



STRATEGY UPDATE

JANUARY 2026



*Happy Festive
Season*



REVIEW

THE FINANCIAL MARKETS IN 2025

Artificial intelligence remained the dominant investment trend in equity markets throughout 2025. Above all, major US technology companies benefited disproportionately, leading to even greater concentration in key indices. In addition to this index concentration, persistently high valuations in particular caused uncertainty among investors. The current price-to-earnings ratio of the MSCI USA stands at around 28, significantly above its long-term average. Alongside US technology stocks, the European financial sector ranked among the year's winners. Driven by strong credit demand and stable margins, banks recorded robust price performance.

Institutions such as Santander with +126% or UniCredit with +85% were among the strongest performers and underscored the sector's return to investor focus. Swiss small- and mid-cap companies, however, faced a particularly challenging environment. Pharmaceutical and industrial companies suffered severely from geopolitical tensions, which reached a preliminary peak on April 1st with the so-called "Liberation Day." Persistent trade policy uncertainties, tariffs, and fragmented supply chains weighed on margins and dampened investment willingness. This led to an extraordinarily high divergence within the Swiss equity market.

The bond market was characterized by tensions in the US Treasury market. Trade policy uncertainties and continued growth in government debt led to growing skepticism, particularly at the long end of the yield curve. Thirty-year US Treasury yields rose sharply multiple times throughout the year and briefly exceeded the 5% mark – a clear signal of increased risk premiums and

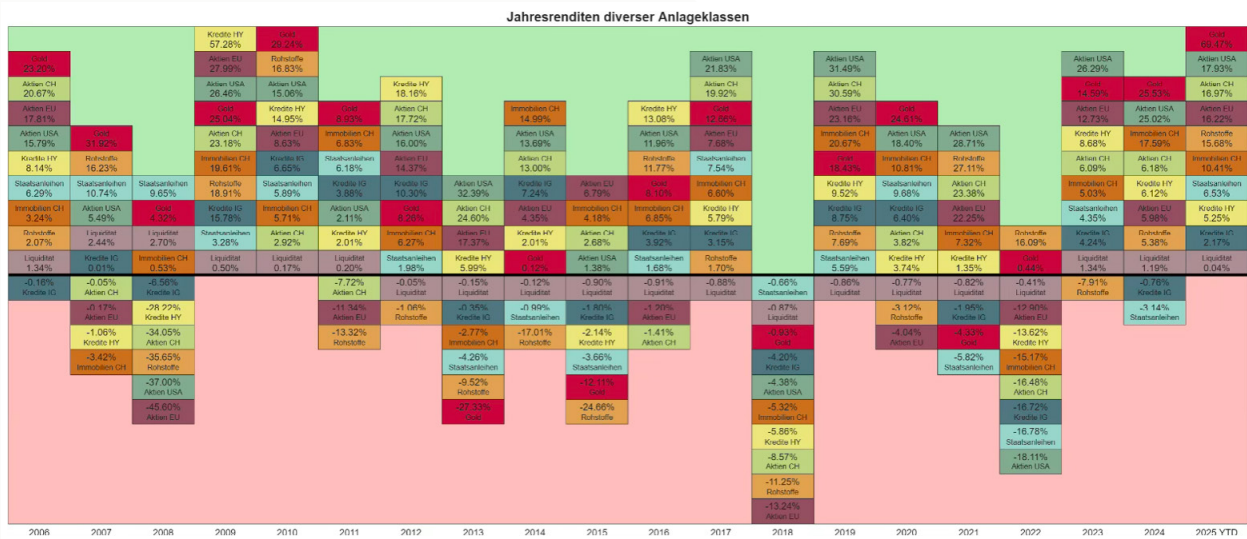
diminishing confidence in the long-term fiscal stability of the United States. The longest government shutdown in US history in October further intensified this uncertainty.

Loss of confidence was also evident in the US dollar's performance. Against the Swiss franc, the dollar lost approximately 11% in value over the year. For Swiss investors, this demonstrated that foreign currencies represent a crucial risk factor in portfolios.

Gold once again proved its worth as a hedge against political tensions and growing uncertainty. Demand remained high from both central banks and investors. In contrast, commodity markets suffered from expectations of economic slowdown. This was particularly evident in oil prices: WTI fell from around \$74 per barrel at the beginning of the year to \$56, indicating growing recession concerns.

Beyond traditional asset classes, cryptocurrencies made headlines. Bitcoin experienced an exceptionally turbulent year. After reaching a peak of around \$124,000 in early October, it underwent a significant correction and currently trades at around \$89,000. This volatility underscores that despite increasing acceptance, Bitcoin remains far from serving as a stable store of value.

2025 was a year of great differences – between regions, sectors, currencies, and individual securities. Markets offered opportunities but demanded a high degree of selectivity, risk awareness, and consistent diversification.





OUTLOOK

BETWEEN UNCERTAINTY AND OPPORTUNITY: WHAT WILL 2026 BRING?

2025 brings significant geopolitical shifts with it: America's new tariff policy, rising global tensions, and growing populism shape the environment. This is a new reality that we must navigate. At the same time, a central insight emerges: classical market drivers such as macro and fundamental data no longer operate in isolation; instead, they are overlaid by geopolitical factors. This means not fewer opportunities, but new ones. Those who understand these dynamics can position themselves better. 2026 will be more volatile, but also more exciting. Uncertainty is increasing – yet flexible actors find opportunities in this transformation.

The International Monetary Fund paints a differentiated picture for 2026: following 3.2% growth in 2025, it expects global growth to decline slightly to 3.1%. Regional differences are clear. The USA remains solid: at 2.1% growth, it falls below its potential but stays on course. Europe is struggling – only 1.1% growth underscores its weakness. Asia remains the growth driver with expected 4.7%, though showing first cracks. Switzerland can breathe a little easier: with 1.3% growth, things are moving slightly upward.

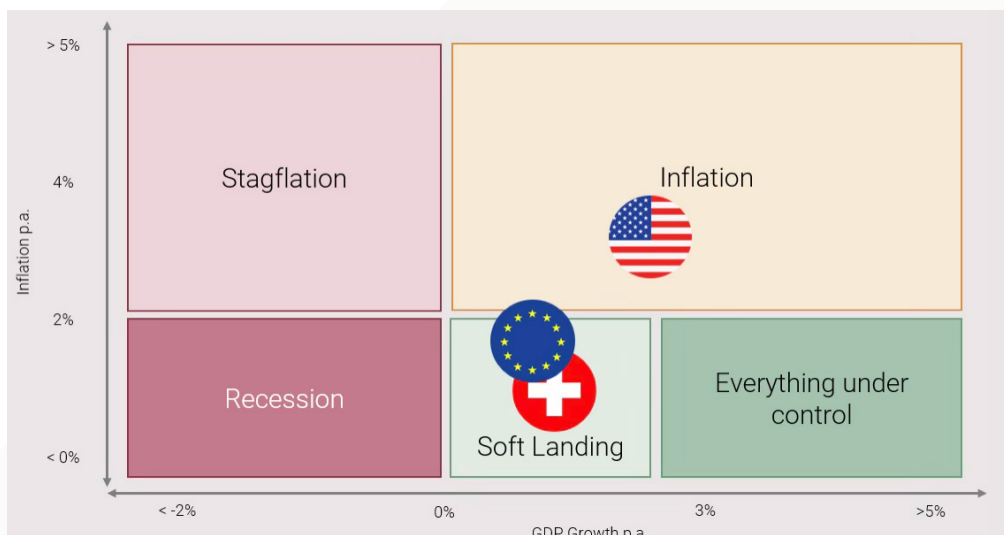
Consumption is the heart of the global economy, yet 2026 presents a contradictory picture – especially in the US. The good news: consumption is happening. Retail sales remain stable, cars are being purchased, travel is being booked, restaurants are being visited. But beneath the surface, caution is growing. Fewer new mortgages, declining consumer sentiment, and falling private investment suggest that savings are increasing. Purchasing Managers' Indices show a mixed picture.

Manufacturing remains cautious, with expectations slightly below neutral. Uncertainties are dampening investment appetite. In the services sector, however, optimism prevails. Hotels, banks, and consulting firms are looking ahead more positively. Investor sentiment is also brightening broadly, and CEOs are becoming increasingly optimistic – a strong signal for the coming months.

In the US, a dilemma is evident: tariffs, solid growth, sustained consumption, and loose monetary policy are keeping inflation elevated. The return to the 2% target is receding into the distant future – with global consequences. The US is too significant to remain isolated. Weakening US economic growth or monetary policy countermeasures will also affect Europe and Switzerland.

Central banks remain largely on course. In Switzerland and Europe, stable interest rates and continuity dominate. In the US, however, markets are pricing in two to three rate cuts, primarily due to a softening labor market.

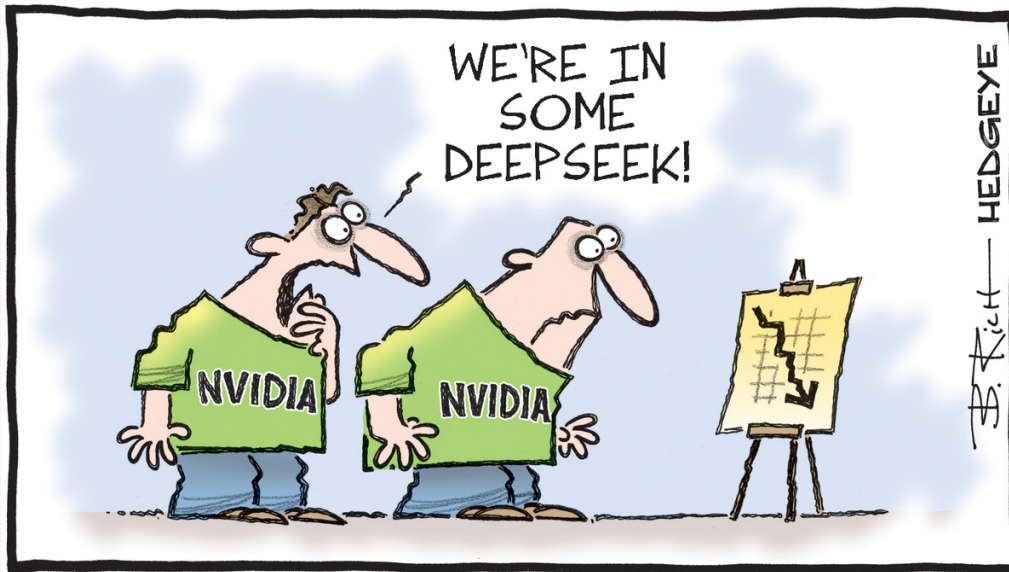
This environment remains favorable for real assets. Equities and commodities benefit. However, following an exceptional year like 2025 with double-digit returns, caution is warranted: this is not the norm. Normal years bring rather moderate gains. For strategy, this means: first, diversification is indispensable – even beyond classical investments. Second, good times should be used to prepare for more difficult phases: realize gains, rebalance, and build targeted hedges such as tail-hedges.





REVIEW
2025

DEEPSEEK TURNED THE AI WORLD UPSIDE DOWN
AND NVIDIA LOST \$700 BILLION IN MARKET VALUE



JANUARY

EUROPE
ON THE RISE

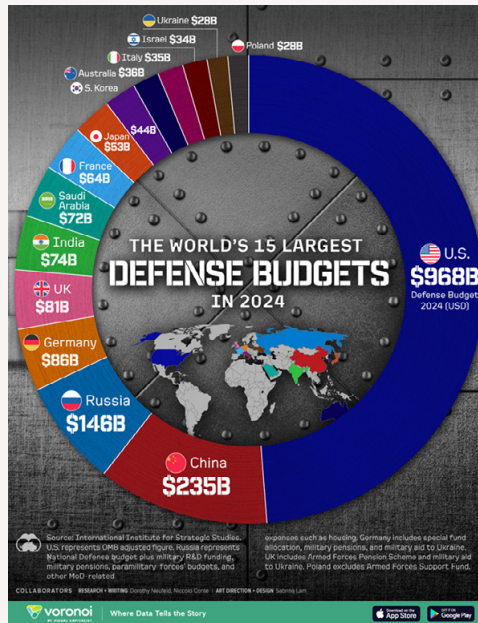


FEBRUARY



REVIEW 2025

OLD PATTERNS ARE RECONSIDERED



MARCH

“LIBERATION-DAY”



APRIL



REVIEW

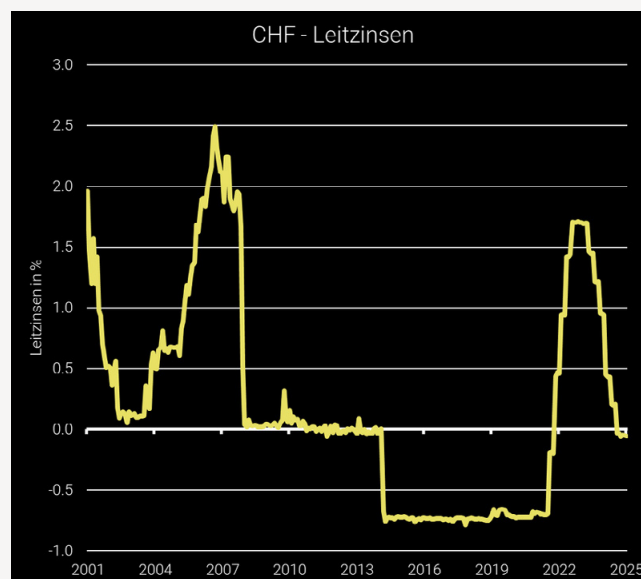
2025

TRUMP'S ZIGZAG TARIFF POLICY – 30% ONE MOMENT, 10% THE NEXT, THEN 50%



MAY

LOWER FOR LONGER – ZERO INTEREST RATES REMAIN SWITZERLAND'S NEW NORMAL



JUNE



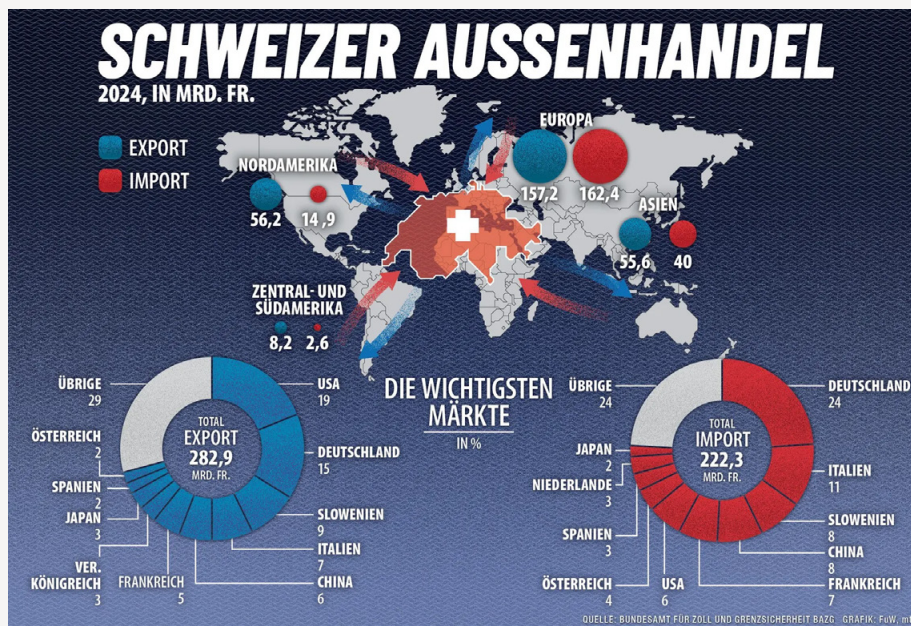
REVIEW
2025

S&P 500: ALL-TIME HIGH | NASDAQ: ALL-TIME HIGH
BITCOIN: ALL-TIME HIGH | GOLD: ALL-TIME HIGH
HOME PRICES: ALL-TIME HIGH
TIME FOR THE FED TO CUT RATES...



JULY

39% TARIFF ON SWISS PRODUCTS - FOR NOW



AUGUST



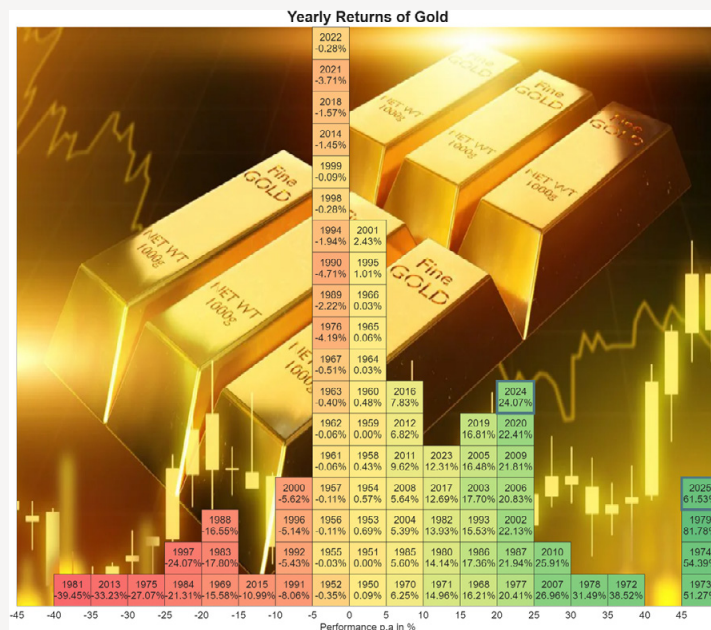
REVIEW 2025

FIRST US INTEREST RATE CUT IN 2025



SEPTEMBER

ALL THAT GLITTERS IS GOLD



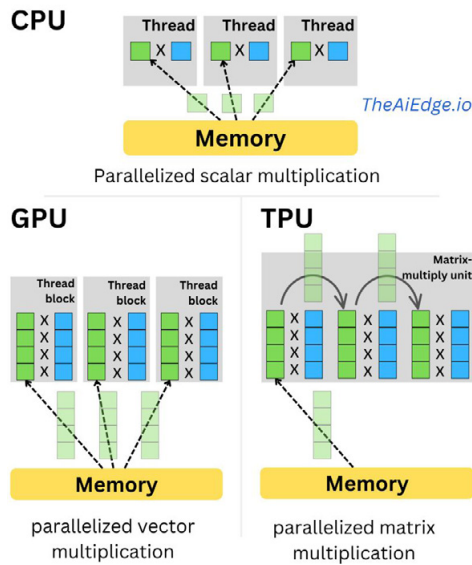
OCTOBER



REVIEW
2025

GOOGLE'S GEMINI OVERTAKES CHATGPT

CPU vs GPU vs TPU



NOVEMBER



DECEMBER



MERRY FESTIVE SEASON



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