

## Parworld Emerging Step 80 Euro

Despite making a good start to the year, emerging markets ended the month on a steep fall. This correction resulted from a combination of three factors: fears of monetary tightening in China, Barack Obama's statements regarding the banking system and disappointing economic data. Volatility has risen for both equities and currencies, while bond yields have eased.

The sub-fund's NAV declined as a result of market's fall and a rise in dividends. We set in place a 'call ratio' on emerging markets in order to obtain reasonable exposure to any rise that may take place between now and the end of the year. We invested in an option strategy which could improve the final return if a pronounced correction were to take place. On 8 January, the anniversary of the sub-fund's launch, the guarantee was reset at 93.75.

The long-awaited correction on emerging markets seems to have begun. After a virtually nine month rise, this is likely to last several weeks and will allow us to strengthen our exposure.

## Parworld Emerging Step 80 Euro

Въпреки успешния старт за годината, възникващите пазари завършиха месеца с остър спад. Тази корекция беше в резултат на комбинацията от три фактора: страховете от затягане на паричната политика в Китай, изявлението на Барак Обама относно банковата система и разочароващите данни за икономиката. Волатилността нарастна при акциите и валутите, докато печалбите от облигации се понижиха.

Нетната стойност на активите (NAV) на под-фонда се понижи в резултат на пазарния спад и на покачването на дивидентите. Ние приложихме стратегията "call ratio" по отношение на възникващите пазари, за да постигнем благоприятна експозиция за всяко едно покачване, което може да се реализира от този момент нататък до края на годината. Инвестирахме в опционна стратегия, която би подобрила крайната възвръщаемост, ако определена корекция би се реализирала. На 8 януари, датата на годишнината от стартиране на под-фонда, гаранцията бе наново определена на ниво от 93,75.

Изглежда, че дълго чаканата корекция на възникващите пазари е започнала. След едно фактически деветмесечно покачване е вероятно тя да продължи няколко седмици, като така ще ни позволи да засилим експозицията си.

# DISCLAIMER

This document is issued by BNP Paribas Asset Management (BNP PAM), an investment manager registered with the "Autorité des Marchés Financiers" in France. This document is produced for information only and does not constitute, and is not part of, an offer or solicitation to buy or to sell any securities.

*The information and opinions contained in this document have been obtained from, amongst other things, public sources believed to be reliable, but no representation or warranty, express or implied, is made that such information is accurate or complete and it should not be relied upon as such. Opinions included herein constitute the judgement of BNP PAM at the time specified and may be subject to change without notice, they are not to be relied upon as authoritative or taken in substitution for the exercise of judgement by any recipient and are not intended to provide the sole basis of evaluation of any strategy or instrument discussed herein. Any reference to past performance of any market or instrument should not be taken as an indication of future performance. No BNP Paribas Group company accepts any liability whatsoever for any loss arising, whether direct or indirect, from the use of any part of such information. Any BNP Paribas Group company may, to the extent permitted by law, have acted upon or used the information contained herein, or in the research or analysis on which it was based, before its publication. This document is for the use of the intended recipients only and may not be delivered or transmitted to any other person without the prior written consent of BNP PAM. Furthermore, any translation, adaptation or total or partial reproduction of this document, by any process whatsoever, in any country whatsoever, is prohibited unless BNPP AM has given its prior written consent.*