Judicial — rebuff

BONHÔTE

UNIQUE, JUST LIKE YOU

N°831

23 February 2026

Concerns over AI-driven disruption continued to weigh on sentiment last week, prompting investors to scramble for havens. Yet despite this bout of weakness, equity indices extended their gains. Markets are experiencing sector rotation, with a preference for more defensive segments such as telecoms and consumer staples. The US Supreme Court's decision to strike down the administration's tariffs on Friday introduced injected a fresh dose of instability into trading.

Mixed bag of US economic data

In the US, Fed minutes revealed divisions over the future rate trajectory. More policymakers appear to favour a cautious stance rather than moving swiftly towards rate cuts. The overarching message is that the US economy remains sufficiently resilient for now, with nothing warranting a premature easing of monetary policy.

At the same time, weekly jobless claims fell to 206,000 last week, below the 223,000 forecast. This was lower relative to the prior week and marked the lowest ebb in nearly a month.

Conversely, US consumer prices rose more than anticipated in December, with early indications pointing to a further acceleration in January. This reinforces market expectations of a Fed hold until June. The Personal Consumption Expenditures (PCE) index accelerated to 2.9% year-on-year, up from 2.8% in November, versus expectations of 2.8%. Excluding food and energy, core PCE rose 3.0% year-on-year in December, above the 2.9% consensus and the actual figure of 2.8% previously.

The US economy also slowed far more sharply than expected in Q4 2025, most notably owing to disruptions stemming from the federal government shutdown last autumn and more measured consumer spending. GDP expanded by just 1.4%, slowing relative to 4.4% in the third quarter.

Meanwhile, despite the tariff regime, the US trade deficit widened to USD 70.3 billion in December, compared with a forecast of USD 55.5 billion.

Slow-but-sure upturn in the Eurozone

In Europe, PMI surveys pointed to moderate improvement across several major economies (France, Germany and UK). Germany, the region's growth powerhouse, is now expected to expand by 1.0% this year, up from a previous forecast of 0.7%. Inflation, now contained at 2%, affords the ECB leeway to move to a more accommodative stance should growth falter.

Against this backdrop, US indices ended the week higher. The S&P 500 gained 1.12% while Nasdaq rose 1.28%. In Europe, the Euro Stoxx 50 advanced 2.25% over the week, while the SMI posted a 1.54% gain.

Swiss Market Index (SMI)

The target at 13960 remains within reach, supported by robust technicals.

Key data

	USD/CHF	EUR/CHF	SMI	EURO STOXX 50	DAX 30	CAC 40	FTSE 100	S&P 500	NASDAQ	NIKKEI	MSCI Emerging Markets
Latest	0.78	0.91	13'859.76	6'131.31	25'260.69	8'515.49	10'686.89	6'909.51	22'886.07	56'825.70	1'567.23
Trend	→	→	↑	↑	↑	↑	↑	→	↓	↑	↑
YTD	-2.16%	-1.89%	4.46%	5.87%	3.15%	4.49%	7.61%	0.94%	-1.53%	12.88%	11.60%

(values from the Friday preceding publication)