

A wide-angle photograph of a European city, likely Zurich, featuring a river with several bridges and historic buildings. A prominent church spire is visible on the right. The image is overlaid with a semi-transparent dark grey rectangle containing the title text.

Bi-Weekly. **Blackfort.**

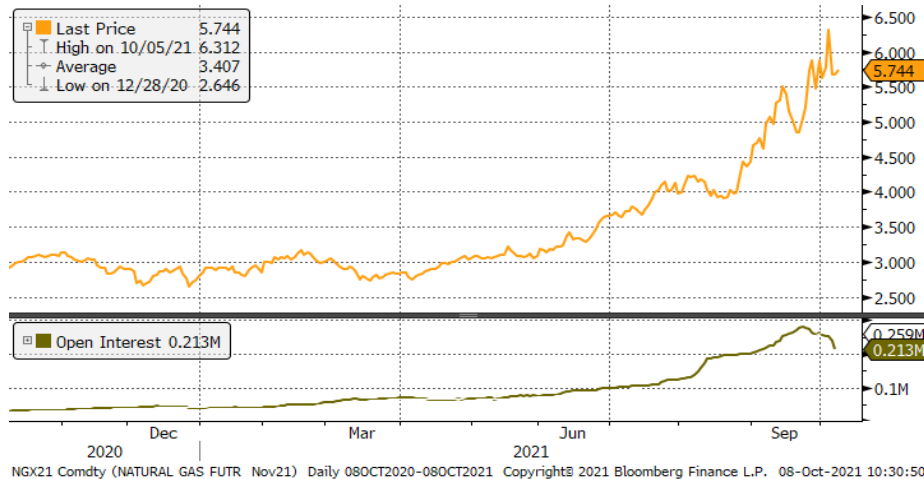
October 2021 (I)



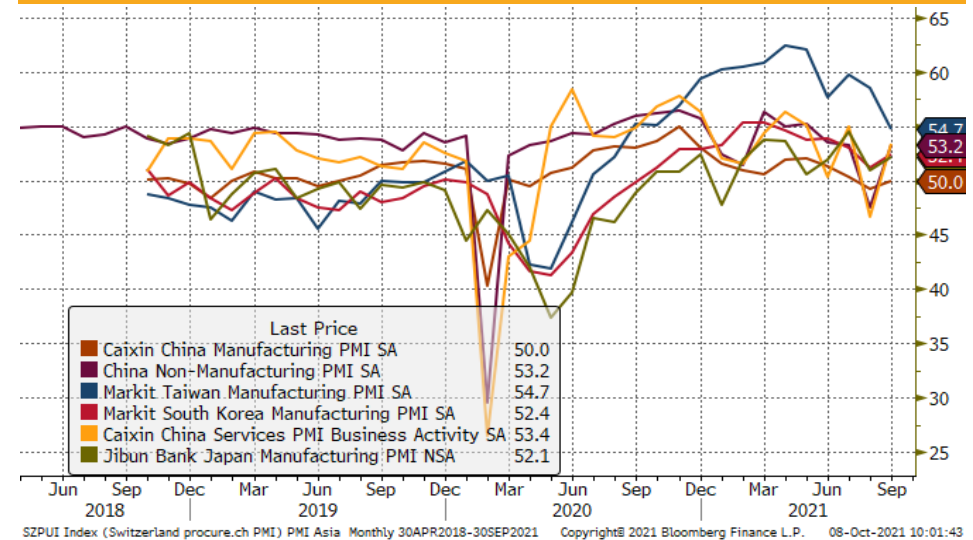
Macro Update: The US economy has gained momentum based on the latest ISM Data

- ❖ The news narrative over the last weeks was about a global slowdown led by China and followed by Europe and the US. Such statements are based on economic forecasts. Today's latest Chinese PMI data, neglected by economists, came as surprise. All three indicators have jumped back above the dividing line between growth and slowdown.
- ❖ The real surprise came from the ISM PMI data in the US, that unexpectedly jumped above 60, and are now near historic record levels. These are encouraging signs for the two largest economies.
- ❖ Turning to Europe, we see all major indicators above 55 in the acceleration area as well, which is a positive surprise, although we must admit that the indicators are still declining.
- ❖ In Japan, still one of the major global economies, we did see a jump of the PMI indicator up into the growth area.
- ❖ Overall purchasing managers do see the future development of their businesses much brighter than the economists. This comes as a surprise given the actual interrupted global delivery chains, which are also partially responsible for rising inflation.

Natural gas price dropped sharply due to Russia's plans to increase volumes



PMIs in China, South Korea and Japan indicate a growth acceleration



- ❖ Prices for used cars in the US went sharply up due to the lack of the new production. Chip shortages have impact not only on production delays, but also on their own price, which has skyrocketed.
- ❖ Rising oil and gas prices are Europe's biggest problem. In the UK petrol cannot be distributed due to the shortage of truck drivers, and the OPEC+ cartel has decided to only partially increase production which has pushed WTI and Brent futures sharply up.
- ❖ Last but not least, the shortage of natural gas in western Europe has not only moved up its price but has increased electricity prices. Vladimir Putin has announced that more gas will be delivered to the West, which was followed by decreasing gas futures prices. Some economists estimate that in Europe the negative impact on growth might be up to 2%.
- ❖ Similarly, in China coal electrical power stations were shut down due to pollution and economists expected a 4% negative impact on GDP. We would just add that the latest PMI data (covered above) does contradict these negative estimates.

Markets in 2021: Currencies, Commodities, Equity & Bond Indices

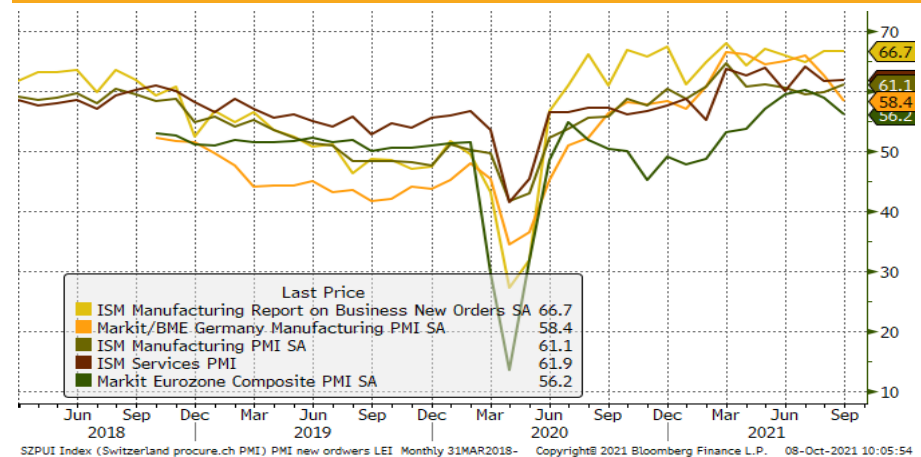
Bonds	Sep-21	YTD 2021
Bloomberg Barclays Global-Aggregate TR	0.21%	3.05%
Bloomberg Barclays Euro Aggregate Corporate TR	-0.22%	0.12%
Bloomberg Barclays Pan-European High Yield TR	0.45%	4.79%
Bloomberg Barclays US Corporate High Yield TR	0.46%	5.02%
Bloomberg Barclays Asia USD High Yield TR	-2.73%	-3.86%
Bloomberg Barclays Global High Yield TR	0.45%	4.79%
JPM Emerging Market Global Bond	-0.68%	2.07%

Equities	Sep-21	YTD 2021
NASDAQ 100 Stock Index	-0.40%	21.00%
S&P 500 INDEX	-1.01%	20.34%
MSCI World Index	-0.50%	17.71%
MSCI Emerging Markets Index	-2.28%	0.57%
EURO STOXX 50 Price EUR	-0.89%	19.49%
SMI	-3.30%	15.22%
DAX	-1.68%	13.49%
FTSE 100	-1.19%	11.89%
Hang Seng Index	-3.42%	-6.24%
Shanghai Shenzhen CSI 300 A-Shares	1.06%	-5.25%
Nikkei 225	8.58%	12.09%

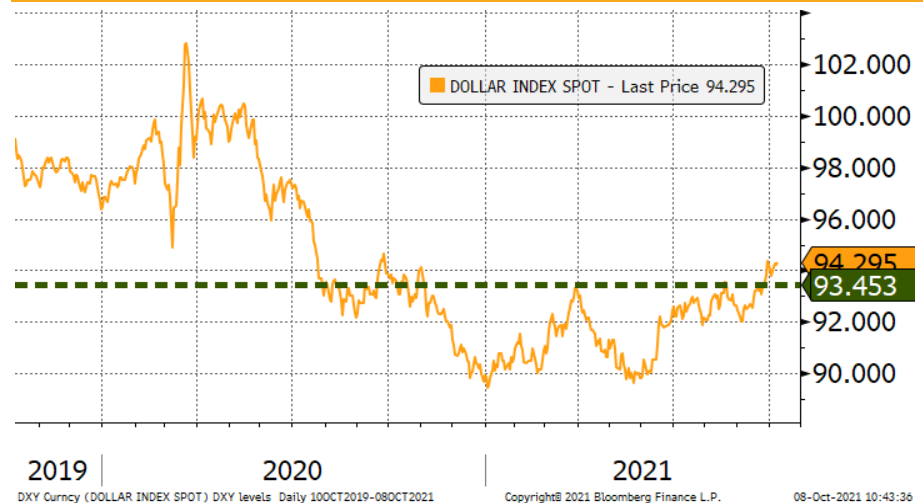
Commodities	Sep-21	YTD 2021
Gold	-1.31%	28.15%
Copper	1.89%	9.64%
WTI	-4.19%	-32.90%
BRENT	-5.00%	-34.39%
Bloomberg Comodity Index	-1.51%	-10.18%

Currencies	Sep-21	YTD 2021
EURCHF	-0.64%	-0.79%
CHFUSD	0.10%	6.48%
CHFGBP	3.27%	8.77%
EURUSD	-0.54%	5.67%
EURGBP	2.61%	7.92%
GBPUSD	-3.07%	-2.12%
EURRUB	1.41%	28.08%
USD RUB	2.17%	1.05%

US PMI data above 60 and near historic record levels



USD measured by DXY has broken out of its sideways trading channel



Investment Outlook: After a 6% pullback in the US, we might soon see higher markets

Liquidity

- ❖ CHF has traded sideways against the USD, but appreciated against the EUR. The Swiss national bank might soon intervene to weaken the currency.
- ❖ EUR lost against the USD, as we have seen globally larger money flows into the safe haven currency during the equity pullback.
- ❖ The DXY USD index has continued to rise over the last 2 weeks. DXY has broken out of its trading range, and we might test higher resistance levels. The USD is supported by higher treasury yields and a very strong growth outlook based on the latest US ISM data.

Equities

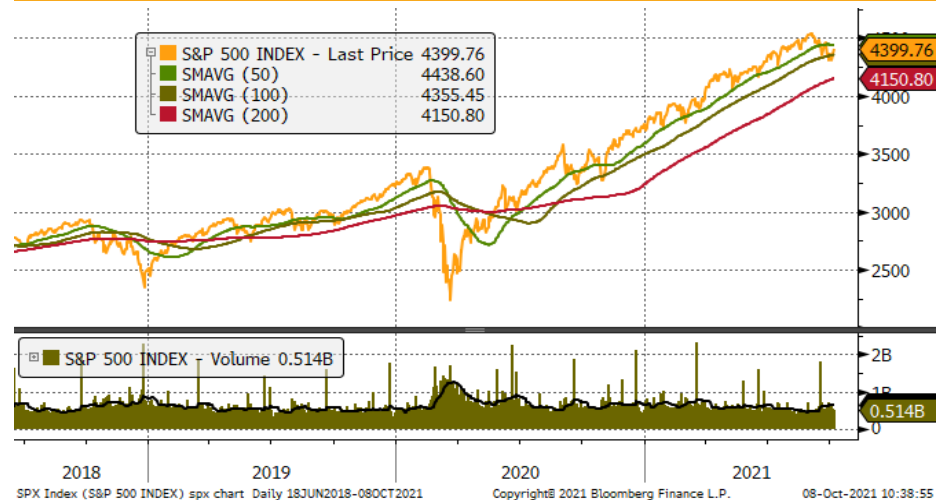
- ❖ The S&P 500 has finally corrected by 6%, but after trading below its 100-day average we have seen another wave of 'buy the dip'. This was accelerated once the republicans agreed to temporally solve the debt ceiling problem. However, we will have another discussion about the debt ceiling in the beginning of December. We do not expect that the US will fall off the tax cliff like many commentators have written recently.
- ❖ In Europe the pullback was more pronounced than in the US, which is a normal behavior for markets.
- ❖ China A-Shares have traded more than 1% up after the golden dragon week, which came as a surprise, as the markets were closed during the US and European pullback period. Latest news indicate that China's government and the major banks have agreed to support real estate developers and we might soon see some monetary stimulus and may be even lower policy rates.

Fixed Income

- ❖ 10-year treasury yields are approaching the 1.6% level. Although the news flow is quite negative, we should not forget that in spring we were at 1.77%. We would add that this rise is supported by a strong growth outlook for the US.
- ❖ Asian high yields have sold off over the last weeks. The Chinese Index lost around 12%. The main drivers were outstanding bonds of real estate developers. Based on the news flow from China the government has agreed with banks to support the real estate sector which is around 30% of the Chinese economy. Among others a reduction of mortgage rates is discussed.

Source: Bloomberg, Blackfort Analytics

S&P 500 regained its 100-day average after a 6% pullback



Alternative Investments

- ❖ Gold did not profit from the recent turbulences in the bond and equity markets. We do not see any catalyst which might boost the gold price.
- ❖ The uranium spot price has pulled back from around USD 50 to USD 43. This consolidation was expected as recently we have seen an overshooting due to the strong demand created by Sprott Physical Uranium Trust in August.
- ❖ WTI and Brent futures have both risen after the OPEC+ announced the increase in production only on a minor scale, which caught most traders on the wrong leg. The discipline among the cartel members is very high therefore we would still expect rising futures prices over the coming weeks. Considering that the heating period has not even started which will create addition demand while the supply will be kept artificially low.

New issue: Match Group

Bond I



Price D

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

Update: Softbank Group

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

Bond I



Price D



Source: M

inside

Yahoo

ese e-

Is from
SD 11.6

t value
ot. High
al and

h adds
vidend

ite the
lead to

Update: General Motors

Equity



Price D

80
+134.47%

60
+75.85%

40
+17.23%

20
-41.38%

Jan

Source: M

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

d
9% and
national

electric
company
through
cheaper
neration
ar cash
ned joint
e overall

Blackfort Bonds: Chances

We appreciate your interest.

Full scope of information is available for our clients.

Add

SOFT
MAT

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

Country

JP
US

Blackfort Offense: High Yield and Emerging Market Bonds USD

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

Blackfort Offense: High Yield and Emerging Market Bonds USD

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

FOR
FOR
FOR
FOR
FOR
GRU
GRU
GTLK
GTLK
GTLK
HEA
HIDF
HPC
HPC
HUN
INDI
JSW
JSW
KOC
LEVI
LIGH
LOG
LOG
LPL
LS FI
MAT
MER
MER
MET
MILL

Country

US
US
CN
CN
CN
MX
SV
RU
RU
RU
CN
BR
IN
IN
PE
ID
IN
IN
TR
US
BR
CN
CN
US
HK
US
DE
TR
CA
CO

Blackfort Offense: High Yield and Emerging Market Bonds USD

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

Blackfort Defense: Investment Grade Bonds USD

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

Blackfort Defense: Investment Grade Bonds USD

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

Country

SG
MY
CO
CN
IN
US
US
CN
US
IN
ID
CL
US
KZ
US
CN
RU
AU
AE
US
US
MX
US
AU
JP

Blackfort Defense: Investment Grade Bonds USD

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

Country

US
MX
US
IE
ID
GB
CO
BR
IN
US
MO
CN
CN
MX
CN
CN
CN
FR
US
US
BR
US
CA
TT
IT
IN
US

Blackfort Equity List: North America

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

Blackfort Equity List: Other Regions

We appreciate your interest.

Full scope of information is available for our clients.

Disclaimer

These Bond Recommendations (hereafter «BR») are provided for information purposes only and for the use by the recipient. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest of care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur through the use of this information. The BR does not purport to contain all of the information that may be required to evaluate all of the factors that would be relevant to a recipient considering entering into any transaction and any recipient hereof should conduct its own investigation and analysis. In addition, the BR includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be realised. The actual results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. It may not be reproduced either in part or in full without the written permission of BF.



Blackfort Capital AG · Talstrasse 61 · 8001 Zürich · Switzerland
Tel. +41 44 585 78 78 · info@blackfort.ch · www.blackfort.ch

Disclaimer

This Bi-Weekly (hereafter «BW») is provided for information purposes only. This document was produced by Blackfort Capital AG (hereafter «BF») with the greatest care and to the best of its knowledge and belief. Although information and data contained in this document originate from sources that are deemed to be reliable, no guarantee is offered regarding the accuracy or completeness. Therefore, BF does not accept any liability for losses that might occur using this information. BW does not purport to contain all the information that may be required to evaluate all the factors that would be relevant for entering into any transaction and anyone hereof should conduct their own investigation and analysis. In addition, the BW includes certain projections and forward-looking statements. Such projections and forward-looking statements are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control. Accordingly, there can be no assurance that such projections and forward-looking statements will be actualized. The real results may vary from the anticipated results and such variations may be material. No representations or warranties are made as to the accuracy, or reasonableness of such assumptions, or the projections, or forward-looking statements based thereon. This document is expressly not intended for persons who, due to their nationality or place of residence, are not permitted to access such information under local law. It may not be reproduced either in part or in full without the written permission of BF.

© Blackfort Capital AG. All Rights reserved.