

Economy

Relatively reassuring statistics from the US: business orders (excluding transport) +1.6% m/m in March vs +1.3% est.; ISM services at 53.6 in April, -0.4 m/m, vs 53.7 est., but still expanding (>50); 115,000 jobs created in April, vs 65,000 est., with no acceleration in hourly wages (+0.2% m/m; +3.6% y/y) nor improvement in consumer confidence (University of Michigan), at 48.2 in May (-1.6 pts, vs 49.5 est.). In the eurozone, producer prices rose by 3.4% m/m in March and 2.1% y/y vs. an estimated 1.8%, whilst retail sales fell by 0.1% m/m (vs. an estimated -0.3%) in March (+1.2% y/y). Finally, in China in April: exports +14.1% y/y vs 8.3% est., imports +25.3% vs 20.4% est., trade balance +\$84.8bn vs \$75.5bn est., consumer prices +1.2% y/y vs +1% est., producer prices +2.8% y/y vs +1.9% expected.

Artificial Intelligence

The memory shortage is now emerging as a strategic national issue. The White House is pushing the 'Pax Silica' alliance, bringing together 14 countries to secure supplies of HBM and DRAM, whilst Sandisk signed NAND LTSA contracts worth USD 42 billion in Q3 alone, complete with guarantees and penalties – an unprecedented level in the industry. The issue is also expected to feature on the agenda of this week's meeting between Donald Trump and Xi Jinping. Against this backdrop, SK Hynix, Samsung and Micron remain the main structural beneficiaries of the cycle.

Bonds

In the US, the 10-year yield fell by 2 basis points over the week, with the labour market remaining solid – JOLTS were in line with expectations and NFP figures surprised on the upside – whilst the ISM services index declined but remained in expansionary territory. European yields also fell, with the 10-year OAT down 7 basis points and the 10-year Bund down 3 basis points over the week, against a backdrop of relative easing in Iran. This week, the market will be watching the meeting between Donald Trump and Xi Jinping and developments in the Gulf, as the situation remains highly volatile.

Sentiment of traders

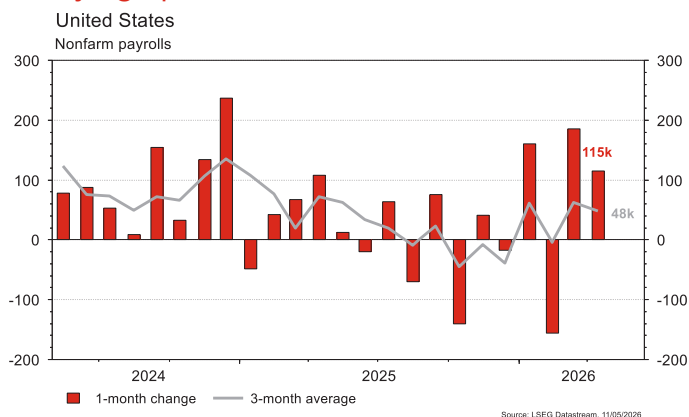
Stock markets

Indices opened cautiously following Trump's rejection of the Iranian proposal. This week will see Kevin Warsh's confirmation as head of the Fed, and a US-China summit in Beijing. On the macro front, we will have CPI, PPI and retail sales figures for the US, and in the eurozone, the ZEW index and unemployment figures. On the micro front, results from Cisco, Siemens and Allianz will be published. A very busy week.

Currencies

Friday's US employment figures had little impact on the dollar, which is trading this morning at \$/CHF 0.7780. The rejection of Iran's proposal and threats of further strikes have pushed oil prices up by 3.5% this morning. The euro therefore remains under pressure at €/USD 1.1771 and €/CHF 0.9155. Our ranges are €/ \$ 1.1683–1.1865, €/CHF 0.91–0.9225. Forex traders will be watching the US-China meeting this week closely. The defeat in the regional elections is putting pressure on the British Prime Minister as well as the pound at £/\$ 1.36, sup. 1.3510, res. 1.3660. Gold is at \$4,675/oz.

Today's graph



This document has been issued for information purposes only. The views and opinions contained in it are those of Bordier & Cie SCmA. Its contents may not be reproduced or redistributed by unauthorized persons. The user will be held liable for any unauthorized reproduction or circulation of this document, which may give rise to legal proceedings. All the information contained in it is provided for information only and should in no way be taken as investment, legal or tax advice provided to third parties. Furthermore, it is emphasized that the provisions of our legal information page are fully applicable to this document and namely provisions concerning the restrictions arising from different national laws and regulations. Consequently, Bordier Bank does not provide any investment services or advice to "US persons" as defined by the Securities and Exchange Commission rules. Furthermore, the information on our website – including the present document – is by no means directed to such persons or entities.

Markets

Strong rebound in emerging market equities (+6.9%), Japanese shares (+5.4%) and US shares (+2.2%) driven by tech (+7% in the US) vs +0.1%/-0.3% in Europe/Switzerland, against a backdrop of a fall in oil prices (-6.4%), a weakening dollar (-0.3%) and falling government bond yields (US-Germany -2/3 bp, France -7 bp, Italy -13 bp), with corporate bonds performing at 0.3%. To watch this week, in addition to the much-anticipated Trump/Xi Jinping meeting and news on Iran: SME confidence (NFIB index), house sales, consumer price index, and retail sales in the US; second estimate of Q1 GDP and industrial production in the eurozone; growth in lending, money supply and foreign investment for April in China.

Swiss Market

Coming up this week: Confederation bond issue (FFA/SNB), April producer and import price index (FSO) and April traffic statistics (Zurich Airport).

The following companies will publish their results: Tecan, PSP Swiss Property, PEH, SoftwareONE, ON Holding, Molecular Partners, Adecco, HBM, Zurich, Sunrise and Züblin.

Equities

AIRBUS (Satellite) delivered 67 aircraft in April (+20% y/y), bringing its total to 181 since the start of the year. A significant acceleration will be needed to reach the annual targets of -870.

ALLIANZ (Satellite): will publish its Q1'26 results on May 13. We expect the group to show solid momentum in retail P&C, driven by a favourable claims experience and increased pricing discipline. Despite a European sector under pressure due to falling premium rates, we expect Allianz's more retail-focused positioning to result in greater resilience in its results.

INFINEON (Satellite) has reported Q2 FY26 results in line with expectations, with revenue of €3.8bn (+6% y/y), but has raised its full-year guidance: EBIT margin is now expected to be around 20% and FCF at €1.65bn. The momentum is driven by Power & Sensor Systems, particularly the AI Power division, which remains in a strong position, with €1.5bn in confirmed revenue for FY26 and a target of €2.5bn for FY27. We are raising our target price to €70.

LONZA (Satellite): during its Q1 business update, management indicated that performance was strong and confirmed its annual targets, namely expected sales growth of 11-12% at constant exchange rates and an EBITDA margin above 32%. Lonza also reiterated that business activity will be stronger in the first half of the year than in the second half. The update is generally reassuring.

Performances

	As at 08.05.2026	Since 01.05.2026	Since 31.12.2025
SMI	13 100.63	-0.27%	-1.26%
Stoxx Europe 600	612.14	0.10%	3.37%
MSCI USA	7 038.50	2.20%	7.75%
MSCI Emerging	1 711.25	6.86%	21.85%
Nikkei 225	62 713.65	5.38%	24.58%
CHF vs. USD	0.7774	0.21%	1.92%
EUR vs. USD	1.1775	0.06%	0.26%
Gold (USD/per ounce)	4 707.55	1.56%	8.85%
Brent (USD/bl)	101.32	-6.37%	66.51%
		As at 01.05.2026	As at 31.12.2025
10-year yield CHF (level)	0.38%	0.40%	0.30%
10-year yield EUR (level)	2.98%	3.00%	2.82%
10-year yield USD (level)	4.37%	4.39%	4.14%

Source: LSEG Datastream