

Economy

The statistics published in the United States remain mixed overall. Business confidence (NFIB) fell in August, from 93.7 to 91.2, whereas a stabilisation was expected. Consumer price growth in August was in line with expectations (+0.2% m/m; +2.5% y/y), and household confidence (Univ. of Michigan) improved from 67.9 to 69 in September, more than expected. In the eurozone, the contraction in industrial production in July (-0.3% m/m; -2.2% y/y) comes as no surprise. Finally, in China, apart from the acceleration in exports (+8.7% y/y) in August, the disappointments are piling up: imports (+0.5% vs. +2.5% estimated), retail sales (+2.1% y/y vs. 2.5% est.), industrial production (+4.5% y/y vs. +4.7% est.) and investments (+3.4% y/y vs. +3.5% est.).

Planetary Limits

Last Thursday, the city of The Hague in the Netherlands became the first city in the world to pass a law banning advertisements extolling the virtues of fossil fuels. The legislation provides for an end to financed advertising for petrol and diesel, aviation and cruise ships on the streets, including billboards and bus shelters. It will come into force at the beginning of 2025.

Bonds

In the US, CPI for August came out broadly in line with expectations (headline 0.2% m/m). US yields continued their downward trend (-6bp 2Y & 10Y) and the probability of a 50bp cut at the FED meeting on Wednesday is around 60%. Tomorrow's retail sales figures could prove decisive. In Europe, the ECB cut its key rate by 25bp to 3.5%, reiterating its dependence on data. EU yields ended slightly lower (10Y Bund -2bp/OAT -4bp), with the market continuing to anticipate a less aggressive easing cycle than in the US.

Sentiment of traders

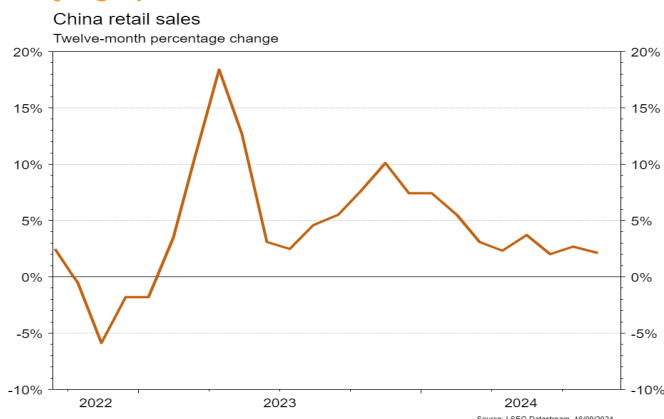
Stock markets

This week will be marked by central banks, with the Fed (-0.25% expected), BOE and BOJ (unchanged) meetings, and by macro figures, with US retail sales, housing statistics, industrial production and the leading index. In the eurozone, we have the trade balance and the ZEW. The end of the week should see a return to volatility.

Currencies

Speculation as to the scale of the US rate cut is rife, and the dollar is bearing the brunt: €/ \$ 1.1112 sup. 1.0995 res. 1.1130, \$/JPY 139.70. This week traders will be focusing on the central banks (FED, BOJ, BOE). The \$/CHF is testing the sup. 0.8440, res. 0.8550 remain valid. The CHF remains supported at €/CHF 0.9388, sup. 0.9355, res. 0.9535. The £ rebounded at the end of last week to £/\$ 1.3160, a test of the res. 1.3250 is possible, sup. 1.3020. Gold is up sharply at \$2581/oz, sup. \$2517, res. \$2606.

Today's graph



Markets

Pending the Fed's decision, equity indices are rebounding from their falls of the previous week: US (+4.1%), Europe (+1.9%) and emerging markets (+0.7%). This did not prevent 10-year sovereign yields from continuing to fall (USD: -6bp; EUR: -2bp in All/-12bp in Italy). The dollar index is stable (-0.1%), but gold is up by 2.4%, supported by the prospect of rate cuts by the Fed. Coming up this week: homebuilder's confidence (NAHB), housing starts, building permits, retail sales, industrial production and the Fed meeting in the United States; new car registrations and household confidence in the eurozone; 1 and 5-year loan rate in China.

Swiss Market

Coming up this week: Producer and import prices August 2024 (FSO), overnight hotel stays August 2024 (FSO), foreign trade/exports in watches August 2024 (FSO), economic outlook (Seco) and Swiss balance of payments Q2 (SNB).

The following companies are due to release results: Alpine Select, Aegis, Newron and Xlife.

Equities

ASTRAZENECA (Core Holdings) presented the phase III study evaluating Imfinzi (immuno-oncology) as neoadjuvant (before surgery) in musculo-invasive bladder cancer. The data are positive, with an improvement in both progression-free survival and overall survival of 32% and 25% respectively. The program in this advanced form of bladder cancer includes two further studies (expected in 2025) and, if successful, offers total potential sales of c. \$1mia.

JPMORGAN (Satellite): stock is down more than 5% in Tuesday's trading session, following a comment by Chairman Pinto at a conference. He said that the interest income consensus was too optimistic for 2025 and inconsistent with an expected 250bp cut in US interest rates by the end of 2025.

PARTNERS GROUP (Swiss Convictions) last week announced an agreement with BlackRock to establish common model portfolios to be offered to wealth management clients and financial advisers in the US via the BlackRock platform.

SALESFORCE (Satellite) will be holding an Investor & Analyst Product Session day on 18 September 2024. As Salesforce continues to promote its advances in artificial intelligence (where we expect monetization prospects), the group will detail its strategy and vision around 'autonomous agents' and their integration into companies.

Performances

	Since		
	As at 13.09.2024	06.09.2024	31.12.2023
SMI	12 037.28	1.08%	8.08%
Stoxx Europe 600	515.95	1.85%	7.71%
MSCI USA	5 352.01	4.09%	17.58%
MSCI Emerging	1 082.30	0.69%	5.72%
Nikkei 225	36 581.76	0.52%	9.32%
As at 13.09.2024			
CHF vs. USD	0.8479	-0.68%	-0.73%
EUR vs. USD	1.1089	-0.28%	0.38%
10-year yield CHF (level)	0.44%	0.47%	0.70%
10-year yield EUR (level)	2.08%	2.11%	2.00%
10-year yield USD (level)	3.65%	3.72%	3.87%
Gold (USD/per ounce)	2 574.63	2.39%	24.65%
Brent (USD/bl)	72.46	1.15%	-6.74%

Source: LSEG Datastream

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