



NEUE BANK

Liechtenstein Private Bank
independent and consistent since 1992

Our Opinion
September 2021





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Editorial

Dear Readers

This month we show you in the article «Buy the dip» about our trading strategy for advisory clients. If this arouses your interest, why not get in touch with our investment advisory service without any obligation?

Are you looking for advice and support in financial matters? Our investment advisers look forward to hearing from you and talking to you in person.

We wish you a stimulating read.

Your Advisory Team

You can reach us at:

tel +423 / 236 08 08

fax +423 / 236 07 35

email info@neuebankag.li

Disclaimer

This publication reflects our current assessment of the general market situation without any claim to completeness or accuracy. The information contained in the publication does not constitute an offer or a recommendation to buy or sell financial products. The financial instruments listed here are merely a non-exhaustive list of investment opportunities that our clients frequently request. The solutions described may be subject to fluctuations and require an analysis tailored to your individual risk capacity and financial objectives before an order is placed. We also recommend that you discuss the mentioned solutions with your financial adviser and have any tax implications examined by your tax adviser. This brochure may not be reproduced, duplicated, or passed on without the prior consent of NEUE BANK AG. In any event, all distribution must comply with the applicable national laws in force.





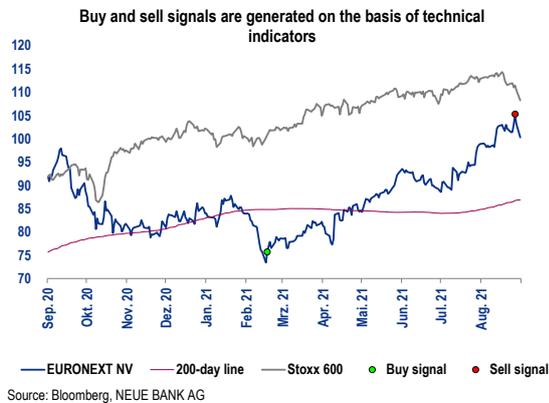
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Today:

Buy the Dips

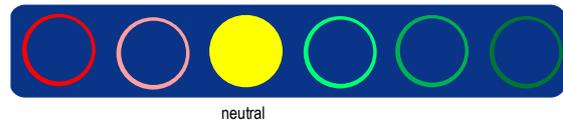
Equities

We have been offering advisory mandates since the beginning of this year. This allows our trading-oriented clients to benefit from our Buy the Dips trading strategy: We systematically look for shares that have suffered a setback (dip) during an upward trend. This can be used to build up a position. If the share then exhibits an above-average increase over a certain period of time, a sell signal is generated, as was the case with Euronext NV a week ago:



In this example, a price gain of 39% could have been achieved by implementing our proposal (holding period approx. 6 months). Of course, not every trade works out so perfectly. For a trading strategy to be successful, clear rules and disciplined implementation are needed, also to avoid negative surprises. Our proven method provides the foundation for this, e.g. by setting dynamic stop limits. Despite these safeguards, investment principles such as risk capacity and broad diversification must still be observed. Here again, we rely on our NEUE BANK traffic light. In bear markets, no buy recommendations are generated.

NEUE BANK TRAFFIC LIGHT



Just before this issue was published, the traffic light switched to yellow. This indicates a slight increase in the risk of setbacks, which is why we are reducing equity exposure to neutral.

Economy

Purchasing managers' indices in China are still hovering around the expansion threshold. The index compiled by the business journal Caixin has even fallen below 50. Economies in the Far East suffered especially from covid measures. These measures were largely lifted at the end of August, however, so that the fall below the growth threshold might only be temporary.

"The index compiled by the business journal Caixin has even fallen below 50."

In the US and Europe, indicators are still pointing to robust growth, even though momentum is weakening.

Bonds

Meanwhile, not only 10-year USD government bonds but also USD high-yield bonds are exhibiting negative real yield (yield minus inflation). This is due firstly to the record-low interest rate premiums and secondly to the jump in inflation. The question remains whether inflation will remain permanently high or whether the

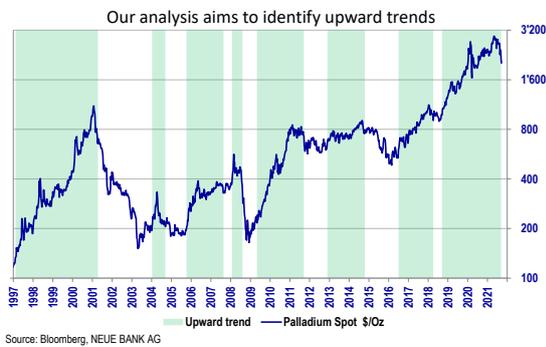


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price premiums caused by supply bottlenecks will level off again. Either way, fixed-income investments are not attractive right now, so that we remain underweight.

Alternative investments

After both silver and platinum interrupted their upward trend in the previous month, palladium followed suit during the reporting period.



Our trend analysis aims be invested in these precious metals only during upward trends and to look for other opportunities during bear markets. In principle, we prefer gold for precious metal investments, given that the market is more liquid. Additionally, silver, platinum, and palladium are being used in more and more industrial goods,

which increases their cyclical and thus also their correlation with certain equity market sectors. Since April 2021, however, a listed private equity product has been our favoured satellite investment.

Currencies

Following the re-election of David Cameron in 2015, investor focus shifted to the Brexit referendum, putting the GBP under pressure. The downward trend, which lasted for about a year, led to currency losses of significantly more than 20% against the CHF and EUR.

"Since November 2020 and mid-January 2021, our currency monitoring has again pointed to an appreciating GBP."

At the time, our trend analysis gave a good indication for currency hedging. This was followed by an extended phase without a clear trend. Since November 2020 and mid-January 2021, our currency monitoring has again pointed to a stronger GBP. Most recently, the Bank of England (BoE) communicated more rapid tightening of monetary policy, which could give the currency a further boost to finally overcome its extended sideways trend.

PRIMUS-ETHICS

With the PRIMUS-ETHICS asset management mandate, we give investors the opportunity to consider environmental and social aspects as well as financial aspects in their investment decisions. We invest your assets in ethically and morally irreproachable companies and apply professional approaches to implementation. Scientific studies underscore the positive correlation between sustainability and economic success. The client advisers of NEUE BANK AG look forward to showing you the special features of this asset management solution in a personal consultation.

Performance Indicators in USD¹

	2016	2017	2018	2019	2020	31.08.2021
PRIMUS-ETHICS World Equities	-5.18%	22.81%	-4.76%	31.89%	23.34%	25.06%
Peergroup	3.46%	24.95%	-9.71%	26.63%	22.56%	19.53%

indicator of future performance and does not guarantee future success. Performance is presented in gross figures without taking into account your individual tax liability. Net performance is lower due to fees. Our Opinion is also available on our website: www.neuebankag.li

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