Sovereign bonds (also referred to as "sovereigns") are bonds issued by governments.

Subsidiarity, in a European context, refers to the belief that power should be devolved to the smallest appropriate level of government.

Systematic managers, in the context of Commodity Trading Advisors (CTAs) seek to identify and benefit from trends across a diversified portfolio of assets.

Treasuries are fixed-interest U.S. government-debt securities with different maturities. Treasury bills, also T-bills, mature in one year or less. Treasury notes, also T-notes, mature in two to ten years. Treasury bonds, also T-bonds, mature in twenty to thirty years.

The Troika consists of the International Monetary Fund (IMF), the European Central Bank (ECB) and the EU Commission.

Ungeared operations or investments do not have any associated debt.

Valuation attempts to quantify the attractiveness of an asset, from example through looking at a firm's stock price in relation to its earnings.

Value at Risk (VaR) is a measure of risk. It is the potential loss of a particular risk position at a given probability within a given time horizon.

Volatility is a statistical measure of the dispersion of returns for a given security or market index.

Investment traffic lights (pages 8–9): comments regarding our tactical and strategic view

Tactical view:

— The focus of our tactical view for fixed income is on trends in bond prices, not yields.

Strategic view:

— The focus of our strategic view for sovereign bonds is on yields, not trends in bond prices.
— For corporates and securitized/specialties bonds, the arrows depict the respective option-adjusted spread.
— Both spread and yield trends influence the bond value. Investors who aim to profit only from spread trends must hedge against changing interest rates.