



Julius Bär

PERFORMANCE REPORT AS OF 30.06.2020

1/5

JB 200% Leveraged Tracker Certificate on the Actively Managed Certificate on a Brazilian Fixed Income Portfolio

Product description

This Certificate follows the performance of the AMC on Portfolio of Brazilian Corporate Bonds with a 2x target leverage and reinvests the coupons of the underlying. The leverage facility is designed as static. Due to the non-recourse nature of leverage, the investor's maximum loss is limited to the initial investment.

Terms

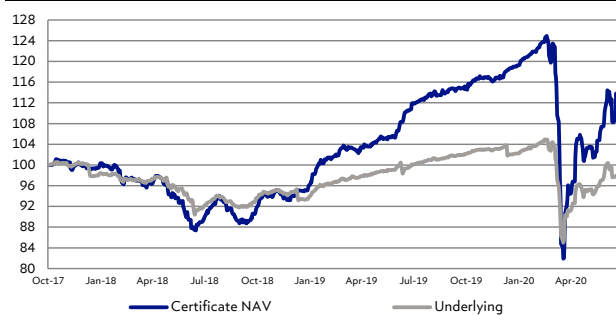
Issuer	Bank Julius Baer & Co. Ltd, Guernsey
Calculation agent	Bank Julius Baer & Co. Ltd, Zurich
ISIN	CH0379055137
Valor	37905513
Issue date	06.10.2017
Maturity date	10.06.2021

Facts

Price	11333
Currency	USD
Initial participation	200%

Historical Performance

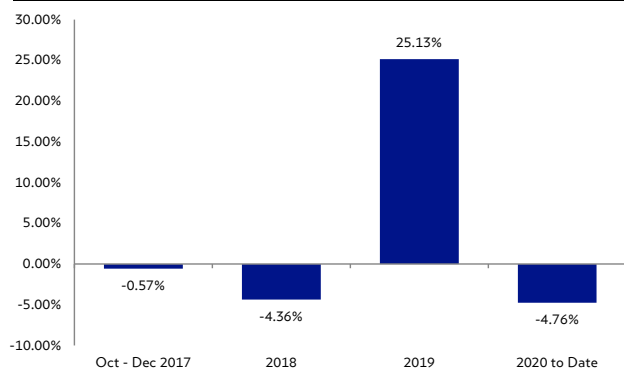
Chart Since Inception (vs Underlying Portfolio)



Performance Figures

1 month	5.56%
3 months	22.76%
1 year	2.58%
since launch	13.33%
year to date	-4.76%
lifetime high	12494
lifetime low	8190
52 week high	12494
52 week low	8190

Yearly Performance Chart



Certificate Volatility

1 month	25.19%
3 months	21.22%
1 year	20.10%
since launch	13.10%

Underlying AMC Bond Portfolio

ISIN	YTM	Name	Currency	Weight	Shs/Cert	Asset Class
US71647NAY58	5.29	PETROBRAS GLOBAL FINANCE	USD	9.78%	9.573808	Bonds
USL9412AAA53	4.6	ULTRAPAR INTERNATIONL SA	USD	7.57%	7.561433	Bonds
USP22835AA30	4.05	CENTRAIS ELETRICAS BRASI	USD	6.88%	7.217737	Bonds
US71647NAS80	5.26	PETROBRAS GLOBAL FINANCE	USD	5.66%	5.155528	Bonds
USP3772WAF97	7.2	BANCO DO BRASIL (CAYMAN)	USD	4.80%	4.811828	Bonds
US05958AAJ79	3.11	BANCO DO BRASIL (CAYMAN)	USD	4.55%	4.639974	Bonds
US91911TAE38	4.28	VALE OVERSEAS LIMITED	USD	4.26%	3.093315	Bonds
USA29875AA87	5.82	JBS INVESTMENTS II GMBH	USD	4.20%	4.038494	Bonds
USU1714UAA35	3.53	CIELO USA INC	USD	3.86%	3.996853	Bonds
USL7915RAA43	5.91	REDE D'OR FINANCE SARL	USD	3.72%	4.038499	Bonds
US46556MAF95	3.04	ITAU UNIBANCO HLDG SA/KY	USD	3.63%	3.584812	Bonds
USP01014AA03	5.45	AEGEA FINANCE SARL	USD	3.60%	3.679334	Bonds
USC86068AA80	4.59	ST MARYS CEMENT INC	USD	3.22%	3.093319	Bonds
X52055749720	4.39	BANCO VOTORANTIM	USD	3.00%	3.093316	Bonds
USL79090AA13	5.66	RUMO LUXEMBOURG SARL	USD	2.85%	2.749614	Bonds
USA9890AAA81	3.96	SUZANO AUSTRIA GMBH	USD	2.30%	2.148125	Bonds
USP47777AB69	6.16	GLOBO COMMUNICACOES PART	USD	2.29%	2.577761	Bonds
US12803X2B68	2.69	CAIXA ECONOMICA FEDERAL	USD	2.16%	2.213437	Bonds
USP3772WAH53	3.61	BANCO DO BRASIL (CAYMAN)	USD	2.10%	2.062214	Bonds
USA08163AA41	5.06	BRF GMBH	USD	2.08%	2.234061	Bonds
USG3925DAD24	4.15	GERDAU TRADE INC	USD	2.08%	2.062214	Bonds
USP1905CJX94	5.63	BRF SA	USD	1.90%	2.062212	Bonds
US86964WAF95	4.87	SUZANO AUSTRIA GMBH	USD	1.82%	1.718505	Bonds
Cash USD	0	Cash USD	USD	1.77%	185.187803	Money Market
USP1905CAE05	4.54	BRF SA	USD	1.66%	1.718508	Bonds
USG07402DN01	3.83	BANCO DO BRASIL (CAYMAN)	USD	1.46%	1.443555	Bonds
USP2205LAC92	6.67	CEMIG GERACAO E TRANSM	USD	1.27%	1.202950	Bonds
USG0732RAF58	2.69	BANCO BRADESCO (CAYMAN)	USD	1.07%	1.070632	Bonds
USA35155AA77	5.01	KLABIN AUSTRIA GMBH	USD	0.96%	0.945180	Bonds
USN15516AB83	5.66	BRASKEM NETHERLANDS	USD	0.94%	1.031105	Bonds
USP7088CTF33	4.85	NATURA COSMETICOS SA	USD	0.93%	0.945179	Bonds
US105756BV13	2.92	FED REPUBLIC OF BRAZIL	USD	0.88%	0.859253	Bonds
USG24422AA83	3.54	GTL TRADE FIN / GERDAU	USD	0.74%	0.709750	Bonds

Manager Commentary

Portfolio Overview

The AMC Long returned 3.09%, for the month of June 20, accumulating -2.15% year to date. AMC's Benchmark: Cembis Diversified Brasil returned +3.20% on June, and -3.93% year to date.

Below is presented the monthly return for AMC's bonds.

Highlights:

- Within Oil&Gas sector, AMC has an overweight on Ultrapar bond at the expense of Petrobras ones. As presented above, this position is relevant for AMC's June results given its return and representativeness.
- AMC has an overweight on Electric and Water sectors investing 8.1% in the first and 3.6% in the later, against 3.5% and 0.3% at the benchmark, respectively. These sectors, primarily represented by Eletrobras and Aegea bonds, are important contributors for June return.
- Regarding Financial sector, AMC has 3.9% invested on Cielo, which is not included in the benchmark and performs well last month.

We performed some changes in the portfolio during the month of June. More specifically:

- Banks sector: Sold BRADES 5.9 01/16/21, bought BANVOR 4 1/2 09/24/24,
- Food Sector: Bought JBSSBZ 7 01/15/26 and BRFSBZ 4.35 09/29/26;
- Building Materials Sector: Bought VOTORA 5 3/4 01/28/27;

The AMC portfolio's yield-to-worst was 4.65% at the end of May.

AMC Brazilian Bonds - Resultado Real

AMC	Jan	Fev	Mar	Abr	Mai	Jun	Jul	Ago	Set	Out	Nov	Dez	YTD	SI
2016	-	-	-	-	-	-	1,60	0,94	0,54	0,29	(1,11)	0,48	2,54	
2017	1,99	1,71	0,43	0,86	(0,09)	0,10	1,36	1,29	0,66	0,80	(0,19)	(0,09)	9,16	24,85%
2018	0,24	(0,95)	(0,34)	0,63	(2,92)	(1,02)	2,71	(2,24)	0,92	2,02	(0,25)	1,14	(0,22)	
2019	3,05	0,87	0,43	1,01	0,62	2,72	1,41	0,57	0,55	1,10	0,09	1,19	14,22	
2020	1,42	(0,63)	(11,62)	4,11	2,37	3,09	-	-	-	-	-	-	(2,15)	

AMC Brazilian Bonds - Alavancagem de 2.0x

Lev 2.0x	Jan	Fev	Mar	Abr	Mai	Jun	Jul	Ago	Set	Out	Nov	Dez	YTD	SI
2016	-	-	-	-	-	-	2,93	2,05	0,33	0,43	(2,26)	0,78	4,25	
2017	3,68	3,49	0,59	1,52	(0,32)	(0,06)	2,64	0,57	2,74	1,08	(0,31)	(0,43)	16,16	40,34%
2018	0,38	(2,08)	(0,86)	(0,31)	(4,36)	(2,70)	5,55	(4,71)	1,37	3,86	(0,76)	1,80	(3,28)	
2019	5,65	1,90	0,52	1,70	1,20	4,37	2,67	0,39	0,98	1,74	0,03	-	25,42	
2020	2,52	(0,57)	(23,41)	9,28	(0,19)	12,17	-	-	-	-	-	-	(4,47)	

*Dados até 30/jun/2020

Instrument	Company Issuer	% AMC	P&L	Ask Yield	Ask Spre	Ask Dur
GLOPAR 4 7/8 01/22/30	GLOBO COMUNICACOES PART	2.3%	6.17%	6.06	547	7.3
UGPABZ 5 1/4 10/06/26	ULTRAPAR INTERNATIONL SA	7.6%	6.03%	4.53	414	5.3
AEGEBZ 5 3/4 10/10/24	AEGEA FINANCE SARL	3.6%	5.41%	5.24	497	2.4
ELEBRA 3 5/8 02/04/25	CENTRAIS ELETRICAS BRASI	6.9%	4.97%	4.14	388	4.1
VALEBR 8 1/4 01/17/34	VALE OVERSEAS LIMITED	4.3%	4.79%	4.21	347	8.9
RDEODR 4.95 01/17/28	REDE D'OR FINANCE SARL	3.7%	4.68%	5.84	535	5.7
VOTORA 5 3/4 01/28/27	ST MARYS CEMENT INC	3.2%	4.48%	4.40	399	4.5
CIELBZ 3 3/4 11/16/22	CIELO USA INC	3.9%	4.23%	3.58	342	2.2
BRASKM 4 1/2 01/10/28	BRASKEM NETHERLANDS	0.9%	4.11%	5.51	501	5.7
BANBRA 9 PERP	BANCO DO BRASIL (CAYMAN)	4.8%	3.96%	7.80	666	3.6
GGBRBZ 5.893 04/29/24	GTL TRADE FIN / GERDAU	0.7%	3.82%	3.31	310	2.2
PETBRA 5.999 01/27/28	PETROBRAS GLOBAL FINANCE	9.8%	3.78%	5.19	471	6.0
GGBRBZ 4 7/8 10/24/27	GERDAU TRADE INC	2.1%	3.74%	4.08	360	6.1
SUZANO 6 01/15/29	SUZANO AUSTRIA GMBH	1.8%	3.48%	4.74	420	6.3
PETBRA 7 3/8 01/17/27	PETROBRAS GLOBAL FINANCE	5.7%	3.07%	5.27	486	5.1
CMIGBZ 9 1/4 12/05/24	CEMIG GERACAO E TRANSM	1.3%	2.88%	5.78	555	2.2
SUZANO 5 3/4 07/14/26	SUZANO AUSTRIA GMBH	2.3%	2.68%	3.91	354	5.0
BRFSBZ 4 7/8 01/24/30	BRF SA	1.9%	2.58%	5.52	493	7.1
BRFSBZ 4.35 09/29/26	BRF GMBH	2.1%	2.46%	4.89	450	5.3
BANVOR 4 1/2 09/24/24	BANCO VOTORANTIM	3.0%	2.37%	4.37	413	3.8
NATURA 5 3/8 02/01/23	NATURA COSMETICOS SA	0.9%	2.08%	4.70	453	1.4
BANBRA 4 5/8 01/15/25	BANCO DO BRASIL (CAYMAN)	2.1%	1.99%	3.67	341	4.0
CAIXBR 3 1/2 11/07/22	CAIXA ECONOMICA FEDERAL	2.2%	1.94%	2.78	262	2.2
BANBRA 3 7/8 10/10/22	BANCO DO BRASIL (CAYMAN)	4.6%	1.71%	3.01	286	2.1
ITAU 5.65 03/19/22	ITAU UNIBANCO HLDG SA/KY	3.6%	1.09%	3.16	301	1.6
RAILBZ 7 3/8 02/09/24	RUMO LUXEMBOURG SARL	2.9%	0.98%	3.94	372	0.8
BRFSBZ 4 3/4 05/22/24	BRF SA	1.7%	0.80%	4.47	425	3.5
BRADES 5.9 01/16/21	BANCO BRADESCO (CAYMAN)	1.1%	0.31%	2.99	282	0.5
BANBRA 5 7/8 01/26/22	BANCO DO BRASIL (CAYMAN)	1.5%	0.27%	3.72	357	1.5
BRAZIL 4 1/4 01/07/25	FED REPUBLIC OF BRAZIL	0.9%	-0.91%	3.00	274	4.03
KLAB 5 3/4 04/03/29	KLABIN AUSTRIA GMBH	1.0%	0.00%	4.91	436	6.5
JBSSBZ 7 01/15/26	JBS INVESTMENTS II GMBH	4.2%	-1.29%	5.43	506	2.8

Macroeconomic Overview

As several countries in Europe, Asia and most of US states reopened their economies since mid-April, an economic rebound started in May and so far has been stronger than anticipated. A few indicators already available for June suggests the recovery continued last month. It is worth noting that this recovery is based on unprecedented depressed levels in April. Also, monetary, fiscal and credit policy are all very accommodative at the same time. Therefore, the recovery pace in this first phase might be unsustainable, and growth may decelerate as stimulus are slowly rolled back and business achieves a certain level of occupancy.

Even though some regions are experiencing a second wave of covid-19 infections or a late acceleration, we have not seen yet a return to such stringent lockdown policies as adopted in March. As the world learns how to live with the virus and modest targeted measures are adopted to contain local outbreaks, the recovery process should not be interrupted. In a scenario of a short recession and significant economic recovery in the second half of the year, with monetary and fiscal policy extremely accommodative around the world, the environment for emerging economies should improve, especially if China manages a fast recovery focused in commodity-intensive sectors.

Brazilian outlook scenario is also improving at the margin. The trend of downward revisions for 2020 GDP was interrupted a couple of weeks ago as activity indicators also showed a recovery process starting in May (even though lockdown measures were at the highest levels during most of the month). Some high frequency indicators suggests economic recovery gained momentum in June and most of the country is already in a reopening process as the fatalities due to coronavirus is starting to decline.

After the initial phase of recovery, we highlight some factors that could be decisive to economic recovery. First, the epidemic control itself, as it influence self-isolation and precautionary savings despite policy action. Second, companies and households financial health after the crisis. Third, fiscal sustainability. We cannot foresee what will happen with the pandemic but we know that stimulus measures were well scaled for an emerging economy and should be able to preserve a good portion of household's disposable income in 2020. Credit and liquidity measures adopted to safeguard company's finances were also very bold, but we have yet to see its efficacy. These welcome measures during the crisis comes with a price and it is obviously the urgency of a return to fiscal austerity in 2021. Political scenario calmed down last month and Bolsonaro started to build a congressional base by distributing appointments to the federal bureaucracy but it is hard to assess how long it will last. If fiscal policy is well addressed in the second half of 2020, economic recovery could be faster than now projected by most analysts.

CONTACTS

Structured Products

Tailored Solutions Group

+41 (0) 58 888 8006
 derivatives@juliusbaer.com
 derivatives.juliusbaer.com

BANK JULIUS BAER & CO. LTD. ☒
 Bahnhofstrasse 36
 P.O. Box
 8010 Zurich
 Switzerland

Important legal information

General This publication constitutes marketing material and is not the result of independent financial research. Therefore the legal requirements regarding the independence of financial research do not apply. This material is not independent from the proprietary interests of Julius Baer (e.g. certain Julius Baer products may be mentioned in this publication), which may conflict with your interests.

The information and opinions expressed in this publication were produced by Bank Julius Baer & Co. Ltd., Zurich, as of the date of writing and are subject to change without notice. This publication is intended for information purposes only and does not constitute an offer or an invitation by, or on behalf of, Julius Baer to buy or sell any securities or related financial instruments or to participate in any particular trading strategy in any jurisdiction. Opinions and comments of the authors reflect their current views, but not necessarily of other Julius Baer entities or any other third party. Other Julius Baer entities may have issued, and may in the future issue, other publications that are inconsistent with, and reach different conclusions from, the information presented in this publication. Julius Baer assumes no obligation to ensure that such other publications are brought to the attention of any recipient of this publication.

Suitability Investments in the asset classes mentioned in this publication may not be suitable for all recipients and may not be available in all countries. Clients of Julius Baer are kindly requested to get in touch with the local Julius Baer entity in order to be informed about the services and/or products available in such country. This publication has been prepared without taking account of the objectives, financial situation or needs of any particular investor. Before entering into any transaction, investors should consider the suitability of the transaction to individual circumstances and objectives. Any investment or trading or other decision should only be made by the client after a thorough reading of the relevant product term sheet, subscription agreement, information memorandum, prospectus or other offering document relating to the issue of the securities or other financial instruments. Where reference to a specific research report is made this publication should not be read in isolation without reference to this full research report which may be provided upon request. Nothing in this publication constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to individual circumstances, or otherwise constitutes a personal recommendation to any specific investor. Any references to a particular tax treatment depend on the individual circumstances of each investor and may be subject to change in the future. Julius Baer recommends that investors independently assess, with a professional advisor, the specific financial risks as well as legal, regulatory, credit, tax and accounting consequences.

Information / forecasts referred to Although the information and data herein are obtained from sources believed to be reliable, no representation is made that the information is accurate or complete. In particular, the information provided in this publication may not cover all material information on the financial instruments or issuers of such instruments. Bank Julius Baer & Co. Ltd., Zurich, its subsidiaries and affiliated companies do not accept liability for any loss arising from the use of this publication. Important sources for the production of this publication are e.g. national and international media, information services (e.g. Reuters, Bloomberg Finance L.P.), publicly available databases, economic journals and newspapers (e.g. Financial Times, Wall Street Journal), publicly available company information, publications of rating agencies. Ratings and appraisals contained in this publication are clearly marked as such.

All information and data used for this publication relate to past or present circumstances and may change at any time without prior notice. Statements contained in this publication regarding financial instruments or issuers of financial instruments relate to the time of the production of this publication. Such statements are based on a multitude of factors which are subject to continuous change. A statement contained in this publication may, thus, become inaccurate without this being published. Potential risk regarding statements and expectations expressed in this publication may result from issuer specific and general (e.g. political, economic, market, etc.) developments.

Risk The price and value of, and income from investments in any asset class mentioned in this publication may fall as well as rise and investors may not get back the amount invested. Risks involved in any asset class mentioned in this publication may include but are not necessarily limited to market risks, credit risks, political risks and economic risks. The investor may be exposed to currency risk, because the product or underlyings of the product are denominated in other currencies than that of the country in which the investor is resident. The investment as well as its performance are therefore exposed to currency fluctuations and may increase or decrease in value. Particular risks in connection with specific investments featured in this publication are disclosed in the relevant product term sheet, subscription agreement, information memorandum, prospectus or other offering document relating to the issue of the securities or other financial instruments. These documents can be obtained free of charge upon request. Investments in emerging markets are speculative and may be considerably more volatile than investments in established markets. Clients should not be investing in the product unless they fully understand the feature and risks associated with it. Past performance is not a reliable indicator of future results. Performance forecasts are not a reliable indicator of future performance. Shares, bank debt securities (e.g. interest bearing bank bonds and certificates) as well as other claims against financial institutions are subject to special regulations such as the "Bank Recovery and Resolution Directive" and the "Single Resolution Mechanism Regulation". These regulations can have a negative effect for the investor / contractual partner of the financial institution in case of a default and the necessity of a resolution of the financial institution. For further details, please refer to: www.juliusbaer.com/legal-information-en. Without prejudice to the generality of the foregoing, the following highlights certain aspects, risks and characteristics of some of the asset classes mentioned in this publication.

Structured products (e.g. baskets, certificates) are complex financial products and therefore involve a higher degree of risk. They are intended for investors who understand and are capable of assuming all risks involved. Structured products may therefore only be sold to experienced investors and require additional advice regarding the products specific risks. The value of the products is not only dependent on the development of the underlying, but also on the creditworthiness of the issuer, which may vary over the term of the product. In case of the issuer's insolvency or bankruptcy, the investor in the product may lose his entire investment. Before entering an investment all documents related to the issue of the described structured product have to be read. The full terms of the respective structured product may be obtained free of charge. Investments in funds mentioned in this publication should only be made after a thorough reading of the current prospectus, the current Key Investor Information Document or simplified prospectus, the fund regulations or articles of association and the latest annual and semi-annual reports. These documents can be obtained free of charge upon request. The value of the units and the return they generate can go down as well as up. Performance values are calculated without taking account of commissions and costs that result from selling and buying back investments.

Conflict of Interests We are required to disclose important information about our interests and potential conflicts. In order to prevent conflicts of interest from adversely affecting the interests of its clients, Julius Baer has established a policy and procedures which are designed to identify and manage such conflicts. These include organizational and administrative arrangements to safeguard the interests of clients. Julius Baer's arrangements include adequate remuneration policies (for persons involved in the production of this publication) based largely on qualitative criteria (e.g. overall quality and accuracy of research) and only remotely on quantitative elements (e.g. overall performance of Julius Baer). A Julius Baer entity may, to the extent permitted by law, participate or invest in other financing transactions with the issuer of the securities referred to herein, perform services or solicit business from such issuers, have a position or effect transactions in the securities or options thereof, have any other significant financial interest regarding the issuers of the securities referred to herein and/or may have done so in the past. For further information about our interest in the investments featured in this publication, see the company-specific disclosures above.

Important Distribution Information

This publication and any market data contained therein shall only be for the personal use of the intended recipient and shall not be redistributed to any third party, unless Julius Baer or the source of the relevant market data gives their approval. This publication is not directed to any person in any jurisdiction where (by reason of that person's nationality, residence or otherwise) such publications are prohibited.

External Asset Managers/External Financial Advisers: In case this marketing publication is provided to an External Asset Manager or an External Financial Adviser, Julius Baer expressly prohibits that it is redistributed by the External Asset Manager or the External Financial Adviser and is made available to their clients and/or third parties. By receiving any marketing publication the External Asset Managers or the External Financial Advisers confirm that they will make their own independent analysis and investment decisions, if applicable.

Switzerland: In Switzerland this publication has been distributed by Bank Julius Baer & Co. Ltd., Zurich, authorised and regulated by the Swiss Financial Market Supervisory Authority FINMA. All investment funds mentioned in this publication are authorised for distribution in Switzerland. Structured products do not constitute a participation in a collective investment scheme. Therefore, they are not supervised by the Swiss Financial Market Supervisory Authority FINMA and the investor does not benefit from the specific investor protection provided under the Swiss Federal Act on Collective Investment Schemes. This publication is not a simplified prospectus as stated in Art. 5 of the Swiss Federal Act on Collective Investment Schemes.

United States: NEITHER THIS PUBLICATION NOR ANY COPY THEREOF MAY BE SENT, TAKEN INTO OR DISTRIBUTED IN THE UNITED STATES OR TO ANY US PERSON.

This publication may contain information obtained from third parties, including ratings from rating agencies such as Standard & Poor's, Moody's, Fitch and other similar rating agencies, and research from research providers such as MSCI ESG Research LLC or its affiliates. Issuers mentioned or included in any MSCI ESG Research LLC materials may be a client of or affiliated with a client of MSCI Inc. ("MSCI") or another MSCI subsidiary. Reproduction and distribution of third-party content in any form is prohibited except with the prior written permission of the related third party. Third-party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings or research, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third-party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third-party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including lost income or profits and opportunity costs) in connection with any use of their content, including ratings or research. Credit and/or research ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the market value of securities or the suitability of securities for investment purposes and should not be relied on as investment advice.