WEEKLY MARKETS ROUND-UP

Executive Summary

24th February 2025

Top news: NVDA earnings on Wednesday, US PCE Core Inflation on Friday - Last week, US equities retreated 2-3% as hopes for an upside breakout were dashed from Thursday onwards due to rising US growth concerns. Notably, Walmart's more cautious forward guidance and new tariff threats on healthcare and semiconductors contributed to this sentiment. The decline accelerated on Friday when the US Flash Services PMI fell back into contraction at 49.7, well below its expected 53. The sell-off was exacerbated by a massive option expiry day. In contrast, European and Chinese equities performed better, mostly flat to slightly up. A potential forced solution in Ukraine was seen as a growth catalyst, and positive prospects for Chinese Tech, especially Alibaba (BABA), which reported strong earnings on Thursday, also contributed to this stability. The release of the Minutes from the last FED meeting on Wednesday evening highlighted renewed concerns about inflation risks, driven by trade tensions, immigration policies, and global supply chain concerns. This week, markets will focus on weighing the results of the German election and then shift attention to NVIDIA's earnings on Wednesday after the close. Expectations for NVIDIA have been lowered slightly since the DeepSeek release, but Al Capex plans at large US companies remain substantial, for now. The week will conclude with the US Q4 Preliminary GDP estimates on Thursday and the US Core PCE data on Friday, expected slightly higher. Equities: US equities underperformed global ones last week, YTD, they are massively lagging Europe, in sharp contrast with 2024. The failure to break-up last week may weigh on prices another few weeks. Europe also appears Overbought. Fixed Income: US/Bund10Y yields remain uptrending yet have recently failed to resume higher. For now, they are still above crucial support (circa 4.4% on US10Y). That said, any further growth slowdown may result in deeper retracement FOREX: as rates were soft, especially for US Treasuries, the US to Bund rates differential has retraced slightly, putting pressure on USD. Yet, with most readings below still on neutral, we would continue to favor the previous Dollar uptrend. Commodities: Oil dumped last week as peace talks in Ukraine seemed to accelerate. We are hence turning more prudent on it. Gold retested up once more with a new 2'955 \$/oz all-time high but remains slightly Overbought for now.

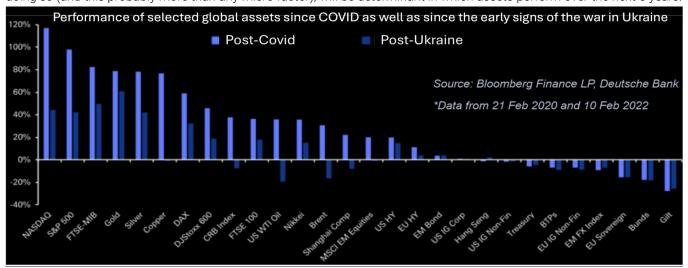
Currencies	Price	Performanc	e since 52 W	eek Low	Performan	ce since 52 V	Veek High	Performance	Trend	Exaggeration
										OB / OS ²
	6.040									
										neutral
USD	21 614	Apr-24	17 038	26,9%	Feb-25	22 176	-2,5%	2,9%	up	neutral
USD	43 428	Apr-24	37 735	15,1%	Dec-24	45 014	-3,5%	2,1%	neutral	neutral
EUR	5 475	Aug-24	4 572	19,8%	Feb-25	5 534	-1,1%	11,8%	up	ОВ
CHF	12 949	Apr-24	11 197	15,6%	Feb-25	12 949	-0,0%	11,6%	up	ОВ
JPY	38 767	Aug-24	31 458	23,2%	Jul-24	42 224	-8,2%	-2,8%	neutral	neutral
CNY	3 379	Sep-24	2 704	25,0%	Oct-24	3 490	-3,2%	0,8%	neutral	neutral
0/.	1 120/	Son 24	2 62%	0.8%	lan 25	4 70%	-0.4%	-0.2%		neutral
										slightly O
USD	90	Jan-25	86	4,1%	Sep-24	100	-10,7%	1,7%	down	neutral
USD	108	Apr-24	103	5,1%	Sep-24	113	-4,2%	1,4%	neutral	neutral
USD	80	Apr-24	73	8,6%	Feb-25	80	-0,2%	2,0%	neutral	neutral
USD	91	Apr-24	83	9,2%	Sep-24	92	-1,5%	2,7%	neutral	neutral
	1.05	Jan-25	1,02	2.1%	Aug-24	1.12	-6.5%	1.0%	neutral	neutral
	1,26	Jan-25	1,22	3,8%	Sep-24	1,34	-5,8%	0,9%	neutral	neutral
	149	Sep-24	141	6,2%	Jul-24	162	-7,6%	-5,0%	neutral	neutral
	0,90	Sep-24	0,84	6,8%	Apr-24	0,92	-2,3%	-1,0%	neutral	neutral
	0,64	Jan-25	0,61	3,5%	Sep-24	0,69	-8,1%	2,7%	neutral	neutral
LISD	7/	Sen-24	69	6.9%	Δnr-24	Q1	-18 6%	-0.7%	neutral	neutral
		•		1727-000						slightly O
	EUR CHF JPY CNY % % USD USD	USD 21 614 USD 43 428 EUR 5 475 CHF 12 949 JPY 38 767 CNY 3 379 % 4,43% % 2,45% USD 90 USD 108 USD 91 1,05 1,26 149 0,90 0,64	USD 6 013 Apr-24 USD 21 614 Apr-24 USD 43 428 Apr-24 EUR 5 475 Aug-24 CHF 12 949 Apr-24 JPY 38 767 Aug-24 CNY 3 379 Sep-24 % 4,43% Sep-24 USD 90 Jan-25 USD 108 Apr-24 USD 91 Apr-24 USD 91 Apr-24 USD 91 Apr-24 USD 91 Jan-25 1,26 Jan-25 1,26 Jan-25 149 Sep-24 0,90 Sep-24 0,64 Jan-25	USD 21 614 Apr-24 17 038 USD 43 428 Apr-24 37 735 EUR 5 475 Aug-24 4 572 CHF 12 949 Apr-24 11 197 JPY 38 767 Aug-24 31 458 CNY 3 379 Sep-24 2 704 % 4,43% Sep-24 3,62% % 2,45% Dec-24 2,03% USD 90 Jan-25 86 USD 108 Apr-24 103 USD 80 Apr-24 73 USD 91 Apr-24 83 1,05 Jan-25 1,02 1,26 Jan-25 1,02 1,26 Jan-25 1,22 149 Sep-24 0,84 0,64 Jan-25 0,61	USD 6 013 Apr-24 4 967 21,1% USD 21 614 Apr-24 17 038 26,9% USD 43 428 Apr-24 37 735 15,1% EUR 5 475 Aug-24 4 572 19,8% CHF 12 949 Apr-24 11 197 15,6% JPY 38 767 Aug-24 31 458 23,2% CNY 3 3 79 Sep-24 2 704 25,0% % 4,43% Sep-24 3,62% 0,8% % 2,45% Dec-24 2,03% 0,4% USD 90 Jan-25 86 4,1% USD 90 Jan-25 86 4,1% USD 91 Apr-24 103 5,1% USD 91 Apr-24 83 9,2% 1,05 Jan-25 1,02 2,1% 1,26 Jan-25 1,02 2,1% 1,26 Jan-25 1,02 2,1% 1,26 Jan-25 1,02 2,1% 1,26 Jan-25 1,02 3,8% 149 Sep-24 141 6,2% 0,90 Sep-24 0,84 6,8% 0,64 Jan-25 0,61 3,5%	USD 6 013 Apr-24 4 967 21,1% Feb-25 USD 21 614 Apr-24 17 038 26,9% Feb-25 USD 43 428 Apr-24 37 735 15,1% Dec-24 EUR 5 475 Aug-24 4 572 19,8% Feb-25 CHF 12 949 Apr-24 11 197 15,6% Feb-25 JPY 38 767 Aug-24 31 458 23,2% Jul-24 CNY 3 379 Sep-24 2 704 25,0% Oct-24 % 4,43% Sep-24 3,62% 0,8% Jan-25 % 2,45% Dec-24 2,03% 0,4% May-24 USD 90 Jan-25 86 4,1% Sep-24 USD 90 Jan-25 86 4,1% Sep-24 USD 80 Apr-24 73 8,6% Feb-25 USD 91 Apr-24 83 9,2% Sep-24 1,05 Jan-25 1,02 2,1% Aug-24 1,26 Jan-25 1,22 3,8% Sep-24 1,26 Jan-25 1,22 3,8% Sep-24 1,26 Jan-25 1,22 3,8% Sep-24 1,26 Jan-25 1,02 2,1% Aug-24 1,26 Jan-25 1,02 3,8% Sep-24 1,26 Jan-25 1,02 3,8% Sep-24 1,09 Sep-24 141 6,2% Jul-24 0,90 Sep-24 0,84 6,8% Apr-24 0,64 Jan-25 0,61 3,5% Sep-24	USD 6 013 Apr-24 4 967 21,1% Feb-25 6 144 USD 21 614 Apr-24 17 038 26,9% Feb-25 22 176 USD 43 428 Apr-24 37 735 15,1% Dec-24 45 014 EUR 5 475 Aug-24 4 572 19,8% Feb-25 5 534 CHF 12 949 Apr-24 11 197 15,6% Feb-25 12 949 JPY 38 767 Aug-24 31 458 23,2% Jul-24 42 224 CNY 3 379 Sep-24 2 704 25,0% Oct-24 3 490 % 4,43% Sep-24 3,62% 0,8% Jan-25 4,79% % 2,45% Dec-24 2,03% 0,4% May-24 2,68% USD 90 Jan-25 86 4,1% Sep-24 100 USD 108 Apr-24 103 5,1% Sep-24 113 USD 80 Apr-24 73 8,6% Feb-25 80 USD 91 Apr-24 83 9,2% Sep-24 92 1,05 Jan-25 1,02 2,1% Aug-24 1,12 1,26 Jan-25 1,02 2,1% Aug-24 1,12 1,26 Jan-25 1,22 3,8% Sep-24 1,34 149 Sep-24 141 6,2% Jul-24 162 0,90 Sep-24 0,84 6,8% Apr-24 0,92 0,64 Jan-25 0,61 3,5% Sep-24 0,69	USD 6 013 Apr-24 4 967 21,1% Feb-25 6 144 -2,1% USD 21 614 Apr-24 17 038 26,9% Feb-25 22 176 -2,5% USD 43 428 Apr-24 37 735 15,1% Dec-24 45 014 -3,5% EUR 5 475 Aug-24 4 572 19,8% Feb-25 5 534 -1,1% CHF 12 949 Apr-24 11 197 15,6% Feb-25 12 949 -0,0% JPY 38 767 Aug-24 31 458 23,2% Jul-24 42 224 -8,2% CNY 3 379 Sep-24 2 704 25,0% Oct-24 3 490 -3,2% % 4,43% Sep-24 3,62% 0,8% Jan-25 4,79% -0,4% % 2,45% Dec-24 2,03% 0,4% May-24 2,68% -0,2% USD 90 Jan-25 86 4,1% Sep-24 100 -10,7% USD 108 Apr-24 103 5,1% Sep-24 113 -4,2% USD 80 Apr-24 73 8,6% Feb-25 80 -0,2% USD 91 Apr-24 83 9,2% Sep-24 92 -1,5% 1,05 Jan-25 1,02 2,1% Aug-24 1,12 -6,5% 1,26 Jan-25 1,02 2,1% Aug-24 1,12 -6,5% 1,26 Jan-25 1,02 2,1% Aug-24 1,34 -5,8% 149 Sep-24 141 6,2% Jul-24 162 -7,6% 0,90 Sep-24 0,84 6,8% Apr-24 0,92 -2,3% 0,64 Jan-25 0,61 3,5% Sep-24 0,69 -8,1%	USD 6013 Apr-24 4 967 21,1% Feb-25 6144 -2,1% 2,2% USD 21614 Apr-24 17 038 26,9% Feb-25 22 176 -2,5% 2,9% USD 43 428 Apr-24 37 735 15,1% Dec-24 45 014 -3,5% 2,1% EUR 5 475 Aug-24 4 572 19,8% Feb-25 5 534 -1,1% 11,8% CHF 12 949 Apr-24 11 197 15,6% Feb-25 12 949 -0,0% 11,6% JPY 38 767 Aug-24 31 458 23,2% Jul-24 42 224 -8,2% -2,8% CNY 3 379 Sep-24 2 704 25,0% Oct-24 3 490 -3,2% 0,8% % 4,43% Sep-24 3,62% 0,8% Jan-25 4,79% -0,4% -0,2% % 2,45% Dec-24 2,03% 0,4% May-24 2,68% -0,2% 0,1% USD 90 Jan-25 86 4,1% Sep-24 100 -10,7% 1,7% USD 108 Apr-24 103 5,1% Sep-24 113 -4,2% 1,4% USD 80 Apr-24 73 8,6% Feb-25 80 -0,2% 2,0% USD 91 Apr-24 83 9,2% Sep-24 92 -1,5% 2,7% 1,05 Jan-25 1,02 2,1% Aug-24 1,12 -6,5% 1,0% 1,26 Jan-25 1,22 3,8% Sep-24 1,34 -5,8% 0,9% 149 Sep-24 141 6,2% Jul-24 162 -7,6% -5,0% 0,90 Sep-24 0,84 6,8% Apr-24 0,92 -2,3% -1,0% 0,64 Jan-25 0,61 3,5% Sep-24 0,69 -8,1% 2,7%	USD 6 013 Apr-24 4 967 21,1% Feb-25 6 144 -2,1% 2,2% neutral USD 21 614 Apr-24 17 038 26,9% Feb-25 22 176 -2,5% 2,9% up USD 43 428 Apr-24 37 735 15,1% Dec-24 45 014 -3,5% 2,1% neutral EUR 5 475 Aug-24 4 572 19,8% Feb-25 5 534 -1,1% 11,8% up CHF 12 949 Apr-24 11 197 15,6% Feb-25 12 949 -0,0% 11,6% up JPY 38 767 Aug-24 31 458 23,2% Jul-24 42 224 -8,2% -2,8% neutral CNY 3 3 79 Sep-24 2 704 25,0% Oct-24 3 490 -3,2% 0,8% neutral W 4,43% Sep-24 3,62% 0,8% Jan-25 4,79% -0,4% -0,2% up % 2,45% Dec-24 2,03% 0,4% May-24 2,68% -0,2% 0,1% up USD 90 Jan-25 86 4,1% Sep-24 100 -10,7% 1,7% down USD 108 Apr-24 103 5,1% Sep-24 113 -4,2% 1,4% neutral USD 80 Apr-24 73 8,6% Feb-25 80 -0,2% 2,0% neutral USD 91 Apr-24 83 9,2% Sep-24 92 -1,5% 2,7% neutral USD 91 Apr-24 83 9,2% Sep-24 1,34 -5,8% 0,9% neutral 1,05 Jan-25 1,02 2,1% Aug-24 1,12 -6,5% 1,0% neutral 1,26 Jan-25 1,02 2,1% Aug-24 1,12 -6,5% 1,0% neutral 0,90 Sep-24 0,84 6,8% Apr-24 0,92 -2,3% -1,0% neutral 0,90 Sep-24 0,84 6,8% Apr-24 0,92 -2,3% -1,0% neutral 0,64 Jan-25 0,61 3,5% Sep-24 0,69 -8,1% 2,7% neutral

^{*} These large fixed income ETFs are used as proxies to assess the state of duration trades as well as of credit markets

WEEKLY MARKETS ROUND-UP

Macro focus: since COVID, fiscal stimuli have boosted risk assets, yet at what cost

This week we highlight the performance of a broad range of assets since COVID and the start of the war in Ukraine. We first note the strong polarization between bonds and riskier assets, with the former widely underperforming the latter. Indeed, while these crises have wreaked havoc on populations, they have been a bonanza for financial markets as, since COVID and the war in Ukraine, most governments have engaged in widespread and sustained fiscal stimuli, leaving behind any previous deficit quidelines, in order to avoid an outright financial and debt deflation crisis. This largesse may have initially been justified, yet has since become standard practice, and over the last 5 years has resulted in a secular transfer of wealth from Governments to the private sector. Corporate and higher net worth individuals have been the main beneficiary, as stimuli led to growth, rising corporate profits, strong equity markets and a constant increase in the wealth effect. On the other side of the spectrum, working classes were left facing a sharp increase in inflation, which Central Banks had to fight with higher rates resulting in a rapid debasement of medium to long term Sovereign debt and a sharp rise in (re-)financing costs. Precious metals were early to sniff it out and have been rising sharply in anticipation. Today, as most governments face a steep and expensive refinancing wall, they aren't many solutions, either reduce government spending and deficits to restore public finance stability and confidence, yet risking to face an economic slowdown and deleveraging, or reopen the monetary spigots, buy the long end of the curve, hence monetizing debt, and potentially triggering a vicious feed-back loop of renewed inflation and monetary debasement. Various countries and regions are facing this dilemma with different levels of leeway, yet for many, urgency is quite high. Most will probably try to do a bit of both solutions, treading a fine line. Their success in doing so (and this probably more than any micro factor), will be determinant in which assets perform over the next 5 years.



Notes:

- 1. **Trend last 6 months:** this Primis original algorithm, weighs the slope of the trend over the last 6 months vs the slope of the trend over the last 3 months yet factorised by the Fibonacci retracement ratio (0.618). Values are normalised using the average price over each period. If this combined slope is above +0.05% the trend is then "up", below -0.05% then "down", otherwise it is "neutral".
- 2. Overbought (OB) / Oversold (OS) measures: this Primis original algorithm is computed by comparing the difference between the 8 days moving average and the 100 days combined with the 3 days vs the 15 days one and normalises this difference by dividing it by the 1 year standard deviation (circa 260 open market days). Values above 225% or under -225% are Overbought "OB", resp. Oversold "OS", values above 100% or under -100% are "slightly OB", resp. "slightly OS", otherwise there is no relevant exaggeration and the situation is then "neutral".

Disclaimer: The information in this document is being provided for general market commentary and information purposes. This document does not constitute a solicitation or offer, or recommendation to acquire or dispose of any investment or to engage in any other transaction. Any reference to a transaction, trade, position, holding, security, market, or level is purely meant to educate readers about possible opportunities and risks in the marketplace and are not meant to imply that any person or entity should take any action whatsoever without first evaluating such action(s) in light of their own situation either on their own or through a professional advisor. If a person or entity does not believe they are qualified to make such decisions, they should seek professional advice. The prices listed are for reference only and are in no way intended to represent an actual trade. This information is not a substitute for professional advice of any nature, including tax, legal, and financial. While we believe the information contained herein to be accurate, all numbers should be verified by the reader through independent sources. Primis Investment (Suisse) SA assumes no responsibility for errors or omissions in the contents of this document. In no event shall Primis Investment (Suisse) SA be liable for any special, direct, indirect, consequential, or incidental damages or any damages whatsoever, whether in an action of contract, negligence, or other tort, arising out of or in connection with the contents of this document or any related services. Trading securities, options, futures, or any other security involves risk and can result in the immediate and substantial loss of the capital invested. Every reader/recipient is responsible for his or her own investment decisions. Primis Investment (Suisse) SA reserves the right to make additions, deletions, or modifications to the contents of this document and related services at any time without prior notice.



Primis Investment (Suisse) SA

5 rue Jacques-Balmat, 1204 Geneva – Switzerland T: + 41 22 570 60 80

wealth-management@primis.swiss

www.primis.swiss