Economy

The statistics released in the United States were fairly reassuring. Real estate developer confidence rose from 34 to 35 in August (vs. an estimate of 33), as did building permits in July (+5% vs. +0.6% estimated), while housing starts disappointed (-12.4% m/m vs. -5.9% estimated). While the manufacturing PMI fell from 53.9 to 53.2 in August, it remains firmly in expansionary territory, and its services counterpart rebounded from 54.6 to 56.8, exceeding expectations (54). In the eurozone, the PMIs were a pleasant surprise: the manufacturing PMI rose from 51.9 to 52.8 (vs. 51.8 est.), and the services PMI remained unchanged at 51.7, despite expectations of a decline (51.5). China posted a string of disappointments in July: retail sales at +0.6% y/y (vs. +1.5% est.), industrial production at +4.5% y/y (vs. +5% est.), and investment at -6.7% y/y (vs. -6.2% est.).

Markets

Ahead of the central bankers' symposium in Jackson Hole, renewed tensions on the Iranian front are pushing oil prices higher (+6.6%) and driving up 10-year sovereign yields in USD (+4 bp), EUR (+7 bp), and CHF (+3 bp). This upward trend also reflects concerns about excessive government deficits, which S. Bessent was unable to control despite his intervention. This is why gold prices are rebounding by +4.6% and the dollar is depreciating by 0.9%. Equities are suffering in this environment (U.S.: -1.5%; Europe: -0.6%), except in emerging markets (+1.2%). To watch this week: home prices (FHFA and S&P Cotality), new home sales, consumer confidence, PCE inflation, and durable goods orders in the United States; EC confidence indices (economy, industry, and services) in the eurozone; industrial profits in China.

Artificial Intelligence

OpenAI has slowed down part of the training of its most advanced models in order to strengthen their "alignment"—that is, their ability to remain reliable and consistent with defined objectives. Anthropic may already be facing similar constraints, without necessarily disclosing them. Beyond performance, security is thus becoming an increasingly significant factor affecting costs, timelines, and the pace of innovation in AI.

Swiss Market

Coming up this week: 2025 national accounts (FSO), Q2 employment barometer (FSO), and August business climate barometer (FSO).

The following companies will report earnings: Allreal, Metall Zug, Orior, SMG, TX Group, VP Bank, Arbonia, BCGE, Epic, Molecular Partners, Intershop, Gurit, Kudelski, SoftwareONE, Stadler Rail, Accelleron, Feintool, Investis, Jungfraubahn, Zurich Airport, and ZKB.

Bonds

In the U.S., the 10-year yield rose 4 basis points over the week amid generally positive economic data on the employment and activity fronts. In Europe, the 10-year Bund rose 4 basis points following a PPI and a flash manufacturing PMI that exceeded expectations, and the 10-year OAT rose 9 basis points as attention begins to shift toward the budget and the upcoming presidential campaign. This week, the market will be closely watching statements from the central bankers' meeting in Jackson Hole.

Sentiment of traders

Stock markets

It's back-to-school season, and this one is shaping up to be busy and could be volatile. We'll kick things off on Monday with Scott Bessent, who will show us how to bring Iran to its knees economically. On Wednesday, Nvidia will report its earnings, and as it does every quarter, it can't afford to disappoint—or else the AI theme could take a bit of a hit. We'll wrap up the week with Kevin Warsh's keynote speech at Jackson Hole, where the fight against inflation is expected to be the central theme.

Currencies

The dollar hit its lowest levels in three months following S. Bessent's announcement of bond purchases, triggering widespread selling of the USD: $/CHF 0.8014, sup. 0.7950, res. 0.8120. Hedge funds are building up their short positions ahead of K. Warsh's speech in Jackson Hole. The €/$ is at its highest level since February: €/$ 1.1675, sup. 1.1590, res. 1.1765. The price of gold surges to $4,646/oz, with res. at $4,770/oz.

Equities

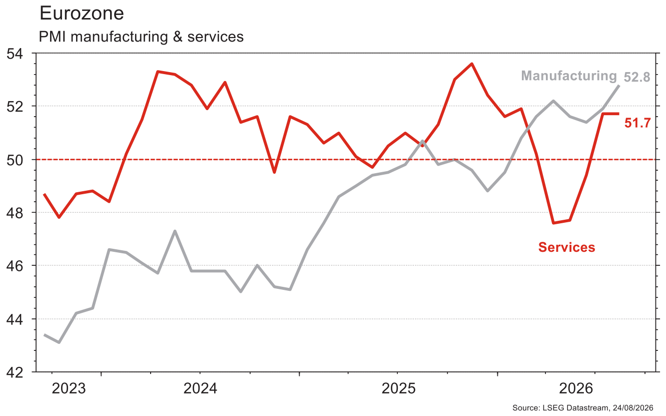
METSO (Core Holding) is set to acquire Valmet's pumps division, whose technologies—designed for transporting abrasive, corrosive, or high-solids-content slurries—complement Metso's existing offerings in mineral processing. We estimate this division's sales at 10–20 million EUR per year, representing 0.2–0.4% of the group's total sales.

NEWMONT (Satellite): The deteriorating fiscal situation in the United States, high debt levels, growing pressure from authorities against interest rate hikes, and the depreciation of the dollar are creating an increasingly favorable environment for gold. We are raising our price target to $145 to reflect the rise in the price of gold, with upside potential should the price exceed the $5,000/oz level.

NOKIA has been added to our Satellites list. The company combines a mature telecommunications base with growing exposure to data center infrastructure, driven by optical and IP technologies. The integration of Infinera strengthens its technological positioning, its access to hyperscalers, and its industrial capabilities.

SHELL (Satellite): According to the FT, Shell's chemical assets in the United States are attracting interest from both industry players and investment funds. Their value is estimated at $8 billion, and non-binding offers were reportedly submitted to the Anglo-Dutch group last month. Stay tuned...

Today's graph



Performances

	As at 21.08.2026	Since 14.08.2026	Since 31.12.2025
SMI	14 456.98	0.46%	8.97%
Stoxx Europe 600	654.18	-0.56%	10.47%
MSCI USA	7 320.37	-1.45%	12.06%
MSCI Emerging	1 721.89	1.22%	22.61%
Nikkei 225	66 016.36	-3.93%	31.14%
CHF vs. USD	0.8010	1.31%	-1.09%
EUR vs. USD	1.1673	0.79%	-0.61%
Gold (USD/per once)	4 595.25	4.62%	6.26%
Brent (USD/bl)	94.42	6.62%	55.17%
		As at 14.08.2026	**As at 31.12.2025**
10-year yield CHF (level)	0.41%	0.38%	0.30%
10-year yield EUR (level)	3.23%	3.17%	2.82%
10-year yield USD (level)	4.72%	4.68%	4.14%

Source: LSEG Datastream