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BearBull Global Investments Group

Positive quarter for the UAE private banking strategies

POSITIVE PERFORMANCES FOR ALL BEARBULL PRIVATE BANKING INVESTMENT STRATEGIES UAE IN SEPTEMBER

BearBull PB Investment Strategy	**« Low Risk »**	**Sept**	**+ 1.52%**	**Year–to-Date**	**+ 7.40%**
BearBull PB Investment Strategy	**« Moderate Risk »**	**Sept**	**+ 1.68%**	**Year–to-Date**	**+ 9.08%**
BearBull PB Investment Strategy	**« Dynamic Risk »**	**Sept**	**+ 1.85%**	**Year–to-Date**	**+ 10.77%**

Comments (performances in AED)

Financial markets continued their upward trend in September. Indeed, all three BearBull private banking investment strategies in the UAE advanced this month. The low-risk strategy gained +1.52%, followed closely by the moderate-risk strategy, advancing +1.68%. The dynamic-risk approach increased by +1.85%, achieving the best performance of the month. Year-to-date performance remains strong for all strategies (+7.40%, +9.08%, and +10.77%, respectively). Bond markets remained positive in September, with the domestic segment increasing by +1.01% and international bond markets slightly ahead at +1.70%. In cumulative terms, both asset classes are posting positive returns after this rise (+5.44% and +3.60%). All equity markets also rose in September. The international segment climbed by +1.83%, and Dubai's domestic segment advanced by +4.15%. The Abu Dhabi stock market returned to positive territory, gaining +1.61%. Since January, international and Dubai equities have posted cumulative gains of +18.86% and +17.04%, while Abu Dhabi equities have returned to the green YTD (+0.45%). The international real estate segment is keeping pace with interest-rate markets, continuing its upward trend, posting a +3.63% rise. In the UAE, the segment rebounded by +2.73% after a slight dip in August, bringing its cumulative YTD gain to +41.63%. Commodities fell slightly again this month, dragged down by overvalued fears of recession (-0.08%). Private equity bounced back into the green (+4.17%) after a brief jolt in the red (-1.17%), while hedge funds remained steady (+0.95%).

Financial market developments (performances in AED)

Virtually all the major bond, equity, international real estate, private equity and commodity indices posted positive performances in September. On the contrary, this month, often synonymous with high volatility in the financial markets, turned out to be rather positive this time, with little fluctuation except at the beginning of the period. The fall in US job creation to below 100,000, and inflation increasingly under control (PCE +2.2%), largely contributed to reassuring investors that the Fed would soon pivot. This finally occurred on September 18. By lowering its key rates by 50bp, we believe that the US central bank probably implicitly admitted that it could already have made a 0.25% cut in July, given the better evolution of the job market which finally materialized after its summer meeting. Against this backdrop, the financial markets logically believed that it was not seeking to counter any growing recession risks, and continued their positive trend until the end of the month. Long-term US Treasury yields were still able to slide, reaching a temporary low of 3.6%. Overall, bond markets benefited from an improvement in monetary policy expectations and a further fall in yields, also rising by 1.7%. Lower yields also benefited real estate markets, which rose by +3.63% overall, while securitized real estate in Switzerland also advanced by +2.62%. On the equity markets, enthusiasm was more subdued, with international performance up by a modest +1.83% and the Swiss market down by -1.59%. Private equity regained the ground lost in August with an increase of +3.32%, while in commodities, precious metals (+5.89%) and industrials (+6.25%) outperformed the decline in energy (-4.66%). It should also be noted that the latest geopolitical developments in the Middle East are undoubtedly the main threat likely to counteract the positive effects of key rate cuts and trigger a market downturn.

PERFORMANCES BY ASSET CLASS

SEPTEMBER

+ 4.17%	Private Equity
+ 4.15%	Dubai Equities
+ 3.63%	International Real Estate
+ 2.73%	UAE Real Estate
+ 1.83%	International Equities
+ 1.70%	International Bonds
+ 1.61%	Abu Dhabi Equities
+ 1.01%	UAE Bonds
+ 0.95%	Hedge Funds
- 0.08%	Commodities

YTD

+ 41.63%	UAE Real Estate
+ 19.62%	Private Equity
+ 18.86%	International Equities
+ 17.04%	Dubai Equities
+ 11.59%	International Real Estate
+ 5.44%	UAE Bonds
+ 5.23%	Commodities
+ 5.08%	Hedge Funds
+ 3.60%	International Bonds
+ 0.45%	Abu Dhabi Equities

COMMENTS BY ASSET CLASS

Bonds

September was another strong month for bond markets, with average gains of +1.7%. Positive economic data from August, particularly around inflation and employment, were further supported by September's numbers, indicating a continuation of favourable trends. The drop in new job creation and PCE inflation at +2.2%—almost in line with the Fed's target—bolstered the rates market. In response, the Fed implemented its first rate cut, joining the ECB, BoE, and SNB. As a result, most bond markets saw gains in September, with all but Japan and the UK showing positive year-to-date performance. Risks remain neutral, with monetary policy providing the main support.

Stocks

Few changes in risk parameters in September. Most markets are already in the vigilance zone, with the exception of Australia and Canada. China's sharp rise at the end of the month pushed emerging markets from a low-risk zone to a vigilance zone. Overall, equity markets can continue to be supported by still-solid US growth, albeit at a slower pace. But it is above all good inflation figures and a positive environment of declining interest rates that should enable them to continue their ascent. The sharp rise in geopolitical risks may have an impact on crude oil prices and the risk of a resurgence in inflation, which would call into question the baseline scenario.

Commodities

The commodities segment is continuing the downward trend it began several months ago. The segment fell by -0.08% in September. Crude oil prices dragged the asset class down this month, despite the good performance of precious metals, particularly gold, during the period. The precious metal reached new highs after the US central bank cut interest rates. Silver is also on an upward trajectory, gaining +7.94% in dollar terms this month.

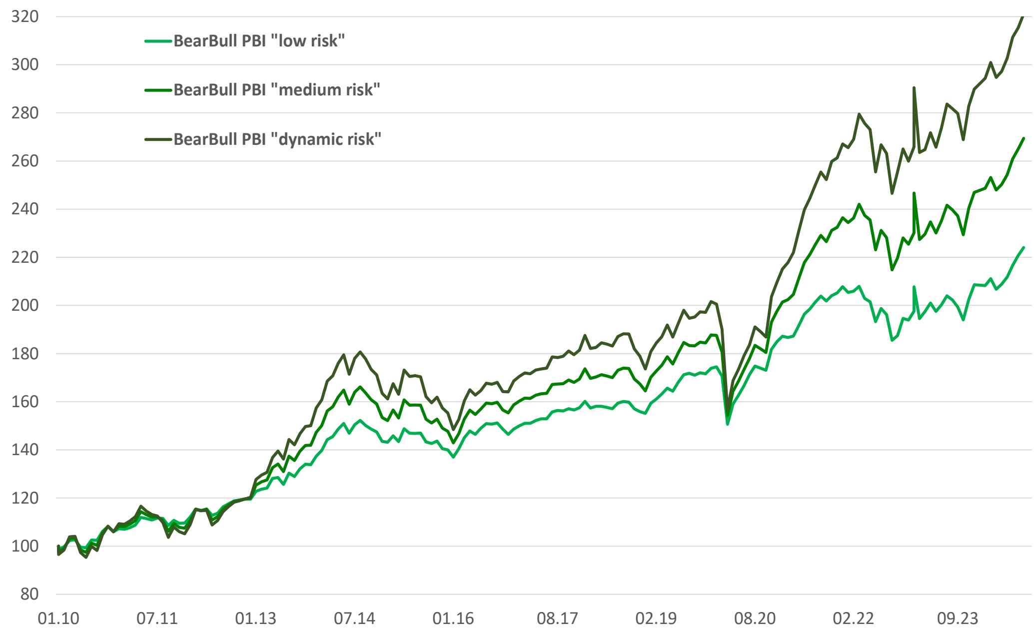
Real Estate

Securitized real estate is still very attractive in the context of expected and is already benefiting from the first adjustments. The international segment gained +3.63%, in the UAE the gain is even stronger (+2.73s%). From a relative point of view, the current condition may suggest profit-taking in the US.

BearBull Private Banking Investment Strategies UAE - Performances in AED

	3 last months			YTD	Current year				Annualized Perf.	
	July 2024	August 2024	September 2024	current year	1st quarter	2nd quarter	3rd quarter	4th quarter	2023	2010 to this day
BearBull PBI "low risk" (65% fixed income)	2.31%	1.87%	1.52%	7.40%	1.22%	0.30%	5.80%		7.57%	5.62%
BearBull PBI "medium risk" (45% fixed income)	2.59%	1.55%	1.68%	9.08%	2.50%	0.45%	5.94%		9.54%	6.95%
BearBull PBI "dynamic risk" (25% fixed income)	2.88%	1.24%	1.85%	10.77%	3.80%	0.60%	6.08%		11.52%	8.23%
Sub-indices										
UAE Bonds	1.29%	2.31%	1.01%	5.44%	-0.08%	0.81%	4.68%		5.02%	3.65%
International Bonds	2.76%	2.37%	1.70%	3.60%	-2.08%	-1.10%	6.98%		5.71%	1.35%
Dubaï Equities	6.08%	1.50%	4.15%	17.04%	7.83%	-3.20%	12.13%		27.82%	11.06%
Abu Dhabi Equities	3.07%	-0.29%	1.61%	0.45%	-2.45%	-1.38%	4.42%		-4.36%	13.47%
International Equities	1.76%	2.64%	1.83%	18.86%	8.88%	2.63%	6.36%		23.79%	10.22%
UAE Real Estate	15.34%	-0.73%	2.73%	41.63%	9.70%	9.75%	17.63%		34.45%	14.99%
International Real Estate	5.70%	5.93%	3.63%	11.59%	-1.53%	-2.34%	16.03%		8.67%	5.49%
Commodities	-3.52%	-1.72%	-0.08%	5.23%	10.36%	0.65%	-5.26%		-4.26%	-1.70%
Hedge Funds	0.74%	0.42%	0.95%	5.08%	2.52%	0.37%	2.12%		4.20%	1.76%
Private Equity	6.76%	-1.17%	4.17%	19.62%	8.43%	0.37%	9.92%		43.28%	13.44%

Sources: BearBull Global Investments Group Limited, Bloomberg



Sources: BearBull Global Investments Group Limited, Bloomberg

The systematic diversified strategies of the BearBull Private Banking Investment Strategies have produced annualized average returns of +5.62% (Low risk) to +8.23% (Dynamic Risk) since 2010.

The composition of our strategies is available upon request