Economy

The economic data released in the United States was limited but generally encouraging. Purchasing managers' confidence in the manufacturing sector remained stable in July (at 53.8), slightly below expectations but still at a high level. Confidence in the services sector rose from 51.2 to 53.6, well above expectations (51.5). In the eurozone, the manufacturing PMI came in higher than expected (rising from 51.4 to 52 vs. an estimate of 51.5), as did the services PMI, which rebounded from 49.4 to 51.6 (vs. an estimate of 49.8). It is true that these surveys were conducted in part before the rise in oil prices and should therefore be viewed with some caution, but the underlying trend is reassuring. Finally, in China, 1-year and 5-year borrowing rates remained unchanged at 3% and 3.5%, respectively.

Markets

Ahead of the U.S. Fed's decision this week, the rise in oil prices (+10%) has pushed up 10-year sovereign yields (USD: +13 bps; EUR: +5 bps; CHF: +4 bps), and the dollar has appreciated by +0.7% on the index. For once, however, this has not prevented gold prices from rebounding (+1.8%). The impact on equities—whose performance is heavily influenced by the release of second-quarter corporate earnings—is more mixed, with some regions posting gains (Europe and emerging markets: +0.5%) and others posting losses (Switzerland: -0.1% and the U.S.: -0.7%). To watch this week: durable goods orders, home prices, consumer confidence, the Fed meeting, Q2 GDP, and PCE inflation in the United States; EC confidence indices, the consumer price index, and Q2 GDP in the eurozone; and manufacturing and services PMIs in China.

Artificial Intelligence

Following the breakthrough of China's Kimi K3, Washington considered restricting access to it, before 25 companies, led by Nvidia, deemed these restrictions premature. The debate pits proprietary labs—eager to preserve the value of their models and maintain control over them—against infrastructure providers, who benefit from the wider adoption of AI. Open models reportedly account for nearly one-third of the tokens processed, but only 4% of revenue. Stay tuned.

Bonds

In the U.S., the 10-year Treasury yield rose 13 basis points over the week amid renewed hostilities in Iran and supported by the lowest jobless claims since 1969. In Europe, the ECB kept rates unchanged despite dissenting voices calling for an immediate rate hike; the ECB's Governing Council explicitly left the door open to a rate hike as early as September. This week, the market will be paying close attention to the Fed's meeting, at which the consensus expects the policy rate to remain unchanged.

Sentiment of traders

Stock markets

The week began on a positive note, with a lull in tensions between Iran and the U.S. and lower oil prices. There will be a flood of quarterly earnings reports, with nearly one-third of the companies in the Stoxx 600 and S&P 500 set to report their results. On the macro front, we'll have the FOMC meeting (no changes expected), as well as durable goods orders, GDP, and the PCE Price Index, among other key indicators.

Currencies

After nearly two weeks of clashes, the United States and Iran have halted their reciprocal strikes, while President Trump reportedly expressed support for resuming peace talks, according to some reports. The greenback has weakened slightly against the Swiss franc, falling from CHF 0.8185 to around CHF 0.8150 since Friday. Meanwhile, the EUR/USD pair is trading around 1.1410. On Wednesday, the Fed is expected to keep interest rates unchanged despite inflation.

Swiss Market

Coming up this week: Q2 real estate price index (FSO), July economic sentiment survey (KOF), H1 results (SNB), June retail sales (FSO), and May services sales (FSO).

The following companies will report earnings: Forbo, Sika, Sulzer, Lem, SIG, Landis+Gyr, Logitech, Ascom, UBS, Autoneum, Bucher, Avolta, Kardex, Bachem, DSM-Firmenich, Inficon, Lastminute, Zehnder, Coltene, Comet, Holcim, Interroll, Clariant, Leclanché, Medacta, and Perrot Duval.

Equities

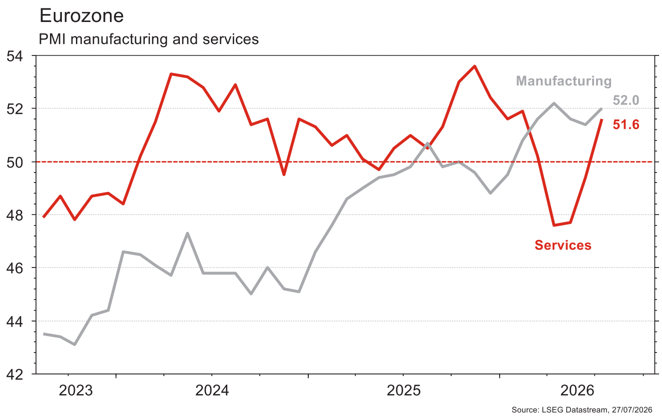
ALPHABET (Core US Holding): Q2 results exceeded expectations, with Cloud revenue up 82%. However, the stock was weighed down by higher capital expenditures, negative free cash flow, and a more cautious outlook on advertising: starting in Q3, Search will face tougher year-over-year comparisons. This may simply be a base effect, but the market also fears a more sustained slowdown.

ASTRAZENECA (Core Holding) reported Q2 results in line with expectations, with revenue and operating profit up 6% and 12%, respectively, on a reported basis. EPS (+21% YoY) beat estimates by 6%, aided by a lower-than-expected tax rate. The 2026 outlook is confirmed, with revenue growth of 5–8% and EPS growth of 10–12% at constant exchange rates. At current exchange rates, the currency impact is estimated to be positive by 1–3% on revenue and neutral on EPS.

HARTFORD INSURANCE (Satellite US) reported better-than-expected Q2 '26 results thanks to limited catastrophe losses and exceptional investment income. However, underlying quality remains mixed, with a deterioration in commercial operations and concerns about reserves. The valuation remains attractive.

STMICROELECTRONICS (Satellite): Growth is accelerating, but margins will recover more slowly. Q2 results exceeded expectations, and the outlook for AI data centers has been raised. The market focused primarily on the fact that the improvement in gross margin will not be fully visible until late 2027. Sales momentum remains intact. We recommend buying on dips.

Today's graph



Performances

	As at 24.07.2026	Since 17.07.2026	Since 31.12.2025
SMI	14 327.20	-0.12%	7.99%
Stoxx Europe 600	644.52	0.47%	8.84%
MSCI USA	7 067.90	-0.66%	8.20%
MSCI Emerging	1 628.03	0.46%	15.93%
Nikkei 225	64 611.15	0.73%	28.35%
CHF vs. USD	0.8175	-1.31%	-3.09%
EUR vs. USD	1.1379	-0.53%	-3.11%
Gold (USD/per once)	4 075.96	1.75%	-5.75%
Brent (USD/bl)	96.86	9.99%	59.18%
		As at 17.07.2026	**As at 31.12.2025**
10-year yield CHF (level)	0.47%	0.43%	0.30%
10-year yield EUR (level)	3.15%	3.09%	2.82%
10-year yield USD (level)	4.68%	4.55%	4.14%

Source: LSEG Datastream