

Economy

U.S. data were generally encouraging. In September, the ISM Manufacturing Index was virtually unchanged at 54.5 (vs. 55 est.), while consumer confidence fell from 88.6 to 81.9 and disappointed (89 est.). August PCE inflation met expectations (+0.3% m/m) and remained stable year-over-year (+3.4% vs. +3.7% est.). The economy added 29,000 jobs in September, lower than expected (90,000), but slower hourly wage growth of +0.1% MoM (vs. +0.3% est.) was reassuring. In the eurozone, September European Commission confidence indices improved in services (5.6 to 6.1 vs. 6.5 est.) and industry (-5 to -3.8 vs. -4.7 est.), but not in the overall economy (98.4 to 97.9 vs. 99 est.). Inflation accelerated more than expected, from +3.2% y/y to +3.8% (vs. +3.7% est.). In China, manufacturing PMI rose from 49.8 to 50.1 (in line with expectations) and services PMI from 49 to 50.2 (vs. 49.2 est.).

Artificial Intelligence

The new wave of models confirms simultaneous acceleration on three fronts: performance, cost, and deployment. OpenAI is pushing prices up significantly with GPT-6.1 Sol, while reserving Astra Ultrafast for Blackwell infrastructure. Anthropic is responding with Sonnet 5.5 (30% cheaper than Sonnet 5). Beyond benchmarks, the focus is shifting toward cost of use and operational integration, as agents gain greater autonomy and competition now extends to dedicated chips.

Bonds

In the U.S., the 10-year Treasury yield rose 12 bps over the week, driven by inflation fears. Friday's NFP report, which came in well below expectations, only briefly eased the upward pressure, with the initial downward move largely reversed during the day. In Europe, pressure on the OAT intensified, with the 10-year yield closing sharply higher, while the 10-year Bund closed significantly lower. This week, the market will be watching the FOMC minutes, the ISM Services Index, and the eurozone PMIs closely.

Sentiment of traders

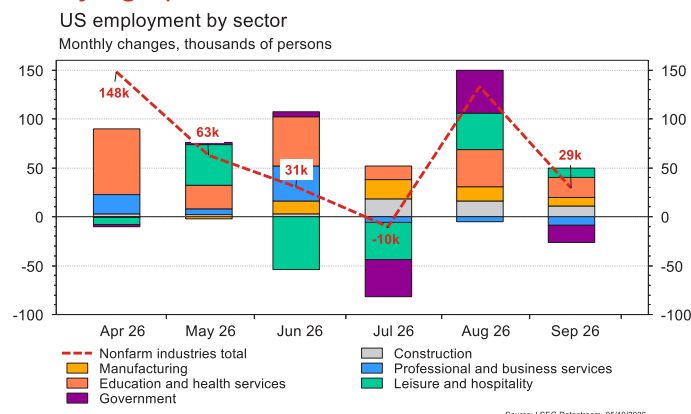
Stock markets

Weaker-than-expected U.S. employment figures reduced the likelihood of a rate hike in October and sent Wall Street into positive territory, along with European indices this morning. On the macro front, we'll see the ISM, trade balance, and University of Michigan consumer sentiment index in the U.S., while in the eurozone, PPI and retail sales figures will be released.

Currencies

Friday's U.S. employment data reduced expectations of an October rate hike from 64% to 17%. The dollar is benefiting from the euro's weakness. Concerns over French debt and politics are driving the single currency down to €/ \$ 1.1193, with support at 1.1079 and resistance at 1.1280. We remain bearish on the euro in the short term. The Swiss franc is strengthening to €/CHF 0.9293, with support at 0.9230 and resistance at 0.9409. Gold is trading at \$4,154/oz.

Today's graph



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Markets

The U.S. jobs report was well received by the markets on Friday but was insufficient to prevent a decline in stocks (U.S.: -0.3%; Europe: -1.1%; emerging markets: -1.4%) or a rise in 10-year U.S. Treasury yields (+12 bps). In the eurozone, political tensions in France are pushing yields higher (+13 bps) and spreading to Italy (+6 bps), while Germany is serving as a safe haven (-17 bps!). The dollar is benefiting from this and has appreciated by 1% (USD index), weighing on gold (-3.2%). Oil fell 1.9% following announcements that the G7 would release reserves onto the market. To watch this week: the ISM Services Index, trade balance, and consumer confidence (University of Michigan) in the United States; the Sentix Investor Confidence Index, producer price index, and retail sales in the eurozone; and foreign exchange reserves and new credit outstanding in China.

Swiss Market

Coming up this week: August housing statistics (FSO), September unemployment figures (SECO), foreign exchange reserves as of the end of September (SNB), a survey on corporate payment methods (SNB), and the September consumer sentiment survey (SECO).

Separately, according to Bloomberg, **UBS** (Satellite) management reportedly consulted with Nordea regarding the challenges of relocating its headquarters. Although the goal remains to operate from Switzerland, this type of news puts pressure on lawmakers regarding capital requirements.

Equities

AIR LIQUIDE (Core Holding) announced its 2030 targets, signaling an acceleration and bringing them closer to Linde's targets. Key points: 1/ revenue growth of 4–6% per year; 2/ margin improvement of 400–600 bps over the period (or 100–150 bps per year); 3/ EPS growth of 8–12% per year. For the first time, the company is announcing a €4 billion share buyback program for 2027–28 (3.7% of market capitalization).

ALPHABET (Core Holding) has unveiled Gemini 4 Argon, its new state-of-the-art model, which performs particularly well in programming, finance, and cybersecurity. Access to it remains limited for now to select cyberdefense teams. The announcement confirms Google's return to the forefront of advanced models, even if the phased rollout still limits immediate monetization.

ENGIE and **SOCIÉTÉ GÉNÉRALE** are being removed from our European Equity lists, despite strong intrinsic fundamentals, as part of a strategy to reduce "France" risk as reflected by the OAT-Bund spread.

SHELL (Satellite) has made the final investment decision for "Phase 2" of LNG Canada, which will double its production capacity there to 28 mtpa by 2030. This decision supports the group's ambition to become the global leader in integrated gas and LNG.

Performances

	As at 02.10.2026	Since 25.09.2026	Since 31.12.2025
SMI	13 660.92	-2.04%	2.97%
Stoxx Europe 600	631.35	-1.14%	6.61%
MSCI USA	7 364.63	-0.26%	12.74%
MSCI Emerging	1 708.91	-1.35%	21.69%
Nikkei 225	68 309.46	2.93%	35.70%
CHF vs. USD	0.8286	-0.02%	-4.38%
EUR vs. USD	1.1279	-1.07%	-3.96%
Gold (USD/per once)	4 145.31	-3.16%	-4.15%
Brent (USD/bl)	102.25	-1.93%	68.04%
		As at 25.09.2026	As at 31.12.2025
10-year yield CHF (level)	0.53%	0.65%	0.30%
10-year yield EUR (level)	3.43%	3.60%	2.82%
10-year yield USD (level)	5.28%	5.16%	4.14%

Source: LSEG Datastream