

Economy

The statistics published in the United States were somewhat mixed. The disappointment of the ISM manufacturing index, which fell in February from 50.9 to 50.3 (vs. 50.7 est.), was offset by the positive surprise of the services index (from 52.8 to 53.5 vs. 52.5 est.). The US economy created fewer jobs than expected in February (151,000 vs. 160,000 est.) and the unemployment rate rose from 4 to 4.1%, easing pressure on wages (+4% y/y vs. 4.1% est.). In the eurozone, price growth was slightly higher than expected in February (+2.4% y/y vs. +2.3% est.) but continues to decelerate. Q4 GDP has been revised up from 0.9% y/y to +1.2% y/y. In China, the PMIs Caixin have recovered more than expected: manufacturing from 50.1 to 50.8 (vs. 50.4 est.) and services from 51 to 51.4 (vs. 50.7 est.).

Planetary Boundaries

The Trump administration has announced the withdrawal of the United States from the compensation fund adopted at the United Nations climate summit (COP 28) at the end of 2023. This fund provides that the developed nations most responsible for the climate crisis compensate developing countries for the irreversible damage caused by global warming, such as rising sea levels, desertification, drought and flooding.

Bonds

A historic week for European yields following Germany's announcements of investment in defence and infrastructures. The German yield curve steepened (2Y +23bp/10Y +42bp), dragging down all EU sovereigns (OAT +41bp/BTP +42bp), with spreads remaining stable. Expectations of ECB easing have been revised downwards, with only one cut expected (vs. 3) after Thursday's (-25bp to 2.5%). On the credit front, EUR spreads are mixed (IG -2bp/HY -4bp) while US spreads are widening (IG +2bp/HY +13bp). European credit is now more expensive than US credit.

Sentiment of traders

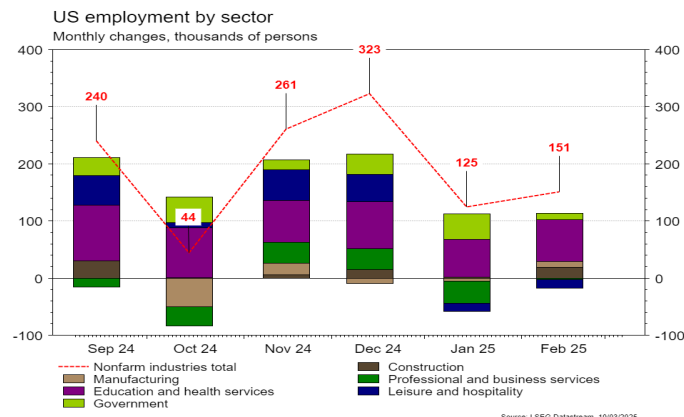
Stock markets

Trump's delays sent the US indices tumbling, with the S&P500 closing above its 200-day moving average on Friday, in contrast to the more resilient European markets. The US CPI and PPI will be published, while on the micro side, we will have the results of Oracle, Adobe, Inditex, Generali and BMW. Uncertainty about US policy is likely to continue to weigh on the US markets.

Currencies

After a meteoric rise, the € starts the week down at €/€ 1.0818, a break of the 1.0889 is necessary for the rise to continue, sup. 1.0675 res. 1.0937. Following disappointing US employment figures and total uncertainty about US tariffs, the dollar is trending lower: \$/JPY 147.26, \$/CHF 0.8785. The CHF is strengthening rapidly this Monday to €/CHF 0.9504, sup. 0.9457 res. 0.9636. Gold is at \$2904/oz, sup. \$2882 res. \$2956.

Today's graph



Markets

The announcements of fiscal stimulus plans in Germany and the eurozone are causing major movements in asset prices. Sovereign 10-year yields rose sharply (Ger/Fra/Ita: +42bp!; USD: +12bp; CHF: +32bp). This caused the dollar index to fall (-3.5%), which pushed gold up (+2.3%). US equities continue to underperform (US: -3.2%; Europe: -0.7%; emerging markets: +2.9%). Coming up this week: SME confidence (NFIB index), consumer and producer price indices and household confidence (Univ. of Michigan) in the United States; investor confidence index Sentix and industrial production in the eurozone; consumer and producer price indices in China.

Swiss Market

Coming up this week: consumer sentiment index February 2025 (Seco), traffic statistics February (Flughafen Zürich) and producer and import prices February 2025 (FSO).

The following companies will publish 2024 results: Sensirion, Galenica, Huber+Suhrner, BCGE, BKW, Komax, Kuros, Partners Group, Polypeptide, Tecan, Ascom, Avolta, Fundamenta, Autoneum, SIX, Accelleron, Interroll, Rieter, DocMorris, Inficon, Orell Füssli, Star-ragTornos, Swiss Life and Hilti.

Equities

NOVO NORDISK (Core Holdings) is launching NovoCare Pharmacy, offering direct access to Wegovy at a price of \$499/month for patients who are uninsured or not covered for treatment. This initiative has been eagerly awaited, in line with the strategy adopted by Eli Lilly (price equivalent to Zepbound) and will help to sustain volumes. The timing is ideal, coming as it does after the FDA announced that Wegovy had been removed from the shortage list and that compounding pharmacies would therefore have to withdraw from the market.

TSMC (Satellite) has announced a \$100 billion investment in the United States to develop local semiconductor production, packaging and R&D. This initiative is part of a drive to strengthen the US supply chain for critical technologies, particularly for AI, and to reduce dependence on Taiwan. However, this expansion could accentuate TSMC's dominant position in the market.

VEEVA (Satellite) consolidates its leadership in cloud for life sciences with a solid Q4-FY2025 publication. In particular, the group announced growing adoption of its R&D solutions (+41 customersQuality Cloud) and commercial solutions (50+ customers already on Vault CRM). The deployment of Vault CRM at eight major companies confirms the acceptance of the new ecosystem.

Performances

	Since		
	As at 07.03.2025	28.02.2025	31.12.2024
SMI	13 076.68	0.56%	12.72%
Stoxx Europe 600	553.35	-0.69%	9.01%
MSCI USA	5 502.30	-3.23%	-2.05%
MSCI Emerging	1 128.55	2.85%	4.94%
Nikkei 225	36 887.17	-0.72%	-7.54%
As at 07.03.2025			
CHF vs. USD	0.8788	2.67%	3.13%
EUR vs. USD	1.0870	4.52%	4.97%
10-year yield CHF (level)	0.70%	0.38%	0.23%
10-year yield EUR (level)	2.81%	2.39%	2.36%
10-year yield USD (level)	4.32%	4.20%	4.57%
Gold (USD/per ounce)	2 916.24	2.28%	11.08%
Brent (USD/bl)	70.70	-3.89%	-5.41%

Source: LSEG Datastream

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