

# Volatility



## Uncertainties

- Deceleration in economic growth (China, US, Eurozone,...)
- Shrinking G3 balance sheets, reduced liquidity
- BREXIT
- Trade war
- Increased political risks
- End of cycle fears



## Fixed income

- Defensive, focus on ST bonds
- Stay low-beta, low duration and selective within BBB bucket
- Short duration HY
- Positive financials



## Equities

- Massive de-rating, cheaper valuation
- High volatility: be selective and active in tactical asset allocation



## Oil

- Average WTI oil price in 2019 to be between US\$55-US\$60, with higher volatility



## Gold

- Gold trading sideways since 2017 between US\$1,150 and US\$1,350
- Driven by US\$ and Fed expectations
- Positive on Gold, buy the dips