



The middle class in America is suffering

According to the University of Michigan, the confidence index fell to 51.0 in November (from 53.6 in October). Opinions on personal financial situations were more negative than at any time since the major financial crisis of 2008/2009. Survey data and studies by private companies have recently gained in importance as federal agencies, once known for their “gold standard” economic data, have lost reliability, significance, and credibility. Some statistics (such as the number of new jobs created) are now being “created” by President Donald Trump’s followers.

What can be counted are the unemployed. Their number has risen to 4.4%, particularly in an important segment of Donald Trump’s electorate (Latinos). Last Friday brought more bad news for the faltering US economy and for the president. Clearly, the “golden age” he sees emerging has not yet taken hold of the masses. As far as Americans are concerned, they are looking toward a rather bleak future. With inflation at 3% and unemployment rising, the third part of the problematic trio, consumer confidence in the US, has also fallen to one of its lowest levels since records began.

What is particularly irritating, by the way, is that 25% of unemployed Americans now have a college degree that they worked toward for four years. Behind this lies the sharp decline in new hires in service jobs (“white-collar hiring”). More than 1.9 million Americans with a bachelor’s degree and aged 25 or older are unemployed, heightening fears of being replaced by AI-driven solutions. But even among 20- to 24-year-olds, unemployment stands at 9.2%, a level never before seen outside of a recession.

The euphoria surrounding the US stock markets appears to be waning. Last week alone, the relevant indices lost significant ground (-1.9% to -2.7%). As a result, although the Dow Jones was still up in local currency terms since the beginning of the year (+8.7% in USD), it was clearly down in Swiss francs (-3.2%). The broad S&P 500 Index is unchanged (+0.0% in CHF). Since the beginning of the year, only the US tech index Nasdaq has closed slightly up (+2.7% in CHF). Five weeks before Christmas, the global stock index is just +2.6%.

Donald Trump’s politically controversial peace plan for Ukraine is likely to be a key topic this week. Last week, speculators got cold feet and sold off European defense stocks such as Rheinmetall (-12%), Hensoldt (-14%) and Renk Group (-22%) in droves. By contrast, Swiss pharmaceutical and diagnostics group Roche (+10%) achieved the third-best weekly performance in the Stoxx Europe 600 Index.

Market data

Stock markets	since 31/12/2024	
SMI	12'632.7	+8.9%
SPI	17'342.4	+12.1%
DAX €	23'091.9	+16.0%
Euro Stoxx 50 €	5'515.1	+12.6%
S&P 500 \$	6'603.0	+12.3%
Dow Jones \$	46'245.4	+8.7%
Nasdaq \$	22'273.1	+15.3%
MSCI EM \$	1'334.0	+24.0%
MSCI World \$	4'242.7	+14.4%

Bond markets	since 31/12/2024	
SBI Dom Gov TR	227.1	+1.6%
SBI Dom Non-Gov TR	122.2	+1.2%

Real estate markets	since 31/12/2024	
SXI RE Funds	586.0	+7.8%
SXI RE Shares	4'347.8	+18.6%

Commodities	since 31/12/2024	
Oil (WTI; \$/Bbl.)	58.1	-19.0%
Gold (CHF/kg)	105'640.0	+38.0%
Bitcoin (USD)	85'123.4	-9.2%

Currencies	since 31/12/2024	
EUR/CHF	0.9308	-1.0%
USD/CHF	0.8083	-10.9%
EUR/USD	1.1513	+11.2%

Short-term interest rates	3-m	3-m. fcst.	12-m. fcst.
CHF	-0.04%	0.2%–0.5%	0.2%–0.5%
EUR	2.05%	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	2.70%	2.8%–3.0%	2.5%–2.8%
USD	4.06%	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: Roche was underestimated



Roche has been criticized for years, but its drug portfolio has clearly been underestimated. For example, the drug giredestrant, which represents a new class of drugs, achieved its primary endpoint in the pivotal Phase III patient study a year earlier than expected. According to Roche, ER-positive breast cancer accounts for about 70% of all breast cancer cases. However, despite advances in treatment, it remains particularly difficult to treat due to its biological complexity.

However, the innovative breast cancer drug is statistically convincing: significantly more patients remained tumor-free for longer after surgery than those who had received one of the current standard treatments. "The results underscore the potential for this new endocrine therapy to become the treatment of choice for patients in the early stages of the disease," said Roche's Chief Medical Officer.

Innovation can bring significant benefits. On October 23, 2025, Roche announced that it was raising its profit forecast for the full year. In the first nine months, group sales increased by 7% at constant exchange rates due to high demand for innovative drugs and diagnostics.

The main growth drivers were drugs for the treatment of serious diseases such as breast cancer, food allergies, serious eye diseases, hemophilia A, and multiple sclerosis. Demand for pathology and molecular diagnostics solutions also rose.

Thomas Schinecker, CEO of Roche, was quoted as saying: "This positive momentum is also reflected in our pipeline: we have advanced ten potentially groundbreaking therapies for diseases with high unmet medical needs into the final phase of clinical development – a new record for us – and achieved numerous positive study results. By 2030, we expect Phase III study results for up to 19 novel medicines."

And as former head of the Diagnostics Division, Schinecker was certainly happy to add: "Our groundbreaking next-generation sequencing technology – which will be launched next year – has set a new record: it decodes a complete human genome in less than four hours."

With a share price of CHF 315, Roche is valued at CHF 256 billion – the number one in Switzerland, followed by Novartis (CHF 217 billion) and Nestlé (CHF 208 billion). Roche's share price has risen 24% since the beginning of the year and remains moderately valued with an estimated price/earnings ratio of 16.

The most important data points in the new week

24 November 2025	Germany: ifo Business Climate and Expectations November
25 November 2025	USA: Conference Board Consumer Confidence November
26 November 2025	USA: PCE inflation and core inflation, as well as GDP deflator for October
28 November 2025	Eurozone: Business Climate and Consumer Confidence for November

Events

Zugerberg Finanz Economic and Stock Market Outlook – January 2026

The next Zugerberg Finanz Economic and Stock Market Outlook 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**, with a special topic: "The Art of Calculated Risk."

The program will be led by founder and CEO **Timo Dainese**. Chief Economist **Prof. Dr. Maurice Pedergrana** and CIO **Cyrill von Burg** will explain the outlook for the economy and capital markets in a panel discussion.

We welcome **Nicolas Hojac**, one of the leading Swiss mountaineers of our time, as a guest speaker. Whether it's the Eiger North Face in Switzerland, the peaks of Nepal, or the most remote mountains in the world, he will take us on his exciting expeditions and give us an insight into the world of calculated risk.

Register

(Event in Swiss German language)

Zugerberg Finanz economics workshops for young people – March 2026

Inspire and motivate young people! On **Saturday, March 7, 2026**, and **Saturday, March 14, 2026**, we are hosting two one-day workshops for young people entitled "The Fascination of Economics" and "The Fascination of the Stock Market & Capital Markets."

Register

(Workshops in Swiss German language)

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