



Julius Bär

PERFORMANCE REPORT AS OF 31.10.2022

1/5

USD LONG - LEVERAGE CERTIFICATE ON THE ACTIVELY MANAGED CERTIFICATE ON A PORTFOLIO OF LATIN AMERICAN BONDS

PRODUCT DESCRIPTION

These Certificates with a 5 years maturity track the performance of an AMC on a Portfolio of Latin American Bonds (100%), with a 2x initial leverage. The leverage facility is designed as static. Due to the non-recourse nature of leverage, the investor's maximum loss is limited to the initial investment.

TERMS

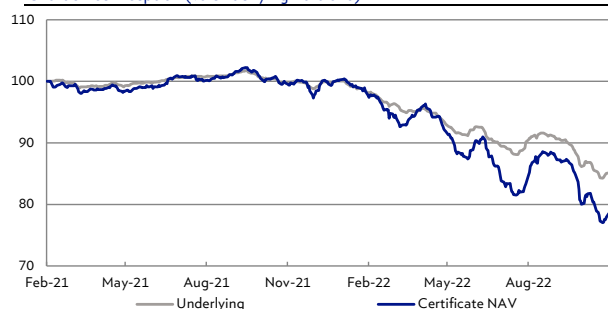
Issuer	Bank Julius Baer & Co. Ltd, Guernsey
Calculation agent	Bank Julius Baer & Co. Ltd, Zurich
ISIN	CH0589661955
Valor	58966195
Issue date	01.02.2021
Maturity date	02.02.2026

FACTS

Price	15705
Currency	USD
Initial participation	200%

HISTORICAL PERFORMANCE

Chart Since Inception (vs Underlying Portfolio)

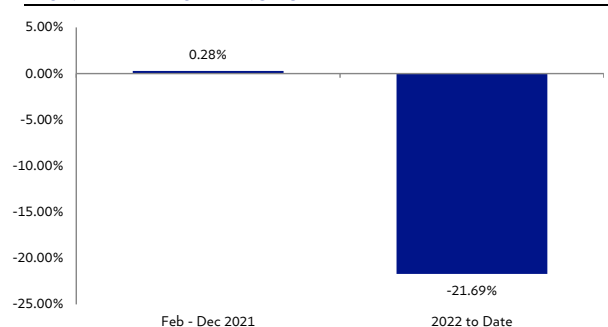


PERFORMANCE FIGURES

1 month	-1.87%
3 months	-5.76%
1 year	-21.28%
since launch	-21.48%
year to date	-21.69%

lifetime high	20450
lifetime low	15405
52 week high	20080
52 week low	15405

MONTHLY PERFORMANCE CHART

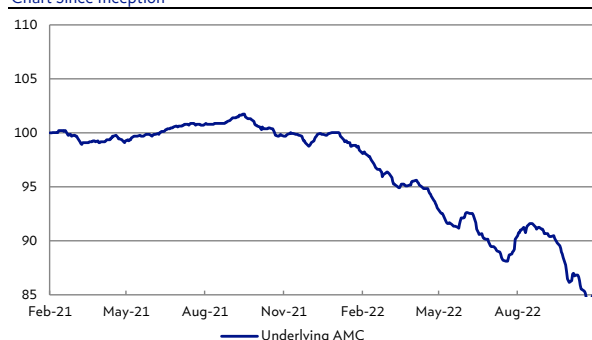


CERTIFICATE VOLATILITY

1 month	11.23%
3 months	10.82%
1 year	8.03%
since launch	6.47%

UNDERLYING PERFORMANCE

Chart Since Inception



UNDERLYING PERFORMANCE

Since underlying inception	
Actively Managed Certificate on a Portfolio of Latin American Bonds	-0.58%
Since product inception	
Actively Managed Certificate on a Portfolio of Latin American Bonds	-14.87%

UNDERLYING VOLATILITY

1 month	5.01%
3 months	4.52%
1 year	3.44%
since product inception	2.82%

PORTFOLIO CHARACTERISTICS AS OF 31.10.2022

Bonds	71	Bonds (%)	96.07%	Weighted YTM	9.51%	Weighted Duration	4.23
-------	----	-----------	--------	--------------	-------	-------------------	------

UNDERLYING COMPOSITION: ACTIVELY MANAGED CERTIFICATE ON A PORTFOLIO OF LATIN AMERICAN BONDS (AS OF 31.10.2022)

ISIN	NAME	CURRENCY	WEIGHT	YTM	DURATION	ASSET CLASS
USG77265AA73	RUTAS 2 AND 7 FINANCE	USD	1.30%	3.73	5.68	BOND
US86964WAL63	SUZANO AUSTRIA GMBH	USD	1.24%	6.84	5.24	BOND
USP1451JAA18	BANCO NACIONAL COM EXT	USD	1.38%	6.56	3.45	BOND
USP37115AH81	ENTEL CHILE SA	USD	1.07%	6.88	7.65	BOND
US05971V2C81	BANCO DE CREDITO DEL PER	USD	2.75%	7.61	2.44	BOND
USP56236AB16	INRETAIL CONSUMER	USD	1.24%	7.92	4.72	BOND
USP3984LAA81	FALABELLA SA	USD	0.62%	7.84	7.32	BOND
USP3762TAA99	ENGIE ENERGIA CHILE SA	USD	1.16%	8.35	6.00	BOND
USP84527AA17	SAN MIGUEL INDUSTRIAS	USD	1.26%	7.85	4.94	BOND
USP3146DAA11	CORPORACION INMOBILIARIA	USD	0.49%	8.06	6.75	BOND
USP71340AD81	NEMAK SAB DE CV	USD	2.42%	8.40	6.83	BOND
US46556M2A90	ITAU UNIBANCO HLDG SA/KY	USD	1.34%	7.92	2.90	BOND
USP6629MAC66	MEXICO CITY ARPT TRUST	USD	1.31%	7.42	4.77	BOND
USP57908AG32	ORBIA ADVANCE CORP SAB	USD	1.36%	7.12	4.32	BOND
USP7358RAD81	OLEODUCTO CENTRAL SA	USD	1.27%	9.32	4.03	BOND
USP1000PAA32	ATP TOW / AND TELECOM	USD	0.75%	11.05	3.09	BOND
USP55409AA77	INDUSTRIAS PENOLES SAB D	USD	0.55%	6.50	5.75	BOND
USP2195VAP06	CELULOSA ARAUCO CONSTITU	USD	1.33%	7.06	5.48	BOND
US29246RAA14	ENEL GENERACION CHILE SA	USD	1.82%	6.09	1.38	BOND
USP9379RBA43	EMPRESAS PUBLIC MEDELLIN	USD	2.02%	10.39	5.35	BOND
USP8718AAL00	SOCIEDAD QUIMICA Y MINER	USD	1.45%	5.90	5.43	BOND
USP09252AM29	BANCO DE BOGOTA SA	USD	1.63%	7.88	4.10	BOND
USP2205JAQ33	CENCOSUD SA	USD	1.42%	6.84	4.09	BOND
USP26064AA66	CIBANCO SA INS DE BANCA	USD	2.36%	11.38	6.39	BOND
USP37110AJ50	EMPRESA NACIONAL DEL PET	USD	1.81%	6.08	1.88	BOND
USG42045AC15	GRUPO AVAL LTD	USD	0.44%	10.39	5.68	BOND
US05971BAH24	BANCO BTG PACTUAL/CAYMAN	USD	3.00%	6.61	2.02	BOND
USN15516AB83	BRASKEM NETHERLANDS	USD	1.36%	7.78	4.40	BOND
USP1926LAA37	CABLE ONDA SA	USD	1.27%	8.11	5.81	BOND
USP5R70LAA96	INTERCHILE SA	USD	1.09%	6.54	12.13	BOND
US46556MAM47	ITAU UNIBANCO HLDG SA/KY	USD	1.47%	7.31	1.87	BOND
USP3772WAK82	BANCO DO BRASIL (CAYMAN)	USD	0.57%	6.87	5.11	BOND
USL6364EAA12	MX REMIT FUND FIDUC EST	USD	1.54%	9.22	2.38	BOND
US29082HAA05	EMBRAER NETHERLANDS FINA	USD	1.50%	7.38	2.35	BOND
USP2253TJS98	CEMEX SAB DE CV	USD	0.51%	9.28	3.10	BOND
USL6388GAB60	MILLICOM INTL CELLULAR	USD	1.21%	8.79	4.31	BOND
USP0156PAB50	ALFA S.A.	USD	0.93%	5.74	1.33	BOND
USL0183BAA90	AMAGGI LUX INTL SARL	USD	1.40%	7.93	4.37	BOND
USP12651AD05	BANCO GENERAL SA	USD	0.83%	7.87	6.35	BOND
USG20038AA61	CNTL AMR BOTTLING CORP	USD	0.82%	7.62	5.31	BOND
USP9406GAC26	TRUST FIBRAUNO	USD	1.05%	9.21	2.84	BOND
US279158AL39	ECOPETROL SA	USD	2.05%	8.37	3.15	BOND
USP7721BAE13	PERU LNG SRL	USD	1.23%	9.49	3.66	BOND
USP6680PAA95	CIA DE MINAS BUENAVENTUR	USD	2.10%	11.21	3.15	BOND
USG25343AB36	COSAN SA	USD	0.70%	7.56	5.50	BOND
USP3713CAB48	EMPRESA ELECTRICA COCHRA	USD	0.93%	9.16	1.89	BOND
USP93077AC28	TRANSPRTDRA DE GAS INTL	USD	1.91%	7.99	4.78	BOND
USE0R75RAB28	AI CANDELARIA SPAIN SLU	USD	0.68%	12.38	5.57	BOND
USP4955MAA91	GRUPO AXO SA DE CV	USD	1.26%	13.51	2.97	BOND
USP4954BAF33	GRUPO KUO SAB DE CV	USD	1.40%	8.72	3.89	BOND
USP16259AN67	BBVA BANCOMER SA TEXAS	USD	1.14%	8.95	5.33	BOND
USN15516AE23	BRASKEM NETHERLANDS	USD	2.29%	8.57	10.96	BOND
US279158AC30	ECOPETROL SA	USD	1.23%	7.59	0.84	BOND
USP90475AB31	TELFON CELUAR DEL PARAGU	USD	1.40%	8.72	3.78	BOND
USP19189AE26	CAMPOSOL SA	USD	2.27%	15.38	3.39	BOND
USU8215LAA27	SIERRACOL ENRGY ANDINA	USD	1.16%	15.79	4.14	BOND
USP0607LAD57	AES ANDES SA	USD	1.27%	10.15	1.90	BOND
USL67359AA48	NEXA RESOURCES SA	USD	0.67%	8.44	4.21	BOND
USP13435AA33	BANCO INTERNAC DEL PERU	USD	2.44%	9.46	1.28	BOND
USU63768AB83	NBM US HOLDINGS INC	USD	1.47%	7.99	5.21	BOND
US279158AN94	ECOPETROL SA	USD	0.72%	10.42	5.50	BOND
USP1850NAB75	BRASKEM IDESA SAPI	USD	1.05%	13.62	5.84	BOND
USU63768AA01	NBM US HOLDINGS INC	USD	2.34%	8.02	2.97	BOND
USL626A6AA24	MC BRAZIL DWNSTRM	USD	1.91%	11.57	5.02	BOND
USP2253TJP59	CEMEX SAB DE CV	USD	1.58%	7.78	3.72	BOND
US84265VAA35	SOUTHERN COPPER CORP	USD	1.36%	6.61	8.17	BOND
USP14008AE91	BANCO MERCANTIL DE NORTE	USD	1.80%	10.78	3.96	BOND
USC35898AB82	FRONTERA ENERGY CORP	USD	0.64%	15.44	3.98	BOND
USG42037AA25	GRUPO UNICOMER CO LTD	USD	0.93%	8.12	1.31	BOND
USP73699BH55	OP SERVICIOS MEGA	USD	1.51%	50.54	1.57	BOND
USP32086AR44	CREDIVALORES SA	USD	0.31%	63.26	1.44	BOND
Cash			3.93%			CASH

MANAGER COMMENTARY

Major Events

The EM corporate asset class in the month of October was again heavily impacted by developed markets and their hawkish central banks. Global financial conditions tightened throughout the month however had a reprieve in the final week as many market participants are starting to price in a Fed pivot. Within emerging markets, the weakness continues in China, particularly the real estate sector. New home prices in China declined 0.28% MoM in September, the thirteenth consecutive monthly drop, as the real estate market remains fragile. The Communist Party Congress has provided limited signs of easing the country's Covid-zero and property-market policies that have been weighing on the economy.

The 20th Party Congress produced the most significant political change in China in decades as President Xi won a third term and swept aside precedents established in prior decades about the leadership team (including age and term restrictions, gender representation, and factional balance). Elsewhere, in Brazil, leftist former president Lula won the presidential elections. While the result was mostly expected, the tight results show how split the Brazilian population is. Lula's victory was mostly priced in by financial markets, as Brazilian assets closed mostly unchanged after opening weaker the day after the election. In the corporate space, we expect limited disruption from a Lula government, although SOEs are more vulnerable.

Fundamentals

The third quarter earnings season has begun with an initial positive read of cost passthroughs, particularly in the auto supplier, pulp/paper and other basic materials sectors. Positive year on year growth in 3Q22 is supported by the recovering economic growth, robust commodity prices and the strong dollar supporting exporters. But higher costs and resumed capex spending have eaten into EBITDA gains.

Default activity remained dominated by Russian and China property companies. YTD default rate for EM HY corporates reached 10.3%. EM corporate default rate is running materially higher than that for DM markets where the default rate is 1.5% for US HY and 0.3% for European HY, but more comparable excluding Russian, Ukrainian and China property issuers.

The default rate is unsurprisingly highest at 21.7% in EM Europe, while Middle East & Africa remains at 0.0% and Latin America is at a fairly contained 2.2%.

Technicals

EM corporate primary market activity picked up somewhat in October to USD13.5bn, which is above USD11bn in September and a high since June of this year (USD16bn). Yet this is still the lowest October monthly supply since 2015, when it marked USD12bn. Year-to-date gross supply at USD\$205bn continues to run at a decade-low pace, slightly below 2015 (USD211bn YTD). Net financing (issuance net amortizations, coupons, tenders, buybacks, etc.) totalled -USD22bn in October given limited supply combined with USD28bn in scheduled and USD8bn in unscheduled cash flows. This marks the ninth consecutive month of negative net financing following -USD40bn in September, pushing the YTD figure further into negative territory to -USD204bn. This is a very positive technical for our market, which is partially offset by the EM Bond outflows, which have continued in October with a record of 10 weeks of outflow in a row.

Performance

The CEMBI Broad Diversified index lost 2% over the month of October. It was mainly dragged down by the negative performance of Asia (-4%) which represents 43% of this EM index. Unsurprisingly, the real estate sector was the worst performer of the month (-10.30%). With few signs of lockdowns easing, lodging and gaming sectors in Asia are still negatively impacted. Alternatively, the pulp/paper and basic material companies posted positive performance for the month, aided by decent third quarter earnings.

Latam Corporate Index lost 0.51% over the month with Argentina (1.38%) and Brazil (0.69%) leading the performance in the region. On the other end, Mexico (-1.79%) and Chile (-1.23%) were the laggard this month.

Outlook

We expect volatility to remain elevated going into year-end, however as highlighted above, valuations are very attractive today particularly in quality companies.

We are in an environment where liquidity is low, further exacerbating market swings. We view the volatility as an opportunity considering our base case is the global economy can avoid a severe recession. Instead, we expect global financial conditions to improve, and emerging markets should be one of the largest beneficiaries of that. EM corporate fundamentals remain robust, which we think provides a significant buffer against a recession or continued inflationary pressure.

We also think the maturities over the coming years are likely to be manageable as the composition is skewed towards sectors and countries with better alternative refinancing abilities. Therefore, we have a bullish view for the EM corporate asset class over the next 12 months. We expect our underweight to duration and credit risk to gradually get closer to our Benchmark over the coming months by deploying more capital in quality companies however we will constantly reassess our views by evaluating upside and downside risks.

CONTACTS

Structured Products

Tailored Solutions Group

+41 (0) 58 888 8006
 derivatives@juliusbaer.com
 derivatives.juliusbaer.com

BANK JULIUS BAER & CO. LTD.
 Bahnhofstrasse 36
 P.O. Box
 8010 Zurich
 Switzerland

IMPORTANT LEGAL INFORMATION

This publication constitutes **marketing material** and is not the result of independent financial/investment research. It has therefore not been prepared in accordance with the legal requirements regarding the independence of financial/investment research and is not subject to any prohibition on dealing ahead of the dissemination of financial/investment research. It has been produced by Bank Julius Baer & Co. Ltd., Zurich, which is authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA).

The information expressed in this publication was produced as at the date of writing and is subject to change without notice. This publication is intended for **information purposes only and does not constitute advice, an offer or an invitation** by, or on behalf of, Julius Baer to buy or sell any securities or related financial instruments, or to participate in any particular trading strategy in any jurisdiction. Although the information herein is trusted to be accurate and complete, and data herein has been obtained from sources believed to be reliable, no specific representation is made in this respect herein. In particular, the information provided in this publication may not cover all material information on the financial instruments or issuers of such instruments. Julius Baer does not accept liability for any loss arising from the use of this publication. Entities within the Julius Baer Group provide advice that is not considered 'independent' within the meaning given to that term by EU Directive 2014 / 65 / EU on markets in financial instruments (known as MiFID II).

Although the information and data herein are obtained from sources believed to be reliable, no representation is made that the information is accurate or complete. In particular, the information provided in this publication may not cover all material information on the financial instruments or issuers of such instruments. Bank Julius Baer & Co. Ltd., Zurich, its subsidiaries and affiliated companies do not accept liability for any loss arising from the use of this publication. Important sources for the production of this publication are e.g. national and international media, information services (e.g. Reuters, Bloomberg Finance L.P.), publicly available databases, economic journals and newspapers (e.g. Financial Times, Wall Street Journal), publicly available company information, publications of rating agencies. Ratings and appraisals contained in this publication are clearly marked as such. All information and data used for this publication relate to past or present circumstances and may change at any time without prior notice. Statements contained in this publication regarding financial instruments or issuers of financial instruments relate to the time of the production of this publication. Such statements are based on a multitude of factors which are subject to continuous change. A statement contained in this publication may, thus, become inaccurate without this being published. Potential risk regarding statements and expectations expressed in this publication may result from issuer specific and general (e.g. political, economic, market, etc.) developments.

SUITABILITY

Investments in the asset classes mentioned in this publication may not be suitable for all recipients and may not be available in all countries. **Clients of Julius Baer are kindly requested to get in touch with the local Julius Baer entity in order to be informed about the services and/or products available in their country.** This publication has been prepared without taking account of the objectives, financial situation or needs of any particular investor. Before entering into any transaction, investors should consider the suitability of the transaction to individual circumstances and objectives. Any investment or trading or other decision should only be made by the client after a thorough reading of the relevant product term sheet, subscription agreement, information memorandum, prospectus or other offering document relating to the issue of the securities or other financial instruments. **Nothing in this publication constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to individual circumstances, or otherwise constitutes a personal recommendation to any specific investor.** Any references to a particular tax treatment depend on the individual circumstances of each investor and may be subject to change in the future. Julius Baer recommends that investors independently assess, with a professional advisor, the specific financial risks as well as legal, regulatory, credit, tax and accounting consequences. Where a publication makes reference to a specific research report, the publication should not be read in isolation without consulting the full research report, which may be provided upon request.

GENERAL RISKS

The price and value of, and income from investments in, any asset class mentioned in this publication may fall as well as rise and investors may not get back the amount invested. Risks involved in any asset class mentioned in this publication may include, but are not necessarily limited to, market risks, credit risks, political risks and economic risks. The investor may be exposed to currency risk when the product or underlyings of the product are denominated in currencies other than that of the country in which the investor is resident. The investment as well as its performance would therefore be exposed to currency fluctuations and may increase or decrease in value. Investments in emerging markets are speculative and may be considerably more volatile than investments in established markets. Past performance is not a reliable indicator of future results. Performance forecasts are not a reliable indicator of future performance. Shares, bank debt securities (e.g. interest-bearing bank bonds and certificates) as well as other claims against financial institutions are subject to special regulations, such as the Bank Recovery and Resolution Directive, the Single Resolution Mechanism Regulation and related national laws implementing such special regulations. These regulations can have a negative effect for the investor / contractual partner of the financial institution in case of a default and the necessity of a resolution of the financial institution. For further details, please refer to: www.juliusbaer.com/legal-information-en

SPECIFIC RISKS

Contingent convertible bonds (CoCo bonds): Generally, investments in CoCo bonds (which absorb losses if a bank's capitalisation falls below a defined level) for European Economic Area resident clients are only allowed for professional clients; for retail clients, they are generally permitted if the issuer provides a Key Information Document according to the Regulation for Packaged Retail Investment and Insurance-based Products (PRIIPs KID). The German securities regulator (Federal Financial Supervisory Authority, BaFin) does not regard CoCo bonds as a suitable investment for retail clients due to their complex product structure, their intended use, the fact that they are difficult to value and the potential conflict of interests on the part of the bank. Retail clients wishing to purchase CoCo bonds on their own initiative should carefully consider the specific features and risks involved when making their decision. In addition, according to the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015, enacted by the UK Financial Conduct Authority (FCA), these products must not be purchased by retail clients domiciled in the European Economic Area (EU, Liechtenstein, Norway and Iceland), unless one of the following conditions is met: annual income of at least GBP 100,000 (or equivalent) or net assets (excluding property, insurance and other benefits) of at least GBP 250,000 (or equivalent) at disposal.

Structured products (e.g. baskets, certificates): These are complex financial products and therefore involve a higher degree of risk. They are intended for investors who understand and are capable of assuming all risks involved. Structured products may therefore only be sold to experienced investors and require additional advice regarding the product-specific risks. The value of the products is not only dependent on the development of the underlying, but also on the creditworthiness of the issuer, which may vary over the term of the product. In case of the issuer's insolvency or bankruptcy, the investors in the product may lose their entire investment in the product. Before entering an investment all documents related to the issue of the described structured product have to be read. The full terms of the respective structured product may be obtained free of charge.

Funds: Investments in funds mentioned in this publication should only be made after a thorough reading of the current prospectus, the current Key Investor Information Document or simplified prospectus, the fund regulations or articles of association, the latest annual and semi-annual reports or other offering or fund documentation, such as the offering memorandum and subscription form. These documents can be obtained free of charge upon request. Please note that collective investment schemes exclusively open to qualified investors may be fully or partially exempted from producing these documents by the Swiss Financial Market Supervisory Authority (FINMA). Performance values may be calculated without taking account of commissions and costs that result from selling and buying back investments.

CONFLICT OF INTEREST

Julius Baer is required to disclose important information about its interests and potential conflicts. In order to prevent conflicts of interest from adversely affecting the interests of its clients, Julius Baer has established a policy and procedures designed to identify and manage such conflicts. These include organisational and administrative arrangements to safeguard the interests of clients, adequate remuneration policies (for persons involved in the production of this publication) based largely on qualitative criteria (e.g. overall quality and accuracy of research) and only remotely on quantitative elements (e.g. overall performance of Julius Baer). A Julius Baer entity may, to the extent permitted by law, participate or invest in other financing transactions with the issuer of the securities referred to herein, perform services or solicit business from such issuers, have a position or effect transactions in the securities or options thereof, have any other significant financial interest regarding the issuers of the securities referred to herein and/or may have done so in the past. For further information about our interest in the investments featured in this publication, see the company-specific disclosures above.

IMPORTANT DISTRIBUTION INFORMATION

This publication and any market data contained therein **shall only be for the personal use of the intended recipient** and shall not be redistributed to any third party, unless Julius Baer or the source of the relevant market data gives their approval. This publication is not directed to any person in any jurisdiction where (on the grounds of that person's nationality, residence or otherwise) such publications are prohibited.

Switzerland: This publication is distributed by Bank Julius Baer & Co. Ltd., Zurich, authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). All investment funds mentioned in this publication are authorised for distribution in Switzerland. Some of the investment funds mentioned in this publication may not be authorised for distribution in Switzerland and may therefore only be distributed to qualified investors as defined in the Swiss Collective Investment Schemes Act and the Swiss Collective Investment Schemes Ordinance. Structured products do not constitute a participation in a collective investment scheme. Therefore, they are not supervised by the Swiss Financial Market Supervisory Authority FINMA and the investor does not benefit from the specific investor protection provided under the Swiss Federal Act on Collective Investment Schemes (CISA). This publication is not a simplified prospectus as stated in Art. 5 of the CISA.

United States: NEITHER THIS PUBLICATION NOR ANY COPY THEREOF MAY BE SENT, TAKEN INTO OR DISTRIBUTED IN THE UNITED STATES OR TO ANY US PERSON.

This publication may contain information obtained from third parties, including ratings from rating agencies such as Standard & Poor's, Moody's, Fitch and other similar rating agencies, and research from research providers such as MSCI ESG Research LLC or its affiliates. Issuers mentioned or included in any MSCI ESG Research LLC materials may be a client of or affiliated with a client of MSCI Inc. ("MSCI") or another MSCI subsidiary. Reproduction and distribution of third-party content in any form is prohibited except with the prior written permission of the related third party. Third-party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings or research, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third-party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third-party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including lost income or profits and opportunity costs) in connection with any use of their content, including ratings or research. Credit and/or research ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the market value of securities or the suitability of securities for investment purposes and should not be relied on as investment advice.