

Message from the Chairman

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Confidence and Realism

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Dear Colleagues,

In these particular times, I wanted to share some thoughts with you about what is happening today, while our Bank is fully operating efficiently in crisis level with most of the staff connected from home.

Why and What are the impacts on the World Economy of the "Containment Measures" being taken Worldwide?

1. Following the 2 World Wars, the United Nations were restructured and the Charter on Human Rights was enacted, for a better path to Peace under the Rule of Law.

Science, Technology and Innovation of our liberal Economies have waged Wars on hunger, poverty and inequality; they have succeeded beyond expectations in the past 75 years.

Within that period, we have promoted the respect of Human rights to save Lives and have declared on March 7th 2020, a New Global Health War to Protect the Human species.

2. We know that Covid-19 will spread on the 5 Continents with a combined population of 7.8 billion, implying potentially many more victims in the weeks and months ahead.
3. Containment-of-Population Policies are adopted worldwide at different speeds. The Disruption of our worldwide interconnected liberal economy is taking place in an unprecedented manner.

The Systems are being Stress tested!

Global pessimism is naturally prevailing at the moment, and it is our calling to anticipate the worst, with Realism and without Fear.

4. Yet, our positive vision is based on the models of China, Hong Kong, Singapore and South Korea where the partial return to work of 80% is taking place already now!

5. With **constructive optimism**, I firmly believe some form of gradual normality will return, as the damage caused by the recent deep Market disruptions is in the process of being repaired.

No infrastructure destruction or material destruction of production capacity has taken place. It has merely been put on hold!

Warehoused temporarily air-planes, trains, boats will operate again ... some under different flags, no doubt.

Never before have States, Central Banks and Supranational Institutions been so united, in spite of their differences, to take and implement unprecedented measures in an extraordinary global situation:

USD 10 trillion of cumulated liquidity injections so far!

Our Economies will survive and continue to evolve, however differently from before Covid-19.

6. **Outlook:** The above measures will first **stabilize** global Economies in a recessionary cycle, in order to pave the way for a **Recovery** during the Second half of 2020; **Return to Growth** in 2021, with likely inflation and potential States' participation in bailed-out industries and enterprises.

Our Realism and Conviction are based on our long experience with exceptional situations: as Board and Management Members, we have actively and successfully piloted our private banking activities through challenging periods in the past decades.

Intelligence is defined as the "Capacity to Adapt". We shall adapt to All circumstances.

Keep Healthy with your families.

Yours Respectfully,

Solly S. LAWI