Economy

Statistics released in the U.S. were once again mixed. The Consumer Price Index rose 0.1% month-over-month in July, in line with expectations (and slowed from +3.5% year-over-year to +3.4%). Unchanged in July, the Producer Price Index was a pleasant surprise (+0.2% est.). Retail sales disappointed in July (-0.6% MoM vs. +0.1% est.), weighed down by the negative carryover from online sales anticipated earlier this year in June. The decline in consumer confidence (University of Michigan) from 55.2 to 51 was a disappointment (est. 55). In the eurozone, industrial production was stable in June but was revised upward for the previous month (from -0.2% to +0.3%). In China, the rise in consumer prices slowed more than expected, from +4.1% y/y to +3.5% (vs. +3.9% est.), as did the rise in producer prices (from +1% y/y to +0.5% vs. +0.8% est.), a sign that the process of emerging from deflation is not yet complete.

Artificial Intelligence

The LLM market is entering a new phase. Competition from China has significantly narrowed the performance gap and intensified price pressure in the United States. However, recent price increases at Kimi and DeepSeek show that pricing is not moving in a single direction. Ultimately, differentiation is likely to rely more on performance, integration, and the value generated by agents than on token price alone.

Bonds

In the U.S., the 10-year Treasury yield rose by 4 basis points last week, following a CPI reading in line with expectations and unemployment figures that were marginally better than expected. In Europe, the 10-year OAT rose by 13 basis points to reach its highest level since 2009, and the 10-year Bund rose by 7 basis points, following renewed tensions in the Middle East—with the Strait of Hormuz still closed—fueling expectations of an ECB rate hike. This week, the market will be watching ADP and housing data in the U.S., as well as PMIs in major European economies.

Sentiment of traders

Stock markets

The Nasdaq has remained within a 1% range over the past five trading sessions, and the VIX has returned to pre-Hormuz Strait blockade levels. It appears we have entered a wait-and-see market, and the coming week is unlikely to change the sentiment. We'll still be focusing on Walmart's earnings report on Thursday, which—following the dismal retail sales figures—could give us some insight into the composition of the U.S. consumer's shopping cart.

Currencies

The foreign exchange market expects the Fed to maintain its current policy in September; the dollar is correcting against the euro and the Swiss franc at: €/$ 1.1607 and $/CHF 0.8081. We anticipate the following ranges: €/$ 1.15–1.1688 and $/CHF 0.8010–0.8150. Despite expectations of a rate hike by the BOJ, the JPY remains under pressure at 158.90, with support at 157.60 and res. at 160. The CHF is stabilizing at €/CHF 0.9380, with support at 0.9350 and res. at 0.9440. Gold continues its rebound to $4,408/oz.

Markets

The stalemate in the Middle East conflict is driving oil prices up by nearly 6%, preventing 10-year government bond yields from benefiting from reassuring U.S. inflation figures (USD: +4 bp; EUR: +7 bp). Equities are trading more mixed (U.S.: +0.4%; Europe: -0.4%; Switzerland: -1.1%; and emerging markets: +2.6%). The dollar index is largely stable (+0.1%), and gold is up 0.9% despite rising interest rates. Key data to watch this week: housing market confidence (NAHB), housing starts, building permits, industrial production, manufacturing and services PMIs, and the Fed's "minutes" in the United States; manufacturing and services PMIs and consumer confidence in the eurozone; retail sales, industrial production, investment, and home prices in China.

Swiss Market

Coming up this week: Q2 labor market survey (FSO), Q2 industrial production (FSO), and July foreign trade/watch exports (FDF).

The following companies will report earnings: Hiag, Skan, PSP Swiss Property, Huber+Suhner, Medartis, Phoenix Mecano, Basilea, Sensirion, BKW, DocMorris, Emmi, Geberit, Implenia, Straumann, Sunrise, BCV, Novavest, SPS, Siegfried, and Vetropack.

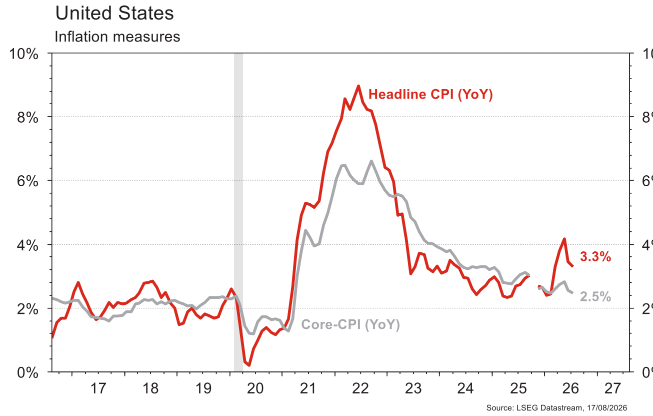
Equities

AIRBUS (Satellite) delivered 67 aircraft in July and 7 in the first week of August, bringing the total to 425 since the start of the year (compared to 371 for Boeing): a figure in line with the annual target of approximately 870 aircraft.

ATLAS COPCO (Core Holding) announced the acquisition of the U.S.-based air compression company 3c Industrial LLC, which will expand the group's presence in Texas in the services sector.

TENCENT (Satellite) reported a solid quarter, but the main focus remains the acceleration of AI capital expenditures, which rose 176% to RMB52.8 billion. These investments are temporarily weighing on free cash flow but are aimed at strengthening the group's computing capabilities and AI applications. The market is now awaiting greater clarity on how these investments will be monetized. **BAIDU** and **ALIBABA** (Satellites) will also report this week, providing new points of comparison regarding AI investments in China.

Today's graph



Performances

	As at 14.08.2026	Since 07.08.2026	Since 31.12.2025
SMI	14 390.67	-1.06%	8.47%
Stoxx Europe 600	657.86	-0.36%	11.09%
MSCI USA	7 428.25	0.36%	13.72%
MSCI Emerging	1 701.17	2.62%	21.13%
Nikkei 225	68 713.80	4.74%	36.50%
CHF vs. USD	0.8115	-0.38%	-2.37%
EUR vs. USD	1.1581	0.24%	-1.39%
Gold (USD/per once)	4 392.26	0.85%	1.56%
Brent (USD/bl)	88.56	5.90%	45.54%
		As at 07.08.2026	**As at 31.12.2025**
10-year yield CHF (level)	0.38%	0.36%	0.30%
10-year yield EUR (level)	3.17%	3.10%	2.82%
10-year yield USD (level)	4.68%	4.64%	4.14%

Source: LSEG Datastream