

Pictet - Short-Term Money Market JPY - I

Risk and reward profile

Don't take unnecessary risks.
 Read the Key Investor
 Information Document.

Lower Risk	Higher Risk
1	2 3 4 5 6 7
Typically lower rewards	Typically higher rewards

Market review

In February, headline CPI inflation posted at 0.9%. Excluding food and energy, inflation is well in negative territory at -1.1%. Shunto spring wage negotiations initial results show higher wage growth in 2022 (2.14%) than in 2021 (1.8%). Wages in large companies were marginally higher than in SMEs. Exports strongly rebounded in February (19% y/y), partially reflecting the Lunar New Year in China. Imports also increased substantially, registering at 39% growth rate. March Tankan manufacturing survey improved while earlier this year the tertiary activity index showed signs of weakness due to Covid outbreak. Further supply bottlenecks might be an impediment for the recovery of industrial production.

Performance analysis

During the month of February 2022, the fund's performance was stable and in line with the objectives of a money market fund.

Portfolio activity - overweightings & underweightings

During this month of February, we increased the allocation on Japanese govy papers to 12%. Other investments were on 1-3 months EUR commercial papers. Consequently, of these investments on short-term maturities, the Weighted Average Maturity (WAM) decreased by 5 days to 52 days at month-end.

Market outlook

Bank of Japan kept the monetary policy stance unchanged. The monetary policy rate was kept at -0.1%. The BoJ will pursue with the yield curve control and the asset purchasing programme. The BoJ is the last major central bank not announcing changes in its monetary policy given moderate recovery and still low inflation pressures. The committee was less positive on the economic outlook but still expects a rebound. The main drivers should be consumption and investment along with robust external demand.

Portfolio strategy

We continue to keep a high portfolio liquidity through cash and Japanese treasury bills. We are confident about investing in longer-term maturity papers (6-12 months), benefiting from a yield pick-up on credit and hedging the duration with interest rate futures.

General information

Legal form	Sub-fund of a SICAV
Regulatory status	UCITS
Domicile	Luxembourg
Inception date	06.07.2007
Launch date	06.07.2007
Share class currency	JPY
Compartment currency	JPY
ISIN	LU0309035367
Reference index	FTSE JPY 1-Month Eurodeposit (JPY)
Min. investment horizon (days)	1-5
Money Market Category	Short-Term Money Market Fund
NAV Type	VNAV
Fund Rating	Not rated

Fees

Ongoing charges (OCR)	0.14%
Performance fee (excluded from OCR)	-
Management fee (included in OCR)	0.05%
Max. conversion fee	2.00%
Max. subscription fee	5.00%
Max. redemption fee	1.00%

Management team

Sylvian Mauron
Jean Braun

Source: Pictet Asset Management

Further information can be found in the prospectus.

Pictet Asset Management

For further information,
please visit our website
assetmanagement.pictet

Important Information

This marketing material is issued by the Fund Management Company, Pictet Asset Management (Europe) S.A., a company authorized and regulated by the Luxembourg regulator "Commission de Surveillance du Secteur Financier". It is neither directed to, nor intended for distribution or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. The information contained in this document is for information purposes only. It cannot be used as a basis for subscription and does not form part of a contract. The latest version of the fund's prospectus, Key Investor Information Document, annual and semi-annual reports must be read before investing. They are available in English and in the local language of each country where the compartment is registered, free of charge on www.assetmanagement.pictet or at Pictet Asset Management (Europe) S.A., 15 avenue J.F. Kennedy, L-1855 Luxembourg, or at the office of the Fund local agent, distributor or centralizing agent if any. In Switzerland, the representative agent is Pictet Asset Management S.A. and the paying agent is Banque Pictet & Cie S.A. Pictet Asset Management (Europe) S.A. has not taken any steps to ensure that the securities referred to in this document are suitable for any particular investor and this document is not to be relied upon in substitution for the exercise of independent judgment. Tax treatment depends on the individual circumstances of each investor and may be subject to change in the future. Before making any investment decision, investors are recommended to ascertain if this investment is suitable for them in light of their financial knowledge and experience, investment goals and financial situation, or to obtain specific advice from an industry professional. Holdings do not represent the full portfolio. There is no guarantee that these securities will be held in the future and you should not assume that investment in the securities listed was, or will be profitable. Any reference to a ranking, a rating or an award provides no guarantee for future performance results and is not constant over time. For hedged share classes, only the compartment's consolidation currency is hedged into the share class currency. Foreign exchange exposure, resulting from assets in the portfolio which are not denominated in the consolidation currency, can remain. NAVs relating to dates on which shares are not issued or redeemed ("non-trading NAVs") in your country may be published here. They can only be used for statistical performance measurements and calculations or commission calculations and cannot under any circumstances be used as a basis for subscription or redemption orders. The published performance represents past data. Past performance may not be a reliable guide to future performance. There is no guarantee that the same yields will be obtained in the future. The value and income of any of your investments may fluctuate with market conditions and may lose some or all its value. The fund may be affected by changes in currency exchange rates, which can have an adverse effect on the value or income of the fund. Performance is shown based on the share class NAV per share (in the share class currency) with dividends reinvested (for distributing share classes), including actual ongoing charges, and excluding subscription/redemption fees and taxes borne by the investor. Inflation was not taken into account. As a subscription fee calculation example, if an investor invests EUR 1000 in a fund with a subscription fee of 5%, he will pay to his financial intermediary EUR 47.62 on his investment amount, resulting with a subscribed amount of EUR 952.38 in fund shares. In addition, potential account keeping costs (by your custodian) may reduce the performance. Indices do not include fees or operating expenses and you cannot invest in them.

The Fund qualifies as short-term variable net asset value money market fund (hereinafter referred to as the "Short-Term VNAV MMF"). The Short-Term VNAV MMF is not a guaranteed investment vehicle. An investment in Short-Term VNAV MMF is different from an investment in deposits, there is in particular a risk that the principal invested in a Short-Term VNAV MMF is capable of fluctuation. The Fund does not rely on external support for guaranteeing the liquidity of the Short-Term VNAV MMF or stabilising the NAV per unit or share and the risk of loss of the principal is to be borne by the investor. The Fund may decide to solicit or finance an external credit rating in which case the Prospectus and any relevant marketing material will be updated at the next available opportunity. **The Short-Term VNAV MMF uses the derogation to invest more than 5 % of its assets in money market instruments issued by the same body and is authorised to invest up to 100% of its assets, in accordance with the principle of risk spreading, in Money Market Instruments issued or guaranteed separately or jointly by the EU, the national, regional and local administrations of the Member States of the EU or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States of the EU belong.**

Any index data referenced herein remains the property of the Data Vendor. Data Vendor Disclaimers are available on assetmanagement.pictet under "Resources" section.

No part of this material may be copied or redistributed without Pictet Asset Management prior written consent. ©2019 Pictet