

Economy

In the United States, the statistics published were fairly satisfactory. Although the unemployment rate rose from 4.3% to 4.4% in September, job creation exceeded expectations (+119,000 vs. 53,000 est.). Confidence among property developers rose slightly in November from 37 to 38 (vs. 37 est.). In the same month, purchasing managers' confidence declined in the manufacturing sector (from 52.5 to 51.9 vs. 52 est.) while improving in services (from 54.8 to 55 vs. 54.6 est.). In the eurozone, the manufacturing PMI was slightly disappointing, falling from 50 to 49.7 (vs. 50.1 est.), while the services PMI was a pleasant surprise (from 53 to 53.1 vs. 52.8 est.). Finally, in China, 1-year (3%) and 5-year (3.5%) borrowing rates remained unchanged, in line with expectations.

Artificial Intelligence

Google unveiled Gemini 3, its new language model, which marks a significant advance in reasoning, multimodality and real-time performance, with several benchmarks placing it ahead of GPT-5 Pro. Initial favourable feedback pushed Alphabet's share price to an all-time high. By quickly integrating it into Search, Android and Workspace, Google is consolidating its position in AI ahead of its competitors.

Bonds

In the US, the 10-year yield rose 9 bp over the week due to uncertainty surrounding the FOMC minutes published on Wednesday regarding a potential rate cut in December. The market drastically reduced the probability of a cut to 35% on Thursday, before rising back above 60% on Friday. In Europe, the 10-year OAT gained 1 bp and the Bund lost 2, with disappointing manufacturing PMIs but expanding services. This week, the market will be watching the ISM manufacturing index and Q3 GDP in the US.

Sentiment of traders

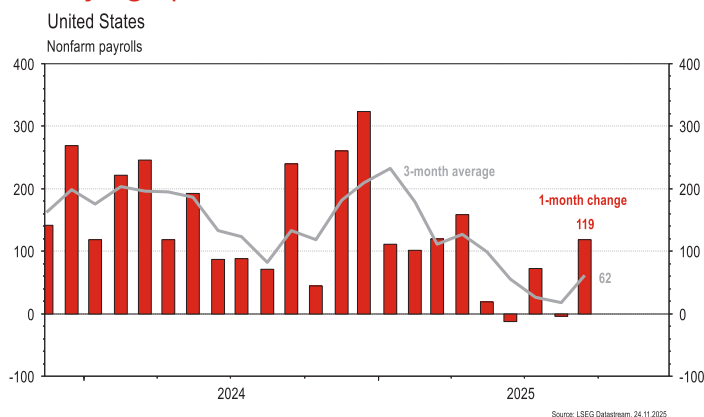
Stock markets

This shortened week in the US due to Thanksgiving is starting on a high note, following comments by Fed's J. Williams suggesting that a rate cut in December was possible. In addition, we should see the PPI figures and the leading index in the US, while CPI expectations will be published in the eurozone. Indices are rebounding on support thanks to promises of easing.

Currencies

Last week's risk aversion supported the US dollar: USD/CHF 0.8085, sup. 0.80 res. 0.8155. Despite progress on the US plan regarding the war in Ukraine, the euro does not seem to be benefiting and is consolidating around EUR/USD 1.1530. We anticipate the following ranges: €/£ 1.1470-1.1580. After Friday's Fed commentary, currency traders anticipate a 69% probability that the Fed will cut rates again in December. The £ is struggling to climb to £/\$ 1.31, sup. 1.30, res. 1.3215. Gold is at \$4063/oz, sup. 3998, res. 4132.

Today's graph



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Markets

Uncertainty about the Fed's next decision and questions about the valuation of AI stocks, despite Nvidia's strong results, weighed on the markets. Ten-year sovereign rates fell by almost 10 bps in the US, rose by the same amount in Japan and remained stable elsewhere. Equities fell by 2% in the US, 2.2% in Europe and 3.7% in emerging markets. The sharp appreciation of the USD (+0.9%) weighed on gold (-0.4%). This week to watch: retail sales, house prices (FHFA and S&P Cotality), consumer confidence and durable goods orders in the US; EC confidence indices (economy, industry and services) in the eurozone; industrial profits in China.

Swiss Market

Coming up this week: Q3 employment barometer (FSO), October accommodation statistics (FSO), November economic barometer (KOF) and detailed Q3 GDP figures (Seco).

Julius Bär, EFG Int'l, Epic and Dottikon ES will publish their figures.

Equities

MERCK & CO has been added to the US Core Holding list. Its PE valuation (10.5x) is in value territory and represents a buying opportunity given its improving fundamentals. The company is on track to limit the loss of Keytruda from 2028 onwards and has the financial capacity to pursue its M&A strategy, which is necessary to fully offset the impact and ensure its long-term growth.

NVIDIA (Core Holding) reported better-than-expected results, supported by the ramp-up of Blackwell systems and the widespread adoption of AI infrastructure among hyperscalers. The company anticipates continued strong demand in 2026, driven by the next generation of Rubin chips scheduled for release in the second half of the year. Management is confident, despite a more volatile market environment.

SGS returns to the Core Holding Europe list, thanks to its renewed growth and acquisition momentum and an attractive dividend yield relative to Swiss rates. The group has also announced its 18th acquisition of the year: Australia's Information Quality (IQ), a leading provider of information reliability services (111 experts).

Performances

	As at 21.11.2025	Since 14.11.2025	Since 31.12.2024
SMI	12 632.67	-0.01%	8.89%
Stoxx Europe 600	562.11	-2.21%	10.73%
MSCI USA	6 301.78	-2.01%	12.19%
MSCI Emerging	1 333.96	-3.73%	24.03%
Nikkei 225	48 625.88	-3.48%	21.89%
CHF vs. USD	0.8087	-1.89%	12.07%
EUR vs. USD	1.1502	-0.96%	11.07%
Gold (USD/per ounce)	4 067.51	-0.41%	54.93%
Brent (USD/bbl)	62.58	-2.83%	-16.27%
		As at 14.11.2025	As at 31.12.2024
10-year yield CHF (level)	0.17%	0.19%	0.23%
10-year yield EUR (level)	2.66%	2.68%	2.36%
10-year yield USD (level)	4.05%	4.13%	4.57%

Source: LSEG Datastream