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Carmignac: Aktueller Marktausblick

Carmignac: investors have to face radical uncertainty to navigate this period safely

- Trying to look beyond the short term noise, it is worth digging into two aspects of the market trend: the internal dynamic of the markets in this volatile period, the other is the degree of uncertainty that we investors need to recognize in order to navigate this period safely.
- The truth is that we need today to remain very lucid of what we know and what we do not know concerning the market environment.
 - One thing we know is how much policy makers are trying to help. Big Government is back. In the US a lot of the fiscal stimulus will expire at the end of July, but even if there will be a lot of horse-trading between the Republican and the Democrat lawmakers, it is reasonable to assume that another stimulus package, of at least one trillion USD will be agreed upon so that August does not turn into a fiscal cliff. In Europe, the negotiations around the European recovery plan will be tense, the split between grants and loans will be hotly debated, but here as well it is reasonable to assume that a deal will be reached. And in the meantime, the ECB is doing the heavy lifting. So we can indeed expect the support from policy makers to remain there in the coming months; So we know all that. Even in China, the credit flow is now picking up.
 - What we also know is that so far consumers have been reacting well to the reopening of the economies. High-frequency indicators, such as those provided by the Google or the Apple platforms give us a good sense of that.
 - In the US, the momentum has been quite impressive. Clearly this has been very encouraging at least for the short-term future, and the market has been cheering up at these good numbers. The same seems to be happening in Europe, to some extent.
 - But at the same time, what we also know is that the virus is still very much present in the US. The number of deaths is falling fast, but in particular because of several hot spots like Texas, Florida, California, the number of infection cases keeps rising, so that the possibly is real of a lag effect, whereby the number of casualties could rise again a few weeks after the reopening of the economy, if people quickly go back to a social life with insufficient distancing. And this could of course derail the consumption momentum. We just will not know before several weeks.

- The key point to keep in mind is that in 2003, when Asia fought the SARS virus, they were able to bring down to zero the contamination rate before reopening the economies. So that the private sector could reaccelerate immediately when the lockdown was lifted. This time, because governments initially fumbled their reaction to the pandemic, the Lockdown was much longer, and the economic costs became so massive that governments everywhere have had to reopen their economies before the contamination rate was brought down to zero. Therefore, either the recovery could be limited because of still widespread fear of contracting the virus, OR the consumer recovery is sharp, but then the risks of a relapse are possibly quite elevated.
- By the way, it is interesting to note that the consumer behavior in China is quite different today from the US. The trends in such consumer related services as hotel occupancy, and subway passenger traffic are regular but quite slow, and not converging really towards the pre-crisis level. In addition, the activity level in some of the more industrial activities, or in consumer durables, which had initially rebounded quite impressively after the lockdown, now seems to be rolling over.
- Interestingly also from a market perspective, even in the US, today if you take a basket of typical “re-opening beneficiaries” vs a basket of “Stay-at-Home/Covid -19 winners”, the reopening beneficiaries are not underperforming anymore but they are not rebounding much either in relative terms.
- So, the reality is that visibility today is still very low. Global new cases of Coronavirus are still rising to the tune of 100 to 200,000 new cases per day, which such large countries as India and Brazil still failing to bring the situation under control. This is because Pandemics are complicated, and very difficult to get rid of when societies have to arbitrage the very high economic costs of lockdowns against the risk of a very high human cost.
- What we know little about as well is the way the political situation will evolve in the US in the run-up to the US elections; According to the betting markets, not only Joe Biden has now taken the lead, but even the odds of the Republicans keeping their Senate majority have sharply fallen. Therefore a Democrat sweep has become a serious possibility. If this were to happen, then surely the rise in the taxation rate would hurt corporate earnings, and probably capex. But we are still almost five months away from the Elections, so we just don’t know. The short-term future could be again more about Donald Trump playing tough with its trading partners if he thinks that this posture might run in his favor politically. Radical uncertainty again.

- This broad lack of visibility needs to be recognized in order to avoid making predictions built on sand, and it is an additional reason behind our investment strategy. Basically, the idea is really to stick to our convictions, ie: on the equity side high quality growth companies that have shown the resilience of their business models, and gold producers to address the global macro risk. And on the fixed-income side, a more European bias, with a positioning both in credit and in peripheral debt enabling us to capture the political support that is provided by the unprecedented alignment of the messages given today by Christine Lagarde, Ursula von der Leyen and Angela Merkel.

Veranstaltungshinweis:

in seiner regelmäßigen Webkonferenz (alle zwei Wochen) wird Gergely Majoros am heutigen Freitag um 15:00 Uhr eine aktuelle Markteinschätzung abgeben, zu der wir Sie gerne einladen möchten.

Unter folgendem Link können Sie sich direkt anmelden:

https://www.carmignac.de/de_DE/aktuelles/web-conference/eine-15-minuten-woechentliche-web-konferenz-3940

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Über Carmignac:

Carmignac ist eine unabhängige Vermögensverwaltungsgesellschaft, die 1989 auf der Grundlage von drei Prinzipien gegründet wurde. Diese gelten bis heute: Unternehmergeist, durch Menschenverstand getriebene Erfahrung und aktives Engagement. Unser unternehmerisches Denken ist seit unseren Anfängen ungebrochen. Unser Team von Fondsmanagern hat die Freiheit und den Mut, unabhängige Risikoanalysen durchzuführen und die daraus gewonnenen starken Überzeugungen umzusetzen. Wir pflegen eine Kultur der Zusammenarbeit, in der Austausch, Besuche vor Ort und internes Research eine zentrale Rolle spielen. Dadurch können wir datenbasierte Analysen immer mit dem nötigen Sachverstand betrachten, um so ihre Komplexität besser zu managen und verborgene Risiken einzuschätzen. Wir sind

aktive Fondsmanager und aktive Partner. Wir engagieren uns für unsere Kunden, machen unsere Anlageentscheidungen transparent und übernehmen dafür jederzeit die Verantwortung. Mit einem Kapital, das sich zu 100% im Besitz seiner Verwaltungsratsmitglieder, Fondsmanager und Mitarbeiter befindet, ist Carmignac heute einer der führenden Vermögensverwalter auf dem europäischen Markt und operiert von acht verschiedenen Niederlassungen aus. Wie in der Vergangenheit, sehen wir es auch heute als unsere wichtigste Aufgabe, durch ein aktives Management langfristig eine hervorragende Wertsteigerung der Anlagen unserer Kunden zu erzielen.

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