

Economy

Statistics published in the United States were mixed. The ISM manufacturing index fell in November from 48.7 to 48.2, whereas an increase had been expected (est. 49). Its services counterpart, on the other hand, rose from 52.4 to 52.6 (vs. 52 est.). Private sector employment, as measured by ADP, contracted by 32,000, whereas 10,000 new jobs were expected to be created. PCE inflation (September) was in line with expectations (+0.3% m/m and +2.8% y/y) and consumer confidence (University of Michigan) rose more than expected (52), from 51 to 53.3 in December. In the eurozone, inflation was marginally higher than expected in November (+2.2% y/y vs +2.1% est.), retail sales stagnated in October and Q3 GDP was revised upwards (+0.3% q/q vs +0.2% initially). In China, RatingDog PMIs disappointed in November: manufacturing fell from 50.6 to 49.9 (vs. 50.5 est.) and services from 52.6 to 52.1.

Artificial Intelligence

Meta has announced the acquisition of Limitless, a start-up specialising in wearable devices with integrated AI assistants. The aim is to accelerate the development of new physical interfaces, in addition to connected glasses, to strengthen its position in consumer AI applications. This move reflects the growing desire to integrate AI into everyday life via dedicated devices.

Bonds

In the US, the 10-year yield rose 12 basis points over the week, helped by better-than-expected unemployment figures, despite disappointing ADP and ISM manufacturing data. In Europe, the 10-year OAT rose 12 basis points and the 10-year Bund rose 11 basis points, supported by better-than-expected industrial production figures. This week, all eyes will be on Wednesday's FOMC meeting, with the market expecting a 25bp rate cut. The SNB will also announce its decision on Thursday morning, with the market expecting the key rate to remain unchanged.

Sentiment of traders

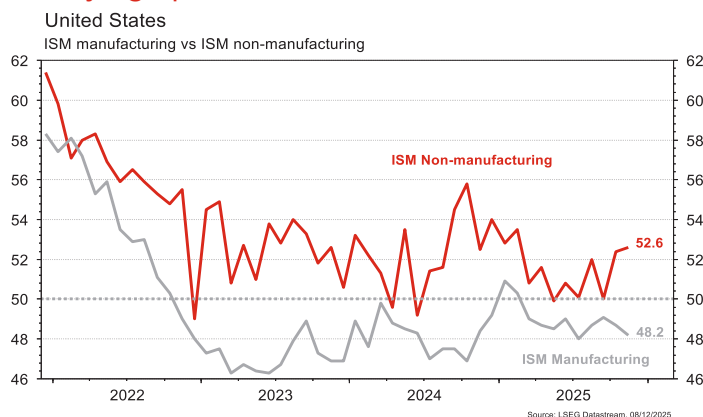
Stock markets

All market participants are awaiting the Fed's decision on Wednesday (-0.25% expected) and, above all, J. Powell's comments on inflation, which remains too high. Note that the SNB will meet on Thursday (no change expected). On the micro side, Oracle and Adobe's results will be closely watched, while Netflix's bid for Warner is stirring up the markets with a possible counter-offer from Paramount.

Currencies

This week is dominated by central banks. With the US labour market slowing, currency traders are anticipating a 0.25% rate cut by the Fed. The SNB and the BOC are expected to keep their rates unchanged. The €//\$ remains at €//\$ 1.1649, with a break of the resistance level of 1.1690 is needed to maintain this upward trend, otherwise tests above 1.1570 and 1.15 are possible. The CHF is consolidating at €/CHF 0.9370 and \$/CHF 0.8040, and we anticipate the following ranges: €/CHF 0.9327-0.9425, \$/CHF 0.7970-0.8110. Gold remains in demand at \$4208/oz.

Today's graph



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Markets

Ahead of the Fed's decision, which is expected to lower its key rates this week, 10-year sovereign rates rose by a few basis points in USD and EUR, causing bond prices to fall by 0.8%. Equities rose by 0.3% in the US, 0.4% in Europe, 0.8% in Switzerland and 1.4% in emerging markets. The dollar index fell 0.5% and gold rose slightly by 0.1%.

This week in the US: housing starts, building permits, SME confidence index (NFIB index), October PCE inflation and Fed meeting; Sentix investor confidence index in the eurozone; foreign exchange reserves, trade balance and consumer and producer price indices in China.

Swiss Market

To follow this morning on the Swiss market: November 2025 consumer confidence index (Seco), DKSH announces agreement with Synthomer for Eastern Europe, Stadler Rail wins order for 27 trams in Germany, and UBS plans further large-scale redundancies according to Sonntagsblick.

Equities

We are adding **ABN AMRO** to the Satellite Europe list. The bank is undergoing a promising restructuring process, with reasonable growth targets coupled with a voluntary cost-cutting programme to be completed by 2028. Profitability should benefit from this operational leverage, as should solvency, the strengthening of which will enable a generous return to shareholders over the next three years.

RICHEMONT has been added to the Satellite Europe list. Its repositioning towards jewellery (55% of revenue) will enable it to benefit from a more resilient (vs watchmaking) and buoyant market. Its business has been more robust than that of its peers in recent quarters, benefiting from greater exposure to "Very Important Customers" (VIC) and intact pricing power. The stock is valued (PE = 27.5x) in line with LVMH but with a 19% discount vs peers, which should gradually narrow given these characteristics.

SSE PLC joins our Satellite Europe recommendation list: the 2030 plan will make SSE a predominantly "electrical infrastructure" group in the United Kingdom and support expected earnings growth of around 8-12% p.a. on average, which the PEfwd does not yet reflect.

SWISS RE unveiled its 2026 targets at its Management Dialogue. The message is uniformly weak: key expectations (net income, Life & Health, shareholder return) are below consensus, with no convincing compensation on the operational side. We are therefore removing Swiss Re from our satellite list. There are better opportunities elsewhere in the sector.

Performances

	As at 05.12.2025	Since 28.11.2025	Since 31.12.2024
SMI	12 936.30	0.80%	11.51%
Stoxx Europe 600	578.77	0.41%	14.02%
MSCI USA	6 562.70	0.36%	16.83%
MSCI Emerging	1 385.48	1.36%	28.83%
Nikkei 225	50 491.87	0.47%	26.56%
CHF vs. USD	0.8043	-0.16%	12.68%
EUR vs. USD	1.1648	0.37%	12.49%
Gold (USD/per once)	4 205.42	0.13%	60.19%
Brent (USD/bl)	63.78	0.85%	-14.66%
		As at 28.11.2025	As at 31.12.2024
10-year yield CHF (level)	0.18%	0.19%	0.23%
10-year yield EUR (level)	2.77%	2.65%	2.36%
10-year yield USD (level)	4.12%	4.00%	4.57%

Source: LSEG Datastream