PRIMIS® INVESTMENT

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

WEEKLY MARKETS ROUND-UP

Executive Summary

12th January 2026

Top news: US CPI on Tuesday as earnings season kicks-off with US banks releases - last week's macro data was mixed with the US ISM Manufact. PMIs deceiving (at 47.9 vs 48.3 exp.), while the ISM Services PMI surprised positively (at 54.4 vs 52.2 exp.). On the labor front, the JOLTS Job Openings surprised negatively (7.15M openings vs 7.61M exp., its lowest levels since 2021). Then on Friday, the December Non-Farm Payrolls were slightly below expectations (50k vs 66k exp. and 56k prev.) reflecting a slow labor market yet no catastrophe. Friday finished with some stabilisation in the UoM Consumer Sentiment and Inflation Expectations data. All in all, the picture was neither recessionary nor reaccelerating, yet stable, while the Trump admistration is multiplying measures towards consumers (the announced purchase of $200bn mortgage bonds by Fanny Mae and Freddy Mac on Thursday, or the 1Y cap on credit card rates on Sunday) and to coerce the FED (the Subpoena announced today against Chair Powell). This week will mostly focus on Tuesday's CPI for December, which is expected around +0.3% MoM and +2.7% YoY for both Core and Headline, and comes after two months of canceled data due to the shutdown. On Wednesday US PPI and Retail Sales are also expected rather strong (+0.2% MoM for Core PPI, +0.3% for Headline PPI, +0.4% for Retail Sales). The week will also kick off the release of US Bank earnings (JPM, BK, WFC, C, BAC, MS, BLK, GS) as well as see the one for TSMC.

Equities: most markets started the year with new all-time highs. Consensus remains bullish due to expected EPS growth and rather dovish projections for the FED. January's positive seasonality should also help in the near term.

Fixed Income: 10Y benchmark yields retreated slightly last week on mixed data. The US CPI data expected on Tuesday will be scrutinized as the first release since September. Generally, yields may still consolidate further into H1 2026.

Forex: USD is now neutral on the table below vs European currencies, having recently bounced. It is currently retesting down on the Powell Subpoena, yet could bounce again into H1. Vs Asian currencies and the Yen, it remains strong.

Commodities: Brent bounced late last week as geopolitical turmoil increased yet for now the longer term supply/demand balance remains uncertain. Gold is making new highs today on the Subpoena vs Chair Powell.

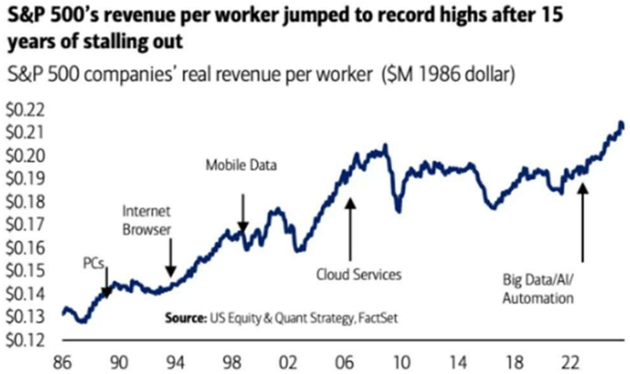
	Currencies	Price	Performance since 52 Week Low			Performance since 52 Week High			Performance	Trend	Exaggeration
			Date Low	Low Price	Rise %	Date High	High price	Decline %	YTD in %	last 6m[1]	OB / OS [2]
S&P500 Index	USD	6'966	Apr-25	4'983	39.8%	Jan-26	6'966	0.0%	1.8%	neutral	neutral
Nasdaq100 Index	USD	25'766	Apr-25	17'090	50.8%	Oct-25	26'120	-1.4%	2.0%	neutral	neutral
Dow Jones Industrials Index	USD	49'504	Apr-25	37'646	31.5%	Jan-26	49'504	0.0%	3.0%	up	neutral
EuroStoxx50	EUR	5'997	Apr-25	4'622	29.8%	Jan-26	5'997	0.0%	3.6%	up	slightly OB
Swiss Market Index	CHF	13'422	Apr-25	10'888	23.3%	Jan-26	13'422	0.0%	1.2%	up	slightly OB
Nikkei225	JPY	51'963	Apr-25	31'137	66.9%	Jan-26	52'518	-1.1%	3.2%	up	neutral
Shanghai Composite	CNY	4'120	Apr-25	3'097	33.1%	Jan-26	4'120	0.0%	3.8%	neutral	neutral
US 10Y Treasury Yield	%	4.17%	Apr-25	3.89%	0.3%	Jan-25	4.79%	-0.6%	-0.0%	neutral	neutral
German 10Y Bund Yield	%	2.83%	Feb-25	2.36%	0.5%	Dec-25	2.91%	-0.1%	-0.0%	up	neutral
US 20Y Treasuries (TLT ETF, 17-18Y duration)*	USD	88	May-25	80	9.6%	Oct-25	89	-1.6%	0.9%	neutral	neutral
US Investment Grade (LQF ETF - 8-9Y duration)*	USD	111	Jan-25	100	10.5%	Dec-25	111	-0.1%	0.4%	neutral	neutral
US High Yield (HYG ETF, 3-4Y duration)*	USD	81	Apr-25	72	12.0%	Jan-26	81	0.0%	0.5%	neutral	neutral
EM USD Sovereigns (EMB ETF, 7-8Y duration)*	USD	96	Apr-25	83	15.5%	Dec-25	97	-0.2%	0.1%	neutral	neutral
EUR/USD		1.16	Jan-25	1.02	13.5%	Sep-25	1.19	-1.9%	-1.0%	neutral	neutral
GBP/USD		1.34	Jan-25	1.22	10.1%	Jul-25	1.37	-2.5%	-0.6%	neutral	neutral
USD/JPY		158	Apr-25	141	12.2%	Jan-25	158	-0.0%	0.8%	neutral	slightly OB
USD/CHF		0.80	Sep-25	0.79	1.9%	Jan-25	0.92	-12.6%	1.1%	neutral	neutral
AUD/USD		0.67	Apr-25	0.60	12.3%	Jan-26	0.67	-0.8%	0.2%	neutral	neutral
Brent Oil (per Barrel)	USD	63	Dec-25	59	6.9%	Jan-25	82	-23.6%	3.5%	down	neutral
Gold Spot (per Ounce)	USD	4'510	Jan-25	2'662	69.4%	Dec-25	4'532	-0.5%	4.5%	up	neutral

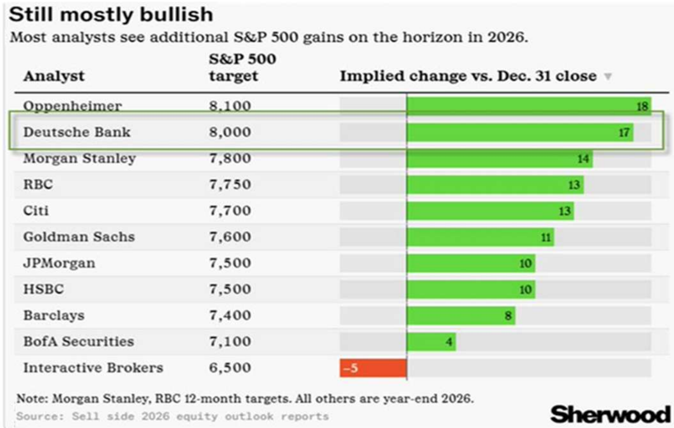
* These large fixed income ETFs are used as proxies to assess the state of duration trades as well as of credit markets

Source: Primis Investment (Suisse) SA

S&P500 focus: strong consensus reflects EPS growth and seemingly Goldilocks

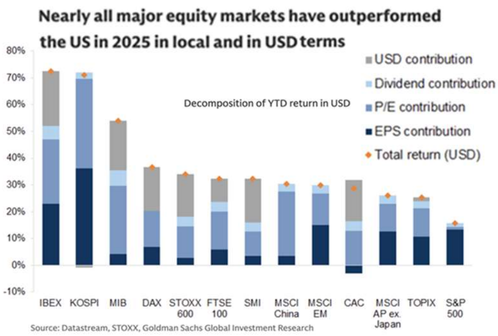
While Friday's Payrolls were rather soft, such lackluster US labor data are increasingly caveated as resulting from AI and Automation efficiency gains. In fact, since 2022, the revenue per worker for S&P500 companies has risen more than 10% (top-left graph). In this context, seemingly, labor data doesn't need to surprise positively, yet just hold, to justify further upside potential for US Equities (as was the case on Friday). More generally, as we enter 2026, bank forecasts for the S&P500 remain very positive (mostly between 7'500 and 8'000 into yearend– top-right). This bullishness may be explained by further earnings growth, but probably also by some multiples expansion. Indeed, in 2025, US markets were very much starved of it, relying solely on EPS growth to perform, while other markets benefited from rising multiples and positive currency effects. This may flip in 2026. First, US EPS growth estimates remain very strong, even broadening for Mid and Small Caps (bot-center). Secondly, while the FED is coerced into remaining "dovish", growth projections are accelerating (the Atlanta FED Q4 GDPNowcast is now above 5%), i.e. as long as CPI remains under control, this is the perfect set-up for Goldilocks (bot-right).

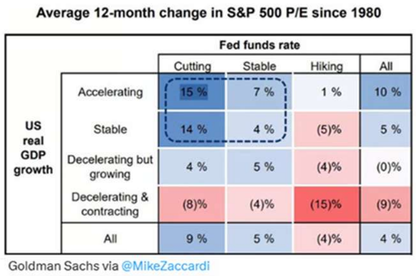




Analyst	S&P 500 target	Implied change vs. Dec. 31 close
Oppenheimer	8,100	18
Deutsche Bank	8,000	17
Morgan Stanley	7,800	14
RBC	7,750	13
Citi	7,700	13
Goldman Sachs	7,600	11
JPMorgan	7,500	10
HSBC	7,500	10
Barclays	7,400	8
BofA Securities	7,100	4
Interactive Brokers	6,500	-5

Note: Morgan Stanley, RBC 12-month targets. All others are year-end 2026.
Source: Sell side 2026 equity outlook reports





US real GDP growth	Cutting	Stable	Hiking	All
Accelerating	15 %	7 %	1 %	10 %
Stable	14 %	4 %	(5)%	5 %
Decelerating but growing	4 %	5 %	(4)%	(0)%
Decelerating & contracting	(8)%	(4)%	(15)%	(9)%
All	9 %	5 %	(4)%	4 %

Goldman Sachs via @MikeZaccardi

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".

Primis Investment (Suisse) SA
5 rue Jacques-Balmat, 1204 Geneva –Switzerland
T: + 41 22 570 60 80
wealth-management@primis.swiss www.primis.swiss