Economy

The statistics published in the United States were fairly encouraging. Consumer price inflation slowed more than expected in June, from +4.2% y/y to +3.5% y/y (vs +3.8% est.). SME confidence (NFIB index) also provided reassurance, rebounding more than expected in June (from 95.3 to 97.4 vs 95.7 est.), as did household confidence (University of Michigan), which rose in July from 49.5 to 54.4 (vs 51 est.). The residential property sector continues to struggle, with developer confidence (NAHB) falling from 36 to 34 (vs 35 est.). In the eurozone, industrial production contracted by 0.2% m/m in May, whilst a rise of 0.2% had been expected. In China, Q2 GDP growth was disappointing (+4.3% y/y vs +4.5% est.), as did investment figures in June (-5.7% y/y vs -5% est.), though industrial production (+5.3% y/y vs +4.6% est.) and retail sales (+1% vs -0.1% est.) met expectations.

Artificial Intelligence

The launch of Kimi K3 by Moonshot AI has reignited concerns about Chinese competition. The market initially feared a new low-cost model capable of reducing overall demand for computing power, but the K3 actually remains very power-hungry. The risk lies elsewhere: more credible competition could undermine the growth, pricing power and funding of OpenAI and Anthropic, with a potential long-term impact on their roadmaps, cloud partners and spending patterns.

Bonds

In the US, the 10-year UST fell by 1 bp over the week, following data pointing to a sharp slowdown in inflation, although this was tempered by K. Warsh's relatively 'hawkish' remarks. The market no longer fully expects a Fed rate rise in September. In Europe, with the resurgence of the Iran conflict, the 10-year OAT rose by 10 basis points and the 10-year Bund by 6 basis points. The market will be closely watching this week's ECB meeting, where no change to the key interest rate is expected.

Sentiment of traders

Stock markets

The coming week will be significant, with quarterly results from Tesla, Intel and Alphabet in the tech sector, as well as Total, Nestlé, VW and Roche. On the macro front, we'll see some property statistics from the US and the eurozone, along with the ZEW index and the ECB (no changes expected). The deteriorating situation in the Middle East could be a key factor this week.

Currencies

The US and Iran have escalated their military confrontation, exchanging increasingly frequent attacks. The US strikes were launched in response to the deaths of American soldiers. This is pushing gold down to 4,008 USD/oz and driving Brent crude above 90 USD/bl. The USD/CHF remains firm at 0.8072 this morning. The EUR/CHF remains stable around 0.9235, with no clear trend or significant movement.

Markets

Ongoing tensions in the Middle East have caused oil prices to rise sharply (+15.8%), pushing up 10-year government bond yields in the eurozone, the UK (~+6 bp) and the CHF (+3 bp). In USD terms, reassuring inflation figures limited the impact (-1 bp) on interest rates. Gold fell by (-2.2%) despite the dollar index's depreciation – albeit moderate – of 0.2%. Emerging market equities were hit hardest (-4.1%), followed by the US (-1.5%), whilst Europe (+0.1%) and Switzerland (+0.8%) held up better for once. To watch this week: manufacturing and services PMIs and new home sales in the US; manufacturing and services PMIs, consumer confidence and the ECB meeting in the eurozone; 1- and 5-year borrowing rates in China.

Swiss Market

Coming up this week: foreign trade/watch exports for June and H1 (OFDF).

The following companies will publish their results: Belimo, Bossard, Schindler, Julius Bär, Lindt & Sprüngli, Novartis, Lonza, VAT, V-Zug, Cicor, EFG Int'l, Temenos, Bystronic, Dätwyler, Givaudan, Cembra, Leonteq, SFS, Kühne+Nagel, Bellevue, Cosmo, Galderma, Nestlé, Roche, Valiant, SIX, Schweiter, SGS, BB Biotech, Calida, Orell Füssli, StarragTornos and Vontobel.

Equities

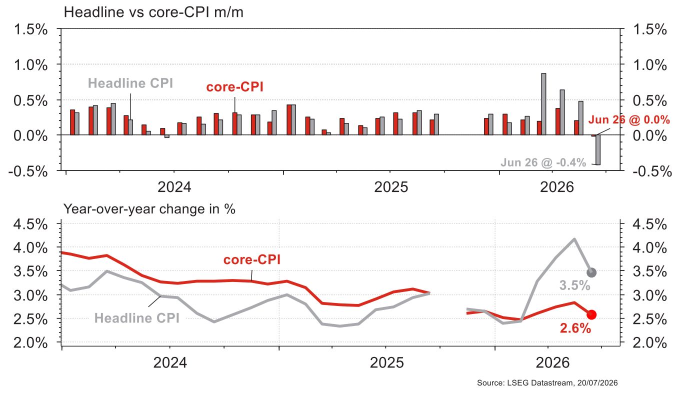
ABBOTT LABORATORIES has been reinstated on the US Satellites list. The Q2 results were encouraging, with prospects for accelerated growth in sales and EPS from the second half of the year onwards. The share is trading at a 12-month forward P/E of 17x, representing a 25% discount compared with its peers and its 10-year historical average. A return to EPS growth of around 10–12% from 2027 onwards justifies, in our view, a valuation more in line with the market, implying a target price of $130.

ADIDAS (Satellite): in an interview with Bloomberg, Bjørn Gulden (CEO) stated that he expects World Cup-related sales of around €1.5 billion, significantly higher than the initial estimate of €1 billion. Spain, having won the tournament, is sponsored by Adidas. The company will publish its Q2 results on July 30, which are expected to be favourable.

AIRBUS (Satellite): at the opening of the Farnborough Airshow, the group announced the sale of 15 A350s to Air China, 40 A320 Neos to its subsidiary Shenzhen Airlines and 40 A320s to Hainan Airlines, totalling nearly $18 billion at list price.

ALIBABA (Satellite) is benefiting from renewed interest driven by the acceleration of its cloud business, underpinned by demand linked to AI. Analysts are now forecasting growth of around 45 per cent for the 2027 financial year. The group also holds a stake of around 30 per cent in Moonshot AI, the company behind Kimi K3, which is reportedly valued at nearly $30 billion and is said to be considering an initial public offering in Hong Kong.

Today's graph



Performances

	As at 17.07.2026	Since 10.07.2026	Since 31.12.2025
SMI	14 343.70	0.76%	8.11%
Stoxx Europe 600	641.53	0.07%	8.33%
MSCI USA	7 115.09	-1.49%	8.92%
MSCI Emerging	1 620.66	-4.14%	15.40%
Nikkei 225	64 141.12	-6.44%	27.42%
CHF vs. USD	0.8068	0.14%	-1.80%
EUR vs. USD	1.1440	0.15%	-2.59%
Gold (USD/per once)	4 005.84	-2.24%	-7.37%
Brent (USD/bl)	88.06	15.81%	44.72%
		As at 10.07.2026	**As at 31.12.2025**
10-year yield CHF (level)	0.43%	0.40%	0.30%
10-year yield EUR (level)	3.09%	3.04%	2.82%
10-year yield USD (level)	4.55%	4.56%	4.14%

Source: LSEG Datastream