Economy

The statistics published in the US were encouraging. Orders for durable goods (excluding aerospace and defence) rose by 0.9% m/m in June, exceeding expectations (+0.7%). GDP growth slowed in Q2 (from +2.1% q/q annualised to +1.5% vs +2% est.), but its breakdown is reassuring (consumption at +3.2%). PCE inflation fell by 0.1% in June, in line with expectations, and decelerated y/y from +4.1% to +3.7%. In the eurozone, the European Commission's confidence indices improved in July in industry (from -7.5 to -6.1 vs -7.0 est.), in services (from +4.2 to +4.7 vs +3.8 est.) and in the economy as a whole (from 95.4 to 96.3 vs 96 est.). Inflation rose from +2.8% y/y to +2.9%, in line with expectations, whilst GDP growth came in stronger than expected (+0.4% q/ vs +0.2% est.). In China, the PMIs were disappointing in July: falling from 50.3 to 49.2 in the manufacturing sector (vs 50.1 est.) and from 50.2 to 49 in services (vs 50 est.).

Artificial Intelligence

OpenAI has unveiled Astra as its next major model. An internal version is said to have solved or made progress on 10 problems in mathematics and theoretical computer science that had remained unsolved for several years. The model could also mobilize multiple agents to work on the same task. These capabilities involve more research and verification steps, and thus likely higher computational costs per query. However, OpenAI has not disclosed a launch date or pricing details.

Bonds

Last week was marked by the Fed meeting, at which the Fed kept rates unchanged. Kevin Warsh's press conference introduced significant uncertainty into the markets: no clear guidance, hints of a shift in the inflation framework, and three governors in favor of an immediate rate hike. The market reacted sharply, with long positions bearing the brunt of the "bear steepening" move. Europe followed suit, with a higher-than-expected Eurozone CPI, cementing expectations of a rate hike in September.

Sentiment of traders

Stock markets

Markets opened higher as the announcement of resumed negotiations between the U.S. and Iran led to a decline in oil prices. Numerous earnings reports are still expected this week (Palantir, AMD, Merck, Disney, etc.). On the macro front, the U.S. will release ISM data, durable goods orders, and employment statistics, while the eurozone will publish PPI and retail sales figures.

Currencies

The U.S. and Japan coordinated their purchases of the JPY late last week to support the Japanese currency. The $/JPY is trading at 156.53 this morning. JPY buying could continue, with the next resistance levels at 155 and 154.34. The euro is rebounding to €/$ 1.1525, with res. at 1.1435 and support at 1.1631. The CHF is weakening to €/CHF 0.9318, with support at 0.9220 and res. at 0.9370. The £ is up to 1.3465, sup. 1.3348, res. 1.3545. Gold is trading at $4,059/oz.

Markets

The Fed's decision to keep its key interest rates unchanged disappointed some investors. As a result, 10-year government bond yields rose by a few basis points in USD and EUR (but fell by 5 bp in CHF), despite a 7% drop in oil prices. Equities, buoyed by strong Q2 EPS reports, posted gains (U.S.: +1%; Europe: +0.7%; emerging markets: +2.3%). Government interventions (in Japan and the U.S.) to prop up the JPY (+2.8% vs. USD) explain the 1.5% depreciation of the dollar index, with no benefit for gold (-0.7%). To watch this week: ISM manufacturing and services indices, trade balance, and employment report in the United States; producer price indices and retail sales in the eurozone; manufacturing and services PMIs (RatingDog), foreign exchange reserves, and trade balance in China.

Swiss Market

Coming up this week: July inflation (FSO), Q3 employment indicator (KOF), July PMI indices for purchasing managers, business climate survey (KOF), July unemployment (SECO), consumer confidence survey (July, SECO), and foreign exchange reserves as of the end of July (SNB).

The following companies will report earnings: AMS Osram, Swiss, Sandoz, Adecco, Galenica, Oerlikon, Zurich, Financière Tradition, GAM, Swiss Re, Swisscom, Amrize, and Mobimo.

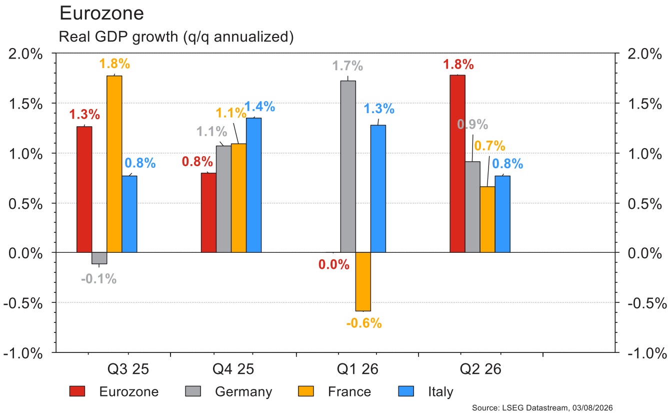
Equities

LVMH (removed from the Core Holding list): The weak performance of Louis Vuitton and the Asia-Pacific region raises questions about the group's ability to deliver a positive surprise in the second half of the year, while the Wines & Spirits division will provide less support. While the valuation remains low (12-month forward P/E of 19x), the group's growth nevertheless lags behind that of its peers. It is difficult to justify a buy in this context.

Strong growth at Azure (+43%) and AWS (+37%, best performance in 18 quarters) has reassured the market about cloud demand. **MICROSOFT** (Core Holding) continues to rapidly expand its capacity while emphasizing the flexibility of its investments: purchases of GPUs and CPUs, which account for about two-thirds of capex, can be adjusted if demand slows. **AMAZON** (Core Holding), for its part, has raised its 2026 capex forecast to approximately $220 billion and continues to anticipate demand exceeding its capacity.

ZURICH INSURANCE (Satellite) remains under pressure following new revelations in the Swiss press regarding the proceedings initiated by FINMA concerning the Vita Foundation. Former executives are alleged to have circumvented regulatory requirements, concealed certain irregularities, and ignored corrective measures. While the financial impact on the group is expected to remain limited, this case is fueling concerns about governance and could lead to tighter internal controls.

Today's graph



Performances

	As at 31.07.2026	Since 24.07.2026	Since 31.12.2025
SMI	14 346.14	0.13%	8.13%
Stoxx Europe 600	649.19	0.73%	9.63%
MSCI USA	7 140.06	1.02%	9.30%
MSCI Emerging	1 665.89	2.33%	18.62%
Nikkei 225	64 362.02	-0.39%	27.86%
CHF vs. USD	0.8091	1.04%	-2.08%
EUR vs. USD	1.1506	1.11%	-2.03%
Gold (USD/per once)	4 046.96	-0.71%	-6.42%
Brent (USD/bl)	90.11	-6.97%	48.09%

		As at 24.07.2026	As at 31.12.2025
10-year yield CHF (level)	0.41%	0.47%	0.30%
10-year yield EUR (level)	3.18%	3.15%	2.82%
10-year yield USD (level)	4.71%	4.68%	4.14%

Source: LSEG Datastream