

TOGETHER AND INFORMED 08/2024

Dear insured persons, affiliated companies and partners,
We hope this message finds you in good health and that you have made the most of the summer break.

KEY FIGURES AS AT 31 JULY 2024 (INDICATIVE DATA)



109.28%

ON-AUDITED
RATE OF COVERAGE



+ 5.81%

NON-AUDITED
NET PERFORMANCE

*Our Foundation has total assets of CHF 6.191 billion.
28,249 persons are affiliated and 3,362 pensioners are insured.*



SITUATION ON THE FINANCIAL MARKETS

as seen by our CIO, Jean-Bernard Georges

The summer period, often somewhat listless on the financial markets, turned out to be full of upheavals this year.

Everything had begun quite well, with the announcement on 20 June by the Swiss National Bank of a new reduction in interest rates, and a fairly widespread decline in long-term bond rates. The bond and share markets were therefore continuing to enjoy a generally favourable environment, lulled by the sweet music of a soft landing.

Only the technological sector showed relative weakness, suffering from waves of profit-taking, in particular on securities linked to the development of artificial intelligence, the prices of which had risen spectacularly since the beginning of the year. This downward trend was further amplified by the news that Warren Buffet was selling half of his stake in Apple.

COPRE

It was on the political level that the first earth tremors were felt, with a first presidential debate on 27 June that was catastrophic for Joe Biden, followed by the failed attempt to assassinate Donald Trump on 13 July - two events that precipitated the withdrawal of Joe Biden in favour of Kamala Harris on 21 July. Whereas the Republican candidate was clearly regarded as the favourite some weeks ago, the cards have now been reshuffled and the result of the election in November appears to be much more uncertain.

The conflicts in Ukraine and the Near East show no signs of abatement, indeed quite the contrary. In both cases we have seen over the past few weeks renewed tension and alarming escalations of the conflicts.

It was at the very beginning of August that a wave of panic hit the major global stock markets, fuelled by two concomitant sources: on the one hand the publication of macro-economic data in the USA giving rise to fears of a major economic slowdown and even a possible slip into recession. On the other hand, the hike of prime rates by the Bank of Japan and the strengthening of the yen, which provoked a bursting of the bubble of carry positions on the Japanese currency. These speculative operations, which seek to profit from the difference in interest rates by taking on debt in a currency with low or zero interest rates and then investing in risky assets, especially in US dollars, became less attractive and more random. The sudden closure of these positions provoked a veritable crash on the Tokyo stock market, dragging global markets in its wake.

The situation stabilised and calm returned within a few days, but the alert was serious and demonstrates once again that maintaining interest rates artificially at low levels for too long encourages an excessively high degree of speculative risk taking, and subsequently poses systemic risks on the whole of the financial sector.



PERFORMANCE

Over the months of June and July, our indicative performance progressed by 0.62% to post a result YTD of +5.82% as at 31.07.2024. Swiss bonds shares largely contributed to this positive result.

By way of comparison, the UBS index of all pension funds posts a performance of +5.96% at the same date, and +5.64% for pension funds of over 1 billion.

The Credit Suisse index, for its part, posts a performance of +6.29% as at 31 July 2024.

The indicative performance as at 14 August 2024 is +4.30%.

COPRE

Dear insured persons, affiliated companies and partners, we send you our cordial greetings.
Thank you for your confidence, and take good care of yourselves.

Lausanne, 15 August 2024



Claude Roch
Chairman



Pascal Kuchen
Chief Executive Officer