

GOOD TO KNOW in December 2018

Gutmann Investor Dynamisch

Silvia Pecha, Prof. Gerd Infanger



Alleviated north-south conundrum

Europe is being stretched thinner and thinner these past few months, with the north pulling on one side and the south on the other. We may also call these forces by their names: Britain and Italy. But tensions have eased somewhat. The wheels are gradually loosening up. Why is it that this ordeal will soon come to an end? Well. Brexit negotiations are well under way and must now “only” pass through a number of national instances within Britain. And in Italy, Deputy Prime Minister Matteo Salvini has grudgingly agreed to reduce Italy’s budget deficit to 2.1 percent for 2019.

We can thus only hope that this storm will soon blow over, as the political squabbling is rubbing off on bond performance. One can already feel moderate, harmonious “vibrations” in the bond sector, as risk premiums on Italian bonds have decreased slightly. Stocks, on the other hand, have also come under considerable pressure. In October, they entered a massive market correction which continued into November.

No reason to fret

On top of this comes the fact that both current corporate reports and economic prospects are less rosy than only a year ago. This naturally has earnings growth expectations going down – a trend which is already now reflected in stock prices. But the all-important question is: does this put us on edge? If we ignore our gut and use our head, the answer is no. Here is just one example: the American S&P 500 index is likely to report earnings growth of 20 percent this year. Only a few months ago, experts were still projecting ten percent growth for 2019 as well. This figure has now been revised down to eight percent, which is still a rate one can easily live with.

Moreover, we still see no signs of an imminent recession. And, last but not least, a market shakeout always brings with it a return to reasonable investments and thus a departure from high-risk investments. Another result is that portfolios are balanced more carefully. And this, in turn, has a positive impact on strategies such as those pursued by Gutmann.

Performance of the fund

We have already taken action in response to the market turmoil last month, setting the course in the right direction. Therefore, we have only made minor adaptations to the fund’s architecture this month. The Gutmann Investor Dynamisch Fund is up 0.7 percent compared to the previous month.

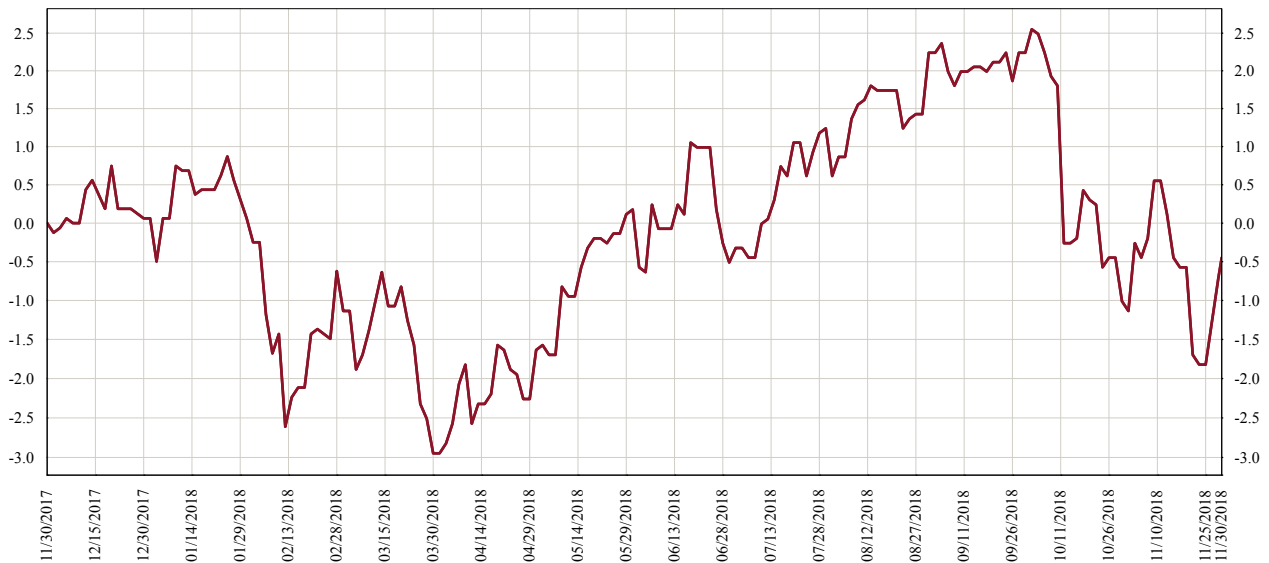
Allocation of Gutmann Investor Dynamisch

Asset class	Dezember 1, 2018	Previous month
Equities USA	30.87%	30.46%
Equities Europe	1.90%	1.80%
Equities Japan	0.00%	0.00%
Equities Asia	0.00%	0.00%
Emerging markets equities	0.86%	2.08%
Bonds with long maturities	56.63%	53.06%
Bonds with short maturities	2.00%	1.86%
Emerging markets bonds	0.00%	1.16%
High Yield bonds Europe	6.81%	6.52%
Alternative Investments	0.93%	3.05%
Money market	0.00%	0.00%

Source: Infanger Investment Technology, LLC and Gutmann KAG

As at the end of November 2018, the performance of Gutmann Investor Dynamisch over the last five years was 18.47 percent overall or 3.45 percent p.a. in Euro.

Performance 1 year in EUR



■ Fonds Gutmann Investor Dynamisch

-0.45%

Source: Gutmann KAG

Disclaimer: Past performance results do not allow any conclusions regarding the future development of an investment fund. Front end and back end loads are not included in the performance figures. Performance calculation of Gutmann KAG according to the OeKB-Method. The performance is shown in EUR. Due to currency fluctuations the return for investors with a different reference currency may rise or fall.

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