



## Quiet trading days

Not much is likely to change in the final trading hours of the 2025 calendar year. Christmas is over and there are only two trading days left until the end of the year, three in some places. Not only have people settled down, but so have the stock markets. Trading volume remained low. Nevertheless, there are signs of positivity, especially in Europe, where companies' earnings forecasts for the coming years are clearly trending in the positive zone.

Since the beginning of the month, however, the dollar has fallen so sharply that US markets have had a negative impact on the global stock index. Although the S&P 500 Index and the technology-driven Nasdaq gained around 1% in local currency terms, this resulted in a return of -0.7% in Swiss francs. The overall global equity index slipped slightly into negative territory (-0.1%) in December, as the stock market rally in Europe had little impact.

The Swiss Market Index (SMI) performed well, closing at 13,242 points, 3.2% higher than at the beginning of the month. The main contribution came from UBS (+19%), whose shares we do not typically hold in our portfolios. The bank's orientation and its regulatory environment in recent years have proven too unstable. Nor do we hold the two worst-performing SMI stocks in December in our portfolios: Logitech (-9%) and Givaudan (-8%).

On the other hand, we were involved in other companies that posted above-average gains: Roche (+7%), Kühne+Nagel and Amrize (both +6%), Novartis (+5%), and Swiss Life and Zurich Insurance (both +4%). But as always, such a monthly picture remains only an interim result. The end of the year is a good time to review what to divest and what to add.

It is important to form your own opinion on the macroeconomy and how the various companies and their business models are performing within it. After Donald Trump's election, some believed that more jobs would actually be created. The fact is that the number of people in employment has fallen and the labor market is now in a rather precarious situation. The tax reform increased the wealth of the small upper class, which now generates 50% of consumption. The broad middle class is suffering from persistently high inflation and high interest rates on mortgage, credit card, and student loan debt, and a significant portion of the lower class is currently being deprived of health insurance. This has led to a struggle for survival in the world's largest economy.

As the dollar fell, the price of gold rose. Most recently, an ounce of gold was trading at 3,570 francs, 50% higher than at the beginning of the year. On Wednesday, the dollar temporarily traded at a new low of 0.78. Two further key interest rate cuts could weaken the dollar further in the coming year. The published growth in economic output (GDP) did not seem to have any influence. In the third quarter alone, real GDP in the US is said to have increased by 1.1%, while only +0.8% growth was expected.

## Market data

Stock markets	since 31/12/2024		
SMI	13'242.8	+14.2%	
SPI	18'186.1	+17.5%	
DAX €	24'340.1	+22.3%	
Euro Stoxx 50 €	5'746.2	+18.0%	
S&P 500 \$	6'929.9	+17.8%	
Dow Jones \$	48'711.0	+14.5%	
Nasdaq \$	23'593.1	+22.2%	
MSCI EM \$	1'397.4	+29.9%	
MSCI World \$	4'473.2	+20.6%	
Bond markets	since 31/12/2024		
SBI Dom Gov TR	223.0	-0.3%	
SBI Dom Non-Gov TR	121.4	+0.6%	
Real estate markets	since 31/12/2024		
SXI RE Funds	600.0	+10.4%	
SXI RE Shares	4'479.7	+22.2%	
Commodities	since 31/12/2024		
Oil (WTI; \$/Bbl.)	56.7	-20.9%	
Gold (CHF/kg)	115'063.7	+50.3%	
Bitcoin (USD)	87'394.9	-6.7%	
Currencies	since 31/12/2024		
EUR/CHF	0.9293	-1.2%	
USD/CHF	0.7895	-13.0%	
EUR/USD	1.1772	+13.7%	
Short-term interest rates	3-m	3-m. fcst.	12-m. fcst.
CHF	-0.04%	0.2%–0.5%	0.2%–0.5%
EUR	2.02%	1.9%–2.1%	1.7%–1.9%
USD	3.79%	4.0%–4.4%	3.4%–3.8%
Long-term interest rates	10-years	3-m. fcst.	12-m. fcst.
CHF	0.33%	0.6%–0.9%	0.5%–0.7%
EUR	2.87%	2.8%–3.0%	2.5%–2.8%
USD	4.13%	4.3%–4.6%	3.8%–4.2%
Inflation	2024	2025P	2026P
Schweiz	0.7%	0.5%	0.5%
Euroraum	2.2%	1.8%	1.8%
USA	2.8%	2.5%	2.3%
Economy (real GDP)	2024	2025P	2026P
Switzerland	1.8%	1.8%	1.8%
Eurozone	1.5%	1.6%	1.7%
USA	2.6%	1.8%	2.0%
Global	3.0%	3.0%	3.0%

## Topic of the week: Lessons from the 2025 stock market year



Those who invest for the long term and show perseverance during correction phases will be rewarded. This was evident in the pandemic year 2020 with the low in March, as well as after the so-called "Liberation Day" on April 2, 2025: On that day, US President Donald Trump announced comprehensive reciprocal tariffs on imports from China, Mexico, Canada, and the EU. His aim was to end the "exploitation" of America by its trading partners and reduce the trade deficit. Within a short period of time, the SMI plummeted 17% to 10,890 points, and concerns about an impending recession spread worldwide. Despite all the uncertainties and geopolitical tensions, 2025 proved to be a solid calendar year with positive returns across all risk classes.

For the second time in five years, it became clear that losing your nerve and selling can be costly. On both occasions, the emotionally understandable reaction proved to be completely wrong. After just a few days, a rally began that drove stock prices up everywhere. Those who react impulsively with activism may only realize with hindsight that wealth is increased by investing disciplined and remaining invested even when the market is shaken and rattled. As so often in previous years, the best days on the stock market in 2025 were very close to the worst days.

The real lesson from 2025 is that setbacks are just as much a part of the capital market as positive surprises. Every change brings new opportunities and new winners. The year 2026 will certainly see more price volatility. This is what makes the capital market unpredictable and, at the same time, so fascinating. Certain patterns repeat themselves, and certain laws cannot be ignored. Cash and bank deposits remain the worst long-term investment. Government and corporate bonds offer limited return opportunities. In contrast, equities dominate long-term investment returns. Real estate and infrastructure stocks come very close to these returns, but above all, they are achieved with much lower volatility, i.e., risk-adjusted, this is a superior investment segment.

## The most important data points in the new week

December 29, 2025	USA: Dallas Federal Reserve Manufacturing Survey December
December 30, 2025	USA: ADP labor market data for December
December 31, 2025	2025: Swiss stock exchange SIX remains closed
January 1, 2026	Happy New Year

## Events

### Zugerberg Finanz Economic and Stock Market Outlook – January 2026

The next Zugerberg Finanz Economic and Stock Market Outlook will take place on **Wednesday, January 14, 2026**, at the **Theater Casino** in Zug and on **Tuesday, January 20, 2026**, at the **KKL** in Lucerne, with a special topic: "The Art of Calculated Risk."

We welcome **Nicolas Hojac**, one of the leading Swiss mountaineers of our time, as our guest speaker. Whether it's the Eiger North Face in Switzerland, the peaks of Nepal, or the most remote mountains in the world, he takes us on his exciting expeditions and gives us an insight into the world of calculated risk.

#### Register

(Event in Swiss German language)

### Information event for private individuals – Lecture language Swiss German

On **Thursday, February 19, 2026**, we will be holding an information event for private individuals at the **Lüssihof**. This event is primarily aimed at those who are interested in getting to know us better.

#### Register

(Event in Swiss German language)

### Zugerberg Finanz economics workshops for young people – March 2026

Inspire and motivate young people! On **Saturday, March 7, 2026**, and **Saturday, March 14, 2026**, we are hosting two one-day workshops for young people entitled "**The Fascination of Economics**" and "**The Fascination of the Stock Market & Capital Markets**."

#### Register

(Workshops in Swiss German language)

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