

Economy

Statistics published in the United States were broadly in line with expectations. The manufacturing PMI fell slightly more than expected (from 53 to 52 vs. 52.2 est.) in September, as did the services PMI (from 54.5 to 53.9 vs. 54 est.). Similarly, PCE inflation rose by +0.3% m/m in August and accelerated from +2.6% to +2.7% year-on-year, which was unsurprising. New home sales rebounded surprisingly strongly in August (+20.5% m/m), probably in response to lower prices and lower mortgage rates. In the eurozone, the September manufacturing PMI fell from 50.7 to 49.5, below the 50 threshold, whereas stabilisation had been expected. Its services counterpart was a pleasant surprise, rising from 50.5 to 51.4 (vs. 50.5 est.). Finally, in China, in line with expectations, 1-year and 5-year borrowing rates remained unchanged at 3% and 3.5% respectively.

Planetary Boundaries

According to the Potsdam Institute for Climate Impact Research (PIK), seven of the nine critical limits of the Earth system have now been exceeded. One more than last year: this is the limit relating to ocean acidification. This tipping point, mainly due to the burning of fossil fuels, exacerbated by deforestation and land use change, is degrading the oceans' ability to act as stabilisers for the Earth.

Bonds

In the US, the 10-year yield rose 5 bp over the week, supported by positive growth revisions, better-than-expected durable goods orders and lower-than-expected jobless claims. In Europe, the 10-year Bund was stable over the week and the OAT was up 2 bp, while credit spreads remained unchanged. In Switzerland, the SNB kept its key interest rate at "0", as expected, and the 10-year yield fell 2 bp. This week will be busy in terms of US releases, with the ISM, JOLTS, ADP and NFP figures due out.

Sentiment of traders

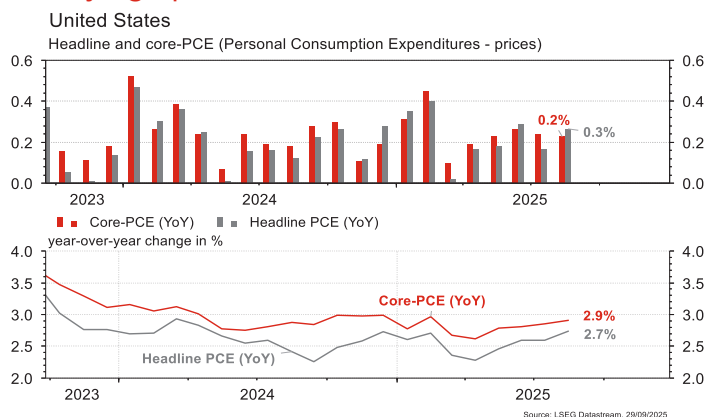
Stock markets

Markets started the week higher, with the threat of a US government shutdown not weighing on investor sentiment. This simply risked depriving us of ISM economic releases and employment statistics. In the eurozone, we will be watching for CPI, unemployment and PPI announcements.

Currencies

The dollar is under pressure this morning, with the risk of a US government shutdown weighing on the greenback: €/ \$ 1.1729, \$/JPY 148.68, \$/CHF 0.7957. The possibility of no US employment statistics this week is negative for the dollar in the short term. Intense Russian strikes in Kiev over the weekend are keeping geopolitical tensions high, with precious metals rising sharply: XAU/\$ 3810, XAG/\$ 46.79. Our ranges: €/ \$ 1.1596-1.1820, \$/CHF 0.79-0.8013, €/CHF 0.9265-0.9358, £/\$ 1.3324-1.3537, XAU/\$ 3717-3900.

Today's graph



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Markets

Equities traded in a mixed fashion, with more moderate movements in the US (-0.3%) and Europe (+0.1%) than in emerging markets (-1.1%) or Switzerland (-1.5%). Ten-year sovereign rates were little changed, rising a few basis points in the US and remaining almost unchanged in the eurozone. The dollar appreciated by 0.5% but did not prevent gold from continuing its rise (+2.8%). Pressure on Russia caused oil prices to react (+5.1%). To watch this week: house prices (FHFA and S&P Cotality), consumer confidence, ISM manufacturing and services and US employment report; EC confidence indices (economy, industry and services), consumer and producer price indices and unemployment rate in the eurozone; manufacturing and services PMI (official and RatingDog) in China.

Swiss Market

Coming up this week: labour productivity in 2024 and national accounts for 2024 (FSO), September economic barometer (KOF), volume of interventions on the currency market in Q3 (SNB), August retail sales (FSO), July services sales (FSO), September PMI purchasing managers' indices, September inflation (FSO) and August accommodation statistics (FSO).

The following companies will publish figures: Addex, Leclanché, Airesis and CCom.

Equities

ASTRAZENECA (Core Holding) plans to harmonise its listing structure between the London Stock Exchange, Nasdaq Stockholm and the New York Stock Exchange. This will require AstraZeneca shares to be listed directly on the New York Stock Exchange, replacing the existing American Depositary Receipts (ADRs).

DSM-FIRMENICH (Satellite): according to Bloomberg, the company has invited Apollo Global Management to return to the negotiating table, alongside CVC Capital Partners, for the sale of its Animal Health & Nutrition division. The sale, initially anticipated for 2025, has been slow to materialise due to differences over the vitamins segment.

HEIDELBERG MATERIALS (Satellite) will invest in a carbon capture and storage unit at its Padeswood cement plant in North Wales. The unit is scheduled to come on stream in 2029 and will capture 800,000 tonnes of CO₂ per year.

UBS (Satellite): the Swiss government's latest proposal provides for a seven-year adjustment phase, with a CET1 requirement starting at 65% and increasing by 5 pts/year to 100%. This is in line with expectations. The market is still awaiting clarification from UBS on how it will mitigate the USD 26 billion requirement. Little impact on the share price (+0.5%). Call for political compromise underway.

Performances

	As at 26.09.2025	Since 19.09.2025	Since 31.12.2024
SMI	11 929.80	-1.49%	2.84%
Stoxx Europe 600	554.52	0.07%	9.24%
MSCI USA	6 357.28	-0.35%	13.18%
MSCI Emerging	1 325.58	-1.14%	23.26%
Nikkei 225	45 354.99	0.69%	13.69%
CHF vs. USD	0.7986	-0.43%	13.49%
EUR vs. USD	1.1692	-0.56%	12.91%
Gold (USD/per ounce)	3 774.70	2.80%	43.78%
Brent (USD/bl)	70.12	5.13%	-6.18%
		As at 19.09.2025	As at 31.12.2024
10-year yield CHF (level)	0.20%	0.22%	0.23%
10-year yield EUR (level)	2.70%	2.71%	2.36%
10-year yield USD (level)	4.16%	4.11%	4.57%

Source: LSEG Datastream