Economy

U.S. economic data was mixed: home prices (S&P) rose 0.2% m/m in July (vs. +0.1% est.) and 2.1% y/y; new home sales fell 10.5% m/m vs. est. -1.4%, and consumer confidence fell in August from 90.2 to 89.4, missing expectations (90.2 est.). PCE inflation rose 0.2%m/m in July, more than expected (+0.1%), and remained unchanged y/y at +3.7%. Core PCE was in line with expectations (+0.2% m/m and +3.3% y/y, unchanged). Durable goods orders came in higher than expected in July (+1.1% m/m vs. +0.5% est.). In the eurozone, in August, economic confidence rose from 97.1 to 98.4 (vs. 97.5 est.), confidence in the services sector rose from +5.1 to +5.8 (vs. +4.9 est.), and confidence in the industrial sector rose from -6.1 to -5.3 (vs. -5.1 est.). In China, the official Manufacturing PMI came in at 49.8 in August (+0.6 pts), while the non-manufacturing PMI remained stable at 49.0; both remain in contractionary territory.

Artificial Intelligence

NVIDIA's (Core Holding) results, once again exceptional, were not actually the most significant development from a stock market perspective. What stands out from the week are the earnings reports from major software companies, foremost among them SALESFORCE (Satellite), which confirm that this sector is—at this stage—not being disrupted by AI, but is actually benefiting from it. Since early June, the S&P 500's software sector has risen by 17%. The semiconductor sector has fallen by 10%.

Bonds

In the U.S., the 10-year Treasury yield ended the week down just 1 basis point after falling 9 basis points during the week. K. Warsh's speech at Jackson Hole, indicating that the fight against inflation was not over, boosted expectations of rate hikes. In Europe, the 10-year OAT also lost 1 bp over the week, after falling 8 bp at the low point of the week, while the 10-year Bund gained 2 bp following "hawkish" comments from ECB members. This week, the market will be watching closely for the U.S. Non-farm Payrolls (NFP) report and the flash CPI figures in Europe.

Sentiment of traders

Stock markets

There will be plenty of talk about inflation and central banks this week on the trading floors. On Friday in Jackson Hole, K. Warsh surprised everyone with his "hawkish" stance. The Fed chair has reignited speculation about a rate hike as early as September. Friday's release of employment figures could validate that bet. In Europe, Eurozone inflation figures will be released on Tuesday; these will either confirm or rule out an ECB rate hike as early as September 10.

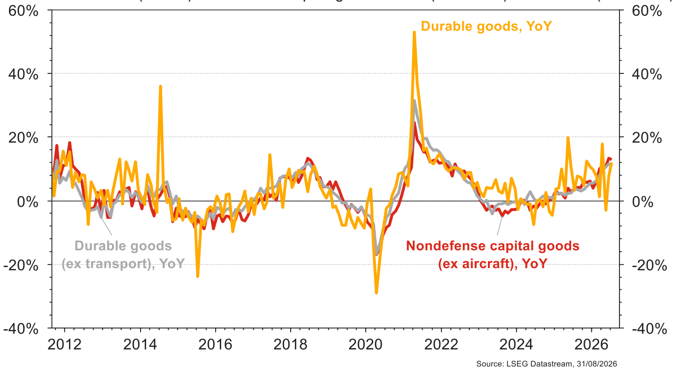
Currencies

The Fed chair's "hawkish" remarks in Jackson Hole pushed the dollar higher: $/CHF 0.8080, sup. 0.80, res. 0.8150; $/JPY 159.60. Following the U.S. and Iranian strikes, the price of a barrel of oil climbed to $89.81. The €/$ is under pressure at €/$ 1.1595, sup. 1.15, res. 1.1650. The CHF remains stable at €/CHF 0.9368, sup. 0.9316, res. 0.9450. Expectations of interest rate hikes are causing gold to pull back to $4,446/oz. Forex traders will be watching U.S. employment figures closely.

Today's graph

United States

New orders (invest.): nondefense capital goods orders (ex aircraft) vs durables (consumer)



Markets

Aside from economic data, the key event was Fed Chairman K. Warsh's speech at the Jackson Hole symposium. He confirmed the Fed's strong focus on inflation. Expectations for rate hikes rose, and with them the dollar (+0.9%), to the detriment of gold (-0.8%), flattening the U.S. yield curve. The end of earnings season supported equities (U.S. +0.5%, Europe +0.2%, Emerging Markets +0.01%), with the exception of Switzerland (-0.4%), amid easing oil prices (-5.3%) and a robust U.S. investment cycle. Coming up this week: ISM manufacturing and services indices, the jobs report, and the trade balance in the United States; consumer and producer price indices, retail sales, and the unemployment rate in the eurozone; and RatingDog's manufacturing and services PMIs in China.

Swiss Market

This week will feature a discussion of the banking law (see UBS – Economic Affairs Committee of the Council of States), July figures on trade, lodging, and services (FSO), benchmark mortgage rates (FHO), and the August Purchasing Managers' Index (PMI).

The following companies will report earnings: Partners Group, Swiss Life, Vaudoise Assurances, and Romande Energie, among others.

Equities

ENGIE (Satellite) commissioned two battery storage systems in Chile, with a capacity of 251 MW, representing an investment of 283 mioUSD. The group now has a total storage capacity in the country of 663 MW, equivalent to a gasfired power plant.

MERCK & CO (Core Holding): The failure of vaccine autogene cevumeran (co-developed by BioNTech and Roche) as a monotherapy for colorectal cancer does not call into question the development of intismeran and tends to confirm two points: 1/ The need for administration in combination with immunotherapy—in the case of intismeran, the vaccine enhances the immune response specifically targeted at mutations, while Keytruda helps counteract the tumors' ability to evade the immune system; 2/ The potential for success of such a development is likely to be greater for "hot" tumors (such as melanoma), which are more likely to trigger an immune response, than for "cold" tumors (such as colorectal cancer).

Performances

	As at 28.08.2026	Since 21.08.2026	Since 31.12.2025
SMI	14 399.77	-0.40%	8.53%
Stoxx Europe 600	655.16	0.15%	10.63%
MSCI USA	7 354.65	0.47%	12.59%
MSCI Emerging	1 722.14	0.01%	22.63%
Nikkei 225	66 405.56	0.59%	31.92%
CHF vs. USD	0.8070	-0.75%	-1.83%
EUR vs. USD	1.1621	-0.45%	-1.05%
Gold (USD/per once)	4 560.97	-0.75%	5.46%
Brent (USD/bl)	89.40	-5.32%	46.92%
		As at 21.08.2026	**As at 31.12.2025**
10-year yield CHF (level)	0.40%	0.41%	0.30%
10-year yield EUR (level)	3.24%	3.23%	2.82%
10-year yield USD (level)	4.72%	4.72%	4.14%

Source: LSEG Datastream

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