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NEWS HIGHLIGHTS

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OUR VIEWS ON ECONOMIC AND OTHER EVENTS AND THEIR EXPECTED IMPACT ON INVESTMENTS

MARCH 14, 2022

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OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND[1]

PORTLAND 15 OF 15 ALTERNATIVE FUND[1] COMPANY NEWS

Amazon.com, Inc. ("Amazon"): announced a 20-for-1 stock split and increased its buyback authorization to US$10 billion (from prior $5 billion). Amazon announced a 20-for-1 stock split, subject to shareholder approval, that would be effective starting June 6th. This follows a similar 20-for-1 split announcement from Google LLC. ("GOOGL"), concurrent with fourth quarter 2021 earnings, with shares outperforming the Nasdaq by 450 basis points ("bps") since February 1st. In 2020, Apple Inc. ("AAPL") announced a 4-for-1 stock split on July 30th (Fiscal third quarter earnings), which saw shares outperform the Nasdaq on a 3-month (+12-points ("pts")), 6-month (+20-pts), and 12-month (+13-pts) basis. Tesla Inc.("TSLA") announced a 5-for-1 split on August. 11th, 2020, and shares outperformed the Nasdaq on a 3-month (+45-pts), 6-month (+182-pts) and 12-month (+121-pts) basis. Amazon's Board of Directors authorized a new $10 billion share repurchase authorization, replacing its previous $5 billion authorization from February 2016. The company has recently started buying back shares year to date ("YTD"), acquiring $2.1 billion so far, with $1.3 billion in Janauary. (disclosed in a 10-K filing) and an additional $800 million in February or early March. This follows a nine-year hiatus, as Amazon last repurchased $960 million shares in 2012 and $277 million in 2011. We note that Amazon has plenty of capacity to increase authorization further with $96 billion of cash and Short Term ("ST") investments on the Balance Sheet ("BS") and positive free cash flow ("FCF") in Fiscal Year ("FY") 2022.

Reliance Industries Limited ("Reliance") –Navin Wadhwani has left the company after overseeing its mergers and acquisitions ("M&A") activities for more than 10 years, according to people familiar with the matter. Wadhwani, who joined in 2011 from Rothschild & Co., left Reliance at the end of last year, and is taking a break attending courses on artificial intelligence at a university.

Wadhwani, led Reliance's mergers and acquisitions team which spearheaded an over US$27 billion fundraising spree for its non-energy business. He was also involved in talks with Saudi Arabian Oil Co. for a stake sale in the group's oil-to-chemicals unit. Reliance and Saudi Aramco called off the deal in 2021 after two years of discussions.

Reliance Industries Limited-("Reliance") in late February quietly began poaching employees and taking over rental leases of hundreds of stores once run by Future Retail Ltd. ("Future Retail") and Future Lifestyle Fashions Ltd.("Future Lifestyle"), even as Amazon tried to block formal acquisitions through lawsuits and arbitration across India and Singapore. Reliance's move forced Amazon to seek settlement on the dispute and alarmed Future's investors and lenders wary of asset-stripping.

In a letter, dated March 5, Future Lifestyle expressed concerns and shock and requested Reliance not to undertake asset stripping actions that may be viewed seriously by the lenders, who have charge on all current and fixed assets of the company. Banks could have cut off Future's credit lines, crippling what's left of the cash-starved retailer. Future Group got caught in the tussle between two large corporations after Amazon objected to Reliance's August 2020 offer to buy Future Retail's stores and warehouses for 247.1 billion rupees (US$3.4 billion). Amazon said the deal violated its 2019 agreement with another Future Group firm as it bled out Future Retail, which has missed debt obligations and faces bankruptcy risk. Future Retail said in an exchange filing late Wednesday it has received termination notices on sub-leases for 342 large and 493 small stores from the Reliance group. These stores contributed as much as 65% of revenues but are currently not operational for stock and inventory reconciliation. Separately, Future Lifestyle said it has received termination notices for 112 sub-leased properties from Reliance entities that were bringing in a similar proportion of revenues.

SoftBank Group Corp. ("SoftBank") - SoftBank's Vision Fund (SVF) was revealed to have been the seller behind a US$1 billion block trade in Coupang Inc. ("Coupang") shares late last week. SVF Investment Corp (UK) Ltd. sold 50 million Coupang shares for $20.87 a piece, at least the second time in several months that it's divested shares in the South Korean e-commerce company, according to a filing to the U.S. Securities and Exchange Commission. The shares were sold at a price almost 30% lower than the previous sale price of $29.685 in September. A block of 50 million shares in Coupang was being marketed by Goldman Sachs Group Inc., according to people familiar with the matter. SoftBank Group first invested in Coupang in 2015, which was followed by the Vision Fund's investment in 2018. Coupang went public in New York last year for $35 each in one of the biggest listings by an Asian company on a U.S. exchange. SoftBank is Coupang's largest shareholder with a 29% stake, according to latest data complied by Bloomberg.

SoftBank Group Corp. – ("SoftBank") Group unit SB Energy Global Holdings Limited ("SB Energy") lined up a strategic equity investment of up to US$600 million to help expand its portfolio of solar and storage projects. Funds of Ares Management Corporation ("Ares") have committed the majority of the financing, with the balance expected to come from co-investors, according to a statement. SB Energy launched in the U.S. in 2019 and has about 1.3 gigawatts of solar power operating in Texas and California. It plans to significantly expand the number of renewable energy and storage projects it has in operation or under construction by the end of 2025. Battery storage enables solar energy to power homes at night, and technologies including artificial intelligence which is another focus for SB Energy, can aid forecasting. SB Energy recently placed a multi-year order for 1.5 gigawatts in panels from First Solar Inc. The panels will be manufactured in Ohio, limiting potential logistics obstacles that have confronted some developers that rely on imported equipment.

Samsung - Samsung Electronics Company ("Samsung") suffered a cybersecurity breach that exposed internal company data, including source code for the operation of its Galaxy smartphones, the company said on Monday. The statement came after a claim over the weekend that LAPSUS$, a hacking group that stole proprietary information from Nvidia Corp.'s networks, had gained access to Samsung data. Samsung did not identify the attackers who compromised its systems. Measures to prevent further breaches have been put in place, a spokesperson said via text message, and customers' personal data was not affected. According to an initial analysis, the breach involves some source code relating to the operation of Galaxy devices, but does not include the personal information of consumers or employees. Currently, Samsung does not anticipate any impact to their business or customers. The LAPSUS$ hackers posted a 190 Gigabyte ("GB") torrent file to their Telegram channel late Friday, claiming it contained confidential Samsung source code that exposed the company's device security systems. Among the items listed were algorithms for Samsung smartphone biometric authentication and bootloader source code to bypass some operating system controls.

Brookfield Asset Management ("Brookfield") - is, reportedly, in talks to acquire one of Australia's largest non-bank lenders, La Trobe Financial Corporation ("La Trobe"), from Blackstone Inc. ("Blackstone"). The two private equity firms are in advanced discussions about a deal for Blackstone's controlling stake in the Melbourne-based credit asset manager. Brookfield has been stepping up its private equity investments recently focusing mainly on deals in Asia and Europe. A unit of the Canadian investor agreed to buy 60% of First Abu Dhabi Bank PJSC's payments business at a valuation of more than US$1.15 billion last month. A Brookfield unit also bought Modulaire Group, a European designer of modular work spaces, for about US$5 billion last year, in one of the largest private equity deals in Europe in 2021. Brookfield's private equity business has assets under management of about US$103 billion, according to information on its website. It is also aiming to raise a private equity fund targeting about US$15 billion. La Trobe has more than $13 billion (US$9.5 billion) in assets under management.

Berkshire Hathaway Inc. ("Berkshire") – Warren Buffett's Berkshire revealed a more than US$5 billion stake in Occidental Petroleum Corporation ("Occidental"), as oil prices soared to their highest level in about a decade. Berkshire said it owns 91.2 million Occidental shares, or nearly 10% of those outstanding, including 61.4 million bought from March 2 to March 4. Buffett's company disclosed the stake in a Friday night filing with the U.S. Securities and Exchange Commission. Oil prices have surged higher following Russia's invasion of Ukraine last month, prompting fears of supply shortages. Berkshire also has warrants to buy another 83.9 million Occidental shares at $59.62 each, or $5 billion. It obtained these in 2019, when it also purchased $10 billion of preferred stock - which throws off $800 million of annual dividends - to help finance Occidental's $35.7 billion purchase of Anadarko Petroleum Corporation ("Anadarko). News of Berkshire's latest investment came as billionaire activist investor Carl Icahn, a critic of the Anadarko merger, last week exited his own Occidental stake. Berkshire ended December with $146.7 billion of cash and equivalents. It also invested $350.7 billion in equities such as Apple Inc., Bank of America Corporation, American Express Company, and Coca-Cola Company. Buffett has gone six years without a major acquisition, and Berkshire has slowed share repurchases following a record $27 billion in 2021.

DIVIDEND PAYERS

GO TO PORTLAND GLOBAL ALTERNATIVE FUND[1]

GO TO PORTLAND GLOBAL ARISTOCRATS PLUS FUND[1]

GO TO PORTLAND GLOBAL BALANCED FUND[1]

Bayer AG ("Bayer"): Divests Environmental Science business to Cinven for €2.4 billion. This is in line with the plan to divest, that was first announced February 2021. €1.1billionn sales in 2021. We believe valuation in line with 2.2x sales assumption in Pharma Values. Deal expected to close in the second half of 2022. The Proceeds will be used to reduce Balance sheet leverage.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

Amgen Inc.("Amgen") — and the National Health Service of Britain announced a deal to expand access to Lumykras in the UK. Lumykras was approved in May 2021 for the treatment of non-small cell lung cancer ("NSCLC") in the US. Amgen will provide Lumykras to 600 patients at an agreed discount. That comes after 100 patients in the U.K. were granted access to the drug in September of last year under Project Orbis. Orbis is a collaborative effort between drug regulators in the United States, Canada, Australia, U.K. and several other countries to speed the approval process for promising cancer treatments. In the U.S., Lumakras obtained the U.S. Food and Drug Administration ("FDA") approval last May for a type of non-small cell lung cancer that was previously considered "undruggable." It treats the Kirsten rat sarcoma viral oncogene homolog ("KRAS") G12C mutation, dubbed the "death star," for its spherical shape and resistance to treatment. This type of cancer occurs in roughly 13% of NSCLC patients. This second-line treatment is used if patients don't respond to chemotherapy and it has fewer side effects. Another advantage is its ease of administration as it can be taken at home in tablet form. Peak sales of Lumakras have been pegged at $1.3 billion by 2025. This deal follows on the heels of the European approval in January based on the phase 2 CodeBreak 100 study in 733 subjects, which found that treatment with Lumykras was associated with a 37% objective response rate ("ORR"), defined as a 30% or greater reduction in tumour volume, when used as a second-line therapy for KRAS G12C-mutated NSCLC after chemotherapy and/or immunotherapy. Amgen is running a confirmatory phase 3 trial called CodeBreak 200 that is comparing Lumakras to the chemotherapy agent docetaxel in previously-treated patients with KRAS G12C-mutated NSCLC, with a readout due later this year. Analysts have suggested that Lumykras could become a $1 billion-plus product if Amgen can extend the label for the drug into the first-line NSCLC setting and get approval for other KRAS-mutated tumour types such as colorectal and pancreatic cancers. The EU approval extends Amgen's lead over its closest competitor in the KRAS inhibitor category, Mirati, which is developing a candidate called adagrasib and is working towards a US approval and launch for the drug later this year. Merck & Co and Boehringer Ingelheim are among other drugmakers with KRAS inhibitors in their cancer pipelines. The company also announced they will be presenting long-term outcomes from the CodeBreak 100 trial of LUMAKRAS (sotorasib). "We look forward to sharing the longest follow-up data ever presented with a KRAS G12C inhibitor at this year's AACR conference, further demonstrating the clinical benefit this transformative therapy can bring to patients," said David M. Reese, M.D., executive vice president of Research and Development at Amgen. The company announced the ground-breaking of its newest biomanufacturing facility, located in Holly Springs, North Carolina. The facility, expected to be operational by 2025, will support the growing demand for Amgen's medicines that treat serious illnesses such as cancer and heart disease. LUMAKRAS has blockbuster potential and is in the early stages of adoption and rollout. Once more clinical evidence has been presented, this drug has the potential to become a top-line treatment for NSCLC which we believe, could be a key revenue driver for Amgen in the future.

BridgeBio Pharma, Inc. ("BridgeBio") – Helsinn Group ("Helsinn") and BridgeBio announced an update to existing strategic collaboration to develop, manufacture and commercialize infigratinib for oncology indications. Under the terms of the amended and restated agreement, Helsinn will gain an exclusive license to commercialize infigratinib in the U.S. and will be responsible for developing, manufacturing and commercializing infigratinib in oncology indications worldwide except for achondroplasia or any other skeletal dysplasias and except in mainland China, Hong Kong and Macau. BridgeBio will be eligible to receive regulatory and commercial milestone payments as well as tiered royalties on adjusted net sales from Helsinn. BridgeBio will retain all rights to develop, manufacture and commercialize infigratinib in skeletal dysplasia, including achondroplasia. Infigratinib has been approved by the FDA for the treatment of adults with previously treated, unresectable locally advanced or metastatic cholangiocarcinoma with a fibroblast growth factor receptor 2 ("FGFR2") fusion or other rearrangement as detected by an FDA-approved test. BridgeBio and Sentynl Therapeutics ("ST") announced the execution of an asset purchase agreement for the sale of Bridgebios NULIBRY (Fosdenopterin). NULIBRY is approved by the FDA to reduce the risk of mortality in patients with molybdenum cofactor deficiency ("MoCD") Type A, an ultra-rare, life threatening pediatric genetic disorder. Under the Agreement, Sentynl will acquire global rights to NULIBRY and will be responsible for the ongoing development and commercialization of NULIBRY in the United States and developing, manufacturing and commercializing Fosdenopterin globally. BridgeBio will share development responsibilities for Fosdenopterin through approval of the marketing authorization application already under accelerated assessment with the European Medicines Agency and through approval of its regulatory submission with the Israeli Ministry of Health. Sentynl will provide cash payments upon the achievement of certain regulatory milestones. BridgeBio will be eligible to receive commercial milestone payments as well as tiered royalties on adjusted net sales of NULIBRY. The announced collaborations and licensing deals will accelerate the introduction of BridgeBio products in the market and leverage the marketing and sales capabilities of larger more established pharmaceutical organizations.

Guardant Health Inc. ("Guardant") - The company, announced that Palmetto GBA, a Medicare administrative contractor for the Molecular Diagnostics Services program ("MolDX"), has conveyed coverage for Guardant360 TissueNext™ under the existing local coverage determination ("LCD") (MolDX: Next-Generation Sequencing for Solid Tumors). Guardant360 TissueNext is the company's first tissue-based test to help oncologists identify patients with advanced cancer who may benefit from biomarker-informed treatment. The policy covers Guardant360 TissueNext for Medicare fee-for-service patients with advanced solid tumor cancers as a standalone service. "We are pleased that Medicare has taken this important step to make complete genomic profiling more widely available for patients with advanced cancers," said Helmy Eltoukhy, Guardant Health co-Chief Executive Officer.

OncoBeta GmBH ("OncoBeta") – announced a world-first from Australia, with the first patients treated with Rhenium-SCT® as part of the global phase IV EPIC-Skin Study (Efficacy of Personalised Irradiation with Rhenium-SCT – for the treatment of non-melanoma skin cancer ["NMSC"]). These Australian patients are the first of 200 adults in the study, and their progress will be followed over the next 24 months. The international study will be conducted through study centres located in Australia, Austria, Germany and the United Kingdom. Australia will host multiple study centres in selected capital cities, with these patients the first to be treated globally at South Coast Radiology located within Gold Coast's John Flynn Private Hospital. The EPIC-Skin study has an emphasis on Patient Reported Outcome Measures such as quality of life, treatment comfort and cosmetic outcomes, as well as further evaluating the efficacy of Rhenium-SCT for the treatment of NMSC. Patients in the study will utilise OncoBeta's Clinical Study app, which provides a simple and streamlined way to record their experiences. OncoBeta Australia Country Manager, Ken Rikard-Bell, said, "With rates of NMSC on the rise in Australia and around the world, it's vitally important that treatments are continuously improving and innovating. It's exciting what this study could mean for the future of NMSC treatment. Never before has there been such an ability to fit the treatment to the patient." With a primary focus on patient reported outcomes, this trial could generate valuable real-world efficacy data for the applicability of Rhenium-SCT as a viable treatment for NMSC.

Telix Pharmaceuticals Ltd.—("Telix") has announced that ZIRCON (Zirconium in Renal Cancer Oncology, a pivotal Phase III study of investigational renal (kidney) cancer imaging agent TLX250-CDx has dosed 252 patients, the target enrolment for the study. TLX250-CDx (89Zr-DFO-girentuximab) is an investigational product for the imaging of clear cell renal cell carcinoma ("ccRCC") with position emission tomography ("PET"). TLX250-CDx has received "Breakthrough Designation" from the FDA. As permitted under the clinical study protocol, Telix will continue recruiting into the study for up to an additional three months. This additional recruitment will both generate further data in support of the Biologics License Application ("BLA") and facilitate continued experience for trial sites ahead of Telix's planned transition to opening a broader, more accessible Expanded Access Program ("EAP"). The EAP for TLX250-CDx is currently planned to commence in June 2022. Telix expects to report the outcome from the ZIRCON study in second half of, 2022. Dr Colin Hayward, Telix's Chief Medical Officer said, "We are pleased to have reached this important milestone in our Phase III program, and to have reached target enrolment. Recruitment into this study has accelerated as clinical sites have gradually re-opened due to COVID and investigators have become accustomed to using the imaging agent. We look forward to delivering the outcome of this highly innovative study with the goal of delivering an important unmet medical need."

ECONOMIC CONDITIONS

Ukraine crisis: The risk of the North Atlantic Treaty Organization ("NATO") being dragged into the war in Ukraine has risen after Russian warnings that military convoys to Ukraine will be considered legitimate targets and a military training facility near Poland's border was attacked. Russia has reportedly intensified its attacks on key Ukrainian cities though peace talks are reportedly making some progress. The U.S. and China will also hold high-level talks in Rome today while there has been no traction towards a no-fly zone over Ukraine. Illiquidity and volatility are likely to continue to characterise market activity in the days ahead while risks of a Russian default grow. Stagflation risks will likely continue to sound louder in the weeks ahead too, leaving central banks in a bind. As it was, growth was slowing and inflation was highly elevated ahead of the crisis in Ukraine. Now it's going to look a whole lot worse in our view, implying a still tense environment for risk assets. In our view, we continue to be wary of the next couple of weeks given likely Russian sovereign default and further de-grossing of hedge funds to avoid hitting month end International Swaps and Derivatives Association ("ISDA")/prime brokerage triggers. As for the ongoing conflict given the pace of losses, we believe it is difficult to see how Russia can maintain this level of fighting even if Belarus and rest of Wagner Group forces are fully committed. Timing wise, this suggests more serious ceasefire talks could begin by late in the second quarter. The longer this goes on, the stronger the Ukraine military will become due to faster re-arming from the West which will overwhelm Russian production efforts; again highlighting the logistics nightmare we believe that Putin never accounted for, but the horrific base case remains Putin will try to take Kyiv.

Canadian employment registered an impressive rebound in February after January's sanitary measures induced drop. A total of 336.6 thousand new jobs were added, way above the +127.5 thousand expected by consensus. February's job increases, combined with the four ticks increase in labour force participation rate (65.4%), resulted in a 1.0 percentage point ("pp") drop in the unemployment rate from 6.5% to 5.5%, below its pre-pandemic level. The increase in employment stemmed from both part-time jobs (+215 thousand) and full-time jobs (+122 thousand). The private sector was responsible for most of the rebound, registering a 347 thousand increase, while the public sector grew 8 thousand jobs. On the other hand, self-employed (-19 thousand) posted a pullback. The services sector (+293 thousand) completely erased January's losses and more. Accommodation and food services (+114 thousand), information/recreation (+73 thousand), professional services (+47 thousand), trade (+38 thousand) and health care (+16 thousand) were the best performers, while public administration (-18 thousand), other services (-2 thousand) and transportation/warehousing (-2 thousand) posted a pullback. Meanwhile, employment in the goods-producing sector (+44 thousand) was also on the rise with gains in construction (+37 thousand), forestry (+4thousand), agriculture (+3 thousand) and manufacturing (+1 thousand) while only utilities (-0.5 thousand) was down. Regionally, the four largest provinces registered increases, led by Ontario (+194 thousand) and followed by Quebec (+82 thousand), BC (+21thousand and Alberta (+8 thousand).

Canada's unadjusted household debt-to-disposable income ratio climbed in the fourth quarter, up 1.6 percentage points ("ppts") to 179.5%. That marks the third straight quarterly increase, with the ratio now just under the all-time highs touched before the pandemic. In seasonally-adjusted terms, the ratio rose 5.8 ppts to 186.2% (third quarter was revised up to 180.4%), marking a new record. Disposable income (-1.3%) fell as lower government transfers more than offset higher wages; meantime, growth in debt (+1.9%) continued to push the ratio higher. The debt service ratio edged up to 13.8% but still sits below the pre-pandemic range of around 15%. Interest payments on mortgage debt declined, though we will likely see this component grind higher as the Bank of Canada announced its first rate hike in the first quarter. Meantime, the asset side of the balance sheet, Net worth climbed to 1073% of disposable income, marking the third straight quarter above the 1000-mark as home prices and equity values both increased. Owner's equity in real estate climbed to another record high of 76.5% in the quarter. And, the debt-to-asset ratio edged down 0.3 ppts to 14.5%.

Canada: The Globe & Mail reports that "in PEI, rent has soared 16.4% over the past two years, as measured by Statistics Canada's Consumer Price Index. Rents are up 8.4% in New Brunswick and 6.2% in Nova Scotia, compared with a 4% increase at a national level. The surge in rental prices in the Maritimes is emblematic of an unfortunate dichotomy: Homeowners have seen their wealth explode over the pandemic, while tenant households are getting squeezed. The surge is not only a burden to household finances, but also emboldens landlords to jack up rents further in a region that's teeming with newcomers, but struggling to absorb them. It's also emblematic of an unfortunate dichotomy: Homeowners have seen their wealth explode over the pandemic, while tenant households are getting squeezed. "For a lot of people, rent has been unaffordable for a while," said Sarah Lunney, chair of the New Brunswick chapter of the Association of Community Organizations for Reform Now, which advocates for low- and moderate-income earners. "Now, it's to a point where even places that would be considered, in our opinion, slum-like housing, are incredibly expensive." In many ways, what's happening is the dark side of a boom period that's brought new blood to rapidly aging provinces. From 2016 to 2021, the population of the Maritimes grew at a faster rate than the Prairies, a first since the 1940s, according to recent census results. Lately, those migrants include a flood of remote workers seeking cheaper homes, leading to price acceleration that resembles Toronto or Vancouver. In the Moncton area, the benchmark home price has jumped 37% over the past year, while in Prince Edward Island ("PEI"), it's up 27%. In the Halifax area, the average home price has risen 30% over a year to about $560,000."

U.S. consumer prices rose much as expected in February, though surging gasoline and food costs are likely to push the headline index above 8% in the spring. The consumer price index ("CPI") popped 0.8% in the month, lifting the yearly rate several tenths to 7.9%, the highest since January 1982. Gasoline costs jumped 6.6%, contributing to almost a third to the headline increase, and are up 38% in the past year. Fuel costs are already up around 20% so far in March from February, and could add nearly a percentage point to the March CPI increase. Thankfully, the year-ago base effects will help over the next five months, but the annual CPI rate is still likely to top 8% in coming months, before, hopefully and depending on the course of the war, staging a gradual retreat.

UK Gross Domestic Product ("GDP") surprised sharply to the upside in January as activity rose by 0.8% month over month ("m/m") (market: 0.1%), which puts GDP 0.8% above its pre-COVID-19 level. The main driver of the print was wholesale trade, as it bounced back from a 3.2% m/m decline in December due to Omicron effects and grew 3.8% in January. Information and communication also increased sharply and grew by 2.9% m/m. Services and manufacturing also surprised sharply to the upside, with growth in both sectors coming in at 0.8% m/m, 0.6ppts above consensus which looked for 0.2% growth in both sectors.

FINANCIAL CONDITIONS

European Central Bank (ECB) : Rates were left alone: deposit facility at -0.5%, main refinance rate at 0.0%, and the marginal lending facility at 0.25%. Asset purchases could end by Q3: In April, the asset purchase programs (APP) would be increased from €20 billion to €40 billion for that month; then, to €30 billion in May, then back to the normal pace of €20 billion in June. That is three months ahead of schedule. What happens from July and beyond will be data-dependent and will be a reflection of its "evolving" assessment of the economic outlook. And if activity and inflation plays out as they expect, the APP could end in the third quarter. This is more aggressive than expected but a very reasonable path in our view. The initial plan crafted in December was €40 billion/mth in April-June, €30 billion in July-September, then back to €20 billion from October onwards. But that was before the invasion of Ukraine, and before more upside surprises on inflation, with likely more to come with energy costs rising significantly. The phrase "The Governing Council expects net purchases to end shortly before it starts raising the key ECB interest rates." was replaced with: "Any adjustments to the key ECB interest rates will take place some time after the end of the Governing Council's net purchases under the APP and will be gradual." And so signalling the ECB decisions are based solely on the data and its mandate to maintain price stability. The emphasis throughout the press conference was on data dependency, and the use of the phrase "some time after" gives them ample room and flexibility.

The U.S. 2 year/10 year treasury spread is now 0.29% and the U.K.'s 2 year/10 year treasury spread is 0.20%. A narrowing gap between yields on the 2 year and 10 year Treasuries is of concern given its historical track record that when shorter term rates exceed longer dated ones, such inversion is usually an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate has increased to 3.85%. Existing U.S. housing inventory is at 2.6 months supply of existing houses - well off its peak during the Great Recession of 9.4 months and we consider a more normal range of 4-7 months.

The VIX (volatility index) is 30.38 and while, by its characteristics, the VIX will remain volatile, and we believe a VIX level below 25 could be encouraging for quality equities.

And finally : *"Russia is a riddle wrapped in a mystery inside an enigma." ~ Winston Churchill*

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Glossary of Terms: 'CET' core equity tier, 'EBITDA' earnings before interest, taxes, depreciation and amortization, 'EPS' earnings per share, 'FCF' free cash flow, 'GDP' gross domestic product, 'ROE' return on equity, 'ROTE' return on common equity, 'ROTCE' return on tangible common equity, 'conjugate" a substance formed by the reversible combination of two or more others.

1.Not all of the funds shown are necessarily invested in the companies listed

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