



UNE PERFORMANCE ACCRUE CERTAINE POUR UN NIVEAU DE RISQUE STABLE EN PORTEFEUILLE

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AGENDA

- Vues Macro
- Performance accrue certaine dans un environnement incertain
- Exemple de portefeuille



VUES MACRO

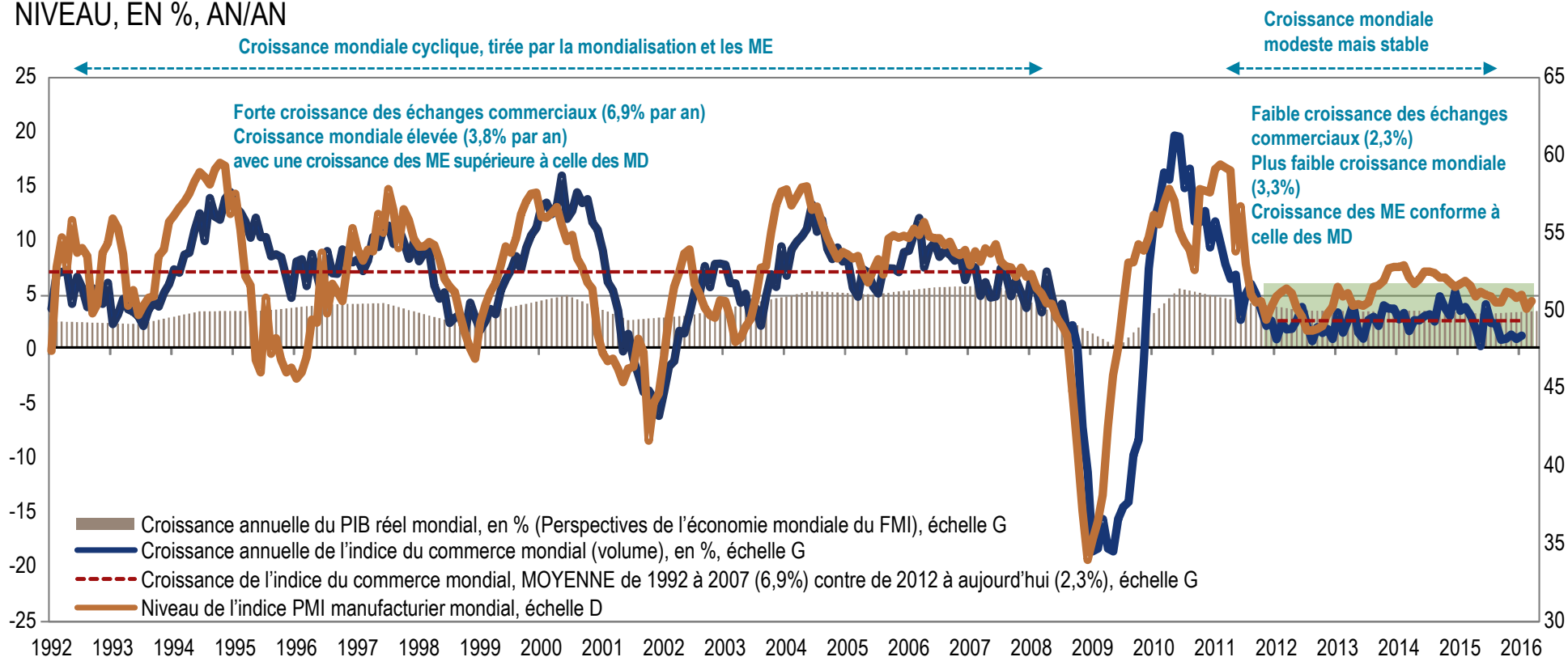
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LA CROISSANCE MONDIALE NE S'EFFONDRE PAS

LE SECTEUR MANUFACTURIER MONDIAL A ÉVITÉ UNE RÉCESSION

EVOLUTION DU PMI MANUFACTURIER, DU COMMERCE ET DU PIB MONDIAUX

NIVEAU, EN %, AN/AN



Sources : Datastream, calculs Lombard Odier

Veillez vous référer aux informations importantes figurant à la fin du document.

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4 KEY POINTS FROM LOMBARD ODIER

1. A change in paradigm – Low but steady **world growth**
2. The **US cycle** is peaking but can be prolonged by policy tailwind
3. **Europe** is not the problem child of the world economy... despite **Brexit** uncertainties
4. Brighter skies for **Emerging Markets**

MACRO SCORECARD

LOW BUT STEADY WORLD GROWTH

Country / Region	Status	Rational
US	On trend	Consumer led-cycle is maturing but employment, timid Fed tightening and potential fiscal impulse act as a support.
Eurozone	On trend	Robust domestic activity, ECB policy and improved fiscal ratios support the outlook despite political uncertainties & Brexit.
Japan	Decelerating	Hopes for any near-term improvement in the economic outlook rest once again on forthcoming fiscal & monetary stimulus. But Japan needs much more for a sustainable fix.
China	Soft Landing	While Chinese data improved short-term thanks to monetary and fiscal stimulus, the world's second-largest economy is far from free of risk due to longer-term imbalances (private debt / property)
Emerging Economies	Accelerating	Downside risks on emerging markets have subsided thanks to the stabilisation of the US dollar, Chinese economy and commodity prices.

FINELY BALANCED GLOBAL RISKS

WHAT'S NEXT?

MACRO SCENARIO

- ❑ The **US** economy is showing late-cycle conditions but accommodative policy can help prolong the expansion. The increased volatility caused by the November elections offers an additional reason for the Fed to be cautious in its tightening process.
- ❑ **China** appears well-supported for now, with signs that stimulus steps are having some traction - but long-run imbalances remain a concern.
- ❑ **Brexit** has so far failed to take systemic proportions. Our view remains that it is a major but UK-specific issue – which will play out over time, with the critical part starting once Article 50 gets triggered.
- ❑ Economic activity in the **Eurozone** is resilient despite political risks, with above potential growth, no liquidity shortage & sound fiscal fundamentals.

CROSS ASSET VIEW	UW	N	OW	RATIONALE
Cash		▲		We take advantage of the current episode of volatility to redeploy some cash by adding EM equities and HY bonds.
Government Bonds	▲			Expected returns are unattractive in Europe while a potential repricing of Fed monetary policy could weigh on the US market. Stay defensive. We maintain our long position on EM local currency bonds given i/ attractive carry; ii/ currency undervaluation, iii/ oil prices stabilisation.
Corporate Credit			▲	The ECB supports the asset class by actively buying the investment grade segment but higher yielding bonds also benefit from inflows. Low financing costs should prevent a rise in default rates in the US. We switch some IG exposure to the benefit of HY bonds.
Equities		▲		Back to Neutral: we increase our regional preference in favour of EM vs DM. Valuations levels are demanding in the US, less so in the Eurozone and Switzerland. However, a higher risk premium on European equities is justified by political & banking sector's uncertainties.
Alternatives			▲	Neutral on Commodities, OW Hedge Funds and Swiss Listed Real Estate Funds.
FX diversification				Given poor fundamentals, GBP weakness will last. JPY is highly BoJ-dependent while we expect the USD, EUR and CHF to remain stable.

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DM: Developed Markets; EM: Emerging Markets;
 HY: High Yield
 UW: Underweight; N: Neutral; OW: Overweight

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PREFERENCES WITHIN FIXED INCOME

CENTRAL BANKS FUELLING SHORT-TERM VOLATILITY ON RATES

FIXED INCOME	UW	N	OW	RATIONALE
Sovereign				Lower potential growth in Developed Markets (DM) is consistent with low long term interest rates by historical standards.
US Treasury				Short-term, the repricing of “some” tightening cycle is likely to fuel volatility, leaving government bonds under pressure.
EMU Core				Unattractive expected returns as the potential for lower yields appears limited. In addition, the ECB might be less inclined to go much further in its unconventional / negative rates policies than the market thought initially.
EMU Periphery				Expect some volatility given the heavy political agenda ahead but the asset class should remain supported by ECB policy and investors’ relentless search for yield.
Swiss government				Little relative value on the Swiss bond market, with most tenors still in negative territory. We recommend to maintain minimum exposure (low-to-medium duration).
Credit				We maintain our overweight: medium-term, the Crossover segment (BBB-BB ratings) should remain attractive as ECB actions and slow Fed likely to maintain loose financing conditions.
Emerging Market Debt				Although the stabilisation of Commodity prices and Emerging Markets (EM) currencies is not immune to short-term volatility, the outlook for EM Local Government bonds remains supportive. This also enables to better diversify portfolios from DM equity risk than DM credit would. while benefitting from a significant carry.

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PREFERENCES WITHIN CURRENCIES

EXPECT MORE PRESSURE ON THE GBP, WHILE EM CURRENCIES REBOUND SHOULD LAST

CURRENCIES	UW	N	OW	RATIONALE
USD		▲		Fundamentally, most of the USD appreciation is likely behind but, short-term, sources of upward pressures remain (Federal Reserve, notably).
EUR		▲		The European Central Bank dovish stance might be gradually counterbalanced by improving fundamentals (strong external balance notably) as recovery is on track.
CHF		▲		The Swiss National Bank is fully committed to keeping upward pressure on the CHF-EUR contained.
JPY		▲		The JPY benefits from a reversal in domestic flows and attractive valuation but could suffer from aggressive BoJ.
GBP	▲			We maintain a negative view despite the already low levels reached post-Brexit. Our long-lasting concerns on the UK's external position (huge fiscal and external account deficits) are here to stay. However, short covering is possible over the short-term, especially as long as hard economic data show resilience.
CNY		▲		We expect the CNY to gradually depreciate against its trade-weighted index as the country is still facing a change in its economic model.
EM (ex-CNY)			▲	With commodity complex stabilising and renewed investors' interest for EM assets, the outlook is supportive. The resilience to the volatility shock witnessed after the Brexit Referendum is another positive.

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PREFERENCES WITHIN EQUITIES

WE SEE MORE UPSIDE ON EMERGING EQUITIES

REGIONS	UW	N	OW	RATIONALE
EMU				Short-term, another volatility episode cannot be ruled out given the particularly heavy political agenda ahead. A significant rebound in earnings is necessary to turn more constructive.
Switzerland				The high quality of Swiss blue chips deserves a valuation premium and their dividends are clearly attractive. However the current style rotation is not favourable to the SMI sector mix.
US				Our year-end target has already been reached, and valuations are stretched, albeit supported by a slow Fed. The US stock market remains a pool for stock picking rather than passive allocation.
Japan				The re-rating potential from the improvement in corporate governance and shareholder return is strong, especially when it comes to the midcap stocks. However the recent currency appreciation might weigh on earnings.
EM Equities				OW: macroeconomic concerns are serious but addressed in most cases, with pockets of secular growth (China consumption), low valuation (on low expectations), underowned market segment. Earnings momentum also a support.

PREFERENCES WITHIN ALTERNATIVES

ALTERNATIVES	UW	N	OW	RATIONALE
Global Commodities		▲		Structural shift in the Chinese growth model from investments and exports to consumption is a negative for the asset class. As such, the adaptability of the supply side will be key to time the upturn in each sub-asset class.
Oil			▲	The rebalancing of the physical market is on track and we maintain an equilibrium value at 55 USD/BBL in the medium term. But this will not be a straight line: we expect further volatility in the process as US inventories remain at high levels and OPEC members are pumping record amount of oil.
Copper	▲			The sector remains highly dependent on market's sentiment on China, and further production cuts are required to rebalance the market.
Gold		▲		Gold continues to be highly dependent on US real interest rates, which have room to increase further. Also long positioning is extreme while the marginal costs of the mining sector (around \$900/oz) are not supportive at current level.
Hedge Funds			▲	OW the asset class (especially where cash is costly) but with selectivity across strategies. In a low return environment, we favour alpha (non-directional) strategies while global macro should benefit from economic divergences.
Infrastructure			▲	Improved outlook as the commodity complex stabilises.
Swiss Listed Real Estate Funds			▲	Search for yield amongst Swiss assets is a strong support, especially with some corporate yields close / below zero. Focus mainly on funds exposed to well-located residential rental property throughout Switzerland (attractive dividend yield, low vacancy rates).

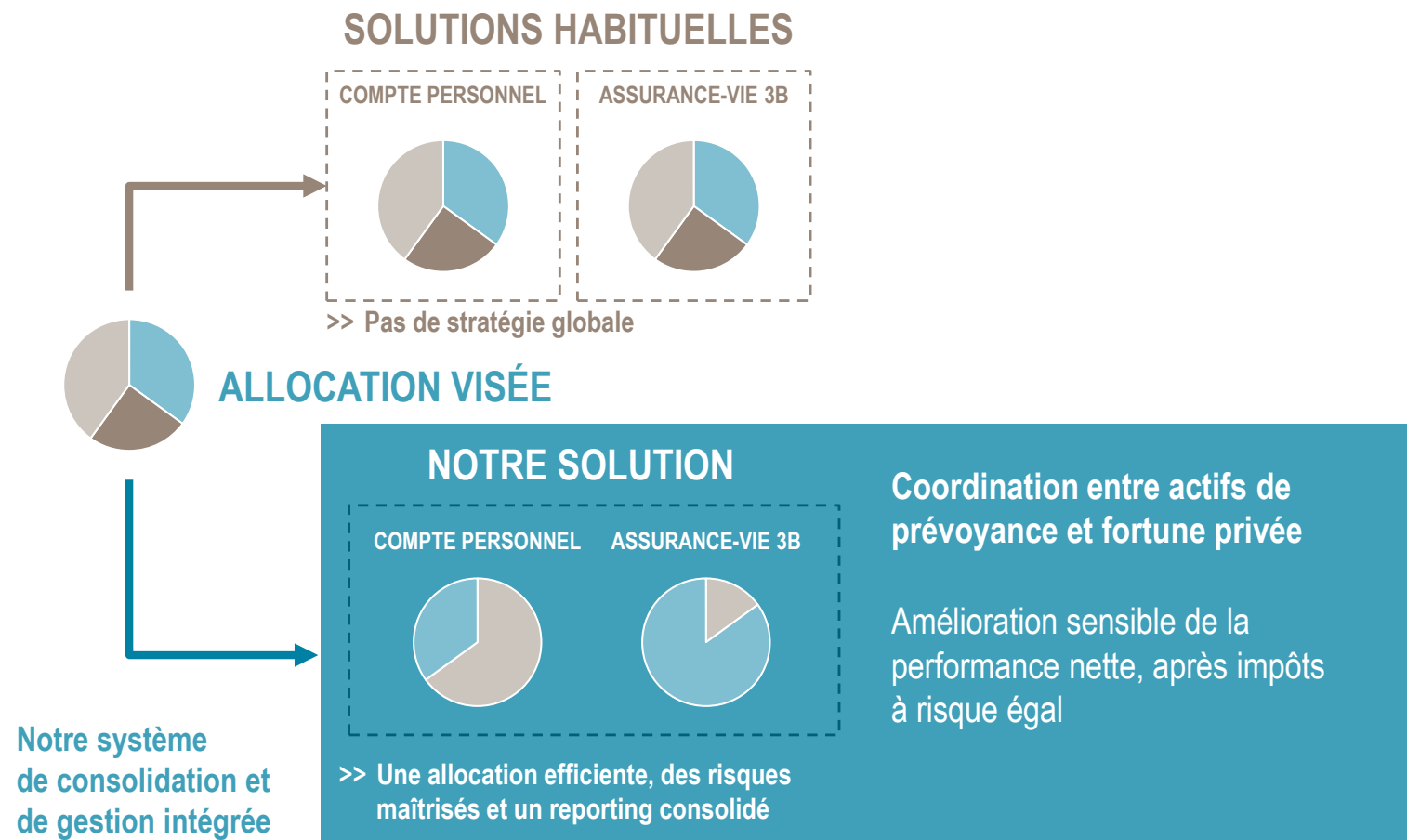


PERFORMANCE CERTAINE DANS UN ENVIRONNEMENT INCERTAIN

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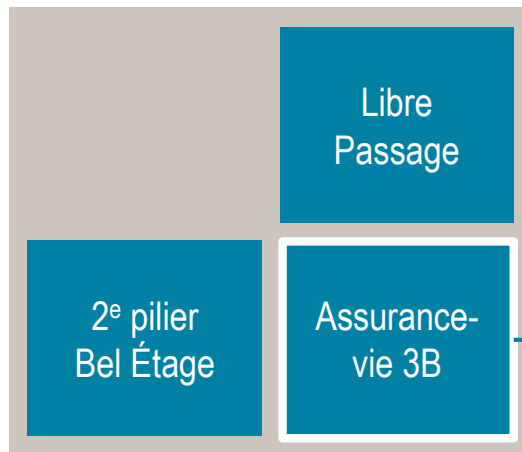
GESTION FISCALEMENT EFFICIENTE

NOTRE APPROCHE CONSOLIDÉE ET INTÉGRÉE



GESTION FISCALEMENT EFFICIENTE

MOTEURS SUPPLÉMENTAIRES



Un portefeuille géré individuellement dans le cadre d'un contrat d'assurance vie à prime unique

Un outil d'optimisation fiscale et successorale,
une performance accrue à risques égaux
Pas d'imposition sur les revenus de placements
Une prestation à l'échéance libre d'imposition sous réserve
de conditions
Une couverture décès
Cash management à l'abri de l'impôt sur le revenu



EXEMPLE DE PORTEFEUILLE

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COMPOSITION DE L'ASSURANCE 3B – PORTEFEUILLE BALANCE

Actifs	Libellé	Monnaie	Poids	Cpn Div	YTM	Avec 3B	Sans 3B	5'000'000	impôts dans 3B
Liquidités			3.0%					150'000	
	Cash CHF	CHF	3.0%						
Obligations			53.5%					2'675'000	
	LOS Credit CHF	CHF	3.0%	2.8	1.8	1.8	0.6		0%
	7.25 HeidelbergCement 2017	CHF	3.0%	7.3	0.4	0.4	-2.9		0%
	4 Fiat 2017	CHF	3.0%	4.0	1.0	1.0	-0.8		0%
	3.875 Alpiq 2018	CHF	3.0%	3.9	0.5	-0.1	-1.2		15%
	3.25 Clariant 2019	CHF	3.0%	3.3	0.3	-0.2	-1.2		15%
	3.375 Bharti 2021	EUR	3.0%	3.4	1.3	1.3	-0.2		0%
	3.875 L. Dreyfus 2018	EUR	3.0%	3.9	1.5	1.5	-0.2		0%
	4 Voestapline 2018	EUR	3.0%	4.0	0.3	0.3	-1.5		0%
	4.25 Rallye 2019	EUR	3.0%	4.3	3.8	3.8	1.9		0%
	3.75 Sixt 2018	EUR	3.0%	3.8	0.1	0.1	-1.6		0%
	Bluebay Investment Grade	CHF	2.0%	2.5	1.0	1.0	-0.1		0%
	LO Funds (CH) - Swiss Franc Bond M D	CHF	3.0%	2.3	0.6	0.3	-0.4		15%
	LOS Global Fixed Income Opportunities	CHF	6.0%	3.0	2.7	2.7	1.3		0%
	Sky Harbor US Short Duration High Yield	CHF	5.0%	6.7	5.3	5.3	2.3		0%
	4.7 Lenovo 2019	USD	2.5%	4.7	2.2	2.2	0.1		0%
	3.375 Allergan 2020	USD	2.5%	3.4	2.0	2.0	0.5		0%
	6 Holcim 2019	USD	2.5%	6.0	2.1	2.1	-0.6		0%
Actions			43.5%					2'175'000	
	Roche	CHF	3.0%	3.4	3.4	2.9	1.9		15%
	Nestlé	CHF	3.0%	3.0	3.0	2.5	1.6		15%
	Richemont	CHF	2.5%	2.9	2.9	2.4	1.6		15%
	Novartis	CHF	3.0%	3.5	3.5	3.0	1.9		15%
	Swisscom	CHF	3.0%	4.9	4.9	4.2	2.7		15%
	Bâloise	CHF	2.0%	4.2	4.2	3.6	2.3		15%
	LafargeHolcim	CHF	1.5%	2.9	2.9	2.5	1.6		15%
	Oc Oerlikon	CHF	1.5%	3.1	3.1	2.6	1.7		15%
Sous-total Actions Suisse			19.5%					975'000	
	ETF MSCI Europe	EUR	4.0%	3.7	3.7	2.6	2.0		30%
	Total	EUR	2.0%	5.7	5.7	4.0	3.1		30%
	Vinci	EUR	2.0%	2.9	2.9	2.0	1.6		30%
	Royal Dutch Shell	EUR	2.0%	7.4	7.4	5.2	4.0		30%
	AXA	EUR	2.0%	5.5	5.5	3.9	3.0		30%
	BNP Paribas	EUR	2.0%	4.7	4.7	3.3	2.6		30%
	Philips	EUR	2.0%	3.1	3.1	2.1	1.7		30%
	Prudential	GBP	2.0%	2.7	2.7	2.7	1.5		0%
	HSBC	GBP	2.0%	6.1	6.1	6.1	3.3		0%
	AbbVie	USD	2.0%	3.6	3.6	2.5	2.0		30%
	Metlife	USD	2.0%	3.4	3.4	2.4	1.9		30%
Sous-total Actions hors-CH			24.0%					1'200'000	
TOTAL			100.0%	3.9	2.7	2.3	0.9		10%

Rendmt moyen du ptf 3B	4.0%
Taux marginal	45%
Taux sur eurobonds	0%
Taux titres CH	15%
Taux titres EU	30%
Taux titres UK	0%
Taux titres US	30%
Taux résiduel moyen ds 3B	10%
Montant initial	5'000'000
Timbre fédéral *	2.5%
Frais enveloppe **	0.4%

* Le timbre fédéral de 2.5% est appliqué lors de la mise en place de l'enveloppe (1x)
 ** Les frais de l'enveloppe d'assurance de 0.4% sont annuels
 Ces coût sont appliqués dans la simulation en page suivante

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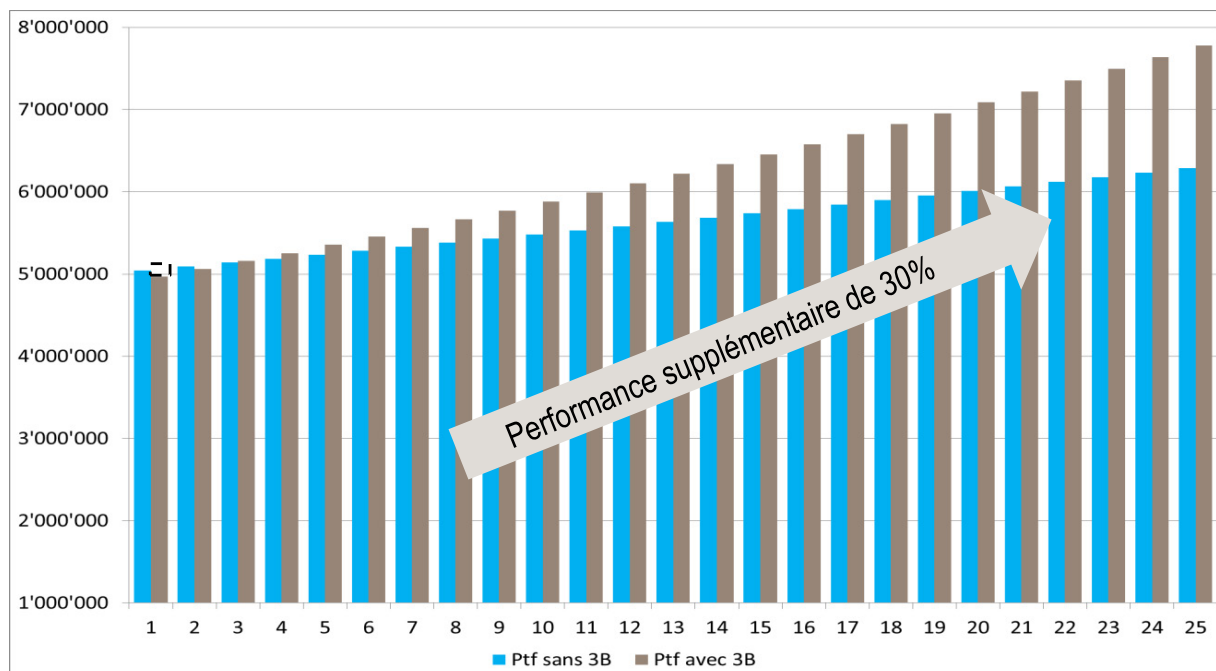
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ASSURANCE-VIE 3E PILIER LIBRE (3B) SERVANT À LA PRÉVOYANCE

EXEMPLE – UNE SURPERFORMANCE ACCRUE À RISQUE ÉGAL

POUR DES PLACEMENTS IDENTIQUES, L'ÉPARGNE FISCALE SE CUMULE

Fortune initiale	CHF 10'000'000
Montant investi dans l'assurance 3B	CHF 5'000'000
Rendement annuel brut	3.9% soumis à l'impôt sur le revenu (imposition marginale de 45%)
Taux résiduel moyen dans le 3B	10% économie de 35%
Timbre fédéral	2,5% à la souscription et coût annuel de 0,4% pour l'assurance
Surperformance	1,05% par année à risque égal



Gain supplémentaire de CHF **1.49 mios** sur 25 ans grâce à l'enveloppe 3B

Le timbre fédéral est amorti après 3 ans

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**EXEMPLES DE GENERATION DE PERFORMANCE ACCRUE CERTAINE
SUR 3 PLACEMENTS EMBLEMATIQUES**

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EXEMPLE 1: FONDS SKY HARBOR US S/D HIGH YIELD CHF

Caractéristique du fonds: (au 31.05.2016)

Rendement à échéance: 5.7%

Coupon moyen: 6.7 %

Hypothèse de départ:

Taux marginal de : 41% (client vaudois)

Frais de l'enveloppe: 0.4%

Timbre fédéral : 2.5%

Plus-value liée à l'enveloppe 3B:

Rendement after-tax hors enveloppe : **2.95%**

Rendement au sein de l'enveloppe 3B: **5.2%**

Spread: **2.25%**

Performance supplémentaire au sein du 3B:

Impact sur **5 ans**: **10.7%**

Impact sur **10 ans**: **29.8%**

Année	Rdmt sans 3B	Total sans 3B	Coût 3B	Rdmt avec 3B après coût	Total Avec 3B	Diff
1	3.0%	3.0%	2.9%	2.8%	2.8%	-0.2%
2	3.0%	6.0%	0.4%	5.3%	8.2%	2.3%
3	3.0%	9.1%	0.4%	5.3%	14.0%	4.9%
4	3.0%	12.3%	0.4%	5.3%	20.0%	7.7%
5	3.0%	15.7%	0.4%	5.3%	26.4%	10.7%
6	3.0%	19.1%	0.4%	5.3%	33.1%	14.0%
7	3.0%	22.6%	0.4%	5.3%	40.1%	17.5%
8	3.0%	26.2%	0.4%	5.3%	47.6%	21.4%
9	3.0%	29.9%	0.4%	5.3%	55.4%	25.4%
10	3.0%	33.8%	0.4%	5.3%	63.6%	29.8%
25	3.0%	107.0%	0.4%	5.3%	255.0%	148.0%
	Perf. annualisée	2.95%		Perf. annualisée	5.20%	

EXEMPLE 2: DIVIDENDE NESTLÉ - SUITE CDI CH – FL*

Caractéristique de Nestlé: (au 18.07.2016)

Dividende: 3.0%

Hypothèse de départ:

Taux marginal de : 41% (client vaudois)

Frais de l'enveloppe: 0.4%

Timbre fédéral : 2.5%

Plus-value liée à l'enveloppe 3B:

Rendement after-tax hors enveloppe : 1.77%

Rendement au sein de l'enveloppe 3B: 2.50%

Spread: **0.73%**

Performance supplémentaire au sein du 3B:

Impact sur **5 ans**: 1.8%

Impact sur **10 ans**: 6.9%

Année	Rdmt sans 3B	Total sans 3B	Coût 3B	Rdmt avec 3B après coût	Total Avec 3B	Diff
1	1.77%	1.77%	2.9%	-0.35%	-0.35%	-2.1%
2	1.77%	3.57%	0.4%	2.15%	1.79%	-1.8%
3	1.77%	5.40%	0.4%	2.15%	3.98%	-1.4%
4	1.77%	7.27%	0.4%	2.15%	6.22%	-1.1%
5	1.77%	9.17%	0.4%	2.15%	8.50%	-0.7%
6	1.77%	11.10%	0.4%	2.15%	10.83%	-0.3%
7	1.77%	13.07%	0.4%	2.15%	13.22%	0.1%
8	1.77%	15.07%	0.4%	2.15%	15.65%	0.6%
9	1.77%	17.11%	0.4%	2.15%	18.14%	1.0%
10	1.77%	19.18%	0.4%	2.15%	20.68%	1.5%
25	1.77%	55.06%	0.4%	2.15%	66.03%	11.0%
Perf. annualisée		1.77%	Perf. annualisée		2.05%	

Spread 0.28%

EXEMPLE 3: OBLIGATION CHF 3.0 BHARTI 2020

Caractéristique de l'obligation: (au 12.08.2016)

Rendement à échéance: 0.8%

Coupon moyen: 3.0%

Hypothèse de départ:

Taux marginal de : 41% (client vaudois)

Frais de l'enveloppe: 0.4%

Timbre fédéral : 2.5%

Plus-value liée à l'enveloppe 3B:

Rendement after-tax hors enveloppe : -0.43%

Rendement au sein de l'enveloppe 3B: 0.3%

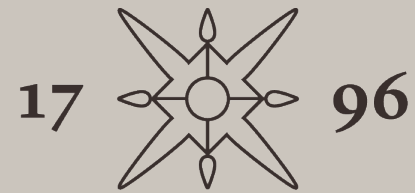
Spread: **0.73%**

Performance supplémentaire au sein du 3B:

Impact sur **5 ans**: 1.6 %

Impact sur **10 ans**: 5.7 %

Année	Rdmt sans 3B	Total sans 3B	Coût 3B	Rdmt avec 3B après coût	Total Avec 3B	Diff
1	-0.4%	-0.4%	2.9%	-2.1%	-2.1%	-1.7%
2	-0.4%	-0.9%	0.4%	0.4%	-1.7%	-0.9%
3	-0.4%	-1.3%	0.4%	0.4%	-1.3%	0.0%
4	-0.4%	-1.7%	0.4%	0.4%	-0.9%	0.8%
5	-0.4%	-2.1%	0.4%	0.4%	-0.5%	1.6%
6	-0.4%	-2.6%	0.4%	0.4%	-0.1%	2.4%
7	-0.4%	-3.0%	0.4%	0.4%	0.3%	3.2%
8	-0.4%	-3.4%	0.4%	0.4%	0.7%	4.1%
9	-0.4%	-3.8%	0.4%	0.4%	1.1%	4.9%
10	-0.4%	-4.2%	0.4%	0.4%	1.5%	5.7%
25	-0.4%	-10.2%	0.4%	0.4%	7.7%	18.0%
Perf. annualisée		-0.43%	Perf. annualisée		0.30%	



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