



## Stocks Continue to Gain Momentum

Essentially, the world's major central banks are leaving their key interest rates unchanged. As expected, they are not reacting to higher inflation figures, which are driven by higher energy prices and ultimately have only one global cause: the closure of the Strait of Hormuz. In the hours and days when prospects for a reopening improve, oil and gas prices fall. This immediately triggers a collective buying spree in the stock and bond markets. The exact opposite occurs when prospects deteriorate once again. We have experienced both in recent weeks.

The geopolitical situation is challenging, but not unpredictable. Prices are traded daily, for example, regarding inflation in one year or in five years. Even oil and gas prices for deliveries in three or six months are not speculative, but find a market equilibrium every day. The financial market is much broader than one might imagine. That is why the actual reality is far more predictable than the daily headlines, which give us the impression of an uncertain and confusing global economy.

While we are accustomed to top central bank officials interpreting every single deviation from a previous stance in a speech in terms of monetary policy and interest rates, this is a futile endeavor when it comes to the White House. There, earth-shattering statements—for example, regarding Iran—can follow one another by the hour, interspersed with hopeful interpretations of a potential negotiated solution. Or just when you think the issue of tariffs has been laid to rest, Trump reaches back into the tariff box. Many statements are of an extremely fleeting nature. It is precisely this reality that now makes the US president's remarks seem predictable, and the markets barely react to announcements on “Truth Social” anymore.

Stock market participants in Europe never fully discounted the possibility of a months-long closure of the Strait of Hormuz. Nevertheless, investor sentiment—which had been dominated by the prospect of war in Iran in March—shifted to the positive in April, accompanied by a rotation into defensive sectors. Energy stocks were in demand, infrastructure stocks gained ground, and telecommunications stocks performed well. By contrast, shares of cyclical and consumer-oriented companies came under increasing pressure, partly because households' disposable income is increasingly being spent on gasoline, gas, and heating oil.

Numerous US tech companies demonstrated their high competitiveness and resilience in their latest quarterly reports. Alphabet (USD 4.66 trillion) and Amazon were recent stand-out winners and narrowed the gap with Nvidia (USD 4.8 trillion) as the world's highest-valued company. The Swiss Market Index, i.e., the sum of the largest Swiss stocks, amounts to a fraction of that (CHF 1,430 billion). At 13'136 points, the SMI is slightly below its value at the start of the year (-1.0%).

## Market data

Stock markets	since 31/12/2025	
SMI	13'136.3	-1.0%
SPI	18'551.1	+1.8%
DAX €	24'292.4	-0.8%
Euro Stoxx 50 €	5'881.5	+1.6%
S&P 500 \$	7'230.1	+5.6%
Dow Jones \$	49'499.3	+3.0%
Nasdaq \$	25'114.4	+8.1%
MSCI EM \$	1'601.4	+14.0%
MSCI World \$	4'674.3	+5.5%

Bond markets	since 31/12/2025	
SBI Dom Gov TR	220.7	-1.1%
SBI Dom Non-Gov TR	121.7	+0.1%

Real estate markets	since 31/12/2025	
SXI RE Funds	597.7	-0.6%
SXI RE Shares	4'989.7	+10.4%

Commodities	since 31/12/2025	
Oil (WTI; \$/Bbl.)	101.9	+77.5%
Gold (CHF/kg)	116'022.1	+5.4%
Bitcoin (USD)	77'870.6	-11.2%

Currencies	since 31/12/2025	
EUR/CHF	0.9150	-1.7%
USD/CHF	0.7821	-1.3%
EUR/USD	1.1721	-0.2%

Short-term interest rates	3-m	3-m. fcst.	12-m. fcst.
CHF	-0.05%	-0.1%–0.0%	-0.1%–0.0%
EUR	2.20%	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	0.40%	0.2%–0.5%	0.4%–0.7%
EUR	3.02%	2.8%–3.0%	2.5%–2.8%
USD	4.37%	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: Encouraging Earnings Season



US tech giants such as Alphabet, Amazon, Apple, and Microsoft exceeded expectations in the first quarter of 2026. At the same time, they collectively announced that they would be investing more in data centers than previously anticipated. Alphabet alone is expected to invest \$185 billion this year, with another 25% increase next year. These are figures never before seen in history. However, one must also consider the context of the order books. Alphabet’s cloud order book has nearly doubled compared to the previous quarter, reaching \$460 billion. At Microsoft, the order book for the Azure cloud service stands at \$627 billion. At Amazon, too, AWS cloud revenue surged at a rate not seen in 15 quarters.

The investment boom is naturally also boosting those companies that benefit from subcontracts: ABB, Schneider Electric, Siemens, but also Holcim, Amrize, and Sika, as well as chip-related companies such as TSMC, Samsung, Infineon, VAT Group, and Belimo. Therefore, our DecarbRevo solutions have also posted significant gains so far this year.

Another noteworthy development is that Google (Alphabet) and Amazon, which have been among the leading customers for market-leading Nvidia chips, are working intensively to develop their own AI chips—not only to reduce their dependence on Nvidia but also to serve external customers. Google will begin this effort later this year.

UBS, which is attractively valued, got off to a surprisingly strong start to the new year, emphasizing that it is on track to meet its financial targets for 2026. Things are likely to get tougher for elevator manufacturer Schindler, as the world’s third- and fourth-largest providers plan to merge. Finnish company Kone plans to buy German TK Elevator from its private equity investors. This would instantly create the world’s number one player. Schindler fears a price war and intends to delay or prevent the merger through antitrust lawsuits.

The most important data points in the new week

May 5, 2026	Switzerland: National Consumer Price Index for April
May 6, 2026	Eurozone: HCOB Purchasing Managers’ Index (PMI) for April
May 7, 2026	Germany: Industrial Orders for March
May 8, 2026	U.S.: April Employment Data

Podcast / Events

New: “Zugerberg Finanz Perspektive” – Financial insights on the go.

The podcast offers concise insights into markets, the economy, and investments. Chief Economist Maurice Pederghana and CIO Cyrill von Burg explain complex topics in an easy-to-understand way. Finance doesn’t have to be complicated.

[Listen to the podcast here](#)  
(Podcast in Swiss German)

Zugerberg Finance Economic and Stock Market Outlook – June 2026

The next Zugerberg Finance Economic and Equity 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**.

The program will be led by founder and CEO **Timo Dainese**. Chief Economist **Prof. Dr. Maurice Pederghana** and CIO **Cyrill von Burg** will discuss the outlook for the economy and capital markets in a panel discussion. We are also pleased to welcome **Dr. phil. Helmut Stalder** as a guest speaker, a renowned historian, publicist, and author of numerous historical non-fiction books and biographies.

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

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

On **Thursday, 17 September 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)

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