

Swiss Economics

Unabated upswing in analyst sentiment

Financial Market Survey Switzerland | 24/02/2021, 08:55, UTC

Anticipating a near-term economic recovery, financial market analysts are as optimistic now as they were after the financial crisis of 2008 had faded. They also expect long-term interest rates to rise across all regions.

Analysts see little sign of a bubble on the Swiss equity market; in contrast, they consider real estate funds and government bonds to be more significantly overvalued.

Franziska Fischer
Economist – Swiss Macro & Strategy

Our partner



CFA Society Switzerland

Contact:

Sheila Ohlund CFA, President
Baarerstrasse 11, 6300 Zug

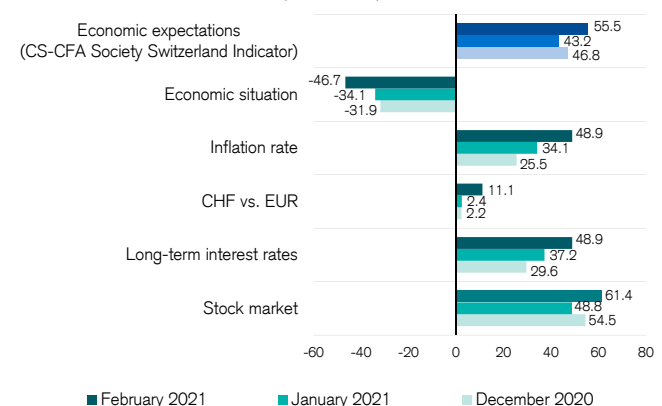
CFA Society Switzerland
sheila.ohlund@swiss.cfa

Sentiment barometer at an 11-year high

The forward-looking CS CFA Society Switzerland indicator continues to climb, from 43.2 in the prior month to 55.5 points in February (see figure 1). This means it has actually exceeded its previous high of summer 2020, which was recorded after the first lockdown had come to an end. With recent announcements by the Swiss Federal Council suggesting that the gradual reopening of the economy – and therefore a bounceback – is now within touching distance, analysts have

turned as optimistic as they were just after the financial crisis had died down. This seems to be partly due to a sense that a weaker economy now creates more scope for a rally in the future, given that the analysts' assessment of the current economic situation has deteriorated further. The picture is similar in the euro area (see table). The US is the only region surveyed in which the analysts believe the current economic malaise is easing, most likely in part thanks to the vaccination progress. For the next six months, more than 70% of the survey participants believe that economic growth will be positive in the US and the euro area. There is no consensus when it comes to China's prospects, with equal numbers of respondents forecasting a continued upswing on the one hand and stagnation on the other.

Figure 1
Indicators for Switzerland (balances)



Source: CFA Society Switzerland, Credit Suisse

Important Information: This report represents the views of the Investment Strategy Department of CS and has not been prepared in accordance with the legal requirements designed to promote the independence of investment research. It is not a product of the Credit Suisse Research Department even if it references published research recommendations. CS has policies in place to manage conflicts of interest including policies relating to dealing ahead of the dissemination of investment research. These policies do not apply to the views of Investment Strategists contained in this report.

Consensus on rising equity market prices

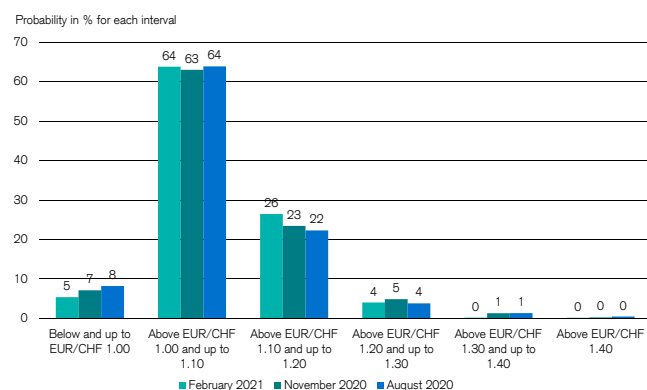
As a result, export activity in Switzerland looks set to lose some momentum over the next six months according to the analysts, but should remain exceptionally strong nonetheless. On the labor market, the survey participants still consider the situation as challenging. 63% of respondents expect the unemployment rate to rise between now and the summer. However, this figure is lower than in the preceding months since the pandemic began. There is a widely held consensus among survey participants with regard to prospects for the equity markets. After the recent reporting season exceeded analysts' expectations and given the belief that the economy is about to pick up, stock prices are set to rise over the next six months in the view of around 70% of respondents. This is the case for the stock markets in Switzerland, the euro area and the US.

Analysts believe that long-term interest rates will rise

As has been the case for a number of months now, the February survey again saw analysts' assessments of short-term interest rates moving sideways. Some 90% of those surveyed do not expect the central banks to make any changes to interest rates, even though inflation expectations among analysts continue to head north. More than half of respondents believe that inflation will rise over the coming six months. In view of statistical base effects, this is probably in part a mechanic forecast adjustment. When it comes to the US, however, President Biden's fiscal stimulus package is likely to play a role as almost 70% of the analysts surveyed expect inflation to increase there. In contrast to the short end of the yield curve, the analysts expect long-term interest rates to continue rising if the recovery gains traction in the months ahead. More than half of the survey participants now also envisage this scenario in Switzerland. In terms of exchange rates, two out of three respondents expect CHF to remain unchanged against EUR. Only 44% of the respondents maintain the same view versus the US dollar. Of the remainder, 36% expect CHF to appreciate, while 20% see it depreciating.

Figure 2

Where do you currently see the fair value of EUR/CHF?



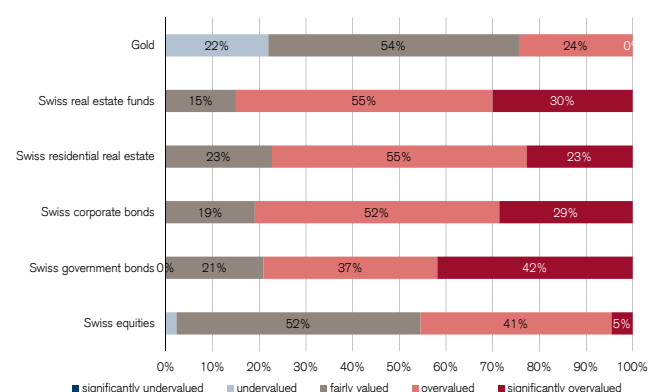
Source: CFA Society Switzerland, Credit Suisse

Respondents see high likelihood that CHF is relatively fairly valued

Opinions on the fair value of the EUR/CHF exchange rate have barely changed since August 2020 (see figure 2). At most, there is evidence of a slight shift in opinion towards a stronger euro. This is probably due to a further improvement in the economic situation and the favorable political developments in Europe, especially in light of the EU recovery fund. As in the previous quarter, the analysts estimate a likelihood of over 60% that the fair exchange rate is between 1.00 and 1.10. This suggests that CHF is currently quite fairly valued given the actual exchange rate of 1.08. The analysts see a 30% chance of the fair value being above 1.10, while a fair exchange rate below parity is rather unlikely based on the survey results, with a probability of only 5%.

Figure 3

How do you rate the valuation level of the following asset classes?



Source: CFA Society Switzerland, Credit Suisse

Gold and equities are the only asset classes that are not overvalued in the analysts' view

Almost a year after the unprecedented market turmoil, our quarterly special survey on the valuation levels of selected Swiss asset classes shows that prices have more than recouped their losses. Compared to February 2020, all market segments covered in the survey, with the exception of gold, have become more expensive according to the financial analysts. Residential real estate has shown a particularly strong performance, as it is now considered either overvalued or highly overvalued by 77% of the survey participants, compared to 69% before the pandemic-related crash. The analysts currently perceive gold to be the cheapest asset class based on return potential (see figure 3). Swiss government bonds appear to be the most expensive according to the survey, closely followed by real estate funds – although this was already the case before the pandemic. While Swiss equities are also (highly) overvalued in the eyes of 46% of the survey participants, the majority of respondents (52%) still consider them fairly priced. Thus if there are any signs of a bubble forming in the current setting, they tend not to be on the equity market, but in other segments according to the analysts.

The CFA Society Switzerland and Credit Suisse have been conducting the Switzerland Financial Market Survey (a monthly survey of financial analysts) since January 2017. Detailed results of the survey conduct-

ed between 11 and 18 February 2021, involving the participation of 45 analysts from the Swiss financial sector, are published here.

(23/02/2021)

Financial Market Survey Switzerland by Credit Suisse and CFA Society Switzerland: February 2021 results

Current economic situation	good	+/-	normal	+/-	poor	+/-	balance	+/-
Switzerland	2.2	-0.1	48.9	-12.5	48.9	12.5	-46.7	-12.6
Eurozone	2.2	-0.1	35.6	-7.6	62.2	7.7	-60.0	-7.8
USA	8.9	4.4	51.1	-3.4	40.0	-0.9	-31.1	5.3
China	52.3	15.1	45.5	-15.0	2.3	0.0	50.0	15.1
Economic expectations	improve		no change		worsen		balance	
Switzerland (CS CFA Society Switzerland Indicator)	71.1	5.2	13.3	1.9	15.6	-7.1	55.5	12.3
Eurozone	71.1	5.2	11.1	-2.5	17.8	-2.7	53.3	7.9
USA	73.3	7.4	15.6	-4.9	11.1	-2.5	62.2	9.9
China	47.7	-6.8	47.7	13.6	4.5	-6.9	43.2	0.1
Inflation rate	increase		no change		decrease		balance	
Switzerland	53.3	12.4	42.2	-10.1	4.4	-2.4	48.9	14.8
Eurozone	55.6	10.1	40.0	-10.0	4.4	-0.1	51.2	10.2
USA	68.9	14.4	26.7	-14.2	4.4	-0.1	64.5	14.5
Other economic indicators for Switzerland	increase		no change		decrease		balance	
Export momentum (situation)	0.0	-2.5	55.0	15.0	45.0	-12.5	-45.0	10.0
Export momentum (expectations)	57.5	-7.5	32.5	5.0	10.0	2.5	47.5	-10.0
Unemployment rate	63.6	-8.5	25.0	1.7	11.4	6.7	52.2	-15.2
Short-term interest rates	increase		no change		decrease		balance	
Switzerland	4.4	-0.1	91.1	-2.1	4.4	2.1	0.0	-2.2
Eurozone	6.7	2.2	88.9	-4.3	4.4	2.1	2.3	0.1
USA	13.3	6.5	84.4	-6.5	2.2	-0.1	11.1	6.6
Short-term interest rate spread	increase		no change		decrease		balance	
Eurozone – Switzerland	7.3	-0.2	90.2	0.2	2.4	-0.1	4.9	-0.1
Long-term interest rates	increase		no change		decrease		balance	
Switzerland	53.3	13.8	42.2	-15.9	4.4	2.1	48.9	11.7
Germany	60.5	21.5	34.9	-23.6	4.7	2.3	55.8	19.2
USA	75.0	17.9	22.7	-13.0	2.3	-4.8	72.7	22.7
Long-term interest rate spread	increase		no change		decrease		balance	
Germany – Switzerland	14.0	4.2	81.4	-4.0	4.7	-0.2	9.3	4.4
Share price	increase		no change		decrease		balance	
SMI (Switzerland)	70.5	5.4	20.5	1.9	9.1	-7.2	61.4	12.6
EuroStoxx 50 (Eurozone)	72.7	2.9	18.2	4.2	9.1	-7.2	63.6	10.1
S&P (USA)	65.9	4.0	22.7	1.3	11.4	-5.3	54.5	9.3
Swiss franc exchange rate versus	appreciate		no change		depreciate		balance	
EUR	22.2	-1.6	66.7	11.9	11.1	-10.3	11.1	8.7
USD	35.6	1.5	44.4	-6.8	20.0	5.4	15.6	-3.9
Commodities	increase		no change		decrease		balance	
Oil (North Sea Brent)	36.6	-12.2	48.8	11.6	14.6	0.6	22.0	-12.8
Gold (per ounce)	41.5	8.2	39.0	-6.2	19.5	-1.9	22.0	10.1

Note: 45 analysts took part in the Financial Market Survey Switzerland for February from 11 to 18 February 2021. Analysts were asked about their expectations for the next six months. The numbers displayed are percentages. The balances represent the difference between the positive and negative shares of responses.

Source: CFA Society Switzerland, Credit Suisse

Risk warning

Every investment involves risk, especially with regard to fluctuations in value and return. If an investment is denominated in a currency other than your base currency, changes in the rate of exchange may have an adverse effect on value, price or income.

For a discussion of the risks of investing in the securities mentioned in this report, please refer to the following Internet link:

<https://investment.credit-suisse.com/gr/riskdisclosure/>

This document may include information on investments that involve special risks. You should seek the advice of your independent financial advisor prior to taking any investment decisions based on this document or for any necessary explanation of its contents. Further information is also available in the information brochure "Risks Involved in Trading Financial Instruments" available from the Swiss Bankers Association.

Past performance is not an indicator of future performance. Performance can be affected by commissions, fees or other charges as well as exchange rate fluctuations.

Financial market risks

Historical returns and financial market scenarios are no reliable indicators of future performance. The price and value of investments mentioned and any income that might accrue could fall or rise or fluctuate. You should consult with such advisor(s) as you consider necessary to assist you in making these determinations.

Investments may have no public market or only a restricted secondary market. Where a secondary market exists, it is not possible to predict the price at which investments will trade in the market or whether such market will be liquid or illiquid.

Emerging markets

Where this document relates to emerging markets, you should be aware that there are uncertainties and risks associated with investments and transactions in various types of investments of, or related or linked to, issuers and obligors incorporated, based or principally engaged in business in emerging markets countries. Investments related to emerging markets countries may be considered speculative, and their prices will be much more volatile than those in the more developed countries of the world. Investments in emerging markets investments should be made only by sophisticated investors or experienced professionals who have independent knowledge of the relevant markets, are able to consider and weigh the various risks presented by such investments, and have the financial resources necessary to bear the substantial risk of loss of investment in such investments. It is your responsibility to manage the risks which arise as a result of investing in emerging markets investments and the allocation of assets in your portfolio. You should seek advice from your own advisers with regard to the various risks and factors to be considered when investing in an emerging markets investment.

Alternative investments

Hedge funds are not subject to the numerous investor protection regulations that apply to regulated authorized collective investments and hedge fund managers are largely unregulated. Hedge funds are not limited to any particular investment discipline or trading strategy, and seek to profit in all kinds of markets by using leverage, derivatives, and complex speculative investment strategies that may increase the risk of investment loss.

Commodity transactions carry a high degree of risk, including the loss of the entire investment, and may not be suitable for many private investors. The performance of such investments depends on unpredictable factors such as natural catastrophes, climate influences, hauling capacities, political unrest, seasonal fluctuations and strong influences of rolling-forward, particularly in futures and indices.

Investors in real estate are exposed to liquidity, foreign currency and other risks, including cyclical risk, rental and local market risk as well as environmental risk, and changes to the legal situation.

Private Equity

Private Equity (hereafter "PE") means private equity capital investment in companies that are not traded publicly (i.e. are not listed on a stock exchange), they are complex, usually illiquid and long-lasting. Investments in a PE fund generally involve a significant degree of financial and/or business risk. Investments in private equity funds are not principal-protected nor guaranteed. Investors will be required to meet capital calls of investments over an extended period of time. Failure to do so may traditionally result in the forfeiture of a portion or the entirety of the capital account, forego any future income or gains on investments made prior to such default and among other things, lose any rights to participate in future investments or forced to sell their investments at a very low price, much lower than secondary market valuations. Companies or funds may be highly leveraged and therefore may be more sensitive to adverse business and/or financial developments or economic factors. Such investments may face intense competition, changing business or economic conditions or other developments that may adversely affect their performance.

Interest rate and credit risks

The retention of value of a bond is dependent on the creditworthiness of the Issuer and/or Guarantor (as applicable), which may change over the term of the bond. In the event of default by the Issuer and/or Guarantor of the bond, the bond or any income derived from it is not guaranteed and you may get back none of, or less than, what was originally invested.

Investment Strategy Department

Investment Strategists are responsible for multi-asset class strategy formation and subsequent implementation in CS's discretionary and advisory businesses. If shown, Model Portfolios are provided for illustrative purposes only. Your asset allocation, portfolio weightings and performance may look significantly different based on your particular circumstances and risk tolerance. Opinions and views of Investment Strategists may be different from those expressed by other Departments at CS. Investment Strategist views may change at any time without notice and with no obligation to update. CS is under no obligation to ensure that such updates are brought to your attention.

From time to time, Investment Strategists may reference previously published Research articles, including recommendations and rating changes collated in the form of lists. The recommendations contained herein are extracts and/or references to previously published recommendations by Credit Suisse Research. For equities, this relates to the respective Company Note or Company Summary of the issuer. Recommendations for bonds can be found within the respective Research Alert (bonds) publication or Institutional Research Flash/Alert – Credit Update Switzerland. These items are available on request or from

<https://investment.credit-suisse.com> □

Disclosures are available from

<https://www.credit-suisse.com/disclosure>

Global disclaimer / Important information

The information provided herein constitutes marketing material; it is not investment research. This document is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject CS to any registration or licensing requirement within such jurisdiction.

References in this report to CS include Credit Suisse AG, the Swiss bank, its subsidiaries and affiliates. For more information on our structure, please use the following link:

<http://www.credit-suisse.com>

NO DISTRIBUTION, SOLICITATION, OR ADVICE: This document is provided for information and illustrative purposes and is intended for your use only. It is not a solicitation, offer or recommendation to buy or sell any security or other financial instrument. Any information including facts, opinions or quotations, may be condensed or summarized and is expressed as of the date of

writing. The information contained in this document has been provided as a general market commentary only and does not constitute any form of regulated investment research financial advice, legal, tax or other regulated service. It does not take into account the financial objectives, situation or needs of any persons, which are necessary considerations before making any investment decision. You should seek the advice of your independent financial advisor prior to taking any investment decisions based on this document or for any necessary explanation of its contents. This document is intended only to provide observations and views of CS at the date of writing, regardless of the date on which you receive or access the information. Observations and views contained in this document may be different from those expressed by other Departments at CS and may change at any time without notice and with no obligation to update. CS is under no obligation to ensure that such updates are brought to your attention. **FORECASTS & ESTIMATES:** Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. To the extent that this report contains statements about future performance, such statements are forward looking and subject to a number of risks and uncertainties. Unless indicated to the contrary, all figures are unaudited. All valuations mentioned herein are subject to CS valuation policies and procedures. **CONFLICTS:** CS reserves the right to remedy any errors that may be present in this report. CS, its affiliates and/or their employees may have a position or holding, or other material interest or effect transactions in any securities mentioned or options thereon, or other investments related thereto and from time to time may add to or dispose of such investments. CS may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investments listed in this report or a related investment to any company or issuer mentioned. Some investments referred to in this report will be offered by a single entity or an associate of CS or CS may be the only market maker in such investments. CS is involved in many businesses that relate to companies mentioned in this report. These businesses include specialized trading, risk arbitrage, market making, and other proprietary trading. **TAX:** Nothing in this report constitutes investment, legal, accounting or tax advice. CS does not advise on the tax consequences of investments and you are advised to contact an independent tax advisor. The levels and basis of taxation are dependent on individual circumstances and are subject to change. **SOURCES:** Information and opinions presented in this report have been obtained or derived from sources which in the opinion of CS are reliable, but CS makes no representation as to their accuracy or completeness. CS accepts no liability for a loss arising from the use of this report. **WEBSITES:** This report may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the report refers to website material of CS, CS has not reviewed the linked site and takes no responsibility for the content contained therein. Such address or hyperlink (including addresses or hyperlinks to CS's own website material) is provided solely for your convenience and information and the content of the linked site does not in any way form part of this report. Accessing such website or following such link through this report or CS's website shall be at your own risk. **DATA PRIVACY:** Your Personal Data will be processed in accordance with the Credit Suisse privacy statement accessible at your domicile through the official Credit Suisse website <https://www.credit-suisse.com>. In order to provide you with marketing materials concerning our products and services, Credit Suisse Group AG and its subsidiaries may process your basic Personal Data (i.e. contact details such as name, e-mail address) until you notify us that you no longer wish to receive them. You can opt-out from receiving these materials at any time by informing your Relationship Manager.

Distributing entities

Except as otherwise specified herein, this report is distributed by Credit Suisse AG, a Swiss bank, authorized and regulated by the Swiss Financial Market Supervisory Authority *Austria:* This report is either distributed by CREDIT SUISSE (LUXEMBOURG) S.A. Zweigniederlassung Österreich (the "Austria branch") or by Credit Suisse (Deutschland) AG. The Austria branch is a branch of CREDIT SUISSE (LUXEMBOURG) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. The Austria branch is subject to the prudential supervision of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), 283, route d'Arion, L-1150 Luxembourg, Grand Duchy of Luxembourg, as well as of the Austrian supervisory authority, the Financial Market Authority (FMA), Otto-Wagner Platz 5, A-1090 Vienna, Austria. Credit Suisse (Deutschland) Aktiengesellschaft is supervised by the German supervisory authority Bundesanstalt für Finanzdienstleistungsaufsicht („BaFin“) in collaboration with the Austrian supervisory authority, the Financial Market Authority (FMA), Otto-Wagner Platz 5, A-1090 Vienna, Austria. Bahrain: This report is distributed by Credit Suisse AG, Bahrain Branch, a branch of Credit Suisse AG, Zurich/Switzerland, duly authorized and regulated

by the Central Bank of Bahrain (CBB) as an Investment Business Firm Category 2. Related financial services or products are only made available to Accredited Investors, as defined by the CBB, and are not intended for any other persons. The Central Bank of Bahrain has not reviewed, nor has it approved, this document or the marketing of any investment vehicle referred to herein in the Kingdom of Bahrain and is not responsible for the performance of any such investment vehicle. Credit Suisse AG, Bahrain Branch is located at Level 21-22, East Tower, Bahrain World Trade Centre, Manama, Kingdom of Bahrain. Chile: This report is distributed by Credit Suisse Agencia de Valores (Chile) Limitada, a branch of Credit Suisse AG (incorporated in the Canton of Zurich), regulated by the Chilean Financial Market Commission. Neither the issuer nor the securities have been registered with the Financial Market Commission of Chile (Comisión para el Mercado Financiero) pursuant to Law no. 18.045, the Ley de Mercado de Valores, and regulations thereunder, so they may not be offered or sold publicly in Chile. This document does not constitute an offer of, or an invitation to subscribe for or purchase, the securities in the Republic of Chile, other than to individually identified investors pursuant to a private offering within the meaning of article 4 of the Ley de Mercado de Valores (an offer that is not "addressed to the public in general or to a certain sector or specific group of the public"). DIFC: This information is being distributed by Credit Suisse AG (DIFC Branch). Credit Suisse AG (DIFC Branch) is licensed and regulated by the Dubai Financial Services Authority ("DFSA"). Related financial services or products are only made available to Professional Clients or Market Counterparties, as defined by the DFSA, and are not intended for any other persons. Credit Suisse AG (DIFC Branch) is located on Level 9 East, The Gate Building, DIFC, Dubai, United Arab Emirates. France: This report is distributed by Credit Suisse (Luxembourg) S.A. Succursale en France (the "France branch") which is a branch of Credit Suisse (Luxembourg) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. The France branch is subject to the prudential supervision of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), and of the French supervisory authorities, the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and the Autorité des Marchés Financiers (AMF). Germany: This report is distributed by Credit Suisse (Deutschland) Aktiengesellschaft regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht („BaFin“). Guernsey: This report is distributed by Credit Suisse AG Guernsey Branch, a branch of Credit Suisse AG (incorporated in the Canton of Zurich), with its place of business at Helvetia Court, Les Echelons, South Esplanade, St Peter Port, Guernsey. Credit Suisse AG Guernsey Branch is wholly owned by Credit Suisse AG and is regulated by the Guernsey Financial Services Commission. Copies of the latest audited accounts of Credit Suisse AG are available on request. India: This report is distributed by Credit Suisse Securities (India) Private Limited (CIN no. U67120MH1996PTC104392) regulated by the Securities and Exchange Board of India as Research Analyst (registration no. INH 000001030), as Portfolio Manager (registration no. INP000002478) and as Stock Broker (registration no. INZ000248233), having registered address at 9th Floor, Ceejay House, Dr. Annie Besant Road, Worli, Mumbai – 400 018, India, T- +91-22 6777 3777. Israel: If distributed by Credit Suisse Financial Services (Israel) Ltd. in Israel: This document is distributed by Credit Suisse Financial Services (Israel) Ltd. Credit Suisse AG, including the services offered in Israel, is not supervised by the Supervisor of Banks at the Bank of Israel, but by the competent banking supervision authority in Switzerland. Credit Suisse Financial Services (Israel) Ltd. is a licensed investment marketer in Israel and thus, its investment marketing activities are supervised by the Israel Securities Authority. Italy: This report is distributed in Italy by Credit Suisse (Italy) S.p.A., a bank incorporated and registered under Italian law subject to the supervision and control of Banca d'Italia and CONSOB. Lebanon: This report is distributed by Credit Suisse (Lebanon) Finance SAL ("CSLF"), a financial institution incorporated in Lebanon and regulated by the Central Bank of Lebanon ("CBL") and having a financial institution license number 42. Credit Suisse (Lebanon) Finance SAL is subject to the CBL's laws and circulars as well as the laws and regulations of the Capital Markets Authority of Lebanon ("CMA"). CSLF is a subsidiary of Credit Suisse AG and part of the Credit Suisse Group (CS). The CMA does not accept any responsibility for the content of the information included in this report, including the accuracy or completeness of such information. The liability for the content of this report lies with the issuer, its directors and other persons, such as experts, whose opinions are included in the report with their consent. The CMA has also not assessed the suitability of the investment for any particular investor or type of investor. It is hereby expressly understood and acknowledged that investments in financial markets may involve a high degree of complexity and risk of loss in value and may not be suitable to all investors. The suitability assessment performed by CSLF with respect to this investment will be undertaken based on information that the investor would have provided to CSLF as at the date of such assessment and in accordance with Credit Suisse internal policies and processes. It is understood that the English language will be used in all communication and

documentation provided by CS and/or CSLF. By accepting to invest in the product, the investor expressly and irrevocably confirms that he fully understands, and has no objection to the use of the English language. Luxembourg: This report is distributed by Credit Suisse (Luxembourg) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. Credit Suisse (Luxembourg) S.A. is subject to the prudential supervision of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF). Mexico: This document represents the vision of the person who provides his/her services to C. Suisse Asesoría México, S.A. de C.V. ("C. Suisse Asesoría") and/or Banco Credit Suisse (México), S.A., Institución de Banca Múltiple, Grupo Financiero Credit Suisse (México) ("Banco CS") so that both C. Suisse Asesoría and Banco CS reserve the right to change their mind at any time not assuming any liability in this regard. This document is distributed for informational purposes only, and does not imply a personal recommendation or suggestion, nor the invitation to celebrate any operation and does not replace the communication you have with your executive in relation to C. Suisse Asesoría and/or Banco CS prior to taking any investment decision. C. Suisse Asesoría and/or Banco CS does not assume any responsibility for investment decisions based on information contained in the document sent, as the same may not take into account the context of the investment strategy and objectives of particular clients. Prospectus, brochures, investment regimes of investment funds, annual reports or periodic financial information contain all additional useful information for investors. These documents can be obtained free of charge directly from issuers, operators of investment funds, in the Internet page of the stock exchange in which they are listed or through its executive in C. Suisse Asesoría and/or Banco CS. Past performance and the various scenarios of existing markets do not guarantee present or future yields. In the event that the information contained in this document is incomplete, incorrect or unclear, please contact your Executive of C. Suisse Asesoría and/or Banco CS as soon as possible. It is possible that this document may suffer modifications without any responsibility for C. Suisse Asesoría and/or Banco CS. This document is distributed for informational purposes only and is not a substitute for the Operations Reports and/or Account Statements you receive from C. Suisse Asesoría and/or Banco CS in terms of the General Provisions Applicable to Financial Institutions and other Legal Entities that Provide Investment Services issued by the Mexican Banking and Securities Commission ("CNBV"). Given the nature of this document, C. Suisse Asesoría and/or Banco CS does not assume any responsibility derived from the information contained therein. Without prejudice to the fact that the information was obtained from or based on sources believed to be reliable by C. Suisse Asesoría and/or Banco CS, there is no guarantee that the information is either accurate or complete. Banco CS and/or C. Suisse Asesoría does not accept any liability arising from any loss arising from the use of the information contained in the document sent to you. It is recommended that investor make sure that the information provided is in accordance to his/her personal circumstances and investment profile, in relation to any particular legal, regulatory or fiscal situation, or to obtain independent professional advice. C. Suisse Asesoría México, S.A. de C.V. is an investment adviser created in accordance with the Mexican Securities Market Law ("LMV"), registered with the CNBV under the folio number 30070. C. Suisse Asesoría México, S.A. de C.V. is not part of Grupo Financiero Credit Suisse (México), S.A. de C.V., or any other financial group in Mexico. C. Suisse Asesoría México, S.A. de C.V. is not an independent investment adviser as provided by LMV and other applicable regulations due to its direct relationship with Credit Suisse AG, a foreign financial institution, and its indirect relationship with the entities that make up Grupo Financiero Credit Suisse (México), S.A. de C.V. Netherlands: This report is distributed by Credit Suisse (Luxembourg) S.A., Netherlands Branch (the "Netherlands branch") which is a branch of Credit Suisse (Luxembourg) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. The Netherlands branch is subject to the prudential supervision of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), and of the Dutch supervisory authority, De Nederlandsche Bank (DNB), and of the Dutch market supervisor, the Autoriteit Financiële Markten (AFM). Portugal: This report is distributed by Credit Suisse (Luxembourg) S.A., Sucursal em Portugal (the "Portugal branch") which is a branch of Credit Suisse (Luxembourg) S.A., a duly authorized credit institution in the Grand Duchy of Luxembourg with registered address 5, rue Jean Monnet, L-2180 Luxembourg. The Portugal branch is subject to the prudential supervision of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), and of the Portuguese supervisory authorities, the Banco de Portugal (BdP) and the Comissão do Mercado dos Valores Mobiliários (CMVM). Qatar: This information has been distributed by Credit Suisse (Qatar) L.L.C., which is duly authorized and regulated by the Qatar Financial Centre Regulatory Authority (QFCRA) under QFC License No. 00005. All related financial products or services will only be available to Eligible Counterparties (as defined by the QFCRA) or Business

Customers (as defined by the QFCRA), including individuals, who have opted to be classified as a Business Customer, with net assets in excess of QR 4 million, and who have sufficient financial knowledge, experience and understanding to participate in such products and/or services. Therefore this information must not be delivered to, or relied on by, any other type of individual. Saudi Arabia: This document is being distributed by Credit Suisse Saudi Arabia (CR Number 1010228645), duly licensed and regulated by the Saudi Arabian Capital Market Authority pursuant to License Number 08104-37 dated 23/03/1429H corresponding to 21/03/2008AD. Credit Suisse Saudi Arabia's principal place of business is at King Fahad Road, Hay Al Mhamadiya, 12361-6858 Riyadh, Saudi Arabia. Website: <https://www.credit-suisse.com/sa>. Under the Rules on the Offer of Securities and Continuing Obligations this document may not be distributed in the Kingdom except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial advisor. Under the Investment Fund Regulations this document may not be distributed in the Kingdom except to such persons as are permitted under the Investment Fund Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective subscribers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document you should consult an authorised financial adviser. South Africa: This information is being distributed by Credit Suisse AG which is registered as a financial services provider with the Financial Sector Conduct Authority in South Africa with FSP number 9788 and / or by Credit Suisse (UK) Limited which is registered as a financial services provider with the Financial Sector Conduct Authority in South Africa with FSP number 48779. Spain: This document is a marketing material and is provided by Credit Suisse AG, Sucursal en España, legal entity registered at the Comisión Nacional del Mercado de Valores for information purposes. It is exclusively addressed to the recipient for personal use only and, according to current regulations in force, by no means can it be considered as a security offer, personal investment advice or any general or specific recommendation of products or investment strategies with the aim that you perform any operation. The client shall be deemed responsible, in all cases, for taking whatever decisions on investments or disinvestments, and therefore the client takes all responsibility for the benefits or losses resulting from the operations that the client decides to perform based on the information and opinions included in this document. This document is not the result of a financial analysis or research and therefore, neither it is subject to the current regulations that apply to the production and distribution of financial research, nor its content complies with the legal requirements of independence of financial research. Turkey: The investment information, comments and recommendations contained herein are not within the scope of investment advisory activity. The investment advisory services are provided by the authorized institutions to the persons in a customized manner taking into account the risk and return preferences of the persons. Whereas, the comments and advices included herein are of general nature. Therefore recommendations may not be suitable for your financial status or risk and yield preferences. For this reason, making an investment decision only by relying on the information given herein may not give rise to results that fit your expectations. This report is distributed by Credit Suisse Istanbul Menkul Değerler Anonim Şirketi, regulated by the Capital Markets Board of Turkey, with its registered address at Levazim Mahallesi, Kuru Sokak No. 2 Zorlu Center Terassever No. 61 34340 Besiktas/ Istanbul-Turkey. United Kingdom: This material is distributed by Credit Suisse (UK) Limited. Credit Suisse (UK) Limited, is authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Where this material is distributed into the United Kingdom by an offshore entity not exempted under the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 the following will apply: To the extent communicated in the United Kingdom ("UK") or capable of having an effect in the UK, this document constitutes a financial promotion which has been approved by Credit Suisse (UK) Limited which is authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority for the conduct of investment business in the UK. The registered address of Credit Suisse (UK) Limited is Five Cabot Square, London, E14 4QR. Please note that the rules under the UK's Financial Services and Markets Act 2000 relating to the protection of retail clients will not be applicable to you and that any potential compensation made available to "eligible

claimants" under the UK's Financial Services Compensation Scheme will also not be available to you. Tax treatment depends on the individual circumstances of each client and may be subject to changes in future.

This report may not be reproduced either in whole or in part, without the written permission of Credit Suisse. Copyright © 2021 Credit Suisse Group AG and/or its affiliates. All rights reserved.

UNITED STATES: NEITHER THIS REPORT NOR ANY COPY THEREOF MAY BE SENT, TAKEN INTO OR DISTRIBUTED IN THE UNITED STATES OR TO ANY US PERSON (within the meaning of Regulation S under the US Securities Act of 1933, as amended).

21C014A_IS

Imprint

The English translation of Finanzmarkt-Umfrage Schweiz is provided as a convenience for our readers. No guarantee is made or implied for the accuracy of the translation. Only the original German version is authoritative.

Publisher

Burkhard Varnholt
Chief Investment Officer – Swiss Universal Bank
+41 44 333 67 63
burkhard.varnholt@credit-suisse.com

Information about other Investment Solutions & Products publications

Credit Suisse AG
Investment Publishing
P.O. Box 300, CH-8070 Zürich

Internet

<https://investment.credit-suisse.com>

Intranet (for employees only)

<https://isr.csinfra.net>

Subscription (clients)

Please contact your customer advisor to subscribe to this publication

Subscription (internal)

For information on subscriptions please visit:
<https://isr.csinfra.net/subscriptions>

Authors

Franziska Fischer

Economist – Swiss Macro & Strategy
+41 44 333 77 35
franziska.fischer@credit-suisse.com

Our partner

Sheila Ohlund CFA, President
CFA Society Switzerland
Baarerstrasse 11, 6300 Zug
Tel. +41 41 74 100 74
sheila.ohlund@swiss.cfa