

HIGHLIGHTS OF THIS ISSUE

In this issue, we briefly update our existing themes. We then present in the spotlight piece our **Pay Swiss!** theme, the alter ego of our erstwhile **Say Swiss!** theme.

- The next few weeks are critical for the global economy, the markets and, most importantly, the policy makers. The scenario ahead feels increasingly digital and we are facing an inflection point on all the aforementioned dimensions. Whether we are optimistic about it, is less important now; managing the very significant two-way risk is more important. Either way, you are advised to rebalance.
- We re-illustrate our **Paying the Piper** and **PIGS vs. Bacon** themes, via a 'war game.' In the general economic backdrop, we raise the spectre of synchronous monetary cycles, which of course, in the rare occasion they occur, are very market significant.
- In our spotlight piece, our **Pay Swiss!** theme argues that current conditions warrant using the CHF as a funding currency both for real economy and financial investments. Specifically, under most plausible scenarios for the global economy and markets, for the coming quarters, we believe the CHF would underperform in at least one of the major crosses.

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