

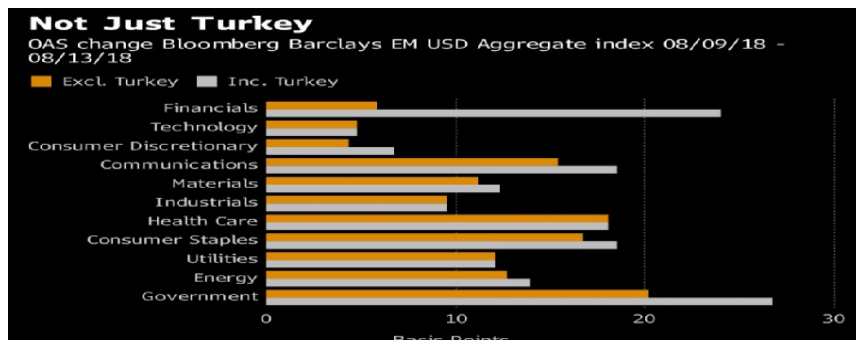
SUMMER 2018: QUIET. TOO QUIET ?



A VERY QUIET SUMMER

Very few surprises and a global uptrend (small) on markets. Central banks continued with the gradual pace of rate increases, the corporations published decent numbers and the volatility stayed within historical lows. Just the Turkey's market and currency collapse hit the fan. Almost summer torpor

The Turkey's Lira plummeted after US impositions of sanctions (additional tariffs on steel and aluminum imports from Turkey). The currency has lost almost 30% ! Some repercussions on corporate papers from Emerging Markets (mostly Argentina, Ukraine, South Africa and Russia)



The USD has strengthened. We would take the opportunity to take profit on USDEUR positions under the 1.14 level. We expect the markets to consolidate following the decent summer rally. With a very low transaction volumes on the market, any movement can be exacerbated. Attention.

The GBP will face either a sharp drop or rebound. We would play it via a straddle (similar to the one put in place for the Mexican Peso). Tesla going private ? A joke or reality ? Anyway, avoid the stock but buy the bond (USD 5.30%, 2025, BBB, YTCall 12.32% , YTWorst 6.95%)

On a medium term, our vision of a rebound to historical high levels materialized and some more upside would be limited. Be aware of any risk-aversion spark after the summer !

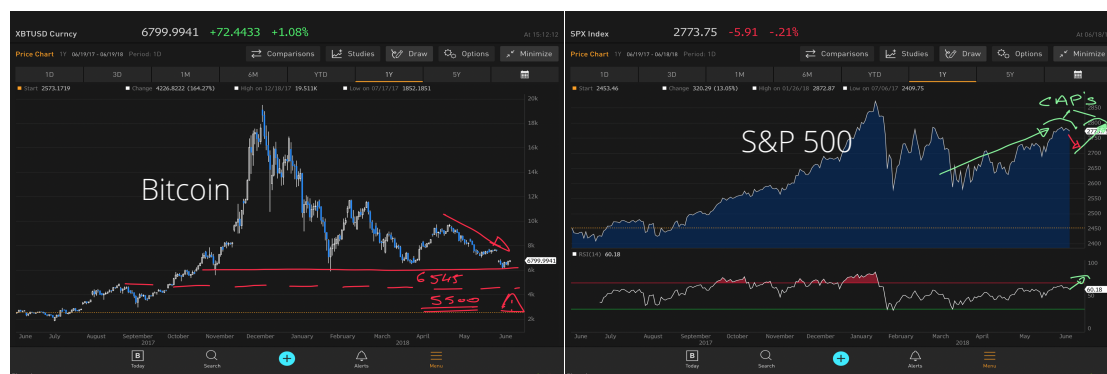
TRADES THAT WORKED !

Launched before the Mexican elections, our MXNUSD Straddle closed on a very positive note: +15.50%. The same with the Twitter short (put on Twitter at USD 45.00)



REMINDERS

Bitcoin: technical level still at risk. Markets rebounds and caps still in place. Wait for Gold to reach USD 1130.- and buy !



RISK GRADES® = a Mount-Invest SA proprietary colored potential risk model (details with your Advisor)

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