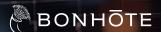
Flying blindfolded in the US but sunnier outlook for Switzerland



N°820 17 November 2025

UNIQUE, JUST LIKE YOU

Last week was marked by a sharp return of risk aversion, driven by a mix of patchy macro signals, renewed geopolitical stress and tactical positioning by investors ahead of several central-bank meetings scheduled before the end of November.

Ain't no data

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The shutdown has prevented official statistics from being released, leaving markets to rely on model-based estimates pointing to inflation still hovering around 3% year-on-year, resulting in continued high volatility at the long end of the curve. The current concern is that disinflation may prove less linear than hoped and the Fed may be forced to stick to a restrictive stance for longer. Higher yields last week weighed heavily on tech stocks, which were already unsettled by signs of slowing activity in the Al supply chain. The sector is beginning to factor in more cautious spending guidance from industry leaders for the first half of 2026.

In Europe, markets extended the early-November trend against a backdrop of mixed economic data. Sector performances were again varied. Healthcare, telecoms and utilities continued to attract demand for defensive assets, and luxury goods held to steady, underpinned by improving demand in Asia ex-China. By contrast, European tech shares struggled amid the global rotation move out of growth stocks.

Tariffs lowered on Swiss goods

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In Switzerland, the key development of the week was Washington's decision to cut US tariffs on several major categories of Swiss exports to 15%. The winners include precision engineering, medical equipment, some chemical specialities and parts of the pharmaceutical sector. This marks a turning point for Swiss exporters. Some product categories had been taxed up to 39%, putting companies at a competitive disadvantage in one of their largest markets.

The news immediately shifted risk perceptions about Swiss industrials. It also acted as a political catalyst by strengthening the case for a bilateral easing of trade tensions and reducing the likelihood of tougher regulation on sensitive sectors. Investors in the Swiss market rotated into niche exporters. Pharmaceuticals retained their haven status in an increasingly cloudy global environment.

In China, momentum remains fragile. Stats on home lending for low-income households fell short of expectations, underscoring weak private-sector demand in general. Authorities announced new targeted measures to support the property market by bestowing increased funding flexibility on healthy property developers. This briefly lifted shares in the sector before a mood of caution returned to the market. Consumer-linked stocks remain hampered by subdued consumer confidence, despite local support initiatives.

Last week the S&P 500 was stable, while NASDAQ lost 0.67%. In Europe, the Stoxx 600 advanced by 1.77% and the SMI gained 2.73%.

Swiss Market Index (SMI)

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The SMI had no trouble pushing upwards of 12570, then fell back to test this resistance with success, raising the chances of retracement to the high at 13100.



Key data

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	USD/CHF	EUR/CHF	SMI	EURO STOXX 50	DAX 30	CAC 40	FTSE 100	S&P 500	NASDAQ	NIKKEI	MSCI Emerging Markets
Latest	0.79	0.92	12'634.30	5'693.77	23'876.55	8'170.09	9'698.37	6'734.11	22'900.59	50'376.53	1'385.61
Trend	•	•	•	•	•	•	*	•	•	•	*
YTD	-12.49%	-1.81%	8.91%	16.29%	19.95%	10.69%	18.66%	14.49%	18.59%	26.27%	28.84%

(values from the Friday preceding publication)

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