

# WEEKLY MARKETS ROUND-UP

## Executive Summary

11<sup>th</sup> August 2025

**Top news: US CPI and PPI on Wednesday and Thursday, possible Trump/Putin meeting in Alaska on Friday** – last week equity markets brushed off the negative NFP numbers from Friday a week ago and rose back to test their recent all-time highs. Indeed, the week started with strong earnings from Palantir on Monday, and markets continued to climb despite weaker ISM Services PMIs on Tuesday. Early this week will be focused on confirming the Trump-Putin talks set for Friday in Alaska, while the market will also consider the deal signed by AMD and NVIDIA over the weekend with the US Government and which will see it levy 15% of their Chip export revenues to China. Investors will then turn to US Inflation data on Wednesday and Thursday to assess any tariffs impact and potential consequences for the likelihood and scope of a September cut by the FED. Headline CPI is expected slightly lower at +0.2% MoM (vs +0.3% in June), Core slightly higher at +0.3% MoM (vs +0.2% in June). YoY data should remain in the high 2s%. On Thursday, both Core and Headline PPI are expected at +0.2% MoM (vs 0.0% in June). Retail sales may then also print quite strong on Friday, exp. at 0.3 to 0.5% MoM, followed by Univ. of Michigan Consumer Confidence, which could continue to recover.

**Equities:** US markets are testing all-time highs again, Asian markets their YTD highs, while Europe attempts to resume higher. Slight Overbought conditions may still cap prices into mid/late August, followed by higher highs into late Q3.

**Fixed Income:** the US and Bund 10Y yields bounced back slightly last week, yet could still continue to fade (perhaps towards 4% on the US10Y) into late August, provided CPI this week isn't too hot. Credit is slightly Overbought.

**Forex:** following its drop on the previous Friday's negative NFPs, USD stabilized/held last week. Rising September rate cut expectations are pretty much priced in and with recent positive tariffs deals for the US, USD may continue to hold.

**Commodities:** Oil continued to drop last week on further OPEC+ production increases and possible US/Russia talks. Spot Gold remained bid last week, while its Futures took off on the possible implementation of import tariffs.

	Currencies	Price	Performance since 52 Week Low			Performance since 52 Week High			Performance	Trend	Exaggeration
			Date Low	Low Price	Rise %	Date High	High price	Decline %			
S&P500 Index	USD	6 389	Apr-25	4 983	28,2%	Jul-25	6 390	-0,0%	8,6%	up	slightly OB
Nasdaq100 Index	USD	23 603	Apr-25	17 090	38,1%	Aug-25	23 603	0,0%	12,3%	up	slightly OB
Dow Jones Industrials Index	USD	44 174	Apr-25	37 646	17,3%	Dec-24	45 014	-1,9%	3,8%	neutral	neutral
EuroStoxx50	EUR	5 354	Apr-25	4 622	15,8%	Mar-25	5 541	-3,4%	9,3%	neutral	neutral
Swiss Market Index	CHF	11 867	Apr-25	10 888	9,0%	Mar-25	13 167	-9,9%	2,3%	down	neutral
Nikkei225	JPY	41 773	Apr-25	31 137	34,2%	Jul-25	41 826	-0,1%	4,7%	up	slightly OB
Shanghai Composite	CNY	3 635	Sep-24	2 704	34,4%	Aug-25	3 640	-0,1%	8,5%	up	slightly OB

US 10Y Treasury Yield	%	4,29%	Sep-24	3,62%	0,7%	Jan-25	4,79%	-0,5%	-0,3%	neutral	neutral
German 10Y Bund Yield	%	2,69%	Dec-24	2,03%	0,7%	Mar-25	2,89%	-0,2%	0,3%	neutral	neutral
US 20Y Treasuries (TLT ETF, 17-18Y duration)*	USD	87	May-25	84	4,5%	Sep-24	100	-12,4%	0,7%	neutral	neutral
US Investment Grade (LQF ETF - 8-9Y duration)*	USD	109	Jan-25	103	6,1%	Sep-24	111	-1,3%	4,4%	neutral	slightly OB
US High Yield (HYG ETF, 3-4Y duration)*	USD	80	Aug-24	74	7,9%	Aug-25	80	-0,1%	5,4%	neutral	slightly OB
EM USD Sovereigns (EMB ETF, 7-8Y duration)*	USD	93	Apr-25	86	9,0%	Aug-25	93	0,0%	7,9%	neutral	slightly OB

EUR/USD	1,16	Jan-25	1,02	13,7%	Jul-25	1,18	-1,3%	12,4%	up	neutral
GBP/USD	1,34	Jan-25	1,22	10,5%	Jul-25	1,37	-2,2%	7,5%	neutral	neutral
USD/JPY	148	Sep-24	141	5,0%	Jan-25	158	-6,7%	-6,0%	neutral	neutral
USD/CHF	0,81	Jul-25	0,79	2,0%	Jan-25	0,92	-11,9%	-10,9%	down	neutral
AUD/USD	0,65	Apr-25	0,60	9,6%	Sep-24	0,69	-5,7%	5,4%	neutral	neutral

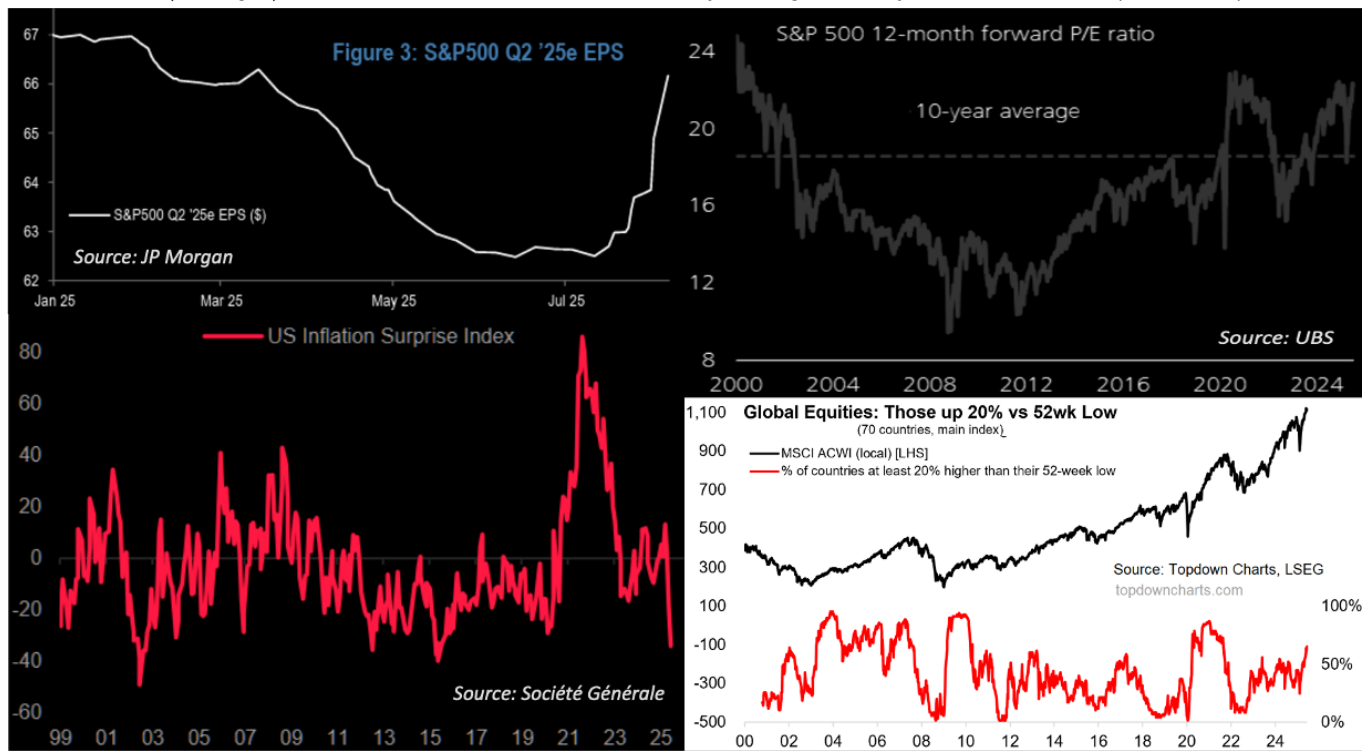
Brent Oil (per Barrel)	USD	67	May-25	60	10,6%	Jan-25	82	-19,2%	-10,9%	neutral	neutral
Gold Spot (per Ounce)	USD	3 398	Aug-24	2 448	38,8%	Jun-25	3 434	-1,1%	29,5%	up	neutral

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

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## Equity Focus: strong earnings meet rich valuations, yet momentum still strong

Q2 Earnings season is well underway with circa 90% of the S&P500 companies having reported and the aggregate S&P500 EPS coming in above 66, when the low 62s were expected only a month ago (top-left graph). On average S&P500 earnings beat by circa 7% while more than 80% of companies have delivered positive surprises. Furthermore, as pointed out by Société Générale (among other banks), this strong earnings environment comes as inflation surprises are now almost at 10 years lows (bot-left). Hence, while the bank suggests that the FED probably has room to cut, the combination with higher nominal profits could still drive stocks prices higher (SG's 6'900 price target by yearend). So yes, valuations are starting to raise concern (top-right, by UBS) with NTM PE currently approaching its highs made early this year and late 2021. Yet, with more than 50% of world markets now more than 20% up from their 52week lows (bot-right), the current momentum remains very strong and may well extend a couple more quarters.



### Notes:

- 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 +0.08% the trend is then "up", below -0.08% then "down", otherwise it is "neutral".
- 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".

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