv and Banca March



We recommend investing through companies whose revenues stem largely from the domestic economy, which stand to benefit from the new fiscal stimulus measures and have been penalised by the market since the 2016 referendum.

In terms of sectors, we recommend a combination of growth sectors like tech with more defensive, attractively-valued sectors like health and energy.

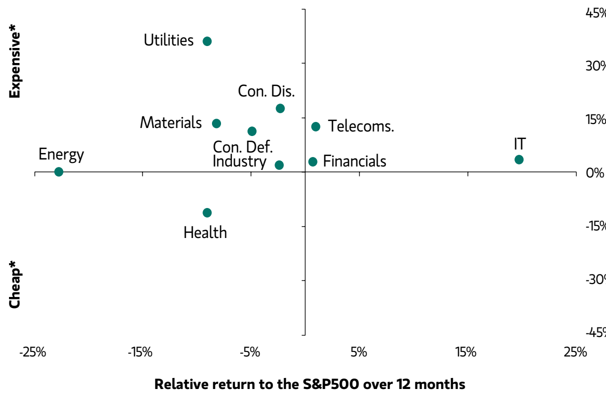
We continue to like the health sector, which offers compelling valuations at the global level (discounts of 9.4% versus historical P/E average in the US and 3% in Europe) and still enjoys growth potential thanks to the demand for higher healthcare standards from the growing middle class in emerging countries.

We also like the energy sector, as it offers a highly compelling dividend yield which is currently higher than any other sector (4.5% globally and 5.3% in Europe). These yields are underpinned by energy businesses' strong potential for cash generation, and the fact that the sector has distanced itself from the disproportionate investments of the past.

As for the financial sector, we recommend staying neutral, despite the substantial current discount versus the average 12m P/E ratio and the sector's potential to benefit from the slight economic recovery. The fact that the ECB has kept interest rates negative for an extended period means we are awaiting a more advantageous moment to hike exposure.

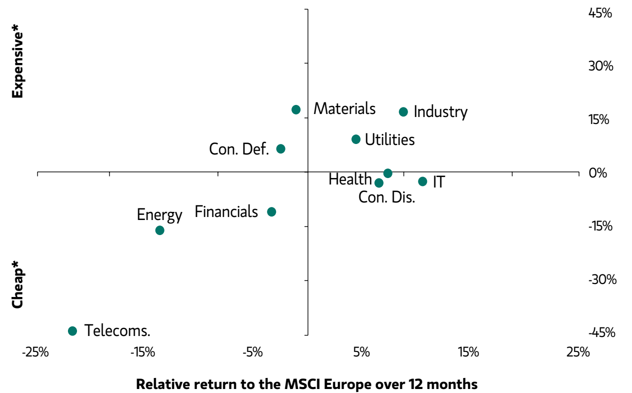
9. HISTORIC P/E RATIO VS RELATIVE RETURN S&P 500

Source: Refinitiv, Bloomberg and Banca March



10. HISTORIC P/E RATIO VS RELATIVE RETURN MSCI EUROPE

Source: Refinitiv, Bloomberg and Banca March



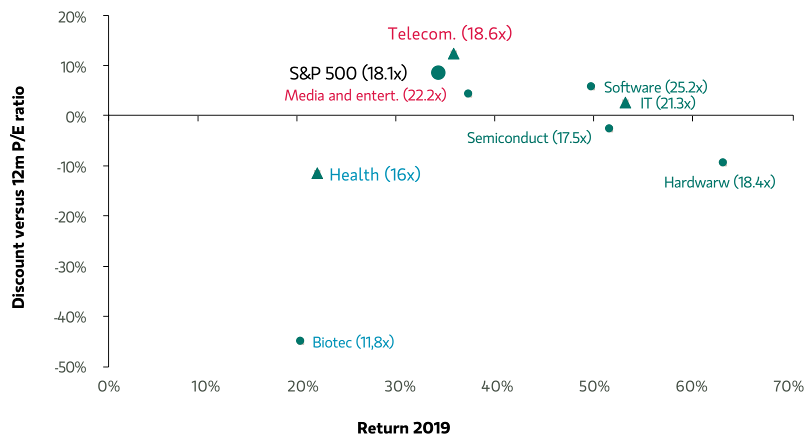
The current backdrop of low interest rates and below-average economic growth continue to support our bet on the tech sector.

The outstanding returns generated by the technology sector throughout 2019 and over the last decade give rise to recurring doubts around the degree to which the sector is overvalued. It is important to highlight that, unlike in 2001, the increase in these companies' share prices has been accompanied by real earnings growth; operating income has multiplied by three since 2009. What's more, as evidenced in graph 11, the aggregated 12 month P/E ratio for the sector remains close to the historical average.

In terms of sub-sectors, the market is prepared to pay a higher premium for more defensive businesses like software or for businesses related to the media, as opposed to semiconductors and hardware, which continue to trade at a discount despite a stronger performance in 2019. It is also worth noting that biotech is undervalued.

11. VALUATIONS CLOSE TO HISTORICAL AVERAGE

Source: Refinitiv, Bloomberg and Banca March



CURRENCIES

We expect to see a gradual depreciation of the dollar.

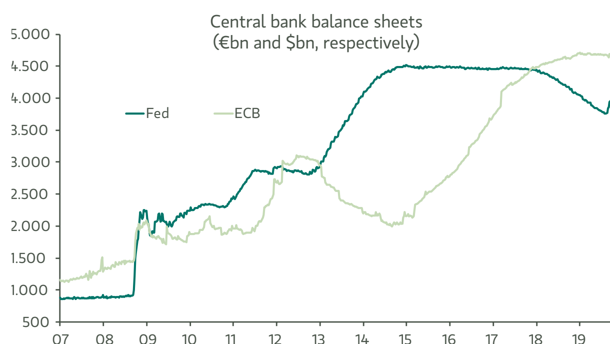
The strength of the dollar against the euro throughout 2019 has been underpinned largely by factors of weakness in the single currency itself: the global economic slowdown, the weakness of the European industrial sector and the failure to reach a deal on Brexit. Looking ahead to the coming months, our baseline scenario is that the political uncertainty will gradually start to ease and this should allow for a stabilisation of eurozone growth, which will depend heavily on an improvement in global trade. Likewise, a potential direct fiscal boost from Germany would be good news for the euro, as it would narrow the growth spread versus the US, and at the same time, narrow the interest rate spread.

12. US VS EUROZONE GROWTH

Source: Bloomberg and Banca March

13. CENTRAL BANK BALANCE SHEETS (FED VS. ECB)

Source: Bloomberg and Banca March



It is also important to note that the Fed is currently expanding its balance sheet faster than the ECB, which will support a loss of value for the dollar versus the euro. We expect both of these factors to contribute to weakening the greenback. With this in mind, we see no value in taking positions in the dollar at current levels and maintain our outlook that the cross should be trading at levels closer to 1.15 EUR/USD; we therefore expect to see a gradual depreciation of the US currency.

Although it continues to trade at attractive levels, the rise in the pound sterling will taper off as the market awaits further details on the withdrawal agreement.

We believe the currency has already achieved most of its potential upside, and it is currently trading close to our target level of 0.85 EUR/GBP. Over the coming twelve months, the cross could trade within the range of 0.83–0.88 EUR/GBP, as the details of the future trading relationship between the UK and Europe after Brexit remain to be seen. These technical negotiations will only begin after the Withdrawal Agreement has been signed, which will take place before the 31st of January.

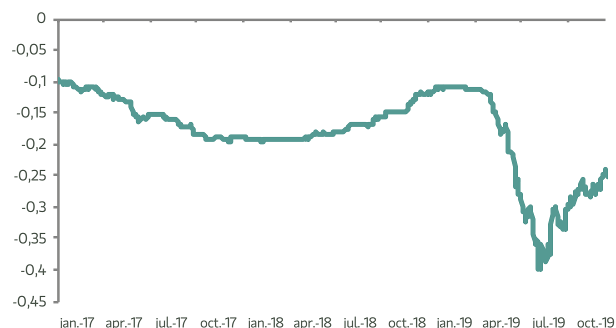
Banca March Market Strategy Team:

Joan Bonet Majó
Pedro Sastre
Luis Coello
Paulo Gonçalves, CAIA
Adrian Santos

EURIBOR

	LAST	1 MONTH	YTD	1 YEAR
1 MONTH	-0,44	-0,44	-0,36	-0,36
3 MONTHS	-0,38	-0,40	-0,31	-0,31
6 MONTHS	-0,32	-0,34	-0,24	-0,24
12 MONTHS	-0,25	-0,27	-0,12	-0,12

EURIBOR 12 MONTHS (3 YEARS)



CURRENCIES

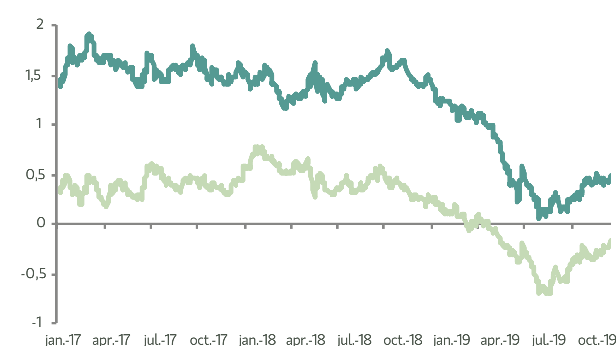
	LAST	1 MONTH	YTD	1 YEAR
EUR/USD	1,1229	1,102	1,145	1,144
EUR/GBP	0,847	0,852	0,898	0,901
EUR/CHF	1,085	1,102	1,126	1,126
EUR/JPY	122,0	120,6	125,6	126,3

EUR/USD (3 YEARS)

GOVERNMENT BONDS

		LAST	1 MONTH	YTD	1 YEAR
USA	2 YEARS	1,57	1,61	2,49	2,52
	5 YEARS	1,67	1,63	2,51	2,55
	10 YEARS	1,88	1,78	2,68	2,72
	30 YEARS	2,33	2,21	3,01	3,02
GERMANY	2 YEARS	-0,60	-0,63	-0,61	-0,61
	5 YEARS	-0,47	-0,58	-0,31	-0,31
	10 YEARS	-0,19	-0,36	0,24	0,24
	30 YEARS	0,35	0,15	0,88	0,88
SPAIN	2 YEARS	-0,39	-0,39	-0,24	-0,24
	5 YEARS	-0,08	-0,09	0,34	0,34
	10 YEARS	0,47	0,42	1,42	1,42
	30 YEARS	1,32	1,28	2,61	2,61
UK	2 YEARS	0,59	0,54	0,75	0,74
	5 YEARS	0,65	0,51	0,90	0,90
	10 YEARS	0,87	0,70	1,28	1,27
	30 YEARS	1,38	1,21	1,82	1,80

10 YEAR GOVERNMENT YIELDS (SPAIN VS GERMANY)



CORPORATE BONDS (1 YEAR SPREAD)

	LAST	1 MONTH	YTD	1 YEAR
AA	-0,26	-0,25	-0,18	-0,18
A	-0,26	-0,22	-0,09	-0,08
BBB	-0,16	-0,11	0,05	0,05

COMMODITIES

	LAST	1 MONTH	YTD	1 YEAR
BRENT	66,00	62,43	53,80	52,20
GOLD	1517,3	1464,0	1282,5	1280,7

IBEX (3 YEARS)

EQUITY INDICES

	LAST	1 MONTH	YTD	1 YEAR
MSCI WORLD*	565,24	3,39%	24,05%	36,72%
SP500	3230,78	2,86%	28,88%	46,93%
EUROSTOXX50	3745,15	1,12%	24,78%	22,73%
TOPIXX	1721,36	1,29%	15,21%	17,14%
IBEX35	9549,2	2,11%	11,82%	9,91%
FOOTSIE100	7542,44	2,67%	12,10%	11,18%
MSCI BRAZIL	2373,01	11,65%	22,07%	42,29%
MSCI CHINA	85,70	7,80%	20,37%	40,08%
MSCI EMERGING	1114,66	7,17%	15,42%	29,19%

* All countries

Data: Bloomberg

EQUITY INDICES PERFORMANCE (3 YEARS)

Data: Bloomberg

- IBEX REL
- MSCI EMERGENTES REL
- SP500 REL

*DATA AS OF 31 DECEMBER 2019

	RETURN			DURATION		PORTFOLIO DISTRIBUTION			CURRENCY EXP. (NO EURO)
	MONTH	YTD	1 YEAR	CURRENT	1 MONTH AGO	FIXED INCOME	EQUITY	ALT. INV.	USD
MARCH RENDIMIENTO F.I.	-0,03%	-0,41%	-0,41%	0,189	0,000	28,49%	0,00%	0,00%	0,00%
MARCH RENTA FIJA CORTO PLAZO F.I.	0,03%	0,81%	0,81%	0,454	0,000	68,63%	0,00%	0,00%	0,00%
MARCH PATRIMONIO C.P. F.I.	0,01%	0,68%	0,68%	0,615	0,000	66,92%	0,00%	0,00%	0,00%
FONMARCH F.I.	0,06%	2,09%	2,09%	2,630	0,000	89,05%	0,00%	0,00%	0,00%
MARCH EUROPA F.I.	2,97%	5,17%	5,17%	0,003	0,000	0,00%	94,50%	0,00%	4,45%
MARCH INTL - VALORES IBERIAN EQUITY	0,56%	16,07%	16,07%	0,003	0,003	0,00%	96,91%	0,00%	0,00%
MARCH GLOBAL F.I.	3,08%	26,56%	26,56%	0,003	0,000	0,00%	95,87%	0,00%	25,57%
MARCH INTL - MARCH VINICATENA	0,63%	11,07%	11,07%	0,003	0,003	0,00%	95,09%	0,00%	27,80%
MARCH INTL - THE FAMILY BUSINESSES FUND	1,06%	22,12%	22,12%	0,003	0,003	0,00%	91,55%	0,00%	37,63%
MARCH INTL - MEDITERRANEAN FUND	3,01%	0,00%				0,00%	92,03%	0,00%	26,99%
MARCH NEW EMERGING WORLD F.I.*	4,94%	11,96%	11,96%	0,000	0,003	0,00%	95,76%	0,00%	84,43%
TORRENOVA DE INVERS. S.I.C.A.V. S.A.	0,33%	5,69%	5,69%	1,034	0,000	64,64%	17,59%	0,00%	5,51%
CARTERA BELLVER S.I.C.A.V., S.A.	0,80%	11,20%	11,20%	1,103	0,000	41,98%	48,46%	0,00%	19,15%
LLUC VALORES S.I.C.A.V., S.A.	1,46%	18,04%	18,04%	0,003	0,000	0,00%	82,31%	0,00%	35,70%
MARCH INTL - TORRENOVA LUX	0,25%	5,01%	5,01%	0,003	0,003	70,85%	17,49%	0,00%	10,48%
MARCH INTL BELLVER LUX	0,46%	7,78%	7,78%			31,41%	44,68%	0,00%	136,93%
MARCH INTL LLUX LUX	0,97%	14,07%	14,07%			0,00%	83,41%	0,00%	199,30%
MARCH PATRIMONIO DEFENSIVO F.I.*	0,22%	2,21%	2,21%	0,000	0,003	57,27%	2,38%	31,93%	14,21%
MARCH CARTERA CONSERVADORA F.I.*	0,62%	5,90%	5,90%	0,000	0,003	44,33%	20,06%	33,43%	18,53%
MARCH CARTERA MODERADA F.I.*	1,07%	10,09%	10,09%	0,000	0,003	25,25%	43,91%	27,67%	26,61%
MARCH CARTERA DECIDIDA F.I.*	1,82%	14,65%	14,65%	0,000	0,003	1,23%	71,87%	23,93%	31,26%
PLAN PENSIÓN CRECIENTE, F.P.	0,07%	1,12%	1,12%	1,465	0,000	85,03%	0,00%	0,00%	0,00%
MARCH PENSIONES 80/20, F.P.	0,98%	8,30%	8,30%	2,188	0,000	62,14%	24,82%	0,00%	5,19%
MARCH PENSIONES 50/50, F.P.	1,80%	14,18%	14,18%	1,874	0,000	39,19%	46,18%	0,00%	10,18%
MARCH ACCIONES, F.P.	3,48%	28,54%	28,54%	0,003	0,000	0,00%	85,15%	0,00%	18,14%
MARCH AHORRO, F.P.	1,44%	10,85%	10,85%	2,197	0,000	57,44%	34,10%	0,00%	7,57%
PLAN ÓPTIMO, F.P.	1,26%	9,99%	9,99%	2,105	0,000	52,41%	31,64%	0,00%	6,83%
MARCH MODERADO EPSV	0,82%	7,87%	7,87%	1,500	0,000	48,64%	23,07%	0,00%	4,45%
MARCH ACCIONES EPSV	3,64%	27,82%	27,82%	0,005	0,000	0,00%	86,54%	0,00%	19,49%

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