PRIMIS® INVESTMENT

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WEEKLY MARKETS ROUND-UP

Executive Summary

7th September 2026

Top news: Awaiting the ECB and US PPI on Thursday and US CPI on Friday – Following Warsh's hawkish speech at the previous Friday, markets retreated into Wednesday. They then recovered sharply on Thursday as Fed Gov. Waller made dovish remarks: "I am going to give disinflation a chance. We can wait one meeting." Rate-hike odds fell and equities rallied, yet Friday's blowout NFP reversed course, with good news seen as hawkish. Semiconductors bucked this trend, rising circa 2.6% Friday on news of NVDA's acquisition of Hugging Face. Further last week, ISM Manufacturing and Services PMIs both held comfortably expansionary near 55. US markets are closed this Monday for Labor Day and there is little news scheduled until Thursday, when the ECB is expected to hike 25bps to 2.50%. Any guidance of further hikes to come would be a surprise. Thursday also sees the release of US PPI, expected sharply higher on Headline (5.4% YoY vs. 4.7%) due to rising energy prices, while Core may rise from 4.2% to 4.6% largely on base effects. Friday then brings the US CPI, the last major data point before the Sept. 16th FOMC. Headline is exp. at +0.4% MoM (vs. +0.1%) and steady at 3.4% YoY, while Core could remain flat at +0.2% MoM and fall towards 2.4% YoY, a five-year low, if realized. Any reading below, e.g. at 2.3%, will read as dovish enough to tilt the Fed toward a hold.

Equities: US markets retested near their highs Thursday before easing slightly; Europe remains further below its own (- 2-3%). The consolidation since early August has been shallow. Friday's CPI is now crucial to validate further strength.

Fixed Income: benchmark yields still can't find a bid. US10Y sits close to breaking out to multiyear highs, while Bund10Y is still making fresh cycle highs. Both are now Slightly Overbought, yet the catalyst for a reversal is unsure.

Forex: The Yen strengthened sharply on suspected fresh intervention mid-week, while USD broadly followed Waller's comments lower before bouncing back on Friday's strong payrolls. The CPI and rate hike odds remain determinant.

Commodities: Gold sold-off into Wednesday on Warsh's hawkish remarks, yet recovered somewhat post Waller's own comments. Oil rose 7% on the week as Gulf skirmishes continued and early signs of returning Asian demand emerged.

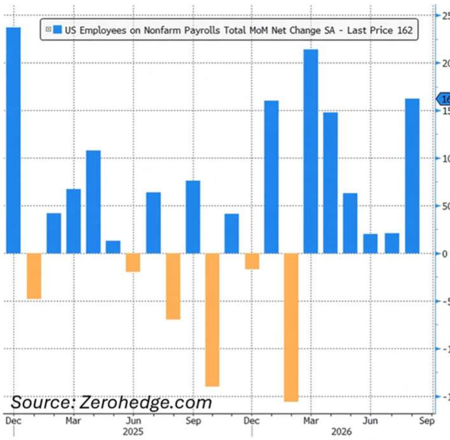
	Currencies	Price	Performance since 52 Week Low			Performance since 52 Week High			Performance	Trend	Exaggeration
			Date Low	Low Price	Rise %	Date High	High price	Decline %	YTD in %	last 6m[1]	OB / OS[2]
S&P500 Index	USD	7 718	Mar-26	6 344	21,7%	Aug-26	7 799	-1,0%	12,7%	up	neutral
Nasdaq100 Index	USD	29 536	Mar-26	22 953	28,7%	Jun-26	30 661	-3,7%	17,0%	up	neutral
Dow Jones Industrials Index	USD	53 394	Mar-26	45 167	18,2%	Aug-26	54 349	-1,8%	11,1%	up	neutral
EuroStoxx50	EUR	6 396	Sep-25	5 361	19,3%	Aug-26	6 551	-2,4%	10,4%	up	neutral
Swiss Market Index	CHF	14 412	Sep-25	11 876	21,4%	Aug-26	14 621	-1,4%	8,6%	up	neutral
Nikkei225	JPY	65 059	Sep-25	43 459	49,7%	Jun-26	72 366	-10,1%	29,2%	up	neutral
Shanghai Composite	CNY	3 931	Jul-26	3 764	4,4%	May-26	4 243	-7,4%	-1,0%	neutral	neutral
US 10Y Treasury Yield	%	4,78%	Oct-25	3,95%	0,8%	Sep-26	4,80%	-0,0%	0,6%	up	slightly OB
German 10Y Bund Yield	%	3,34%	Oct-25	2,55%	0,8%	Sep-26	3,38%	-0,0%	0,5%	up	slightly OB
US 20Y Treasuries (TLT ETF, 17-18Y duration)*	USD	82	May-26	81	1,9%	Feb-26	87	-5,4%	-1,3%	neutral	neutral
US Investment Grade (LQF ETF - 8-9Y duration)*	USD	105	Nov-25	104	1,2%	Jun-26	108	-2,3%	-0,2%	neutral	neutral
US High Yield (HYG ETF, 3-4Y duration)*	USD	79	Oct-25	75	5,0%	Aug-26	79	-0,3%	2,4%	neutral	neutral
EM USD Sovereigns (EMB ETF, 7-8Y duration)*	USD	94	Sep-25	90	5,0%	Jul-26	96	-1,2%	1,6%	neutral	neutral
EUR/USD		1,16	Jun-26	1,14	2,3%	Jan-26	1,20	-3,5%	-1,1%	neutral	neutral
GBP/USD		1,35	Nov-25	1,30	3,8%	Jan-26	1,38	-2,4%	0,3%	neutral	neutral
USD/JPY		156	Sep-25	146	6,7%	Jul-26	164	-4,6%	-0,3%	neutral	neutral
USD/CHF		0,81	Jan-26	0,76	6,2%	Jul-26	0,82	-1,1%	2,2%	neutral	slightly OB
AUD/USD		0,72	Nov-25	0,64	11,8%	May-26	0,73	-0,7%	7,9%	neutral	neutral
Brent Oil (per Barrel)	USD	96	Dec-25	59	62,5%	Apr-26	118	-18,9%	57,3%	neutral	neutral
Gold Spot (per Ounce)	USD	4 430	Sep-25	3 626	22,2%	Jan-26	5 416	-18,2%	2,6%	neutral	neutral

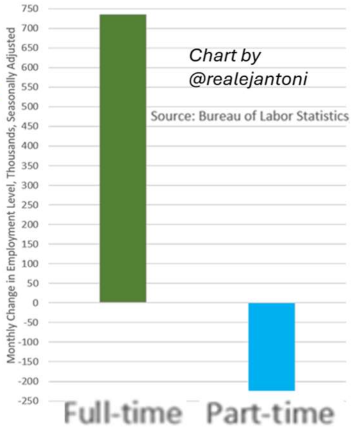
* These large fixed income ETFs are used as proxies to assess the state of duration trades as well as of credit markets

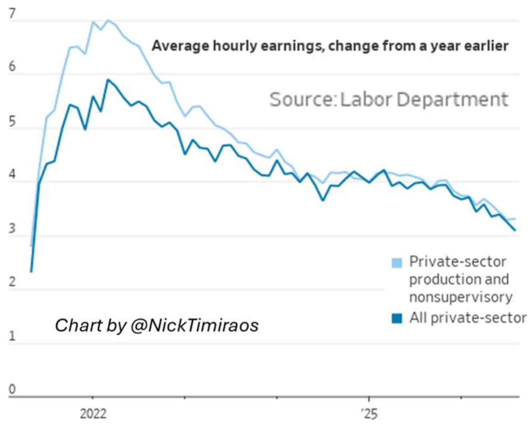
Source: Primis Investment (Suisse) SA

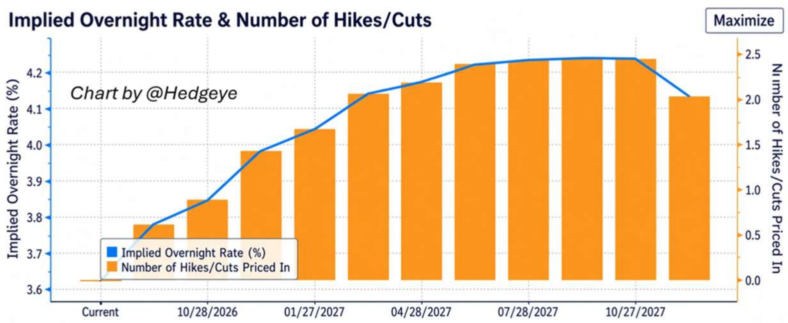
Payrolls focus: strong report puts a September hike back in play, CPI now awaited

Friday's August payrolls smashed expectations at +162k vs +53k exp. (top-left), while June/July data was revised up a combined +55k and the average YTD additions per month now add up to a very decent +80k. Concomitantly, the Household survey, also released on Friday, confirmed the current labor strength with full-time positions rising by circa 730k, more than offsetting a circa 200k drop in part-time roles, a mix the Fed will read as more durable job creation (top-middle). In contrast, average hourly earnings cooled further, falling to +3.1% YoY, a rather benign, almost Goldilocks reading (top-right). Yet, the market focused on the headline and following their drop on Thursday, which was triggered by FED Governor Waller's dovish remarks, rate-hike odds shot back up post Payrolls at 59.9% for September 16th and 50.8% for December (bot-left). Longer term, Futures markets are now pricing 2.5 hikes into mid 2027 before any cut can be envisaged (bot-right). August CPI, due next Friday and expected flat at 3.4% is now the last crucial data point between now and the September 16th FOMC decision.









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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