



The SMI is heading for a clear decline in March

The Swiss Market Index (SMI) rose noticeably last week to 12'570 points (+2.0%). Sika, Givaudan, and Swisscom also contributed to a profitable dividend season, which boosted the SMI's total return last week a bit higher (+2.2%). Nevertheless, nervousness persists, and the SMI is heading for a clear loss in March.

Compared to the start of the year, the SMI is notably lower (-5.3%), but well within the international average. The SMI's performance is roughly in line with that of the global equity index (-5.0%) since the start of the year. US markets performed disappointingly last week, pushing the broad-based S&P 500 (-7.0% since the start of the year) and Nasdaq (-9.9%) deep into negative territory. This marks their longest losing streak since 2022. Heavy-weight Microsoft has fallen particularly sharply recently and is now clearly the worst-performing stock among the "Magnificent 7" (-26%) since the start of the year.

Instagram (Meta) and YouTube (Alphabet) also came under pressure. They face a wave of lawsuits. In a landmark ruling in the U.S., the jury found it proven that both companies had failed to sufficiently warn users—particularly minors—about the risks of addiction. Their goal, the jury concluded, was to keep users on the platforms for as long as possible to boost advertising revenue. Google argued that YouTube is not a social network, but purely a streaming platform.

In the SMI, however, we saw almost exclusively weekly gainers: Richemont (+6%), Lonza (+5%), Sika, Partners Group, and Roche (each +4%) led the way. Nestlé lagged behind, and only ABB remained in the red (-1%).

Monday, March 23, was particularly turbulent: The SMI, which stood at around 14'000 points at the end of February and was still at 12'560 points as of Friday noon, March 20, plummeted to 12'065 points at the start of the week (11:45 a.m.). The index then rose by nearly 5% within 30 minutes after Donald Trump announced he would postpone planned attacks on Iranian power plants and energy facilities for five days. Incidentally, 5% represents an annual return on the SMI in "normal" times.

This shows once again that the best moments in the stock markets are very close to the worst. Anyone who exits the market and changes their mind half an hour later risks losing an entire year's return with this approach.

By Friday evening, however, concerns about escalation had not really subsided. And so the SMI ended the past week above Monday's midday level, but lower than on Wednesday, when hopes for a ceasefire were at their highest.

Fears of stagflation remain. Naturally, inflation fears also spilled over into the bond markets, where yields continued to rise. This is particularly delicate, as interest rates are far more significant than the price of oil. The interest rate is essentially the price of money, upon which many calculations are based: for example, in the leasing and consumer credit sectors, in real estate financing, and in profitability forecasts for corporate investments.

Market data

Stock markets	since 31/12/2025	
SMI	12'570.3	-5.3%
SPI	17'552.2	-3.7%
DAX €	22'300.8	-8.9%
Euro Stoxx 50 €	5'505.8	-4.9%
S&P 500 \$	6'368.9	-7.0%
Dow Jones \$	45'166.6	-6.0%
Nasdaq \$	20'948.4	-9.9%
MSCI EM \$	1'437.3	+2.3%
MSCI World \$	4'180.8	-5.6%

Bond markets	since 31/12/2025	
SBI Dom Gov TR	220.9	-1.0%
SBI Dom Non-Gov TR	121.4	-0.1%

Real estate markets	since 31/12/2025	
SXI RE Funds	568.8	-5.4%
SXI RE Shares	4'880.4	+8.0%

Commodities	since 31/12/2025	
Oil (WTI; \$/Bbl.)	99.6	+73.5%
Gold (CHF/kg)	115'443.5	+4.9%
Bitcoin (USD)	65'970.4	-24.7%

Currencies	since 31/12/2025	
EUR/CHF	0.9195	-1.2%
USD/CHF	0.7990	+0.8%
EUR/USD	1.1509	-2.0%

Short-term interest rates	3-m	3-m. fcst.	12-m. fcst.
CHF	-0.04%	-0.1%-0.0%	-0.1%-0.0%
EUR	2.13%	1.9%-2.1%	1.7%-1.9%
USD	3.70%	3.4%-3.6%	3.0%-3.3%

Long-term interest rates	10-years	3-m. fcst.	12-m. fcst.
CHF	0.42%	0.2%-0.5%	0.4%-0.7%
EUR	3.09%	2.8%-3.0%	2.5%-2.8%
USD	4.43%	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: Learning from the last Inflation Wave



If one wants to learn from the previous wave of inflation following the pandemic and the start of the war in Ukraine, one must fundamentally ask whether valid parallels can be drawn at all. This is because, unlike during the Covid era, there is no global supply chain problem. Merchant shipping across the Atlantic and the Pacific is proceeding without disruption. Therefore, we consider the OECD's significantly higher inflation forecasts for 2026 to be premature.

The typical stance of central banks as recently as 2021 was to view inflation without factoring in energy prices. Since oil prices fluctuate and central banks cannot influence them anyway, they chose to “look through” them. However, the staggering rise in inflation in 2022 quickly changed this perspective.

In the eurozone, the inflation target is two percent. In February, inflation rose from 1.7% to 1.9%, and the March figure is likely to be significantly higher. In periods of high uncertainty, central banks now work with various scenarios. If the oil price reaches new records above \$160 per barrel (159 liters), this could be accompanied by inflation rates of up to 6% in Europe.

But none of this can be compared to the oil price shocks of previous years. After all, the main cause ultimately lies not with the OPEC production cartel, but in the “Situation Room” at the White House in Washington. That is where the decision is made as to when the de facto blockade of the Strait of Hormuz will be lifted for oil, gas, and fertilizer shipments. What happens behind the scenes cannot be reliably assessed from the outside.

It is interesting to note that the OECD slightly raised its latest growth forecast for the G20 countries from +2.9% to +3.0%. If the blockade were to last a few more weeks, that would not pose a problem for the sustained growth of the global economy. However, if the blockade were to last another three to six months, the consequences would be clearly felt.

The most important data points in the new week

March 31, 2026	Eurozone: HICP (core) inflation for March
April 1, 2026	UK, US: S&P Global + ISM Purchasing Managers' Indices for March
April 2, 2026	US: Initial Jobless Claims for March
April 3 2026	US: Labor Market, Payroll and Average Earnings for March

Events

Information event for private individuals – presentation in Swiss German – Investing is also a matter of trust

On **Thursday, 30 April 2026**, we will be hosting an information session for private individuals at the Lüssihof. This event is primarily aimed at those who are interested in getting to know us better.

[To registration](#) (event in Swiss German)

Zugerberg Finanz KidsDay – May 2026

On **Wednesday, 27 May 2026**, the next Zugerberg Finanz KidsDay will take place in Baar in collaboration with MORE Sports. Children aged 6 to 12 can register for this fun afternoon of football. The venue is the Lättich sports complex in Baar. The football will take place between 1.00 pm and 5.00 pm. All children will receive a starter pack containing a football shirt and other extras. Drinks and healthy snacks will be available to them as much as they like.

[To registration](#)

Zugerberg Finance Economic and Stock Market Outlook – June 2026

The next Zugerberg Finance Economic and Stock Market Outlook will take place on **Tuesday, 16 June 2026** at the **Theater Casino in Zug** and on **Thursday, 18 June 2026** at the **KKL in Lucerne**.

Please make a note of the dates. The programme and registration details will be available at a later date via the [events section of our website](#) (event in Swiss German).

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