

Economy

Not many statistics were published in the United States. We would point out household confidence, as measured by the University of Michigan, which fell from 63.8 to 60.4 in November, more than expected by the consensus (63.7). In the eurozone, producer prices rose by 0.5% m/m in September, but contracted by 12.4% over a year. Retail sales disappointed in September (-0.3% m/m; -2.9% y/y), while those for the previous month were revised upwards (from -1.2% to -0.7% m/m). In China, while exports disappointed by falling by 6.4% y/y in October, a sign that international demand remains weak, imports rose more than expected (+3% y/y). Finally, consumer prices contracted by 0.2% year-on-year (and producer prices by 2.6%), marginally more than expected.

Planetary Limits

The Prime Ministers of Australia and Tuvalu, a Pacific archipelago being eaten away by rising sea levels, have announced a pact for Australia to offer gradual climate asylum to the 11,000 citizens of Tuvalu, where two of the nine coral reefs have already been swallowed up. It is estimated that in less than a century, the entire archipelago will be uninhabitable.

Bonds

In the US, we saw a 7th consecutive week of rising jobless claims (1834k vs. 1820k expected), bringing them back to their highest levels of the year and indicating an easing on the employment front. The yield curve flattened, with short rates rising sharply (2Y +22bp/10Y +8bp/30Y -1bp). EU rates followed this trend (Bund 2Y +11bp/30Y +1bp). On the credit side, there was no significant spread movement and we are reiterating our buy recommendation on TEVA following the good Q3 results (€2029 at 6.60%/2029 at 7.4%).

Sentiment of traders

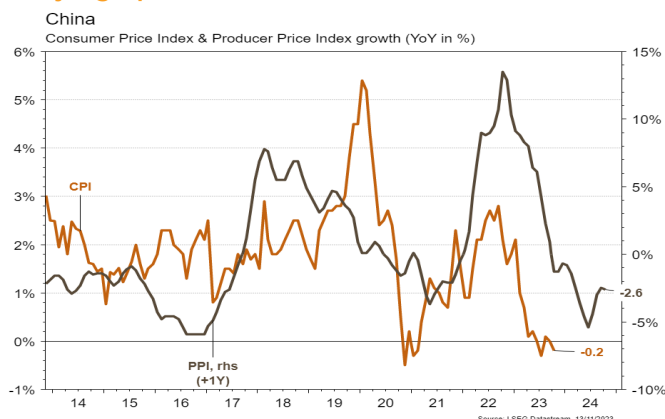
Stock markets

Despite warnings from J. Powell, the bulls got back on track last week. But this week, with CPI, PPI, retail sales and some of the big names in distribution, such as Walmart which are due to release their quarterly results, the next few days could be lively. The trend may continue, barring any unexpected geopolitical events.

Currencies

Last week, J.Powell surprised the market with a more bullish tone than expected on US interest rates, which supported the dollar: \$/JPY 151.82, €/€ 1.0688. Traders will be focusing on the CPI, the meeting between Biden and Xi and the risk of a US shutdown. The €/€ failed to break the res. 1.0770, so the sup. 1.0495 remains valid. The \$/CHF is stagnating at 0.9017, sup. 0.8888 and res. 0.9112. The €/CHF is unchanged at 0.9640 sup. 0.9457 res. 0.9690. The £ rebounds slightly to £/\$ 1.2240 sup. 1.2011 res. 1.2428. Gold corrects to \$/oz 1937, sup. 1908 res. 2009.

Today's graph



Markets

Moody's has downgraded the credit outlook for US debt (from AAA to AAA-) from stable to negative. The announcement came after the close of trading on Friday, and had no impact on prices. Equities were mixed (US: +1.3%; Europe: -0.2% and emerging markets: 0%). Sovereign 10-year yields rose by a few basis points. The dollar appreciates by 0.8% (dollar index), pushing gold down by 2.4%. The sharp fall in oil prices (-4.7%) is good news. Coming up this week: SME confidence (NFIB index), consumer price index, retail sales, industrial production and property developers' confidence (NAHB index) in the United States; ZEW confidence index and industrial production in the eurozone; industrial production, retail sales and investments in China.

Swiss Market

Coming up this week: Q3 labour market (FSO), October air traffic statistics (Flughafen Zürich), October production-import prices (FSO) and Q3 industrial production (FSO).

The following companies are due to release figures: Montana Aerospace, On Holding, Alcon, SoftwareONE, Ypsomed, Orascom DH, Baloise, EFG International and Klingelberg.

Equities

According to the British press, **ALSTOM** (Satellite), which will publish its half-yearly results on Wednesday, is preparing to cut 600 of the 2,000 jobs at its Litchurch Lane plant in Derby. This is mainly due to the government's downsizing of the HS2 high-speed rail project between London and the Midlands.

At its investors day, **COMET** (Swiss Convictions) shifted its medium-term forecasts by 2 years to 2027, but increased them. The sales target has been raised to CHF 800-900m and the EBITDA margin to 25-30%, implying a CAGR of 20-24%. All end markets should benefit from strong long-term demand, fuelled by megatrends such as artificial intelligence and electromobility.

DSM-FIRMENICH (Satellite) organized an educational event for investors at the Firmenich site last week. The aim was to present the complementary nature of the two companies' activities, the collaboration that is taking place between their teams and the potential for growth in the medium to long term. Sales synergies were confirmed, with the aim of generating CHF 500m over 4 years. The presentation of numerous examples of cross-selling and the first contracts won reassured the market of the company's prospects.

ROPER (Satellite) will increase its quarterly dividend by 10% in 2024, to \$0.75. This will be the 31st consecutive year of dividend increase.

Performances

	As at 10.11.2023	Since 03.11.2023	30.12.2022
SMI	10 555.35	-0.23%	-1.62%
Stoxx Europe 600	443.31	-0.21%	4.34%
MSCI USA	4 198.57	1.28%	15.34%
MSCI Emerging	948.32	0.01%	-0.84%
Nikkei 225	32 568.11	1.93%	24.81%
As at 10.11.2023			
CHF vs. USD	0.9031	-0.52%	2.45%
EUR vs. USD	1.0671	-0.59%	-0.02%
10-year yield CHF (level)	1.16%	1.12%	1.62%
10-year yield EUR (level)	2.68%	2.60%	2.56%
10-year yield USD (level)	4.64%	4.57%	3.83%
Gold (USD/per ounce)	1 946.70	-2.44%	7.22%
Brent (USD/bl)	81.56	-4.69%	-3.96%

Source: Datastream

This document has been issued for information purposes only. The views and opinions contained in it are those of Bordier & Cie SCMA. Its contents may not be reproduced or redistributed by unauthorized persons. The user will be held liable for any unauthorized reproduction or circulation of this document, which may give rise to legal proceedings. All the information contained in it is provided for information only and should in no way be taken as investment, legal or tax advice provided to third parties. Furthermore, it is emphasized that the provisions of our legal information page are fully applicable to this document and namely provisions concerning the restrictions arising from different national laws and regulations. Consequently, Bordier Bank does not provide any investment services or advice to "US persons" as defined by the Securities and Exchange Commission rules. Furthermore, the information on our website – including the present document – is by no means directed to such persons or entities.