

## 2021 - Your assets. New thinking. For your future

As in previous years, we are happy to comply with the request of numerous clients and friends of BPM - Berlin Portfolio Management and provide a compact presentation of results in 2020 and the perspectives of successful core strategies of BPM for 2021.

The following information is an essential part of the BPM scenario for the coming quarters and represents the core basis for portfolio allocation.

**After all, today's portfolio structure determines the future success of our clients.**

### The 2020 results

|  |
|--|
| <p>BPM's<br/><b>"Horizon Plus Portfolio" (USD)</b><br/>Style: balanced<br/><b>15,42%</b></p> |
|--|

|  |
|--|
| <p>BPM's<br/><b>"Dynamic Best Ideas Portfolio" (USD)</b><br/>Style: highly dynamic<br/><b>76,56%</b></p> |
|--|

### Our core scenario 2021

| Expectation   | Profiteers  | Disadvantaged  |
|---|---|--|
| Global consumption and debt tsunami post-Covid 19   | Consumer non-cyclical stocks, Travel & Leisure, Chip producer, Logistics...   | Government Bonds, Internet and IT Servicer without strong USP  |
| +   |   |  |
| Sustained combination of fiscal and monetary "gun fire"   | Precious Metals, Crypto-Currencies, Inflation-linked Bonds  | Bondholder, Retirement plans, Pension funds, Savings accounts  |
| +   |   |  |
| Structural US-Dollar weakness   | Emerging Markets stocks and bonds (local currency), Commodities   | Exporters to the US, USD-balances on cash accounts   |
| +   |   |  |
| FED & ECB rates near to zero for far longer than 2021   | High-Capex Industries like 5G, Hydro, E-Mobility supply, Clean Production...  | Banks, Life insurances, traditional savers   |
| =   |   |  |
| <b>"Perfect Storm" for accelerated consumer price inflation in 2021/2022 and the resulting investment opportunities</b> | <b>Commodities, Precious Metals, Mining and real value stocks, Emerging Markets, Digital-Currencies, Alternative Strategies, Inflation-Linker</b> | <b>Vaporisation of purchasing power by debasement of currencies. Cash, bonds and leveraged "most loved" stocks are a threat for investors' goals</b> |

## Implications and conclusion

Today, at the beginning of the new decade, we find ourselves at a critical or perhaps even historic juncture for the preservation and smart accumulation of wealth.

Given the unique and to some extent random combination of the following factors:

- **unprecedented global debt,**
- **against the background of enormous technological advances,**
- **rapid change in the energy base of the economy,**
- **unique alliance of expansionary monetary and fiscal policies,**
- **quasi-abolition of interest rates by central banks, and**
- **the all-accelerating effect of the coronavirus pandemic,**

the framework for the preservation and accumulation of wealth needed a clear and permanent overhaul.

In deriving our core scenario, BPM will continue to direct its efforts at achieving returns for its clients' portfolios to meet the challenges of the future. Asset classes that can no longer objectively make a sufficient contribution to achieving the investment objectives will be systematically avoided. Nostalgia is misplaced in the face of the consequences of wrong priorities in capital allocation. This is especially true for large parts of the bond market and certain parts of the equity universe that have become particularly popular with investors recently.

We have identified and invested in the future beneficiaries at an early stage. Examples include e-mobility, raw materials and precious metals, medical technology and the second wave of digitalisation. Substance and real value, future-proof and sustainable business models and strategies are the most valuable features.

The ability to look ahead, is another key factor, as you can see from the 2020 results. Our aim is to come to you at the beginning of 2022 with a similarly positive conclusion and give a new constructive outlook!

If interested, please contact us to discover and implement concrete applications and optimisation options for your investments. We look forward to develop an optimal wealth management approach with you – for a safe and successful tomorrow!



Uwe Guenther



Thomas Pass