Markets remain volatile

The past week continued to be marked by volatile markets, but ended on a conciliatory note. Overall, European equities performed well, while US equities went through a volatile ordeal. It remains to be seen whether the risks are increasing or whether more analysts and investors are perceiving them differently and more consciously. In any case, the partly forced rotation from the technology sector into more defensive equities led to large performance differences.

Index heavyweights such as Amazon and Microsoft were recently trading 9% and 17% lower than at the beginning of the year, respectively. The entire US tech index Nasdaq was clearly in negative territory at times. On the other hand, European stocks in our portfolios such as Swisscom and Engie (both +15%) as well as Vinci (+12%), Enel, Deutsche Telekom (both +9%) and Schneider Electric (+8%) are up sharply. They embody the current trend, which sees strong balance sheet telecoms and energy service providers as well as high-performing utilities with their defensive character in demand.

Otherwise, there were solid reports, for example from the pharmaceutical company Novartis (+9%), which increased its sales and profits in 2025 thanks to best-sellers such as the cancer drug Kisqali, but is preparing for a more difficult current year. Shareholders will receive an increased dividend of CHF 3.70 (+5.7%).

Car manufacturers and their suppliers continue to be less popular, and we have not included them in our portfolios for some time. The political conditions for the various sales markets seem too uncertain to us. All German stocks have been down since the beginning of the year, but none as sharply as the shares of the Stellantis Group (Peugeot, Fiat, Chrysler, Jeep, Opel, Maserati, etc.: -35%). Its aggressive electrification strategy has failed because customers and their preferences have not followed suit. In the US, politicians are also focusing on combustion engine cars again, which is causing write-downs in the billions.

It is also noteworthy how strongly the US economy is currently cooling down, while Europe is moving in the opposite direction. In the US, more people than expected filed initial claims for unemployment benefits. The weakness in the labor market is also reflected in poor consumer sentiment and disappointing retail sales data. The economic acceleration is palpable in Europe. However, German exports to the US and China declined. Deliveries to the eurozone (+4.1%) were decisive. Industrial order intake rose sharply recently (+7.8%).

In the eurozone, the inflation rate fell in January to its lowest level since April 2021. Consumer prices rose by 1.7% year-on-year, according to the statistics office Eurostat. The European Central Bank (ECB) considers inflation of 2% to be optimal and has been pursuing a neutral monetary policy for some time. The strong euro and weak dollar were the main causes of the decline in inflation.

Market data

Stock markets		since 31/12/2025
SMI	13'503.1	+1.8%
SPI	18'638.1	+2.3%
DAX €	24'721.5	+0.9%
Euro Stoxx 50 €	5'998.4	+3.6%
S&P 500 $	6'932.3	+1.3%
Dow Jones $	50'115.7	+4.3%
Nasdaq $	23'031.2	−0.9%
MSCI EM $	1'506.4	+7.3%
MSCI World $	4'529.0	+2.2%

Bond markets		since 31/12/2025
SBI Dom Gov TR	224.0	+0.4%
SBI Dom Non-Gov TR	122.4	+0.7%

Real estate markets		since 31/12/2025
SXI RE Funds	612.2	+1.8%
SXI RE Shares	4'905.6	+8.5%

Commodities		since 31/12/2025
Oil (WTI; $/Bbl.)	63.6	+10.7%
Gold (CHF/kg)	123'853.0	+12.5%
Bitcoin (USD)	70'312.8	−19.8%

Currencies		since 31/12/2025
EUR/CHF	0.9167	−1.5%
USD/CHF	0.7760	−2.1%
EUR/USD	1.1815	+0.6%

Short-term interest rates

	3-m	3-m. fcst.	12-m. fcst.
CHF	-0.04%	-0.1%–0.0%	-0.1%–0.0%
EUR	2.00%	1.9%–2.1%	1.7%–1.9%
USD	3.66%	3.4%–3.6%	3.0%–3.3%

Long-term interest rates

	10-years	3-m. fcst.	12-m. fcst.
CHF	0.27%	0.2%–0.5%	0.4%–0.7%
EUR	2.82%	2.8%–3.0%	2.5%–2.8%
USD	4.21%	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%

Topic of the week: AI fears surrounding software companies

Artificial intelligence (AI) has been boosting the markets in recent months. Last week, however, it spread fear. AI developer Anthropic's latest developments caused sharp share price losses for software companies such as Microsoft, Salesforce, Adobe, and SAP—but also for private market investors such as KKR, Apollo, and Partners Group, because they are accused of having invested far too much in private software companies and now having to write off their investments.

Nvidia founder Jensen Huang considers the fear that software will be replaced by AI "the most illogical thing there is, and time will tell." At an AI conference, he went into even more detail with his convincing explanations.

Incidentally, digital sovereignty in Europe means that US companies in Europe must primarily organize their data centers in such a way that they can offer services such as Amazon with AWS and Microsoft with Azure without the US authorities and intelligence agencies being able to access the data. This is quite challenging, but huge investments are being made to maintain Europe's technological lead and sovereignty.

The continued strong growth of Amazon's cloud business and that of Google's parent company Alphabet was impressive. This prompted both companies to accelerate their investments in AI infrastructure in the current year. The internet company Google plans to invest $175 to $185 billion in new data centers, including AI chips (in competition with the semiconductor company Nvidia).

That's about $500 million every single day, including Sundays. Never before in world history has a company invested more than Google, whose AI solution Gemini currently has over 750 million monthly users. Google's parent company Alphabet is now the company with the highest global market capitalization ($3.9 trillion) behind Nvidia and Apple.

Shortly after Google, Amazon even announced investments of $200 billion in 2026 for the construction of data centers, the development of AI chips, humanoid robots, and communication satellites. The plans of the world's largest cloud operator were not well received on the stock market due to concerns about whether the large investments could be recouped at all.

The most important data points in the new week

February 10, 2026	US: NFIB Optimism Index January
February 11, 2026	Italy, US: January industrial production, January employment
February 12, 2026	Germany, United Kingdom: Current account balance, gross domestic product 2025
February 13, 2026	Eurozone: Employment in the fourth quarter of 2025

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)