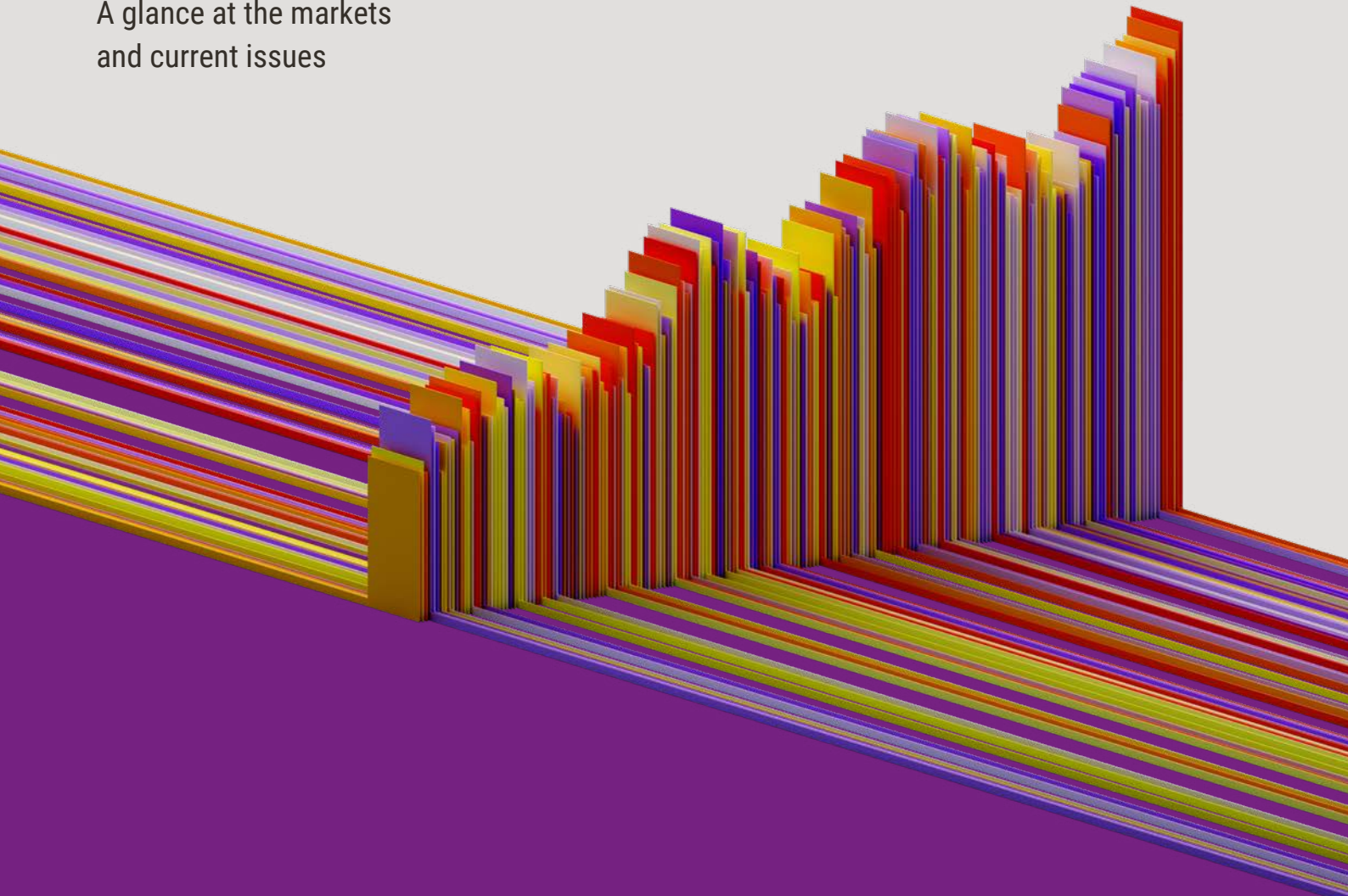


## Market Overview 11 | 2024

A glance at the markets  
and current issues



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## Equities

# High volatility and high profits

Uncertainty is the dominating dynamic on the global markets. Geopolitical developments in November have made it clear that Trump's re-election could create growth opportunities, while the escalating Ukraine war and tensions in the Middle East threaten global stability. Investors are increasingly relying on defensive sectors and safe haven investments such as gold and bonds. This will lead to higher market volatility across the board.

### Recovery despite geopolitical tensions

Global equity markets continued along their recovery trajectory in November despite significant geopolitical uncertainties. However, sentiments remain more muted in Europe and the reporting season is hardly likely to improve things. Earnings growth for the last quarter and for 2025 has been revised downwards. Goldman Sachs has lowered its forecast for European equities over the next 12 months. In the USA on the other hand, the picture is a different one: More than 90% of S&P 500 companies have reported quarterly figures, with 80% – more than average – exceeding earnings expectations. On average, companies reported earnings 8% higher than anticipated. The US Federal Reserve has signalled its continuing reluctance to cut interest rates. While unemployment remained stable at 4.3%, robust corporate profits in the technology and industrial sectors have fired up the economy. Sectors sensitive to interest rates such as real estate and utilities benefited from the expectation that the Federal Reserve will aim for a soft landing for the economy. The technology sector, particularly semiconductors, recovered after previous losses over the course of the year, while defensive sectors such as consumer goods posted stable results.

### Markets resilient in the USA

Responses to Trump's re-election have been mixed: although his business-friendly agenda has aroused optimism, his aggressive foreign policy has aroused fears of trade disputes, particularly with China. At the same time, the supply of US long-distance missiles to Ukraine has heightened tensions with Russia. Investors responded cautiously to the possibility of asymmetrical responses from Russia, including potential restrictions on energy exports. Despite the uncertainty, the markets still proved to be resilient, especially in the USA, bolstered by solid corporate earnings and the prospect of the Fed's cautious interest rate policy.

### China: stimulus supports growth

In an attempt to jump-start the economy, the Chinese central bank once again reduced the minimum reserve ratio and the 7-day repo rate. The CSI 300 Index remained stable. However, market participants are proceeding with caution as the measures will take some time to make themselves felt. Stronger demand from China could support European exporters, which would benefit from a global economic revival.



### Slight falls in precious metal prices

The precious metals sector has fallen back from its most recent highs of USD 2,800 per ounce of gold. This has been due to rising US yields, coupled with a stronger dollar following Donald Trump’s re-election. Given the strong performance of this asset class in September and October, the sell-off of gold, silver and mining stocks in recent days may have been driven in part by investors deciding to cash in profits. We are not particularly concerned by this setback, which we expect to be short-lived. In view of the sector’s solid fundamentals, now is a particularly attractive time to enter the market. The price of gold has now stabilised at around USD 2,600, which is an extremely profitable level for most gold mining companies.

### Trump’s policies assist metal and mining sectors

We expect the new Trump administration’s policies to hold up the price of gold and also to benefit the metal and mining sectors. In the short term, the US dollar could gain further strength. However, it is likely to come under pressure in the longer term. The reasons for this are rising debt, higher debt servicing costs, a budget deficit and a less restrictive interest rate environment.

Under these conditions, physical assets are likely to benefit, especially precious metals. If Trump’s policies end up generating stronger economic growth and higher inflation, this could benefit selected metal producers. The President-elect has clearly expressed his desire for a weaker dollar and lower interest rates.



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Our financing specialists will be happy to advise you personally. Contact us.

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t 058 442 41 01

### Indicative interest rates\* as of November 2024

<b>Fixed-rate mortgage</b>	3 Years	1.15 %
	5 Years	1.20 %
	7 Years	1.25 %
	10 Years	1.35 %
<b>SARON mortgage**</b>	SARON + 0.80 % Margin	

\* These interest rates represent benchmarks for first-ranking mortgages on owner-occupied residential property. They apply to first-class residential properties and borrowers with impeccable credit ratings.

\*\* The interest rate is at least 0 %, plus the margin

## Fixed Income

# Lower interest rates thanks to Trump?

After weeks of selling pressure, yields on government bonds finally rose. This was due to strong US economic data coupled with Donald Trump's inflationary plans following his re-election. The yield curve steepened, with yields rising more sharply for long-term bonds than short-term bonds. The cut in the US key interest rate by 25 basis points coupled with prospects of further measures by the Fed took some of the wind out of this extraordinary increase.

### Lower interest rates for US Treasuries

The Republican Party has gained full control of the US Government, with Trump as President, a Republican majority in the Senate, and a majority in the House of Representatives. This gives Trump major influence in pushing through his agenda in areas such as immigration and the economy, whilst also facilitating the enactment of new legislation and confirmation of appointments. The Trump administration's economic policy could lead to higher import tariffs, massive tax cuts, higher deficits and rising US government debt, all of which would negatively affect the rating of US Treasuries and related interest rates. Last but not least, inflationary pressure cannot be ruled out as a result of higher tariffs on US imports. It should also be noted that the record level of credit spreads (risk premiums) was previously reached most recently in 1997.

### US inflation remains stable

US inflation remained stable in October, which could pave the way for a Fed rate cut in December. The US Consumer Price Index (CPI) for October also remained stable, with overall and core rates rising by 0.2% and 0.3%, respectively, in line with forecasts. Headline annual inflation rose to 2.6%, while core inflation remained at 3.3% for the third year in a row. Disinflation for core goods stalled, mainly due to seasonal factors in relation to used cars, while broader disinflation for goods continued.

### Employment figures stagnate

Employment growth in the US reached its lowest level since 2020, with only 12,000 new jobs in October. Strong hurricanes and a major strike at Boeing held down the number. The unemployment rate remained at 4.1%, although with underlying data showing a slight uptick and reduced labour market participation.

The manufacturing sector in the US contracted for the seventh month in a row, reaching its lowest level since July 2023, impacted by storms affecting production in the south east. In contrast, the US service sector grew to its highest level in two years. The expansion reached a two-year high in October, driven by hiring at increased rates. The non-processing index outperformed expectations, pointing to vigorous economic momentum. There were significant improvements in new orders and business activities. The employment index rose to its highest level since August 2023, indicating that the labour market remains robust despite the recent pauses in recruitment.

*According to Moody's, France's fiscal situation has deteriorated considerably.*

### **Surprising Eurozone growth**

The Eurozone economy was surprised by strong growth, led by France and Spain, while Germany barely avoided falling into recession. These developments could influence the pace of ECB interest rate cuts. In Germany, economic weakness persisted, making itself felt through the rise in unemployment, while France started to show signs of recovery despite falling investment. As far as preliminary indicators are concerned, the Eurozone manufacturing sector displayed signs of stabilisation in October, with contraction slowing according to definitive HCOB Manufacturing PMI compiled by S&P Global. The index rose slightly, although remained below the growth threshold. Production and new orders fell at a lower rate, whereas demand improved slightly. Factories have slashed prices quickly, supporting the ongoing relaxation of the ECB's

monetary policy, with a further reduction anticipated in December. The Riksbank in Sweden and the Bank of England have also cut their key interest rates and announced further cuts over the coming months.

### **France downgraded**

The rating agency Moody's has revised its outlook for French debt to negative. According to Moody's, France's fiscal situation has deteriorated considerably. As a result, France is one of the countries in Europe facing the greatest financial difficulties and is struggling with rising debt and deficits. The European Commission has threatened to impose sanctions for violations of the block's fiscal rules.

A close-up photograph of a hand holding a red circular sticker with the words "I Voted" printed in white, serif font. The background is a blurred, dark grey.

## Alternative investments

# The impact of the US elections on alternative investments

Photo by Appolinary Kalashnikova on Unsplash

Donald Trump's re-election as US President coupled with Republican dominance in Congress could have a lasting impact on the direction of travel for infrastructure projects in the United States. The new administration could bring both opportunities and challenges for the expansion of renewable energy and the implementation of major infrastructure projects.

### **Clean energy or more oil and gas?**

During his first term, Trump's performance on clean energy was a mixed bag. On the one hand, he extended tax credits for wind and solar energy, while on the other encouraging oil and gas production on public land. Nevertheless, the period also saw more than USD 200 billion of private investment in renewable energy, a figure similar to that achieved under the Biden administration. The US clean energy sector has developed significantly since then. Technologies such as solar and onshore wind are competitive today, even without government support. However, some of the tax credits provided for under the Inflation Reduction Act (IRA) could be reduced under Trump. These have attracted investment in renewable energy and advanced manufacturing in Republican-domiciled states, and could be retained as they create jobs.

### **How will prices develop?**

The introduction of higher tariffs, as the Trump administration has already prospected, could lead to significant construction cost increases for renewable energy projects. Development projects would be particularly affected by this, while ongoing and approved projects would be less likely to suffer constraints. In addition, delays in approval procedures could arise, making it difficult to complete new projects. Offshore wind power, which is heavily dependent on governmental approval, would be particularly affected by these delays.

### **Sustainable infrastructure remains attractive**

Tellco pk continues to focus on sustainable infrastructure investments. External partners in collective investment schemes can limit risks and open up new investment opportunities through increased diversification, portfolio management and political monitoring including dialogue with Republicans. Despite the uncertainty, the US clean energy market remains attractive. Private demand from companies and technological advances are laying a stable foundation for future growth, even within a potentially less supportive political climate.

### **Hedge funds help deal with high volatility**

Hedge funds are known for their ability to benefit from volatile market conditions. During the last Trump administration, the hedge fund index HFRI Fund-Weighted Composite rose strongly. Assets under management also increased. Another advantage for hedge funds is their diversification across different strategies and markets. They can benefit from not only positive developments but also potential economic slowdowns. Political uncertainty, potential trade disputes and changes in tax and regulatory policies have led to increasing volatility – an environment conducive to hedge fund strategies such as relative value. Event-driven strategies focusing on acquisitions, mergers and restructuring could benefit from Trump's deregulatory policy and potentially falling interest rates. Market participants are expecting an increase in M&A activity, especially if deregulation and tax cuts are implemented. Macro strategies could also benefit from changing inflation and interest rate dynamics as well as shifts in foreign trade dynamics.

#### **Sources:**

- Copenhagen Infrastructure Partners: Q3 Update, November 2024
- HFR: Presidential Politics & Hedge Fund Performance, November 2024
- Macquarie: 2024 US Election Implications, November 2024

## Tellco-Products

### Tellco Classic

	ISIN	Tranche	November 30th	% November	% YTD	Web
Tellco Classic II Global Equities**	CH0443816621	V	251.82	5.83	25.07	<a href="#">More Infos</a>
Tellco Classic Swiss Equities ESG	CH0421075018	V	186.69	-0.14	7.76	<a href="#">More Infos</a>
	CH0421074961	R	108.20	-0.18	5.38	
Tellco Classic Best Idea ESG	CH0442770316	V	112.35	7.39	12.53	<a href="#">More Infos</a>
Tellco Classic Best ESG	CH0442615701	R	121.24	7.38	12.53	
Tellco Classic Sustainable Heritage ESG	CH0583763542	V	79.56	2.79	11.13	<a href="#">More Infos</a>
	CH0583763534	R	70.28	2.78	10.92	
Tellco Classic Bonds CHF ESG	CH0421043669	V	107.08	1.39	4.90	<a href="#">More Infos</a>
	CH0421043594	R*				
Tellco Classic Bonds in foreign currency ESG	CH0421043768	V	85.99	1.13	2.75	<a href="#">More Infos</a>
	CH0421043743	R*				
Tellco Classic Bonds in foreign currency hedged ESG	CH0469074956	V	91.57	1.13	-0.75	<a href="#">More Infos</a>
	CH0469074865	R	82.44	1.13	-5.08	
Tellco Classic Inflation Protection ESG	CH1101347354	V	95.65	1.08	-6.12	<a href="#">More Infos</a>
	CH1101347347	R*				
Tellco Classic Aktien Alkimia ESG	CH0544465831	V	146.70	3.57	8.27	<a href="#">More Infos</a>
	CH0544465823	R	138.67	3.54	8.11	
	CH1116144333	P	107.50	3.55	8.23	

\* Not yet launched \*\*available only to swiss pension funds

### Tellco Classic Strategy

	ISIN	Tranche	November 30th	% November	% YTD	Web
Tellco Classic Strategy 10	CH0450199770	V	124.37	1.50	4.61	<a href="#">More Infos</a>
	CH0544445619	R*				
Tellco Classic Strategy 25	CH0450201261	V	134.72	1.36	5.98	<a href="#">More Infos</a>
	CH0544465658	R	103.46	1.34	3.46	
Tellco Classic Strategy 45	CH0450201329	V	153.60	1.88	8.15	<a href="#">More Infos</a>
	CH0544465757	R*				
Tellco Classic Strategy 100	CH0450382632	V	137.33	2.54	14.62	<a href="#">More Infos</a>
	CH0544465773	R	86.07	2.54	-3.34	

\* Not yet launched

## The Tellco Top Products

### Top-Performer



#### Tellco Classic Best Idea

The Tellco Classic Best Idea fund aims at a long-term appreciation of invested capital, by investing in listed equities issued by companies whose expected growth is a multiple of global GDP growth, thanks to innovations primarily, and without limitation, in the technology, healthcare and energy fields.

### Top-Seller



#### Tellco Classic Sustainable Heritage

The Tellco Classic Sustainable Energy fund invests in all industries that benefit from a sustainable future. The investment universe includes themes such as renewable energy, energy storage, green and smart transport solutions, water and waste-water treatment, the digitalisation of energy systems and the integration of smart and efficient technologies in cities (smart cities).

## Numbers

### Equity markets

	November 30th	% November	% YTD
MSCI AC World	467.05	3.74	20.34
SMI	11,764.20	-0.24	5.62
SPI	15,672.48	-0.25	7.56
DAX	19,626.45	2.88	17.16
EuroStoxx 50	4,804.40	-0.48	6.26
EuroStoxx 600 Price Index	510.25	0.96	6.53
FTSE 100	8,287.30	2.18	7.16
DOW Transportation	17,618.63	8.41	10.82
S&P500	6,032.38	5.73	26.47
NASDAQ 100	20,930.37	5.23	24.39
Shenzen–Shanghai CSI300	3,916.58	0.66	14.15
Emerging Market	1,078.57	-3.66	5.36
Nikkei	38,208.03	-2.23	14.18
Volatilität	13.51	-41.67	8.51

### Commodities

	November 30th	% November	% YTD
WTI–CrudeOil	68.00	-1.82	-5.09
Brent Oil	72.94	-0.30	-5.32
ThomReuters /JefferiesCRB	286.94	2.53	8.76
Gold	2,643.15	-3.67	28.12

### LIBOR

	November 30th	% November	% YTD
Saron 6M CHF	0.43	-29.08	-72.78
Euribor 6M	2.70	-5.90	-30.20
SOFR 6M USD	4.38	-0.54	-15.01

### Alternative Investments

	November 30th	% November	% YTD
S&P Leveraged Loan TR Index	4,038.34	0.83	8.40

## Numbers

### Currencies

	November 30th	% November	% YTD
EUR/USD	1.0577	-2.82	-4.19
USD/CHF	0.8810	1.96	4.71
USD/JPY	149.7700	-1.49	6.19
EUR/CHF	0.9320	-0.88	0.34
GBP/CHF	1.1220	0.73	4.70
CAD/CHF	0.6291	1.45	-0.69
AUD/CHF	0.5736	0.90	-0.10
JPY/CHF	0.5881	3.58	-1.41
BRL/CHF	0.1480	-0.67	-14.94
CNY/CHF	0.1215	0.16	2.45
INR/CHF	0.0104	1.48	3.66
RUB/CHF	0.0083	-6.65	-11.91
TRY/CHF	0.0254	0.96	-11.23
ZAR/CHF	0.0487	-0.61	5.87

### Countries / GDP

	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	2023	2024	2025
USA	4.90 %	3.30 %	1.60 %	1.90 %	2.80 %	2.00 %	2.50 %	2.70 %	2.10 %
Euro Area	0.10 %	0.10 %	0.40 %	0.50 %	0.90 %	1.00 %	0.50 %	0.80 %	1.20 %
Japan	-2.10 %	-0.40 %	-2.00 %	3.10 %	0.90 %	1.50 %	1.90 %	-0.20 %	1.20 %
China	4.90 %	5.20 %	4.90 %	4.70 %	4.60 %	4.90 %	5.20 %	4.80 %	4.50 %
Schweiz	0.40 %	0.65 %	0.70 %	1.40 %	1.80 %	1.85 %	0.80 %	1.50 %	1.50 %

### Countries / CPI

	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	2023	2024	2025
USA	3.60 %	3.20 %	3.20 %	3.20 %	2.60 %	2.60 %	4.10 %	2.90 %	2.40 %
Euro Zone	5.00 %	2.70 %	2.60 %	2.50 %	2.20 %	2.20 %	5.40 %	2.40 %	2.00 %
Japan	3.10 %	2.95 %	2.60 %	2.70 %	2.80 %	2.47 %	3.30 %	2.50 %	2.00 %
China	-0.05 %	-0.30 %	0.00 %	0.30 %	0.50 %	0.65 %	0.20 %	0.40 %	1.00 %
Schweiz	1.65 %	1.60 %	1.20 %	1.40 %	1.20 %	0.80 %	2.10 %	1.10 %	0.80 %

## Numbers

### Rates

	November 30th	in bps November	in bps YTD
10j. EUR (Swap)	2.16	-27.10	-33.28
10j. UK (Swap)	3.79	-21.89	50.31
10j. CHF (Swap)	0.32	-21.85	-85.45

### Bonds

	November 30th	in bps November	in bps YTD
US Govt 10Y	4.17	-11.49	29.05
GER Govt 10Y	2.09	-30.13	6.49
Swiss Govt 10Y	0.20	-14.72	-45.24
UK Govt 10Y	4.24	-20.32	71.08
IT Govt 10Y	3.28	-37.57	-41.52
ESP Govt 10Y	2.79	-30.22	-19.17

### Generic iTRAXX

	November 30th	in bps November	in bps YTD
Europe Main	55.74	-2.85	-2.48
Finl Sen	62.52	-2.88	-4.50
Finl Sub	110.95	-5.13	-11.71
X-Over	297.87	-16.22	-12.60

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