Easing of tensions between the US and China

Signs of détente are emerging between the US and China. China will set a lower growth target for gross domestic product (GDP) for 2026 and place greater emphasis on «high-quality» GDP development. Slower global growth is weighing on the world's second-largest economy, even though it recently achieved a record trade surplus of around $1.2 trillion. Chinese TikTok parent company ByteDance averted an impending ban on the app in the US by establishing a majority US-led joint venture. The agreement settled a years-long dispute that the US government had initiated out of concern for national security.
In return, the US government is allowing China to purchase Venezuelan oil, but the People's Republic will have to pay more than before. China will no longer be allowed to purchase crude oil at unfair prices. At the same time, Nvidia CEO Jensen Huang is visiting Chinese customers to encourage them to make new purchases.
US President Donald Trump says he plans to travel to China in April. Chinese President Xi Jinping is also expected to make a return visit to the US towards the end of 2026. Relations between the two economies have been significantly strained since the corona-virus pandemic, but have improved considerably since then.
While geopolitics dominated last week, the coming days and weeks will focus more on corporate fundamentals, especially among the tech giants. The first month of 2026 is drawing to a close. The Swiss Market Index stands at 13'147 points (-0.9% vs. the start of the year). The US stock markets are hardly doing any better. The Nasdaq tech index (-0.5% in CHF) and the broad S&P 500 (-0.6%).
Heavy setbacks in the valuation of insurance stocks are offset by higher industrial valuations. Reflecting the improved outlook in the private market sector, Zug-based investment company HBM Healthcare Investments reported total 9-month-profits of CHF 286 million, despite negative currency effects. The market environment for the biotechnology sector has improved noticeably in recent months, which should lead to sustained M&A activity and, with appropriate selectivity, could enable a gradual return of IPOs.
The pharmaceutical company Novartis has received breakthrough therapy designation from the US Food and Drug Administration (FDA) for its drug Ianalumab for the treatment of Sjögren's syndrome. This status is intended to accelerate the development and testing of therapies for serious diseases with significant unmet needs. Novartis plans to submit the drug for approval worldwide soon. According to Novartis, it would be the first targeted treatment for this autoimmune disease.
Belimo, based in the Zurich Oberland, significantly increased its sales in 2025 (+23.3% in local currencies) to 1.121 billion Swiss francs. The accelerated growth was driven primarily by cooling solutions for data centers, which accounted for just under half of the sales growth. he Belimo Group is the global market leader in the development, production, and sales of field devices for the energy-efficient control of heating, ventilation, and air-conditioning systems.

Market data

Stock markets		since 31/12/2025
SMI	13'147.1	−0.9%
SPI	18'221.6	+0.0%
DAX €	24'900.7	+1.7%
Euro Stoxx 50 €	5'948.2	+2.7%
S&P 500 $	6'915.6	+1.0%
Dow Jones $	49'098.7	+2.2%
Nasdaq $	23'501.2	+1.1%
MSCI EM $	1'501.1	+6.9%
MSCI World $	4'505.2	+1.7%

Bond markets		since 31/12/2025
SBI Dom Gov TR	223.2	+0.1%
SBI Dom Non-Gov TR	121.7	+0.2%

Real estate markets		since 31/12/2025
SXI RE Funds	602.6	+0.2%
SXI RE Shares	4'682.0	+3.6%

Commodities		since 31/12/2025
Oil (WTI; $/Bbl.)	61.1	+6.4%
Gold (CHF/kg)	125'055.2	+13.4%
Bitcoin (USD)	90'495.3	+3.4%

Currencies		since 31/12/2025
EUR/CHF	0.9231	−0.9%
USD/CHF	0.7799	−1.7%
EUR/USD	1.1828	+0.8%

Short-term interest rates

	3-m	3-m. fcst.	12-m. fcst.
CHF	-0.04%	-0.1%-0.0%	-0.1%-0.0%
EUR	2.04%	1.9%-2.1%	1.7%-1.9%
USD	3.67%	3.4%-3.6%	3.0%-3.3%

Long-term interest rates

	10-years	3-m. fcst.	12-m. fcst.
CHF	0.31%	0.2%-0.5%	0.4%-0.7%
EUR	2.87%	2.8%-3.0%	2.5%-2.8%
USD	4.23%	4.1%-4.4%	3.7%-4.0%

Inflation

	2025	2026P	2027P
Schweiz	0.1%	0.3%	0.5%
Euroraum	2.2%	1.8%	1.8%
USA	3.0%	2.5%	2.0%

Economy (real GDP)

	2025	2026P	2027P
Switzerland	1.2%	1.3%	1.5%
Eurozone	1.4%	1.4%	1.7%
USA	2.3%	2.2%	2.0%
Global	3.0%	3.0%	3.0%

Review: Zugerberg Finance Economic and Stock Market Outlook

On January 14 and 20, 2026, the **Zugerberg Finance Economic and Stock Market Outlook** took place, focusing on the special topic of «**The Art of Calculated Risk**». We welcomed a total of around 550 guests to a lunchtime and evening event at the Theater Casino in Zug and almost 500 guests to an evening event at the KKL in Lucerne. Interest in the event was once again very high.

From a Swiss investor's perspective, 2025 was marked by the «Liberation Day» tariff hammer and a pronounced weakness of the US dollar (nearly -13%). The environment was challenging at times, especially from March to May, before the markets stabilized noticeably in the second half of the year. Accordingly, the picture was mixed: from a Swiss franc perspective, European stock markets outperformed US markets. The Swiss stock market (SMI) performed solidly, while emerging markets presented a mixed picture, with India performing weaker.

Despite this challenging environment, 2025 was the third good year in a row for equities: target returns were achieved, and with a lead over the benchmark, supported by a cautious foreign currency allocation. Performance was influenced by stock selection in Switzerland and the comparatively subdued performance of private equity. With a key interest rate of 0% and inflation at 0%, as well as negative interest rates in some parts of Switzerland, the interest rate environment remains challenging.

The start of 2026 has been successful. Market conditions are constructive and a selective approach is once again coming to the fore.

Our guest speaker Nicolas Hojac captivated the audience with his presentation and impressively conveyed the fascination of alpinism. With captivating insights ranging from the north face of the Eiger to the peaks of Nepal and the most remote mountain regions in the world, he took the participants on his extraordinary expeditions. He made it clear that the path is always marked by highs and lows and that courage, discipline, and a conscious approach to risk and nature are of central importance.

The key takeaways from the event were:

- You are capable of more than you think.
- Failure is part of success.
- The residual risk is called that because at some point it will finish you off.

We would like to take this opportunity to express our sincere thanks for the trust you have placed in us, your interest, and the many positive comments we have received. The next **Zugerberg Finanz Economic and Stock Market Outlook** will take place on **Tuesday, June 16, 2026, at the Theater Casino in Zug** and on **Thursday, June 18, 2026, at the KKL in Lucerne**.

For those interested, an **information event on the topic of «Investing money is also a matter of trust»** will also take place on **Thursday, February 19, 2026**, **starting at 6:30 p.m.** at our headquarters, the Lüssihof in Zug. The speakers will be Timo Dainese (CEO), Maurice Pedergnana (Chief Economist), Cyrill von Burg (CIO), and Roger Baumgartner (financial and pension planner). The event will be held on a small scale and will provide a wealth of basic information about our company and our asset management mandates. The presentations will be held in Swiss German. For more information and to register, please click here.

You can find impressions of these events in our picture gallery.

Information

Tax statements 2026

We would like to take this opportunity to inform you that the preparation of tax documents for the year 2025 will probably take until March again.

This is not due to us, but to the custodian banks. They usually wait for the final price list from the FTA, which is typically published in the second half of February.

The fact that the documents are prepared so late is therefore not a sign of poor service; it is due to the fact that the banks are waiting for the final and correct prices.

In the case of funds in particular, these are often not available to the FTA until February from the fund companies. Sending them out earlier would therefore mean that the statement would be incorrect.

Thanks for your understanding.

Your Zugerberg Finanz

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)