PRIMIS® INVESTMENT

Swiss Independent Wealth Manager, Licensed by the Swiss Financial Market Supervisory Authority FINMA

WEEKLY MARKETS ROUND-UP

Executive Summary

1st December 2025

Top news: ISM Manufacturing and Services PMIs resp. today and Wednesday, US PCE Inflation on Friday– last week saw a broad surge in equity markets following the Oversold conditions that were met the previous week. It was mostly driven by rising expectations of a further -0.25% rate cut by the FED at its Dec. 10th meeting, following dovish remarks from FED Governor Williams Friday 10 days ago, and slightly dovish belated September PPI and Retail Sales data last week. Generally, global equities were up between 3 and 5% on average with the S&P500, the Nasdaq100 and the Nikkei225 leading the pack. Going forward, as we enter the last month of the year (and usually a good one for risk assets), investors will focus on catching up with economic data, which have been scarce and delayed since the start of the shutdown. This week, we are hence looking forward to the US Nov. ISM PMI's, with Manufacturing due this afternoon (exp. at 49 vs 48.7 prev.) and Services planned for Wednesday (exp. 52, vs 52.4 prev.). We will then consider the Nov. ADP private Payrolls net additions (an indication while waiting for the updated NFPs) on Wednesday, exp. at 19k vs 42k last month. Finally on Friday, the belated US PCE for Sept. will finally be released (exp. at 0.2% flat MoM), and then, later on that afternoon, the Univ. of Michigan Consumer Sentiment Index, which could tick up from historical low levels (52 exp. vs 51 prev.) along with Inflation Expectations, which have been gradually coming down lately.

Equities: the rise last week was broad and powerful. Such Breath Thrusts usually lead to further strength 6-12m out (see next page). In the meantime, Dec. usually starts well, yet then dips in week 2 and 3, before reaccelerating up again.

Fixed Income: 10Y US and Bunds yields continued to soften slightly last week. The mood around the upcoming FOMC meeting will continue to have strong influence (a rather dovish one for now). Longer term yields could retrace further.

Forex: as rate cut odds increased last week, the US Dollar faded circa 1% vs the other Majors (except for USD/JPY, which ended flat). As we move towards the 10th Dec. FED meeting, the US Dollar may continue to weaken slightly.

Commodities: Brent bounced slightly last week (<+1%) yet probably remains under pressure as supply continues to increase for OPEC+ and US shale. Gold is benefiting for the higher rate cut odds and bounced back +6% last week.

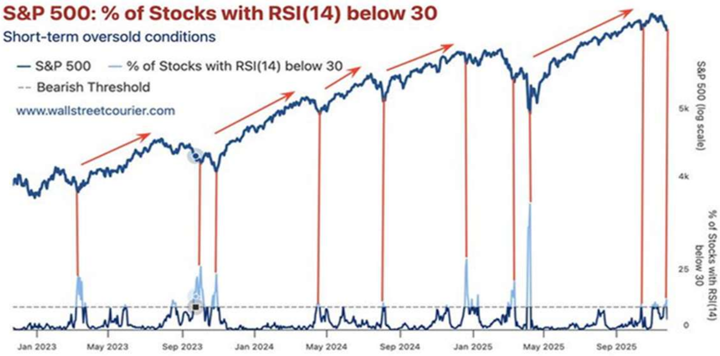
	Currencies	Price	Performance since 52 Week Low			Performance since 52 Week High			Performance	Trend	Exaggeration
			Date Low	Low Price	Rise %	Date High	High price	Decline %	YTD in %	last 6m[1]	OB / OS[2]
S&P500 Index	USD	6'849	Apr-25	4'983	37.5%	Oct-25	6'891	-0.6%	16.4%	up	neutral
Nasdaq100 Index	USD	25'435	Apr-25	17'090	48.8%	Oct-25	26'120	-2.6%	21.0%	up	neutral
Dow Jones Industrials Index	USD	47'716	Apr-25	37'646	26.8%	Nov-25	48'255	-1.1%	12.2%	up	neutral
EuroStoxx50	EUR	5'668	Apr-25	4'622	22.6%	Nov-25	5'787	-2.1%	15.8%	up	neutral
Swiss Market Index	CHF	12'834	Apr-25	10'888	17.9%	Mar-25	13'167	-2.5%	10.6%	neutral	slightly OB
Nikkei225	JPY	50'211	Apr-25	31'137	61.3%	Nov-25	52'411	-4.2%	25.9%	up	neutral
Shanghai Composite	CNY	3'889	Apr-25	3'097	25.6%	Nov-25	4'030	-3.5%	16.0%	up	neutral
US 10Y Treasury Yield	%	4.02%	Apr-25	3.89%	0.1%	Jan-25	4.79%	-0.8%	-0.6%	neutral	slightly OS
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	90	May-25	82	10.0%	Dec-24	91	-1.3%	5.9%	neutral	slightly OB
US Investment Grade (LQF ETF - 8-9Y duration)*	USD	112	Jan-25	102	10.0%	Oct-25	112	-0.4%	8.3%	neutral	neutral
US High Yield (HYG ETF, 3-4Y duration)*	USD	81	Apr-25	73	10.7%	Nov-25	81	0.0%	8.3%	neutral	neutral
EM USD Sovereigns (EMB ETF, 7-8Y duration)*	USD	97	Apr-25	84	14.6%	Oct-25	97	-0.1%	13.5%	neutral	neutral
EUR/USD		1.16	Jan-25	1.02	13.2%	Sep-25	1.19	-2.2%	12.0%	neutral	neutral
GBP/USD		1.32	Jan-25	1.22	8.8%	Jul-25	1.37	-3.7%	5.8%	neutral	neutral
USD/JPY		156	Apr-25	141	10.9%	Jan-25	158	-1.4%	-0.7%	up	slightly OB
USD/CHF		0.80	Sep-25	0.79	2.2%	Jan-25	0.92	-12.4%	-11.4%	neutral	neutral
AUD/USD		0.66	Apr-25	0.60	10.1%	Sep-25	0.67	-2.0%	5.9%	neutral	neutral
Brent Oil (per Barrel)	USD	63	May-25	60	4.9%	Jan-25	82	-23.3%	-15.5%	down	neutral
Gold Spot (per Ounce)	USD	4'236	Dec-24	2'585	63.9%	Oct-25	4'378	-3.3%	61.4%	up	slightly OB

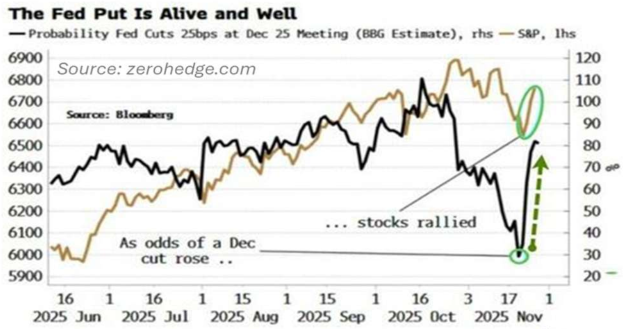
* These large fixed income ETFs are used as proxies to assess the state of duration trades as well as of credit markets

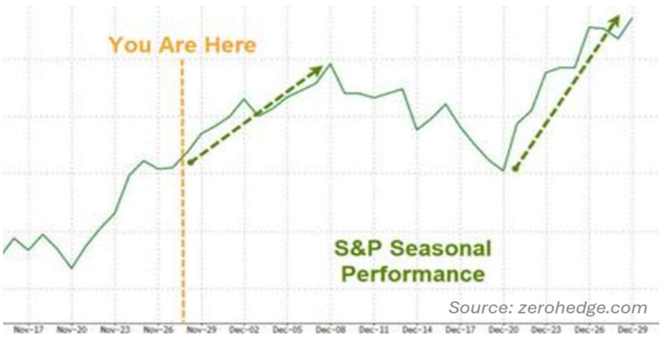
Source: Primis Investment (Suisse) SA

Technical focus: Oversold conditions followed by a strong upside breadth thrust

Thursday 10 days ago, S&P500 stocks were on average quite oversold. In fact, more than 10% were very oversold with RSI (Relative Strength Index) levels below 30. As shown in the top left graph, such conditions often (not always) trigger interesting buy the dips opportunities. Since then, US equities have rallied back with amazing strength. This reacceleration mostly coincides with a sharp recovery in Dec. 10th FED rate cut odds (top-right). These now stand at 88% vs 30% 10 days ago (CME FEDWatch). Such comeback rallies often imply some short term consolidation, and seasonality would indeed suggest a slight dip, usually within the next couple of weeks, before the yearend rally reaccelerates (bot-left). That said, the upside participation last week was so strong, it almost triggered a Zweig Breadth Thrust confirmation (the 10d moving average of Advancing issues vs all issues drops below 40% and then rapidly rises back to above 61.5%, bot-right), while many other Breadth Thrust measures were also almost triggered (e.g. deGraaf BT, 55% new 20d highs / Whaley BT, 5d cumulative Advances vs Declines > 3.0X). Such Breadth reacceleration signals (especially when they come in a cluster) are usually followed by 85-90% of positive outcomes (+10-15% on average) after 6m and 90-100% (+15-25% on avg.) after 12m.







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 +0.08% the trend is then "up", below -0.08% 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".

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