

Credit Suisse Swiss Pension Fund Index Q4 2018



Index versus mandatory minimum rate of return

since January 2000

2018: -3.20%

Q4 2018: -3.50%

- First negative annual return for the Credit Suisse Swiss Pension Fund Index since 2011
- Substantial losses for equities

Market review

Global economic growth slowed over the course of 2018, while inflation remained low. Global equity markets lost ground during the final quarter and recorded a loss overall. This occurred against a backdrop of considerably higher volatility. Yields on major government bonds remained at a low level. The US dollar was stronger than other leading currencies in 2018, while commodities ended the year significantly weaker.

- Global economic growth was strong at the beginning of 2018. However, gloomier business surveys and weaker production data in various countries pointed to a slowdown as the year progressed. The US economy grew more strongly than the rest of the world, although growth was supported by fiscal stimuli as well as by the private sector. Core inflation in the US was close to the 2% target. In the euro zone, meanwhile, economic momentum slowed sharply and core inflation was muted. Chinese economic data indicated weaker domestic demand, particularly in the fourth quarter of 2018. This occurred despite stimulus measures. Tight finances, trade tensions, and domestic political turbulence led to slower growth in various emerging markets.
- Monetary policy became more restrictive in 2018. The US Federal Reserve (Fed) raised its target range for key interest rates in four stages to 2.25–2.5%. The European Central Bank (ECB) halted its bond-purchasing program, but left interest rates unchanged. Central banks in other industrialized countries including Canada, the UK, Sweden, and Norway increased their key interest rates. A more hawkish stance was taken by central banks in various emerging markets such as Mexico and South Korea. One exception was Brazil, where key interest rates were lower at the end of the year than they had been at the start.
- Global equities performed positively in the first nine months. However, a sharp setback occurred in the fourth quarter of 2018 as a result of increasing concerns about economic growth. Despite strong corporate earnings in the US, global equities suffered a total loss of over 8% in 2018. This was not least because of trade disputes and political uncertainties. A look at the development of the various regions shows that US and Australian equities posted a positive performance; this contrasts with a significantly poorer performance for European, Japanese, and emerging-market equities. Health care was the only sector to generate a positive return. Financials, commodities, energy, and industrials were the poorest performers in 2018. These sectors were hit by weaker global economic momentum, a flatter US yield curve, falling commodity prices, and political risks. Having reached a historic low in the previous year, equity-market volatility – as measured by the Chicago Board Options Exchange Market Volatility Index (VIX) – rose in 2018. The Credit Suisse Hedge Fund Index lost more than 3% in 2018.
- As for fixed-income investments, US dollar interest rates rose in 2018 in view of the Fed's tightening of monetary policy. More cautious growth forecasts led to an inverse USD yield curve in the fourth quarter. EUR yields fell, while the Swiss-franc curve became steeper. Global fixed-income bonds hedged in Swiss francs lost more than 4%. By contrast, Swiss bonds produced a return of 0.07%. Credit spreads widened. Emerging-market and convertible bonds were the worst performers in 2018.
- The US dollar was one of the strongest major currencies. Having started from a low level, it benefited from a tightening of US monetary policy and global risk aversion as the year progressed. The euro fell in value despite the ECB's reduction in quantitative easing. Slower growth and political risks weighed on the currency, particularly following the elections in Italy. The Swiss franc lost ground against the US dollar during the year, but rose in value versus the euro. The pound came under pressure in 2018 as uncertainty over the UK's exit from the EU led to a deterioration in market sentiment and an increase in volatility. Most emerging-market currencies weakened against the US dollar, particularly the Argentine peso and the Turkish lira. The Russian ruble, Brazilian real, and South African rand also softened. However, the Mexican peso held up relatively well against the US dollar in 2018.

- The Credit Suisse Commodities Benchmark ended the year with a negative return of more than 11%, after having gained ground at the beginning of the year. The energy sector was the top performer in the first three quarters, but slumped in the final three months as a result of lower oil and gas prices. The

weakness was due to demand uncertainty as well as higher-than-expected supply. Only industrial metals, which are particularly sensitive to growth and trade policy, saw a worse performance on a full-year view. Precious metals were likewise weak, while agricultural prices fell.

Major losses for Credit Suisse Swiss Pension Fund Index in fourth quarter of 2018

- In the fourth quarter, the Pension Fund Index fell by 6.07 points, or -3.50%, to close at a level of 166.96 points at the end of December, from a baseline of 100 at the beginning of 2000. This gives an annual performance of -3.20% for 2018.
- After a weak performance at the start of 2018, the Pension Fund Index made up some ground again in the second quarter and continued to advance slightly in the third quarter. The Swiss pension funds nevertheless suffered substantial losses in the fourth quarter.
- The months of October (-1.35%) and December (-2.15%) had a particularly negative effect on the overall result (-3.50%). The only exception was November, which was almost neutral at -0.04%.
- Equities accounted for the lion's share of the negative performance in the fourth quarter. Swiss equities achieved a return contribution of -1.41%, while foreign equities contributed -2.23%.
- Bonds delivered a mildly positive performance. With a total contribution of 0.19%, they enabled an even more negative result to be avoided.
- Real estate also showed a slightly positive impact (0.11%), although this was wiped out by the decline for alternative investments (-0.10%).
- Mortgages had only a minor impact on the overall result.

Table 1: Performance contribution (quarterly)

Credit Suisse Swiss Pension Fund Index (1.1.2018–31.12.2018)

	Q1 18	Q2 18	Q3 18	Q4 18	2018
Liquidity	-0,02%	-0,13%	0,05%	-0,02%	-0,13%
CHF bonds	-0,15%	-0,06%	-0,13%	0,16%	-0,17%
Foreign currency bonds	-0,05%	0,01%	-0,12%	0,03%	-0,13%
Swiss equities	-0,65%	0,22%	0,54%	-1,41%	-1,32%
Foreign equities	-0,47%	0,64%	0,39%	-2,23%	-1,70%
Alternative investments	-0,01%	0,05%	-0,01%	-0,10%	-0,08%
Real estate	0,03%	0,15%	0,07%	0,11%	0,36%
Mortgages	0,00%	0,00%	-0,01%	0,02%	0,02%
Other	-0,01%	-0,03%	0,03%	-0,05%	-0,05%
Total	-1,33%	0,85%	0,80%	-3,50%	-3,20%

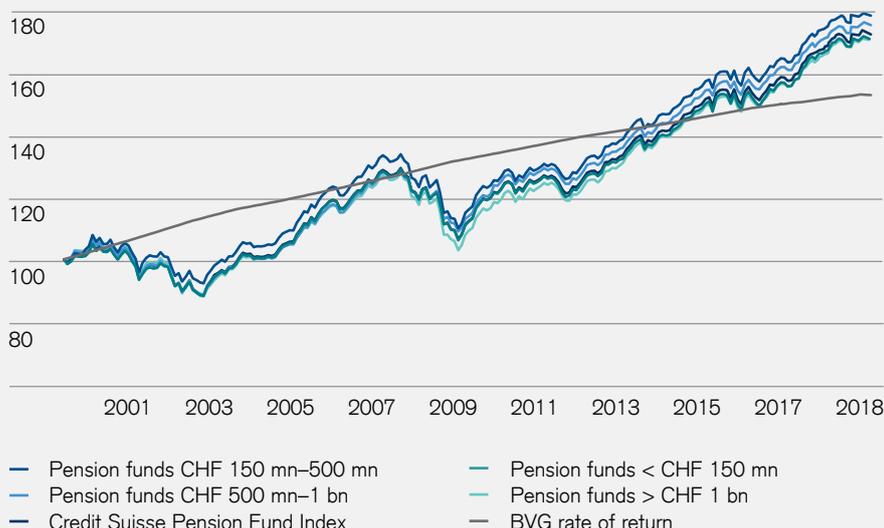
The Credit Suisse Swiss Pension Fund Index is calculated on the basis of the equally weighted gross returns realized by Swiss pension funds (prior to deducting management costs) whose assets are held at Credit Suisse under a global custody arrangement. Asset management and advisory tasks, however, are performed by the pension funds themselves or by third parties. In its role as global custodian, Credit Suisse has no influence on the performance of individual pension funds.

Credit Suisse Swiss Pension Fund Index significantly below BVG mandatory minimum rate of return

■ The index of the BVG mandatory minimum rate of return (1% p.a. since January 1, 2017) rose by 0.38 points (0.25%) to 153.62 points in the reporting quarter from a baseline of 100 in January 2000. The return of the Credit Suisse Swiss Pension Fund Index is therefore –3.75% below the BVG requirement in the fourth quarter of 2018.

- The annualized return on the Credit Suisse Swiss Pension Fund Index (since January 1, 2000) amounted to 2.73% as of December 31, 2018. This contrasts with an annualized BVG mandatory minimum rate of return of 2.29%.
- Pension funds with assets of between CHF 150 million and CHF 500 million once again achieved the highest annualized return (since January 1, 2000) as of December 31, 2018, at 2.93%.

Chart 1:
Performance by pension fund segment size



Scale: Index level

BVG rate of return

until 31.12.2002	4.00%
from 1.1.2003	3.25%
from 1.1.2004	2.25%
from 1.1.2005	2.50%
from 1.1.2008	2.75%
from 1.1.2009	2.00%
from 1.1.2012	1.50%
from 1.1.2014	1.75%
from 1.1.2016	1.25%
since 1.1.2017	1.00%

Table 2: Index level 2014–2018

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
2014	141.53	143.11	143.80	144.68	146.55	146.91	147.27	149.01	149.32	150.06	151.64	152.23
2015	149.45	153.54	154.53	154.71	154.51	151.98	154.82	151.40	149.99	154.04	155.54	153.67
2016	152.24	151.26	152.92	154.35	156.35	155.97	157.73	158.65	158.62	157.48	157.73	159.63
2017	160.03	162.97	164.03	165.65	166.57	165.92	167.78	167.87	168.95	170.97	171.22	172.48
2018	172.42	170.25	170.20	172.40	171.44	171.65	173.73	172.82	173.03	170.69	170.63	166.96

Table 3: Monthly returns 2014–2018

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Annual return
2014	0.16%	1.12%	0.48%	0.61%	1.29%	0.25%	0.24%	1.18%	0.21%	0.50%	1.05%	0.38%	7.73%
2015	-1.83%	2.74%	0.64%	0.12%	-0.13%	-1.64%	1.87%	-2.21%	-0.93%	2.70%	0.97%	-1.20%	0.95%
2016	-0.94%	-0.64%	1.10%	0.94%	1.29%	-0.24%	1.13%	0.58%	-0.01%	-0.72%	0.16%	1.20%	3.87%
2017	0.26%	1.83%	0.65%	0.99%	0.55%	-0.39%	1.12%	0.06%	0.64%	1.20%	0.14%	0.74%	8.05%
2018	-0.04%	-1.26%	-0.03%	1.29%	-0.55%	0.12%	1.21%	-0.52%	0.12%	-1.35%	-0.04%	-2.15%	-3.20%

Table 4: Performance by pension fund segment size, 2018

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	2018
Credit Suisse Swiss Pension Fund Index	-0.04%	-1.26%	-0.03%	1.29%	-0.55%	0.12%	1.21%	-0.52%	0.12%	-1.35%	-0.04%	-2.15%	-3.20%
Pension funds > CHF 1 bn	0.11%	-1.25%	-0.09%	1.25%	-0.42%	0.08%	1.13%	-0.44%	0.21%	-1.40%	0.01%	-2.10%	-2.92%
Pension funds CHF 500 mn–1 bn	0.07%	-1.13%	-0.03%	1.04%	-0.35%	0.16%	1.12%	-0.34%	0.04%	-1.32%	0.04%	-1.95%	-2.68%
Pension funds CHF 150–500 mn	-0.04%	-1.25%	-0.10%	1.25%	-0.53%	0.15%	1.20%	-0.51%	0.06%	-1.31%	0.01%	-2.08%	-3.14%
Pension funds < CHF 150 mn	-0.15%	-1.31%	0.09%	1.44%	-0.72%	0.09%	1.30%	-0.64%	0.15%	-1.38%	-0.15%	-2.31%	-3.58%

Table 5: Annualized performance

1.1.2000–30.12.2018

	Annualized performance since January 1, 2000
Credit Suisse Swiss Pension Fund Index	2.73%
BVG rate of return	2.29%
Pension funds > CHF 1 bn	2.69%
Pension funds CHF 500 mn–1 bn	2.84%
Pension funds CHF 150–500 mn	2.93%
Pension funds < CHF 150 mn	2.67%

Performance by asset class

Monthly returns

Table 6: Credit Suisse Swiss Pension Fund Index 2018

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	2018
Liquidity	0.97%	-0.15%	0.37%	0.23%	-0.30%	0.12%	-0.26%	5.92%	-0.08%	0.28%	-0.19%	0.25%	7.22%
CHF bonds	-0.64%	-0.22%	0.32%	-0.42%	0.31%	-0.16%	-0.23%	0.30%	-0.51%	-0.15%	0.03%	0.58%	-0.80%
Foreign currency bonds	-1.85%	0.23%	1.30%	1.20%	-1.82%	0.19%	0.31%	-2.31%	0.72%	0.82%	-0.16%	-0.18%	-1.63%
Swiss equities	0.10%	-4.03%	-0.64%	3.31%	-3.12%	1.32%	4.81%	-1.09%	0.19%	-2.34%	-1.46%	-6.36%	-9.41%
Foreign equities	1.11%	-2.73%	-0.78%	3.96%	-0.61%	0.17%	2.47%	-1.45%	1.11%	-5.25%	1.02%	-7.87%	-9.06%
Alternative investments	-0.29%	-0.21%	0.34%	1.51%	-0.62%	-0.22%	0.06%	-0.92%	0.61%	0.13%	-0.83%	-1.00%	-1.46%
Real estate	-0.23%	-0.21%	0.33%	0.56%	-0.02%	-0.01%	0.64%	-0.34%	-0.11%	0.24%	0.06%	0.06%	0.98%
Mortgages	-0.27%	0.03%	0.18%	-0.11%	0.22%	0.00%	-0.14%	0.23%	-0.22%	0.09%	0.14%	0.28%	0.44%
Others	0.09%	-0.20%	0.05%	-0.91%	0.29%	-0.53%	1.12%	0.66%	-0.53%	-2.54%	0.33%	0.14%	-2.05%
Total	-0.04%	-1.26%	-0.03%	1.29%	-0.55%	0.12%	1.21%	-0.52%	0.12%	-1.35%	-0.04%	-2.15%	-3.20%

Table 7: Benchmark indices for the last 12 months

1.1.2018–31.12.2018

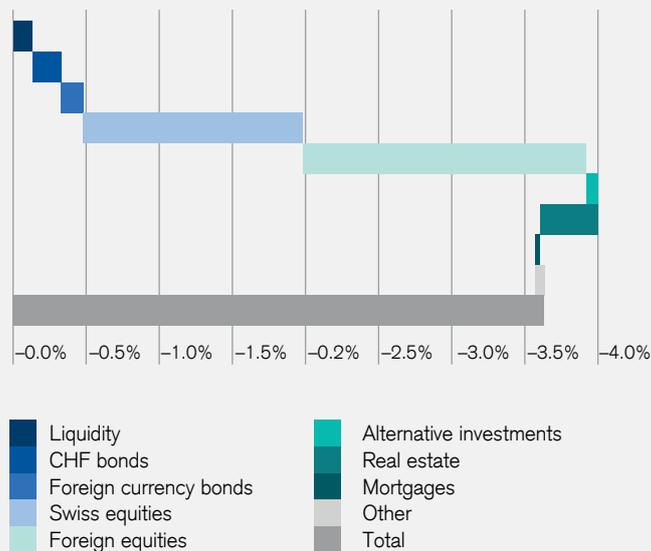
	Jan. 18	Feb. 18	Mar. 18	Apr. 18	May 18	Jun. 18	Jul. 18	Aug. 18	Sep. 18	Oct. 18	Nov. 18	Dec. 18	2018
CHF bonds SBI AAA-BBB 1-15Y (TR)	-0.74%	0.09%	0.33%	-0.48%	0.69%	-0.15%	-0.47%	0.57%	-0.65%	0.12%	0.23%	0.63%	0.15%
Foreign currency bonds Bloomberg Barclays Global Aggr. (TR)	-3.47%	0.76%	2.41%	1.72%	-1.44%	0.55%	-0.46%	-2.21%	0.13%	1.83%	-0.34%	0.64%	-0.05%
Swiss equities SPI (TR)	-0.13%	-4.46%	-0.67%	3.29%	-3.42%	1.60%	5.53%	-1.45%	0.63%	-1.59%	-0.89%	-6.74%	-8.57%
Foreign equities MSCI AC World ex Switzerland (NR)	0.81%	-2.55%	-0.84%	4.40%	-0.48%	0.42%	2.62%	-1.54%	1.45%	-4.83%	0.83%	-8.35%	-8.38%
Real estate direct/ investment foundations KGAST Immo-Index (Switzerland) (TR)	0.34%	0.32%	0.34%	0.33%	0.33%	0.34%	0.35%	0.43%	0.51%	0.32%	0.35%	0.81%	4.88%
Real estate funds SXI Real Estate Funds (TR)	-0.97%	-1.09%	0.21%	0.62%	-1.47%	0.10%	1.81%	-2.33%	-1.27%	0.46%	-1.58%	0.14%	-5.32%

Negative fourth-quarter returns heavily driven by equities

- Foreign equities were the most negative in the quarter under review (−11.82%), but beat the MSCI AC World ex Switzerland (NR) (−12.05%).
- Swiss equities were negative in the fourth quarter (−9.88%) and lagged the benchmark SPI (TR) (−9.05%).
- CHF bonds posted a quarterly return of 0.46%, but were −0.52 percentage points below the SBI AAA-BBB 1–15Y (TR).
- Quarterly return of 0.47% for foreign currency bonds was significantly below Bloomberg Barclays Global Aggr. (TR) with 2.13%.
- Real estate posted a positive quarterly return (+0.36%) and was slightly above the benchmark index with +0.11% (50% KGAST and 50% SXI Real Estate Funds Broad [TR])
- Liquidity (cash, FX forwards for currency hedging) posted a slightly positive return (0.34%).

Chart 2:

Contribution waterfall 2018:



Scale: Return in percent (%)

Risk/return positions

Five-year line – annualized return falls in the reporting quarter while annualized risk rises

- The unweighted average annualized return fell by –1.07 percentage points to 3.39% between the third and fourth quarter of 2018 on rising risk (3.90%).
- The Sharpe ratio therefore deteriorated from 1.39 in Q3 2018 to 1.05 in Q4 2018.
- Medium-sized pension funds (CHF 500 million to 1 billion) continue to exhibit the best risk/return ratio (Sharpe ratio of 1.26).
- Pension funds with an investment volume of more than CHF 1 billion have the highest median return at 3.59%, although the distribution of returns within this group varies considerably.
- Pension funds with an investment volume of between CHF 500 million and CHF 1 billion exhibit the lowest median (3.24%), while at the same time the distribution of returns within this group is the most homogenous.

Chart 3:

Annualized risk/return comparison; five-year view, monthly results from January 2014 to December 2018



X-axis: annualized risk in percent (%)
Y-axis: annualized return in percent (%)
▲ : Q4 2018

Table 8: Risk/return ratios

1.1.2014–31.12.2018

	Risk	Return	Sharpe ratio
Credit Suisse Swiss Pension Fund Index	3.90%	3.39%	1.05
Pension funds > CHF 1 bn	3.87%	3.49%	1.11
Pension funds CHF 500 mn–1 bn	3.19%	3.43%	1.26
Pension funds CHF 150–500 mn	3.67%	3.37%	1.10
Pension funds < CHF 150 mn	4.23%	3.37%	0.95

Table 9: Return bandwidths

1.1.2014–31.12.2018

	Minimum	1st quartile	Median	3rd quartile	Maximum
Credit Suisse Swiss Pension Fund Index	0.77%	3.02%	3.41%	3.74%	5.76%
Pension funds > CHF 1 bn	1.93%	3.40%	3.59%	3.86%	4.61%
Pension funds CHF 500 mn–1 bn	2.95%	3.01%	3.24%	3.86%	4.10%
Pension funds CHF 150–500 mn	0.77%	3.09%	3.38%	3.63%	5.76%
Pension funds < CHF 150 mn	1.98%	2.96%	3.39%	3.69%	4.82%

Note: The Sharpe ratio shows the return in excess of the risk-free interest rate divided by the volatility of a financial instrument, and is used to measure risk.

Our risk/return overview shows the five-year view. It should be noted that only portfolios that formed part of the index for the entire observation period are included. Portfolios created on January 1, 2015, for example, are not included in the five-year observation period (1.1.2014–31.12.2018).

Historical performance indications and financial market scenarios are not reliable indicators of future performance.

Asset allocation

Decrease in equity allocation

- A decrease can be observed for foreign equities (-1.77 percentage points to 16.96%) and Swiss equities (-1.49 percentage points to 12.73%). CHF bonds showed the biggest increase (+1.09 percentage points to 25.09%). Some of the other asset classes also showed fairly significant increases.
 - Liquidity +1.00 percentage point to 5.39%
 - Real estate +0.91 percentage points to 23.74%
 - Other investments +0.11 percentage points to 1.17%
 - Mortgages +0.06 percentage points to 2.28%
 - Alternative investments +0.04 percentage points to 6.05%
 - Foreign currency bonds +0.03 percentage points to 6.58%

Chart 4:

Asset allocation

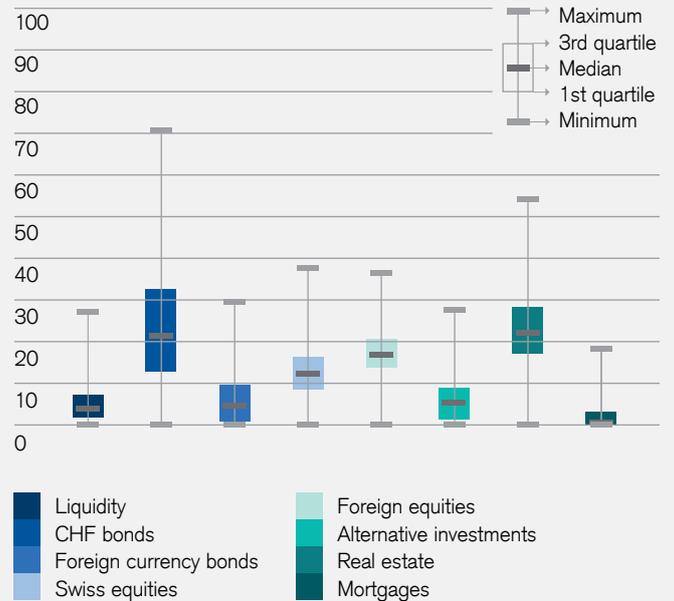
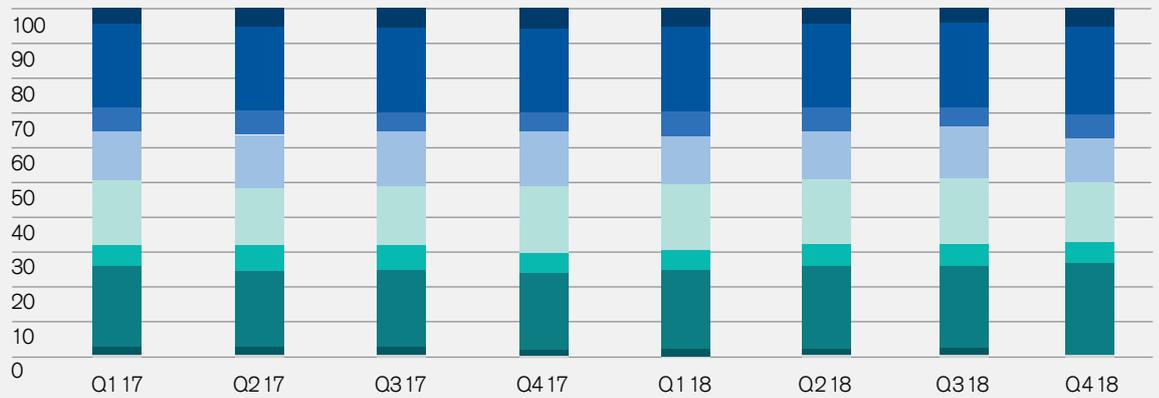


Chart 5:
Asset allocation for the last eight quarters



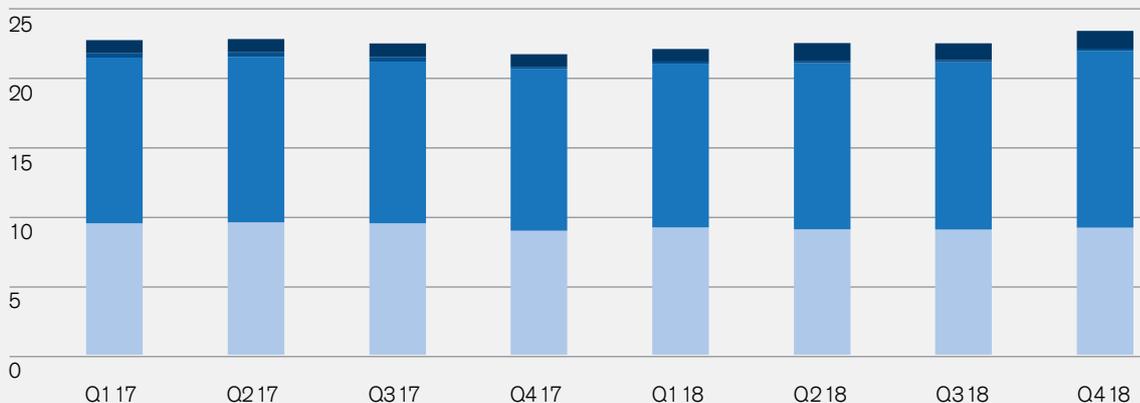
■ Liquidity	4.33%	5.05%	4.98%	5.25%	5.22%	4.62%	4.39%	5.39%
■ CHF bonds	24.05%	23.93%	23.76%	23.87%	24.34%	24.15%	24.00%	25.09%
■ Foreign currency bonds	6.92%	7.00%	7.01%	6.82%	6.93%	6.66%	6.55%	6.58%
■ Swiss equities	13.78%	13.69%	13.78%	14.51%	13.88%	13.85%	14.22%	12.73%
■ Foreign equities	18.53%	18.19%	18.46%	19.24%	18.63%	18.58%	18.73%	16.96%
■ Alternative investments	6.15%	6.15%	5.96%	5.71%	5.89%	6.04%	6.01%	6.05%
■ Real estate	23.06%	23.14%	22.82%	22.02%	22.40%	22.84%	22.83%	23.74%
■ Mortgages	2.10%	2.12%	2.10%	2.09%	2.21%	2.11%	2.22%	2.28%
■ Other	1.06%	0.73%	1.15%	0.49%	0.50%	1.14%	1.06%	1.17%

Increase in real estate

- The overall share of real estate rose at the end of the fourth quarter of 2018 (0.91 percentage points to 23.74%).
- Indirect Swiss real estate showed the most significant increase (+0.66 percentage points to 12.94%).

- All other categories increased by between 0.03 and 0.14 percentage points. Direct Swiss real estate increased by +0.14 percentage points to 9.31%, indirect foreign real estate by 0.08 percentage points to 1.30%, and direct foreign real estate by 0.03 percentage points to 0.19%.

Chart 6:
Real estate allocation for the last eight quarters



Scale: in percent (%)

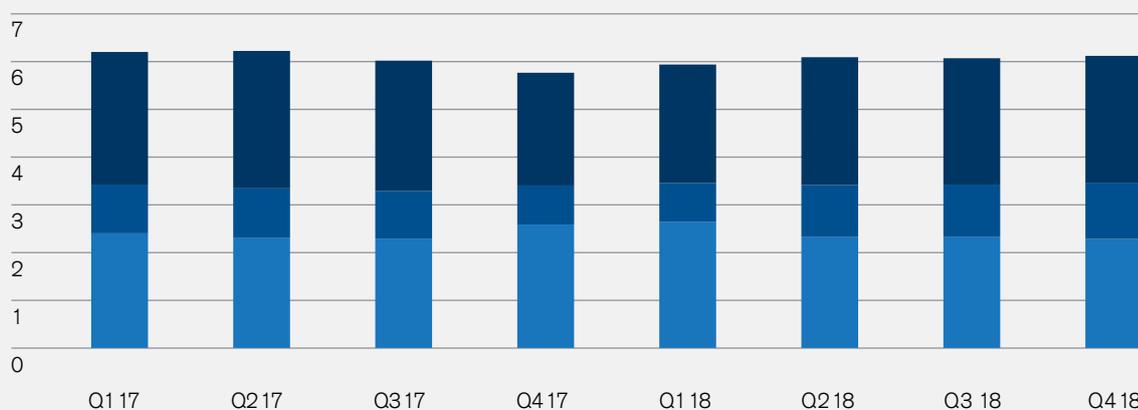
	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q4 18
Foreign real estate, indirect	0.96%	0.97%	1.01%	0.92%	0.92%	1.29%	1.22%	1.30%
Foreign real estate, direct	0.32%	0.34%	0.33%	0.15%	0.16%	0.17%	0.16%	0.19%
Swiss real estate, indirect	12.15%	12.13%	11.85%	11.87%	12.00%	12.19%	12.28%	12.94%
Swiss real estate, direct	9.63%	9.70%	9.63%	9.09%	9.33%	9.19%	9.17%	9.31%
Total	23.06%	23.14%	22.82%	22.02%	22.40%	22.84%	22.83%	23.74%

Slight increase in proportion of alternative investments

- The alternative investments component increased slightly compared with the previous quarter (+0.04 percentage points to 6.05%).
- The private equity component showed the biggest increase (+0.08 percentage points to 1.17%).

- The commodity component decreased slightly (–0.04 percentage points to 2.26%).
- The hedge fund component increased marginally, by +0.01 percentage points to 2.63%.

Chart 7:
Allocation of alternative investments for the last eight quarters



Scale: in percent (%)

	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q4 18
■ Hedge funds	2.75%	2.85%	2.70%	2.34%	2.46%	2.65%	2.62%	2.63%
■ Private equity	1.01%	1.03%	0.99%	0.81%	0.80%	1.08%	1.09%	1.17%
■ Commodities	2.38%	2.28%	2.27%	2.56%	2.62%	2.30%	2.30%	2.26%

Modified duration

- The modified duration for the overall index fell further in the reporting quarter and stood at 5.53 as of December 31, 2018 (level at end September 2018: 5.58).
- Pension funds with assets of between CHF 500 million and CHF 1 billion exhibited the highest modified duration at the end of December 2018 of 6.36.
- The lowest modified duration as per end December 2018 (5.16) was observed in pension funds with investment assets of above CHF 1 billion.

Table 10: Modified duration 2018

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Credit Suisse Swiss Pension Fund Index	5.93	5.88	5.86	5.65	5.67	5.65	5.61	5.60	5.58	5.50	5.51	5.53
Pension funds > CHF 1 bn	6.04	6.03	6.13	5.78	5.75	5.73	5.66	5.66	5.64	5.25	5.10	5.16
Pension funds CHF 500 mn–1 bn	6.39	6.37	6.32	6.25	6.28	6.32	6.11	6.10	6.18	6.22	6.35	6.36
Pension funds CHF 150–500 mn	5.78	5.72	5.62	5.53	5.59	5.56	5.59	5.59	5.54	5.54	5.57	5.60
Pension funds < CHF 150 mn	5.93	5.87	5.86	5.56	5.54	5.55	5.45	5.44	5.43	5.40	5.41	5.40

Note: The modified duration indicates the direct sensitivity of the bond price (in percentage terms) to a 1% change in the market interest rate. Only direct bond investments are used in calculating the modified duration; collective investments are excluded.

Currency allocation

Shift into Swiss francs in the fourth quarter of 2018

■ In the current reporting quarter, a shift was evident in favor of the Swiss franc component to 79.31% (+1.40 percentage points).

■ Most other currencies showed a decline in favor of the leading currencies:

- JPY (–0.01 percentage points to 0.36%)
- GBP (+0.03 percentage points to 0.32%)
- USD (+0.51 percentage points to 5.25%)
- EUR (+0.18 percentage points to 2.68%)
- Others (–1.75 percentage points to 12.44%)

Chart 8:
Currency allocation for the last eight quarters

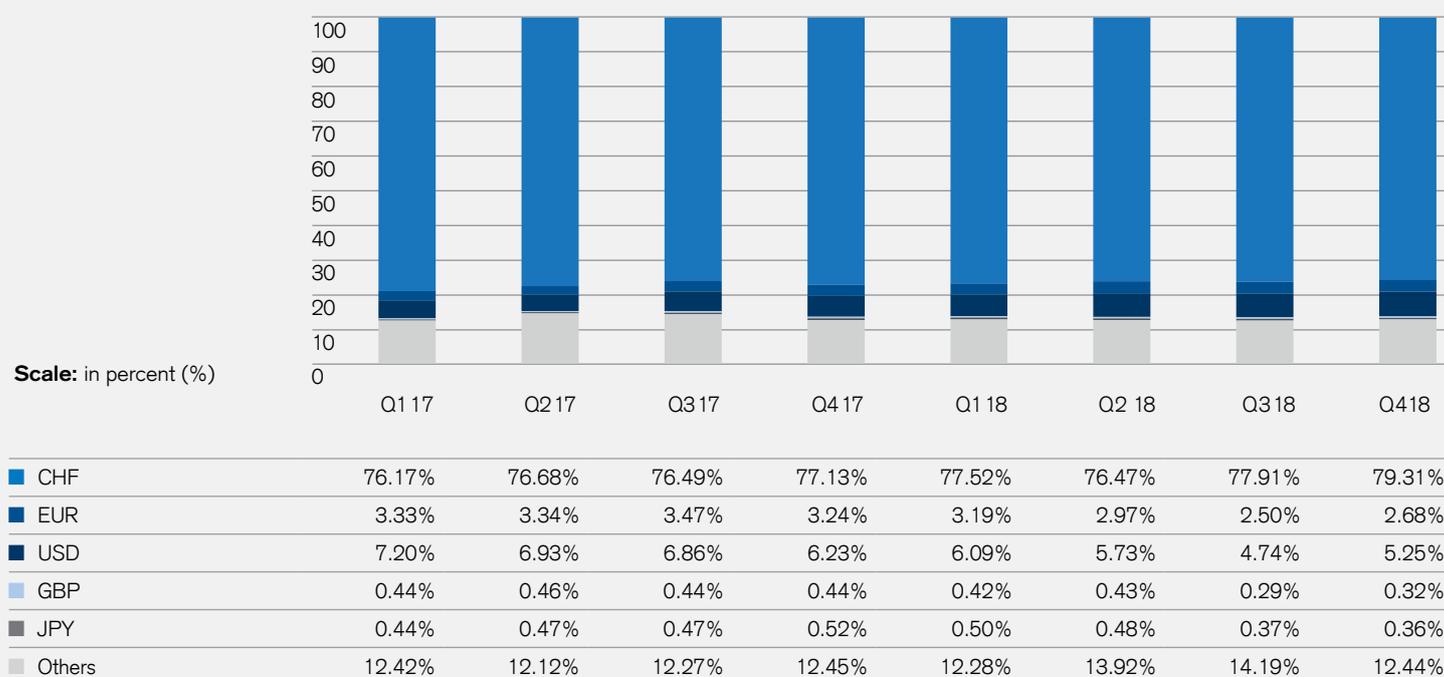


Table 11: Foreign exchange rates against the CHF, 2018

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	2018
EUR	–1.04%	–0.47%	2.18%	1.55%	–4.05%	1.02%	–0.08%	–2.86%	0.83%	0.46%	–0.72%	–0.40%	–3.69%
USD	–4.61%	1.66%	1.33%	3.37%	–0.69%	1.00%	–0.30%	–2.31%	1.00%	2.98%	–0.65%	–1.36%	1.16%
GBP	0.28%	–1.50%	3.16%	1.50%	–4.05%	0.21%	–0.94%	–3.21%	1.34%	0.90%	–0.80%	–1.53%	–4.76%
JPY	–1.55%	4.00%	1.67%	0.47%	0.03%	–0.93%	–1.34%	–1.38%	–1.40%	3.65%	–1.26%	2.06%	3.84%

Tax treatment depends on the individual circumstances of each client and may be subject to change in the future. Credit Suisse does not offer tax advice. Tax aspects were not taken into account in the calculation of the return.

Source: Credit Suisse, otherwise specified.

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