



Nestlé share price jumps

The Swiss Market Index (SMI) rose significantly last week to 12,644 points (+1.3%). Financial stocks (banks, insurance companies, etc.) suffered widespread losses. The jump in the SMI is mainly attributable to Nestlé (+10%). The new duo at the helm of Nestlé got off to a flying start at their first press conference. They showed their determination to end the weak growth of the manufacturer of Nespresso, Maggi, and Kitkat.

Nestlé's culture has many strengths, but there are also areas where further development is needed. A ruthless analysis of the group, with its more than 2,000 brands, would now be carried out. CEO Philipp Navratil also emphasized that the world is changing and Nestlé must change faster. The company also announced the reduction of 12,000 office employees around the globe and 4,000 employees in production and along the supply chains.

In our portfolios in risk classes 2 to 5, we took profits on Novartis shares (-1%) after an outstanding performance and slightly reduced our position. The purchase also serves to diversify individual stocks within the pharmaceutical sector. We invested the proceeds in the supplier Lonza (+5%).

We sold Lonza in early spring, enabling us to avoid the volatile market phase in April caused by reciprocal tariff threats. Stability has since returned to the industry, and Lonza remains excellently positioned. The company should be able to largely avoid potential tariff measures, particularly thanks to its production sites in the US. Lonza is also an impressive earnings compounder: by reinvesting profits, long-term core EBITDA growth of around 15% to 16% is expected.

Overseas, markets fluctuated more between hope and caution. Since the beginning of the month, the SMI has risen significantly (+4.4%), while the major US stock markets have declined slightly (-0.5% Dow Jones, -0.4% S&P 500). European markets remained in positive territory in October, with the French benchmark index CAC 40 (+3.5%) performing the strongest. Some stocks in our portfolios, such as Engie (+8%), Schneider Electric (+4%), Vinci and Veolia (both +3%), were relaxed after a political crisis in highly indebted neighboring France was averted for the time being. However, the luxury goods group LVMH remained the frontrunner, reporting encouraging, broad-based demand dynamics.

The French government is once again able to act with its latest draft budget, and risk premiums on bonds have fallen. But this stability is fragile, as the respite has come at a high price with the retirement age set at less than 63. Under Macron, the high tax and contribution burden compared to other countries was reduced and investment conditions improved. For six years in a row, France was the most popular country in Europe for foreign investment. The long-term damage caused by short-term stabilization is probably greater than Paris believes.

Market data

Stock markets	since 31/12/2024	
SMI	12'644.5	+9.0%
SPI	17'361.8	+12.2%
DAX €	23'831.0	+19.7%
Euro Stoxx 50 €	5'607.4	+14.5%
S&P 500 \$	6'664.0	+13.3%
Dow Jones \$	46'190.6	+8.6%
Nasdaq \$	22'680.0	+17.4%
MSCI EM \$	1'361.6	+26.6%
MSCI World \$	4'296.4	+15.9%

Bond markets	since 31/12/2024	
SBI Dom Gov TR	226.8	+1.4%
SBI Dom Non-Gov TR	122.1	+1.2%

Real estate markets	since 31/12/2024	
SXI RE Funds	574.9	+5.8%
SXI RE Shares	4'226.0	+15.3%

Commodities	since 31/12/2024	
Oil (WTI; \$/Bbl.)	57.5	-19.8%
Gold (CHF/kg)	108'441.1	+41.6%
Bitcoin (USD)	107'048.5	+14.2%

Currencies	since 31/12/2024	
EUR/CHF	0.9250	-1.6%
USD/CHF	0.7933	-12.6%
EUR/USD	1.1655	+12.6%

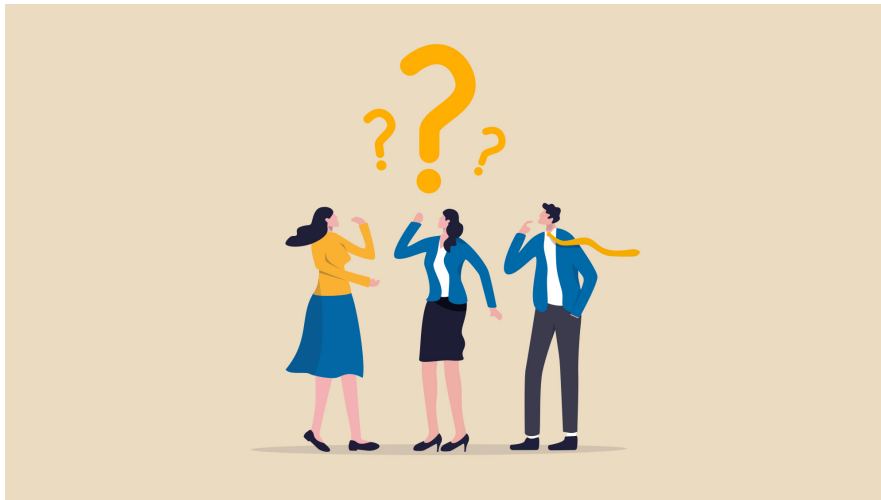
Short-term interest rates	3-m	3-m. fcst.	12-m. fcst.
CHF	-0.04%	0.2%-0.5%	0.2%-0.5%
EUR	2.01%	1.9%-2.1%	1.7%-1.9%
USD	3.88%	4.0%-4.4%	3.4%-3.8%

Long-term interest rates	10-years	3-m. fcst.	12-m. fcst.
CHF	0.16%	0.6%-0.9%	0.5%-0.7%
EUR	2.57%	2.8%-3.0%	2.5%-2.8%
USD	4.01%	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: Uncertainty increased



Uncertainty increased. On the one hand, there was the trade policy that the US was enforcing with a sledgehammer. Nationalism surrounding raw materials such as oil and rare earths intensified. According to Donald Trump, India no longer wants to buy Russian oil. At the same time, preparations are underway in New Delhi for the important state visit by Russian President Vladimir Putin in December. Indian Prime Minister Narendra Modi is primarily concerned with securing affordable energy sources for his poor population. On the other hand, he is hurt by the high US punitive tariffs imposed on his energy trade with Russia.

The financial and political drama surrounding chip manufacturer Nexperia, which could have serious consequences for European industry, also contributed to the uncertainty. Chips are considered the key to a modern economy and have become the focus of global economic conflicts. There are 350 to 500 Nexperia chips in a car. The shares of the last remaining manufacturer of essential semiconductors in Europe were sold to China long ago. However, the Dutch government recently announced that it had taken control of the company. Almost simultaneously, China responded by imposing a new export ban on Nexperia chips produced in China.

Another major source of uncertainty is the growing importance of shadow banks and their loan books. Auto parts supplier First Brands and car dealer Tricolor went bankrupt. "If you see one cockroach, there are probably more," said Jamie Dimon, CEO of JP Morgan and the world's most important banker, suggesting that numerous US companies could go bankrupt on this scale. This would negatively impact the balance sheet quality of regional banks and the credit quality of private credit vehicles.

This pushed the shares of private credit managers such as Blackstone, KKR, Apollo, and Partners Group to new annual lows in some cases, which could prove to be an exciting buying opportunity. Financial companies that do not have a full banking license and are therefore not allowed to accept deposits from the public primarily invest funds from pension funds, insurers, and investment funds. They are central to the global formation, intermediation, and trading of capital.

The most important data points in the new week

20 October 2025	China: 15th Five-Year-Plan 2026–2030
22 October 2025	UK: CPI inflation and core inflation September
24 October 2025	Eurozone & USA: manufacturing & services PMI October
25 October 2025	USA: CPI inflation and core inflation September

Events

Zug Fair 2025

We will once again be present at the Zug trade fair this year. The largest autumn exhibition for trade and commerce in Central Switzerland will take place from **Saturday, October 25 to Sunday, November 2, 2025** at the «Stierenmarktareal» in Zug. We look forward to welcoming you to our **stand (B1.20)** in **Hall B1** at the Zug Autumn Fair.

Further information [can be found here](#) (in German).

Information event for private individuals – Investing money is also a matter of trust

On **Thursday, November 13, 2025**, we will be holding an information event for private individuals at our Lüssihof premises. The presentation will be held in Swiss German.

This event is primarily aimed at interested parties who would like to get to know us better.

[To registration](#) (in German).

Zugerberg Finanz Economic and Portfolio Outlook – January 2026

The next Zugerberg Finanz Outlook events 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**.

Please make a note of the date. The program and registration details will be available later in the [events section of our website](#).

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