

Economy

Statistics published in the United States were somewhat mixed. Existing home sales fell more than expected in June (-2.7% m/m vs -0.7% est.) and rose less than hoped for in new homes (+0.6% m/m vs +4.3% est.). Purchasing managers' confidence was a pleasant surprise in the services sector, where it rose from 52.9 to 55.2 in July (vs. 53 est.), but disappointed and fell in the manufacturing sector (from 52.9 to 49.5 vs. 52.7 est.). In the eurozone, purchasing managers' confidence rose more than expected in services (from 50.5 to 51.2 vs. 50.6 est.) and in line with expectations in manufacturing (from 49.5 to 49.8) in July. Household confidence was slightly above expectations (from -15.3 to -14.7 vs. -15 in est.). In China, 1- and 5-year lending rates were, unsurprisingly, unchanged (at 3% and 3.5%).

Planetary Boundaries

In an advisory opinion (not legally binding), the International Court of Justice in The Hague stated that "countries that fail to fulfil their climate obligations commit an unlawful act", recalling that "legal consequences may include full reparation to the injured States in the form of restitution, compensation and satisfaction". This position may eventually pave the way for compensation for countries that are victims of other countries' climate inaction.

Bonds

In the US last week, 10-year yields fell 3bp as pressure on J. Powell eased and manufacturing PMI contracted, while jobless claims were lower than expected. In Europe, the 10-year OAT ended the week unchanged, while the Bund gained 3bp, as the ECB decided to leave its key interest rate unchanged pending further clarity on US tariffs. This week will be busy, with JOLTS, ADP, PCE, FOMC and ISM manufacturing data all due.

Sentiment of traders

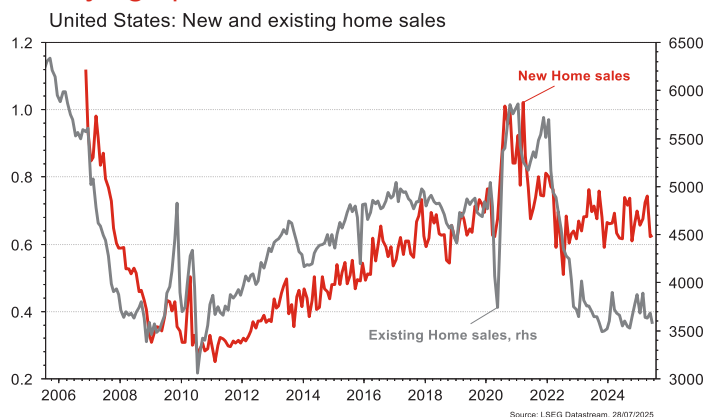
Stock markets

Markets opened with a bang thanks to the deal signed between the EU and the US. It will be a busy week on all fronts, with the FOMC meeting (no change expected), core PCE and employment statistics in the US, and CPI and GDP figures in the eurozone. There will also be a plethora of quarterly results, including UBS, Microsoft, Apple, Amazon and Hermès, among others.

Currencies

Following the announcement of the agreement between the EU and the US (15% tariffs), the single currency traded in Asia at around €/1.1770 before falling to €/1.1718 at the opening this morning. The dollar is consolidating against other currencies: \$/CHF 0.7959, \$/JPY 147.80. Currency traders will focus this week on J. Powell's speech and, above all, on the US employment figures at the end of the week. We anticipate the following ranges: €/1.1568-1.1829, £/\$ 1.3365-1.3589, \$/CHF 0.79-0.8064, €/CHF 0.9221-0.9350, XAU/USD 3345-3451.

Today's graph



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Markets

Unsurprisingly, the ECB kept its key rates unchanged, but its message was less accommodative. The agreement on tariffs between the US and the EU reached this weekend, following the agreement with Japan, although asymmetrical, removes uncertainty and maintains positive sentiment. Equities are up (US: +1.4%, Europe: +0.5% and emerging markets: +0.7%) and 10-year sovereign bond yields are fairly stable. The depreciation of the dollar (dollar index: -0.9%) has not prevented gold from falling (-0.6%). This week to watch: house prices (FHFA and S&P CoreLogic), consumer confidence, initial Q2 GDP estimates, Fed meeting, PCE inflation, employment report and ISM manufacturing in the US; Q2 GDP first estimate, EC confidence indices (economy, industry and services) and consumer price index in the eurozone; manufacturing and services PMI in China.

Swiss Market

To watch out for this week, which is shortened by the national holiday: Q2 property price index (FSO), July economic barometer (KOF), June retail sales (FSO) and May services sales (FSO).

The following companies will publish their results: SIX, Forbo, Sika, Lem, SIG Group, Logitech, Bucher, UBS, Autoneum, Idorsia, Inficon, Avolta, Comet, Holcim, Interroll, Kardex, Clariant, Medacta, Swiss, BNS and AMS Osram.

Equities

ALPHABET (Core Holding) reported strong quarterly results, with profits up nearly 20%, driven by growth in Search and Cloud. The integration of AI is driving engagement (+10% in search volume), but it should be noted that AI Overviews are significantly reducing clicks to third-party sites, posing a challenge to the traditional advertising model. Capital expenditure for fiscal year 2025 has also been raised to \$85 billion to meet infrastructure needs.

DEUTSCHE BÖRSE (Core Holding) reported solid results on Friday and the outlook remains encouraging. The weakness of the IMS segment, largely due to unfavourable currency effects, does not justify the stock's underperformance (-11%) over the last month. Take advantage of this weakness to strengthen your position.

Beyond Alphabet, **MICROSOFT** (Core Holding), **META** (HR) and **AMAZON** (HR) are expected to confirm this week an equally ambitious investment trajectory to support AI: ramping up data centres and securing electricity. The market will focus on the 2025-2026 Capex ranges, GPU/ASIC supply visibility and long-term electricity commitments.

NESTLÉ (Core Holding) remains focused on a gradual recovery in volumes, supported by innovation, marketing and improving price elasticity. The "Fuel for Growth" plan will finance these efforts while stabilising margins. Despite a publication inline with expectation, the market punished the lack of positive surprises. A clearer upturn in volumes is expected in 2026.

Performances

	As at 25.07.2025	Since 18.07.2025	Since 31.12.2024
SMI	11 955.73	-0.23%	3.06%
Stoxx Europe 600	549.95	0.54%	8.34%
MSCI USA	6 108.18	1.42%	8.74%
MSCI Emerging	1 257.78	0.67%	16.95%
Nikkei 225	41 456.23	4.11%	3.91%
CHF vs. USD	0.7967	0.44%	13.76%
EUR vs. USD	1.1731	0.71%	13.28%
Gold (USD/per ounce)	3 332.37	-0.61%	26.93%
Brent (USD/bbl)	68.47	-1.18%	-8.39%
		As at 18.07.2025	As at 31.12.2024
10-year yield CHF (level)	0.42%	0.45%	0.23%
10-year yield EUR (level)	2.68%	2.65%	2.36%
10-year yield USD (level)	4.38%	4.43%	4.57%

Source: LSEG Datastream