(Photo: Andreas Busslinger)

More of a negotiating tactic than an actual trade war

Overall, we expect the global economy to continue to develop positively in 2025, with growth of around +3% in real terms and +6% in nominal terms. Significant upheaval would be needed to plunge the US, which is robustly anchored on a stable growth path, into a recession. Fiscal stimuli and monetary easing will shape events in Europe and China in 2025 anyway.

With the inauguration of Donald Trump, 2025 has certainly entered a new phase. As we already explained in the half-year report, we expect to see increased economic nationalism, and also more state capitalism. The imposition of US tariffs on highly integrated and connected neighboring states such as Canada and Mexico, which are actually closely integrated through a free trade agreement, is not really surprising. In the North American manufacturing process, cars cross the border up to eight times. The tariffs are less of a trade war than a tactical negotiating measure. China, on the other hand, is a strategic rival.

Europe will have to adapt quickly to the wake-up call from the White House. The Atlantic alliance NATO will be largely dependent on European investments in peacekeeping. Investments are also needed in all infrastructure areas (especially communications, transportation and energy) and will promote growth. We are living in extraordinarily dynamic times in which companies and states can only maintain their competitiveness if they convincingly tackle long-neglected tasks.

A good start to 2025

For Swiss investors, the Swiss Market Index (SMI) had its best start in history in January (SMI: +8.6%). Most recently, there was a positive trend for 15 consecutive trading days. This is the longest series of consecutive price gains since the SMI was introduced in 1988. This is all the more remarkable given that the US stock markets have been moving sideways for almost half a year. Even the election of Donald Trump failed to provide any impetus. In the last three months, the US markets stagnated.

The picture for bonds was mixed. In Switzerland, the bond index fell slightly (-0.6%), but in our portfolios, we used active bond solutions that performed positively in January (+0.1% to +0.5%).

In this capital market environment, the defensive risk class 1 (e.g. Revo1 with a high bond component of +1.5%) already showed a clearly positive return. In the “balanced” risk class 3 (e.g. Revo3 with +3.2%), the equity performance had a stronger impact. Finally, the dynamic risk class 5 (e.g. Revo5 +4.8% in January) was impressive. The performance of the dividend solution (e.g. RevoDividends with +5.7%) stood out in particular. Revo5 also includes dividend-free growth stocks from the technology sector, some of which posted negative January returns (Nvidia -11%, Apple -6%). Another main factor for the difference in returns was, among other things, Swiss high-yield stocks, which are used exclusively in the dividend solution (including SIG Group +11%, Cembra Money Bank +10%, Helvetia Holding +7%).

Strategies mainly based on individual titles	Strategy performance*	
	January 2025	YTD 2025
Zugerberg Finanz R1	+1.1%	+1.1%
Zugerberg Finanz R2	+1.9%	+1.9%
Zugerberg Finanz R3	+2.6%	+2.6%
Zugerberg Finanz R4	+3.3%	+3.3%
Zugerberg Finanz R5	+3.9%	+3.9%
Zugerberg Finanz RDividends	+5.2%	+5.2%
Zugerberg Finanz Revo1	+1.5%	+1.5%
Zugerberg Finanz Revo2	+2.4%	+2.4%
Zugerberg Finanz Revo3	+3.2%	+3.2%
Zugerberg Finanz Revo4	+3.9%	+3.9%
Zugerberg Finanz Revo5	+4.8%	+4.8%
Zugerberg Finanz RevoDividends	+5.7%	+5.7%
Zugerberg Finanz DecarbRevo3	+1.2%	+1.2%
Zugerberg Finanz DecarbRevo4	+1.4%	+1.4%
Zugerberg Finanz DecarbRevo5	+1.4%	+1.4%

Zugerberg Finanz Vested benefits	Strategy performance*	
	January 2025	YTD 2025
Zugerberg Finanz Vested benefits R0.5	+0.6%	+0.6%
Zugerberg Finanz Vested benefits R1	+1.3%	+1.3%
Zugerberg Finanz Vested benefits R2	+1.8%	+1.8%
Zugerberg Finanz Vested benefits R3	+2.5%	+2.5%
Zugerberg Finanz Vested benefits R4	+3.2%	+3.2%

Zugerberg Finanz 3a pension solution	Strategy performance*	
	January 2025	YTD 2025
Zugerberg Finanz 3a Revo1	+1.5%	+1.5%
Zugerberg Finanz 3a Revo2	+2.4%	+2.4%
Zugerberg Finanz 3a Revo3	+3.2%	+3.2%
Zugerberg Finanz 3a Revo4	+3.9%	+3.9%
Zugerberg Finanz 3a Revo5	+4.8%	+4.8%
Zugerberg Finanz 3a RevoDividends	+5.7%	+5.7%
Zugerberg Finanz 3a DecarbRevo3	+1.2%	+1.2%
Zugerberg Finanz 3a DecarbRevo4	+1.4%	+1.4%
Zugerberg Finanz 3a DecarbRevo5	+1.4%	+1.4%

* The stated performance is net, after deduction of all running costs, excluding contract conclusion costs

Macroeconomics

Prosperity, growth and competition

(Image source: stock.adobe.com)

The world economy will grow. The center of gravity is in Asia. The smaller USA is growing at about the same rate as the much more populous Europe. Here, it would be wise to start rewarding motivation again. In risk-averse, satiated societies focused on redistribution, such as Germany, which was ruled by a red-green coalition for far too long, productivity has recently stagnated – so you fall behind in global competition for homemade reasons and reduce prosperity for all.

“Cash is king” is a common saying, but the capital markets see it differently. Liquid funds are held at a historically low level worldwide, although yields of more than 4% (e.g. in US dollars) are tempting in some money market investments. However, numerous opportunities in the real economy are enticing with the prospect of higher returns.

Investments in listed equities are expected to yield higher returns. Individual sectors and topics (artificial intelligence; construction, equipping and operation of data centers with the corresponding energy supply) promise high growth on all continents. Therefore, equities, together with real estate, are likely to remain the preferred asset class for real value preservation and long-term value enhancement of assets.

Another reason why investors are not willing to hold high cash balances is the expectation that sooner or later the central banks would lower interest rates across the board to a neutral level or below, as they have already done in Switzerland. This expectation, in turn, has led to above-average demand for duration, i.e. investors worldwide are still trying to lock in high bond yields before central banks slash rates. In the UK, 4.5% yield on ten-year gilts beckons at the start of February, in France and Spain a little over 3.0%, and in Australia 4.4%.

Furthermore, another source of demand for duration probably came from the unexpectedly strong appreciation in equity prices last year, which led some investors to buy duration as a hedge for their rising equity allocations and for a global economy cooled by Trump’s economic policy.

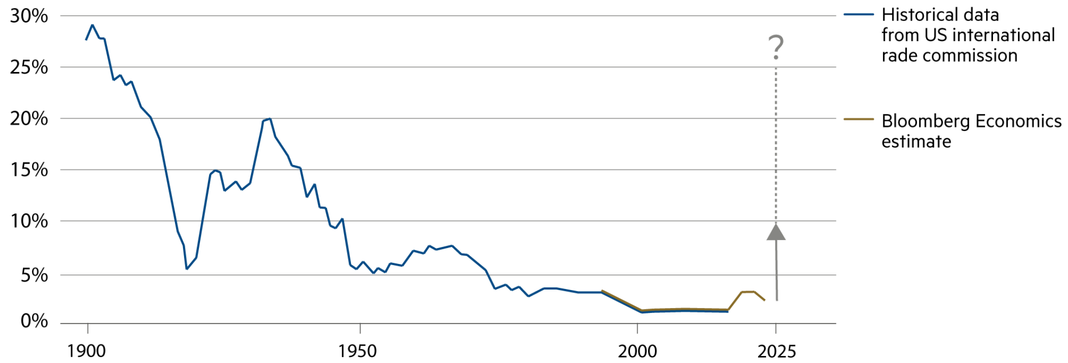
Trump’s erratic policy-making entails significant risks, which the market until early February may have somewhat underestimated. We must expect rash decisions, in trade policy as well as in security policy. Accordingly, investors will demand risk premia – in government and corporate bonds as well as in equities.

This also applies in particular to the US. In 2025, US government bonds worth 9’500 billion dollars will mature. In addition to this refinancing requirement, further bonds will have to be issued due to the new debt. A wave of government bonds of this magnitude will only be marketable with high nominal interest rates, as doubts about the US federal budget are growing. Currently, ten-year bonds yield 4.6% in early February. This may have to rise to 5% in order to place all bonds as planned at home and abroad.

Region	3–6 months	12–24 months	Analysis
Switzerland	↗	↗	Switzerland is likely to grow by +1.5% to +2.0% in real terms over the next three years and thus somewhat more than the surrounding eurozone countries.
Eurozone, Europe	↗	↗	Rising real wages and falling interest rates, as well as rising investment from both the public and private sectors, will promote growth.
USA	↗	↗	We believe that the Fed forecasts for the US (GDP 2025: +2.1%, 2026: +2.0%) are likely to be exceeded. Unemployment (Fed: 4.3%) should remain low.
Rest of the world	↗	↗	Among the largest emerging markets, India's nominal growth is expected to exceed that of China by a factor of three. This is very impressive.

Liquidity, currency

Volatility remains



Is the US customs wheel turning back decades? (Source: USITC, US Census Bureau, US Bureau of Economic Analysis | Graphic: Zugerberg Finance)

Rapid changes in negotiating tactics are likely to become the order of the day in the years to come, resulting in increased exchange rate volatility. After Donald Trump imposed higher tariffs on Canada, Mexico and China on February 1, their exchange rates fell. When it was leaked that the tariffs would be postponed for at least a month, the rates recovered again.

These tariffs are likely to be just a first salvo and thus a foretaste of what is to come. The tariffs that have been threatened would be the highest since 1930, when the US resorted to this measure in the midst of a major global economic crisis.

The US is even threatening to impose tariffs of 100% on the BRICS countries (Brazil, Russia, India, China, South Africa and, from January 2025, Indonesia) if they continue to try to replace the US dollar as a reserve currency. This would hit companies such as Tata Steel, Reliance Industries, Adani Ports, JSW Steel, Indofood and Freeport Indonesia quite hard, both directly and indirectly.

Two BRICS member states, Russia and China, have proactively and publicly pushed for dedollarization in recent years, increasing their currency reserves, primarily with gold, which has driven the gold price to an all-time high.

India, on the other hand, is not pursuing a currency policy of dedollarization, and the US remains India's main export market. India also wants to use the "hard" dollar to pay for its IT service centers. Over the last 50 years, the Indian rupee has depreciated from 8 per dollar to 87 per dollar (92% depreciation). Indonesia does not explicitly advocate dedollarization, but it would like to conduct bilateral trade in the respective currencies, which ultimately amounts to the same thing.

Tariffs are and remain a favorite instrument in Donald Trump's political toolbox. He pays little attention to international agreements. He is concerned with "America first," and if necessary, with the use of brute force. But tariffs do not help US brands.

Trump claims that American cars are being discriminated against by the EU. Yet fewer than 7'000 American-made cars, including large SUVs, were sold on the German market in 2024 that were produced in North America (0.24% market share). Mercedes and BMW SUVs made in the US, which were subject to the same tariffs when imported into the EU, sold ten times better.

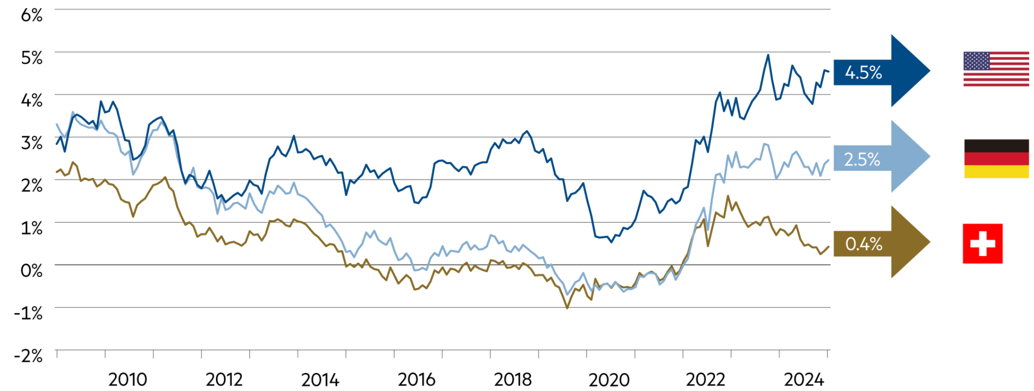
This is the important lesson from decades of economic research on tariffs: those who surround their own market with a high tariff wall create false incentives. US automobile companies are almost only competitive in their home market. Internationally, they are falling behind.

When the US was still the largest car market in the world, General Motors and Ford could dream that the cars that are good for the US could also be good for the rest of the world. But now China is the largest car market, and even the newcomer Tesla has major problems establishing itself there.

Asset class	3–6 months	12–24 months	Analysis
Bank account	↘	↘	The 12-month swap rates (0.1%) are slightly lower than those over 5 years (0.2%). The trend towards zero interest rates on savings accounts is unmistakable.
Euro / Swiss franc	→	→↘	The ECB is likely to take the next step in March and April and lead key rates into the neutral monetary policy region of 2.0% in early summer.
US dollar / Swiss franc	→	↘	The inflation differential is likely to stabilize at 2%; the yield differential on 10-year government bonds (currently 4.2%) is likely to widen somewhat.
Euro / US dollar	→↗	→↗	Negotiating tactics and bellicose rhetoric are likely to strengthen the dollar and weaken the euro – but only temporarily.

Bonds

Persistently large yield differences



Benchmark yield curve for 10-year government bonds (Source: Bloomberg Finance L.P | Graphic: Zugerberg Finanz)

The US Treasury is feeling the waning interest in long-term Treasury bonds. These have to offer significantly higher interest rates than in Europe. The difference to ten-year Swiss government bonds is 4.2%. The capital market is acting to discipline the new, spending-friendly US government under Donald Trump. The US already spends 3.5% of gross domestic product (GDP) on interest – more than the Pentagon spends each year.

The credit markets do not believe in the savings of Elon Musk's DOGE (Department of Government Efficiency). Rather, they expect more tax cuts and larger budget deficits. Someone has to plug the holes in the national budget. Foreigners from China, Japan and Europe are doing this less and less. That is why they are being threatened with tariffs if they do not buy US Treasury bonds as they used to.

Since March 2022, the Fed has signaled in its monetary policy that it will no longer step in to cover the horrendous budget deficits by buying government bonds. Until then, it had bought a large proportion of new issues. Now, the credit markets are bracing themselves for a wave of issues that will hit them. The budget deficit will probably remain huge over the next few years and will probably increase further.

In the short term, the "independent" Fed will not be forced to buy the newly issued government bonds. This might work in Turkey, but even there only by accepting massive currency devaluation with correspondingly high inflation. But Donald Trump promised his electorate a return to low inflation rates, which is why he fears severe currency devaluation.

Fifteen years ago, US government bonds were just as popular as German Bunds. Swiss bond yields were slightly lower, around 1% to 1.5%. This is no longer the case. The phase of bonds as a "safe" investment is also over. Yields are reacting ever more sensitively to fiscal policy news and are shaking prices back and forth. The volatility index of US government bonds (Move) is at 95, around 50% higher than in the pre-pandemic decade.

The bond market is stronger than the US president or even the Republican-controlled Congress. It is the only authority that can really force the government to get its finances in order.

Recently, British Prime Minister Liz Truss resigned after six weeks because the financial markets rejected her economic program. They drove the pound down and yields on government bonds up. As a result, the Bank of England had to rescue numerous British pension funds whose bonds suffered massive losses.

With yields on government bonds at 5%, interest rates for new mortgage loans are at 7% and those for leasing installments at 8% to 10%. Credit card overdrafts cost 12% to 16%, depending on credit scoring. The new US Treasury Secretary, Scott Bessent, is aware of the fragile equilibrium.

As a hedge fund manager, he knows the speculators. If he fails to compensate for the tax cut plans with credible savings, there is a risk of turbulence in the US bond market, which is of global systemic importance.

Asset sub-class	3–6 months	12–24 months	Analysis
Government bonds	→	→↘	In the next 12 months, key interest rates are expected to fall by 2 percentage points in the US (to 3.9%), 4 percentage points in the eurozone (to 1.7%) and 2 percentage points in Switzerland (to 0.0%).
Corporate bonds	↗	↗	Risk premiums are low and default rates are down. Disciplined selection is attractive, especially in the European high-yield environment.
High-yield, hybrid bonds	↗	↗	We continue to see attractive yield potential in subordinated bonds issued by financial institutions (insurance companies, etc.), particularly in Europe.

Zugerberg Finanz bond solutions

Solid start to the year

(Image source: stock.adobe.com)

The Swiss Bond Index (-0.6%) suffered a loss in value. By contrast, our bond solutions achieved a slight increase in value. The range extends from the conservative interest-rate risk oriented Zugerberg Income Fund (ZIF: +0.1%) to the credit-premium-risk oriented Credit Opportunities Fund (COF: +0.5%).

Corporate bonds remain an interesting asset class that we use depending on the risk profile of our clients (see monthly report January 2025). We distinguish between two main types. One is associated with more risk than the other (ZIF) because of the lower credit rating of the companies ("BB" on average for the COF), whose credit rating is on average "A".

We are only writing this because the historical volatility of the COF over the past year was 2.1%, a third lower than that of the ZIF. If you associate volatility with risk, you could counterintuitively analyze that corporate bonds with a lower credit rating are less risky than those with a high credit rating. This observation may well be true in the short term, but the real reason for the higher volatility is not the credit rating, but the duration.

Bonds with a high residual maturity fluctuate much more than those with a low residual maturity. It is therefore worth taking a look at the duration.

It is structurally lower for corporate bonds with a lower credit rating. These companies typically borrow capital for four to five years. For companies with a high credit rating, investors are also willing to provide funds for ten years or more.

This ultimately also explains why the duration in the COF is 2.5 and in the ZIF 5.3. To a certain extent, interest rate risk is the main risk for the ZIF; conversely, interest income is the main source of income. The credit risk premium fell to 85 basis points in January. This corresponds to the additional income compared to a duration-adjusted government bond. In view of the high average credit rating, defaults are not expected.

At COF, credit risk premiums are the main source of income. At 417 basis points or 4.2% p.a., significantly more income is expected. But this premium implicitly recognizes the possibility that from time to time one or more debtors could run into financial difficulties.

Given the current economic cycle, we expect a default rate of 1.2%, which should eventually result in a net yield of 3.0% above the yield of risk-free government bonds. In order to minimize the effects of a possible delay or prevention of an interest payment or repayment, we diversify the portfolio. The COF includes 199 bonds from 172 issuers, while the ZIF has 303 bonds from a total of 201 issuers.

	Zugerberg Income Fund	Credit Opportunities Fund
Yield in 2025 (since the beginning of the year)	+0.1%	+0.5%
Yield since the start (annualized)	-7.7% (-1.2%)	+35% (+2.5%)
Proportion of months with positive yield	54%	68%
Credit risk premium in basis points (vs. previous month)	85 BP (-8 BP)	417 BP (+1 BP)
Average rating (current)	A	BB

You can find more information in the factsheets on the Zugerberg Income Fund and the Credit Opportunities Fund.

Real estate, infrastructure

Higher returns than with fixed income

(Photo: Andreas Busslinger)

The environment has developed positively for real estate stocks. Long-term Swiss bonds offer annual returns of 0.3%. By contrast, the prospects for investment properties in Switzerland are significantly higher. Therefore, demand for direct real estate investments as well as for real estate investment vehicles in Switzerland is likely to increase.

Just 26 months after the peak of 3.5% inflation in August 2022, it is already back down to a low 0.6% in Switzerland. This enabled the Swiss National Bank to lower key interest rates and thus also improve lending conditions for mortgage debt. The observation that loans can now be financed again from 1.2% is undoubtedly leading to increased demand from private households.

By contrast, the increased demand from institutional investors is related to the yield outlook. On the one hand, alternative sources of returns in Swiss francs with a comparably stable cash flow structure are hardly discernible. On the other hand, the general vacancy rate is typically below 1.0%.

The ongoing trend towards individualization is creating greater demand for apartments. The Federal Statistical Office assumes in its medium population scenario that by 2050 the average household size will fall from 2.22 at present to 2.15.

This may not sound like much, but it means that even if the residential population remains the same, 130'000 more residential units will be needed in 2050 than today. Immigration is also creating robust additional demand for rental apartments – even with rising rents.

The Swiss real estate market is characterized by "tension-free" growth. The conflicts in Ukraine and the Middle East and the measures implemented by Donald Trump to strengthen the US as a business location are having little effect. The downside risks are relatively low.

Residential property prices are likely to increase in all segments. The further interest rate cuts expected over the next two quarters should further increase the relative attractiveness of home ownership over renting.

A more cautious approach is required for office and retail properties. Here, it is not possible to speak of a shortage. The real estate experts surveyed by FPRE in fall 2024 expect market rents for office space to move sideways for the most part over the next 12 months, with around 30% of respondents expecting rents to fall.

In the case of retail properties, a relaxation in vacancies is more likely in A locations, while an increasing number of tenant changes and corresponding fluctuation vacancies are to be expected in B and C locations. Shopping centers with a catchment area that is too small and an outdated offering already have increased vacancies and are not likely to see any relief from the market in 2025.

Asset sub-class	3–6 months	12–24 months	Analysis
Residential properties CH	↗	↗	Lower mortgage rates are boosting demand. There is a gradual upward revaluation of investment properties due to the discount rate.
Office and retail properties CH	→↗	→↗	We got off to a good start in the new year with Mobimo (+3% in January) and PSP (+5%). Both companies are exceptionally well positioned.
Real Estate Fund CH	→	→↗	Indirect Swiss real estate investments (CHREF) lost value in January 2025 (-2.7%) and are back to the level of early December 2024.
Infrastructure Equity / Fund	↗	↗	The outlook for infrastructure operators remains very good. Because their cost of capital is falling, higher prices can be expected.

Equity

European equities have made a good start to the new year

USA	In local currency	KGV
Nasdaq	+1.7%	37
S&P 500	+2.7%	25

Europe	In local currency	KGV
Euro Stoxx 50	+8.7%	15
CAC40 / DAX	+8.5% / +9.8%	15
Swiss Market Index	+8.6%	17

The global equity indices in January 2025 (Graphic: Zugerberg Finanz)

European equities have made a particularly good start to the 2025 stock market year. Even after the cooling off at the beginning of February, the outlook remains good given the moderate price-earnings ratios (P/E). The earnings yield is well above the yield on "risk-free" government bonds. This is not the case in the US, where valuations are also impressive in historical terms and expectations of further profit increases are high. Disappointments are punished accordingly.

It is undisputed that at least some of the "Magnificent 7" US tech stocks should be held in a portfolio. They are currently characterized by impressive margins and growth rates. We are particularly impressed by Nividia, Amazon, Microsoft, Alphabet and also Apple, which performed differently in January – partly due to the shock caused by the Chinese start-up DeepSeek. Their services are less dependent on the trade rhetoric coming out of the White House, but the uncertainty regarding future sales, margins and earnings is palpable.

The global equity component is enriched and diversified with European companies that operate globally. These include companies such as SAP, Allianz, Siemens and Schneider Electric. Declining interest rates and rising real wages are currently accelerating the recovery in Europe from a low level.

However, the focus is on Swiss companies. These are companies with strong growth, high and stable margins, solid balance sheets and low volatility. In many cases, their markets have high barriers to entry. In addition, they are consolidating their medium and longer-term market position by investing heavily in research and development.

Some of these companies, such as Roche, Nestlé and Novartis, are interesting because their valuations have fallen significantly for several quarters. Over the past year, like many large European companies, they have underperformed high consensus expectations. Although their profits continued to rise (faster than the rest of the market), their valuations fell sharply. The downgrading of Nestlé's valuation, for example, was accompanied by a downgrading of the entire consumer staples/food sector.

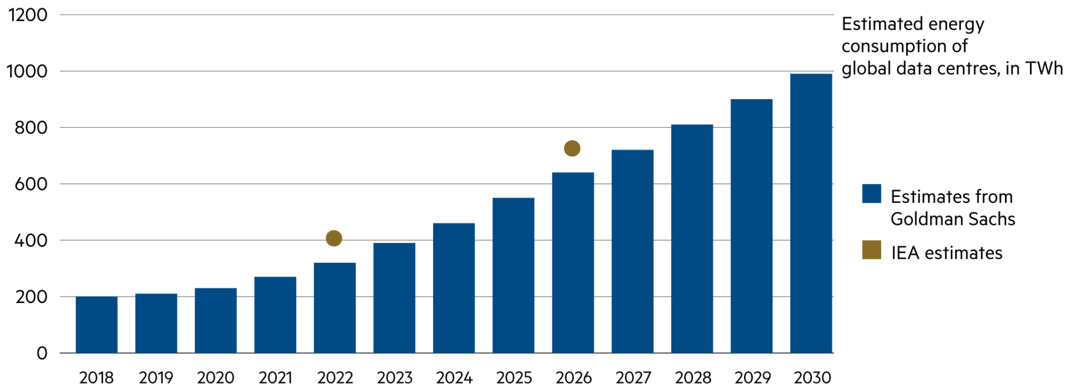
Because they are more defensive in nature, they tend to perform better even when global economic growth slows. But in recent quarters, we have seen a surprising, technology-driven acceleration. Rather than sliding into a recession, the global economy is in a supercycle-related phase of rising investment and rapid adaptation of new technological opportunities. But tech stocks currently appear to be maxed out.

Not so our stocks, which are selected after rigorous screening and with which we are currently well ahead of the World Equity Index (+3.1% at the end of January). Roche and Novartis also presented a confident outlook for 2025. Nestlé, which will announce its guidance on February 13, could also surprise on the upside

Asset sub-class	3–6 months	12–24 months	Analysis
Equity Switzerland	↗	↗	In January, Partners Group and Also Holding (each +13%) as well as Healthcare with Roche (+12%), Alcon and Lonza (each +9%) made impressive portfolio contributions.
Equity Eurozone, Europe	↗	↗	The largest positive contributions to performance in January came from SAP (+14%), Deutsche Telekom (+12%) and Siemens (+10%).
Equity USA	↗	↗	The largest positive contributions to performance in January from the US were from Amazon and Alphabet (each +8%). Negative contributions came from Nvidia (-11%) and Apple (-6%).
Equity Emerging markets	↗	↗	A dynamic allocation also requires a moderate share of direct investments in emerging markets, accompanied by active risk management.

Alternative investments

Change is a slow process



Global energy demand from data centres (Source: International Energy Agency IEA, GoldmanSachs | Graphic: Zugerberg Finance)

The decarbonization of the global economy is a key issue. Renewable energy sources (solar, wind, water) account for only 14% of the world's energy production. Coal and oil still make up the largest share, while gas and nuclear energy are gradually increasing in importance. Nuclear technology is currently the second largest low-emission source of electricity globally, after hydropower.

The unrelentingly cold winter in Europe is keeping gas and electricity prices relatively high on the continent. Large industrial consumers are also feeling the effects, particularly in Germany, the only G-20 nation without nuclear power plants. However, it is importing nuclear energy from France to bridge the gaps in supply during the winter period.

The global energy consumption associated with new data centers is increasing rapidly and will double between 2024 and 2030. Determining the location has to do with competitive energy prices. In this respect, Germany has made a "historic mistake" with its one-sided focus on climate protection, according to the International Energy Agency, and is paying for it with a significant decline in international competitiveness.

Germany can currently offer neither competitive energy prices nor a secure energy supply. The situation is different in the south and north of Europe, as well as in France and Switzerland. That is why these regions are among the preferred locations in Europe's growing landscape of data centers and industrial production facilities.

63 modern reactors are under construction worldwide at the end of 2024. In the future, thanks to new technological advances, even smaller modular reactors, known as small modular reactors in technical jargon, will be added. The Paul Scherrer Institute of ETH Zurich is also conducting research on these. Ultimately, however, it is not about the core technology per se, but about numerous innovations and their fields of application in business and science.

Classic thinking, that 1% to 2% more energy would be needed every year, is currently being fundamentally questioned by disruptive technologies. High-performance computers can now perform previously unthinkable calculations and thus help to gain a new understanding of chemical reactions, and to improve product properties and production processes.

In materials science, we are on the verge of developing new types of batteries. There are also quantum leaps in the entire field of logistics, the chain management of goods from raw materials to private households that trigger purchases. This list could be continued at will.

In many areas, a global development competition is underway between the USA, China and Europe. Thanks to decades of successful research, Switzerland and Europe as a whole are still reasonably well positioned. We have the chance to continue to play a leading role, but this requires a willingness to take risks, long-term commitment and a strong partnership between business, science and politics. And an undogmatic way of thinking and acting with regard to energy.

Asset sub-class	3–6 months	12–24 months	Analysis
Commodities	→↘	→	The medium- and long-term security of (energy) supply and grid stability are two central building blocks of international competitiveness.
Gold, precious metals	→↗	→↗	The price of gold (2024: +27%, around 2'800 USD/oz.) is already up again this year, even though gold yields neither interest nor dividends.
Insurance Linked Securities	↗	↗	In the vested benefits solutions, we use financial instruments that are linked to certain insurance risks and diversify the portfolio effectively.
Private equity	↗	↗	The outlook for private market investments has improved significantly in recent weeks and months. Ardian alone has raised $30 billion for this purpose.

Market data

Asset class		Price (in local currency)			Monthly / YTD / Annual performance (in CHF)		
Equity		**31.01.2025**	**01/2025**	**2025YTD**	**2024**	**2023**	**2022**
SMI	CHF	12'597.1	+8.6%	+8.6%	+4.2%	+3.8%	−16.7%
SPI	CHF	16'741.3	+8.2%	+8.2%	+6.2%	+6.1%	−16.5%
DAX	EUR	21'732.1	+9.8%	+9.8%	+20.4%	+13.1%	−16.3%
CAC 40	EUR	7'950.2	+8.5%	+8.5%	−1.0%	+9.6%	−13.9%
FTSE MIB	EUR	36'471.8	+7.3%	+7.3%	+14.1%	+20.4%	−17.3%
FTSE 100	GBP	8'674.0	+5.6%	+5.6%	+12.1%	−0.3%	−8.8%
EuroStoxx50	EUR	5'286.9	+8.7%	+8.7%	+9.6%	+12.1%	−16.0%
Dow Jones	USD	44'544.7	+4.7%	+4.7%	+22.1%	+3.5%	−7.7%
S&P 500	USD	6'040.5	+2.7%	+2.7%	+33.4%	+13.1%	−18.5%
Nasdaq Composite	USD	19'627.4	+1.7%	+1.7%	+39.2%	+30.6%	−32.3%
Nikkei 225	JPY	39'572.5	+1.0%	+1.0%	+15.2%	+8.6%	−19.7%
Sensex	INR	77'500.6	−1.9%	−1.9%	+13.8%	+7.4%	−4.8%
MSCI World	USD	3'836.6	+3.5%	+3.5%	+26.6%	+10.8%	−18.5%
MSCI EM	USD	1'093.4	+1.7%	+1.7%	+13.6%	−2.6%	−21.5%
Bonds (mixed)		**31.01.2025**	**01/2025**	**2025YTD**	**2024**	**2023**	**2022**
Glob Dev Sov (Hedged CHF)	CHF	153.2	+0.0%	+0.0%	−1.4%	+2.2%	−13.2%
Glob IG Corp (Hedged CHF)	CHF	183.5	+0.3%	+0.3%	−0.8%	+4.2%	−16.7%
Glob HY Corp (Hedged CHF)	CHF	363.9	+1.0%	+1.0%	+6.1%	+8.7%	−13.6%
USD EM Corp (Hedged CHF)	CHF	273.5	+0.6%	+0.6%	+2.4%	+4.5%	−18.2%
Government bonds		**31.01.2025**	**01/2025**	**2025YTD**	**2024**	**2023**	**2022**
SBI Dom Gov	CHF	184.8	−1.1%	−1.1%	+4.0%	+12.5%	−17.0%
US Treasury (Hedged CHF)	CHF	136.6	+0.2%	+0.2%	−3.8%	−0.5%	−15.0%
Eurozone Sov (Hedged CHF)	CHF	179.4	−0.4%	−0.4%	−0.8%	+4.8%	−18.9%
Corporate bonds		**31.01.2025**	**01/2025**	**2025YTD**	**2024**	**2023**	**2022**
CHF IG Corp (AAA-BBB)	CHF	190.4	−0.3%	−0.3%	+5.1%	+5.7%	−7.5%
USD IG Corp (Hedged CHF)	CHF	184.5	+0.2%	+0.2%	−2.4%	+3.5%	−18.5%
USD HY Corp (Hedged CHF)	CHF	614.2	+1.0%	+1.0%	+3.7%	+8.5%	−13.7%
EUR IG Corp (Hedged CHF)	CHF	168.3	+0.2%	+0.2%	+2.0%	+5.9%	−14.1%
EUR HY Corp (Hedged CHF)	CHF	303.9	+0.4%	+0.4%	+5.4%	+9.8%	−10.9%
Alternative investments		**31.12.2024**	**12/2024**	**2024**	**2023**	**2022**	**2021**
Gold Spot CHF/kg	CHF	81'952.7	+7.0%	+7.0%	+36.0%	+0.8%	+1.0%
Commodity Index	USD	102.3	+3.6%	+3.6%	+8.3%	−20.4%	+15.1%
SXI SwissRealEstateFunds TR	CHF	2'676.4	−1.4%	−1.4%	+16.0%	+5.4%	−17.3%
Currencies		**31.01.2025**	**01/2025**	**2025YTD**	**2024**	**2023**	**2022**
US dollar / Swiss franc	CHF	0.9109	+0.4%	+0.4%	+7.8%	−9.0%	+1.3%
Euro / Swiss franc	CHF	0.9441	+0.4%	+0.4%	+1.2%	−6.1%	−4.6%
100 Japanese yen / Swiss franc	CHF	0.5870	+1.9%	+1.9%	−3.4%	−15.4%	−11.0%
British pound / Swiss franc	CHF	1.1292	−0.6%	−0.6%	+6.0%	−4.2%	−9.3%