



STRATEGY UPDATE

SEPTEMBER 2026





REVIEW

THE FINANCIAL MARKETS IN AUGUST

Equity and bond markets moved in opposite directions in August. On the equity side, a chase for records: on 12 August the S&P 500 closed above 7,800 points for the first time, and shortly afterwards marked an all-time high at 7,814. On the rates side, at the same time, the most violent dislocation in years. The same economy, two opposing verdicts.

The driver was earnings season, and it was exceptional. In the US, second-quarter earnings rose 50.5 percent and revenues 14.7 percent — rates normally seen only after recessions. More than 80 percent of companies beat expectations. It was the seventh consecutive quarter of double-digit earnings growth, even excluding the one-off effects at Alphabet and Amazon. Europe delivered 24.9 percent earnings growth, Asia-Pacific 46.6 percent, and Switzerland the least at 4.2 percent.

Nvidia set the exclamation point on 26 August: USD 96.2 billion in revenue, up 106 percent, a 75 percent gross margin, and guidance of USD 108 billion — without a single dollar from China — plus roughly 70 percent growth for the coming fiscal year, with the constraint being supply rather than demand. The stock added USD 442 billion in value the next day — the second-largest single-day gain any stock has ever recorded. The doubts from July were off the table.

In the bond market, the film ran in reverse. The 30-year US Treasury yielded 5.34 percent mid-month, its highest since 2007. On 19 August, Treasury Secretary Bessent doubled buybacks of long-dated bonds to USD 4 billion per operation; the yield dipped briefly but stood at 5.27 percent again two days later, and the Dow lost 700 points.

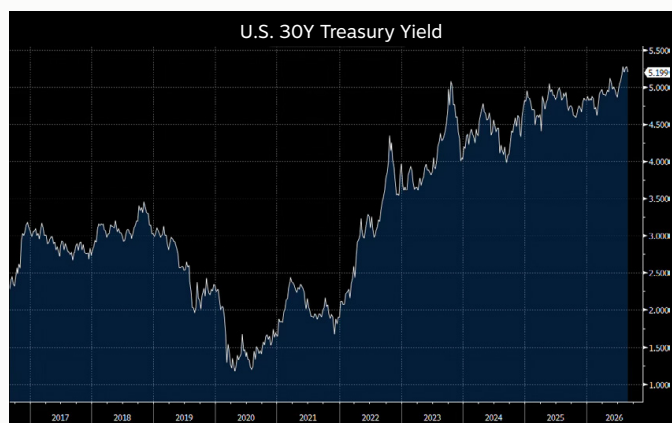
The problem runs deeper: the deficit is running at around six percent of economic output, and the debt level topped USD 40 trillion for the first time. And it is not an American problem: Japan's 30-year bond yielded 4.07 percent, UK gilts 5.81 percent, and German Bunds as much as they last did fifteen years ago.

The economic data fit neither picture. In July, the US economy lost 23,000 jobs instead of adding the expected 83,000, and the prior months were revised down by 103,000. Inflation eased to 3.4 percent and the core rate to 2.5 percent. The Fed left its policy rate at 3.50 to 3.75 percent at the end of July — with three dissenters who wanted to hike. For the 16 September meeting, the market is pricing a toss-up between a hike and a pause.

Geopolitically, oil remained the dominant theme. Iran and Oman agreed on a corridor through the Strait of Hormuz, including a split of the revenues; that does not, however, mean the strait is open. On 24 August, Bessent announced sanctions against roughly 60 companies, individuals and vessels under „Operation Economic Outcast.“ Brent slipped from USD 89 to USD 86. The real move came in precious metals: gold gained a good 15 percent — its strongest month since September 1999 — and silver more than 17 percent.

At month-end, all eyes turned to Jackson Hole, where Kevin Warsh gave his first speech as the new head of the US Federal Reserve. The big question: will rates keep rising, or is this the end? Warsh struck a hawkish tone — fighting inflation is his priority. The central bank will also no longer announce its next steps in advance. After the speech, investors put the probability of a September rate hike at around 60 percent.

Marktüberblick 30.08.2026		Wertentwicklung		
		Aktueller Wert	Mai	YTD
Währungen	EUR/CHF	0.94	0.72	0.68
	USD/CHF	0.81	0.20	2.08
	EUR/USD	1.16	0.50	-1.37
	USD/JPY	159.60	1.71	2.16
Geldmarkt - Zinsen	CHF Saron 3M	0.0	0.00	0.03
	EUR Euribor 3M	2.6	0.09	0.55
	USD SOFR 3M	3.8	0.01	0.11
Staatsanleihen - Zinsen	CH Govt 10Y	0.4	-0.03	0.09
	DE Govt 10Y	3.3	0.07	0.42
	US Govt 10Y	4.7	-0.02	0.55
Unternehmensanleihen - Zinsen	EU Corp	3.8	0.09	0.60
	US Corp	5.5	0.02	0.67
Spreads	US Zinsgefälle (10Y-2Y)	0.37	-0.07	-0.32
	EU Zinsgefälle (10Y-2Y)	0.37	-0.01	-0.36
	CH Zinsgefälle (10Y-2Y)	0.29	0.02	-0.08
	Kreditaufschlag Italien (zu DE)	0.82	0.01	0.12
Aktien	SMI	14'389	0.38	11.72
	SPI Extra	6'589	1.12	9.65
	EuroStoxx 50	6'470	2.07	14.68
	DAX	26'408	3.67	8.49
	S&P 500	7'712	3.06	13.49
	NASDAQ 100	29'433	4.15	17.05
	TOPIX	4'156	3.61	23.14
Rohstoffe	MSCI EM	1'722	3.56	24.53
	GOLD	4'443.5	10.11	3.14
	Erdöl WTI	84.9	-1.50	45.25
Gehandelte Volatilität	VIX (Volatilitätsindex S&P 500)	15.3	-9.78	-3.48





OUTLOOK

THE BOND MARKET SENDS THE BILL

August sharpened the market's central anxiety rather than resolving it. While equities celebrated an exceptional earnings season, the long end of the yield curve priced in something quite different across the globe. For us, that divergence is the defining theme of the coming months.

The underlying situation has changed little. Hormuz remains closed, tankers are still being attacked in the Red Sea, and even a reopening would not undo the knock-on costs. The physical market confirms this: across the entire commodity complex, a premium is being paid for immediate over later delivery — the signature of genuine scarcity, not speculation. The futures market sees it differently and is pricing a swift normalisation; inflation expectations, too, have barely moved. We read that less as belief in low inflation than as trust in the central bank — comfortable, as long as it holds.

What's new is that one market no longer believes it. Long-end yields rose in August from Tokyo to London to Washington — and not out of economic optimism. What's being paid is a higher term premium: for deficits, for issuance volumes, for doubts about fiscal discipline. Just how thin the ice is became clear from the Treasury's attempted intervention — the effect of the doubled buybacks lasted two trading days. A buyer who has to buy is not an argument but a symptom.

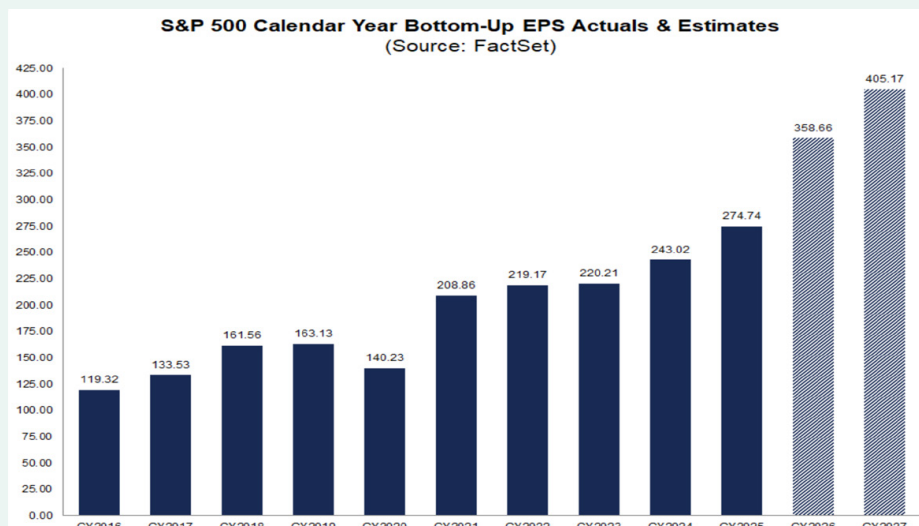
The equity side has not yet factored in this bill. To be fair, the numbers vindicate the optimists — more clearly in August than ever before — and estimates for 2027 keep rising. Those estimates, however, omit two costs that have long been real. Energy has been expensive

ever since Hormuz was closed. Newly added is dearer money: higher rates raise the cost of every corporate loan. Both erode profits. Sooner or later both adjust — usually the price first, then the estimates.

On top of that, valuation and interest rates have decoupled further: in August, prices climbed to record highs and rates rose right alongside them, leaving the risk premium thinner still. The counterargument still stands: the largest corporations are higher-margin, less capital-intensive and less energy-hungry than they were 25 years ago. That justifies a higher valuation — but it does not eliminate the risk, it shifts it into the valuation.

What makes us cautious is how this confidence is financed — and it is borrowed twice over. Leveraged equity ETFs are at record levels, and AI investment is increasingly running through debt: roughly a third of the spending is funded by borrowing, alongside substantial off-balance-sheet commitments. The very element whose absence Howard Marks invoked for years against the bubble thesis is now present.

We see no reason to turn our backs on equities: the earnings are real, and corporate quality has genuinely improved. But the extra return you receive for taking equity risk no longer compensates generously for the risks on the table. For us, that means: stay invested, but be selective. Keep real assets and inflation protection — August showed what you hold them for. Treat duration with measure, and hedging for what it is: cheap insurance in a market that is trading two prices for the same future.





FOCUS

HALF GOES TO THE STATE: WHAT YOU REALLY PAY AT THE PUMP

Few prices are as visible as the one at the pump — and few are as poorly understood. Since the summer, the display in Switzerland has stood above two francs for the first time in four years, and anyone who drove through Europe on holiday will have puzzled over differences of up to a euro per litre. We break the price per litre down into its components, show why neighbouring countries fuel up so differently, and take a look at what it all means for filling stations and consumers.

The summer holidays are over, the photo albums are full — and anyone who travelled through Europe by car will have wondered, probably more than once, at the pump: why does a litre of petrol suddenly cost 40 centimes more on one side of a border than on the other? Back in Switzerland, the next surprise awaits. For the first time in around four years, the average price of unleaded 95 has climbed back above the magic two-franc mark — to 2.02 francs a litre, five centimes more than a week earlier and around 21 centimes more than at the end of June. Diesel, at 2.27 francs, is higher still. The last time the boards showed these levels was in the autumn of 2022, driven then by the war in Ukraine.

How is this price actually put together? Where do the big differences across Europe come from? And what does all of this mean for filling stations and for us as consumers? These are precisely the questions we explore in what follows — with plenty of figures and the odd surprising comparison.

COMPOSITION

At its core, the price at the „Swiss“ pump consists of three blocks: the procurement of the raw material including transport, government levies, and distribution costs including margin.

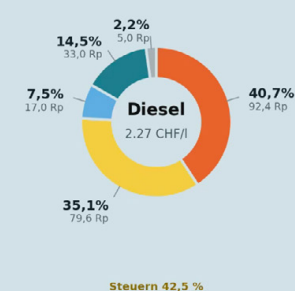
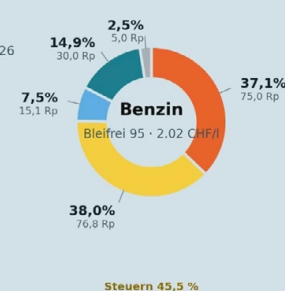
Raw material and freight costs: Crude oil is traded in US dollars, the finished product — petrol and diesel — via the European reference marketplace of Rotterdam. For Switzerland, then, it is not only the Brent price (a grade of crude oil) that matters, but also the exchange rate: a **strong franc** dampens rising quotations, a weak one amplifies them. On top of procurement comes the freight to the Swiss tank farms. And this is precisely where an accelerant currently lies: because of low water on the Rhine, the tariff for barge transport between Rotterdam and Basel has exploded from **33.50 to 240 francs** per tonne within barely a month — almost sevenfold. Add reduced refinery capacity and geopolitical tensions in the Middle East, as at present, and it quickly feeds through to the price board.

Taxes and levies: The largest single block is usually the state. Levied at fixed rates are the mineral oil tax and the mineral oil tax surcharge: together 76.82 centimes per litre of petrol and 79.57 centimes per litre of diesel, plus small import charges (among other things for compulsory stockholding).

Fast die Hälfte des Tankstellenpreises sind Steuern und Abgaben

Zusammensetzung des Verbraucherpreises für Bleifrei 95 und Diesel in der Schweiz, August 2026

- Produktpreis*
- Mineralölsteuer
- Mehrwertsteuer
- Deckungsbeitrag
- CO₂-Kompensation



* Produktpreis = Beschaffung (Rotterdam/ARA) inkl. Fracht, Restgröße Mineralölsteuer inkl. Zuschlag exakt (BAZG) 76,82 / 79,57 Rp - MWST 8,1 %
Deckungsbeitrag: Schätzung Avenemy - CO₂-Kompensation gemäss dem direkter CO₂-Preis wie in DE - Quellen: TCS (26.08.2026), BAZG, Avenemy Suisse



On top of that comes value-added tax of 8.1 percent as a variable levy — applied to the entire amount including the fixed levies. It is, put loosely, a „tax on the tax.“ At current price levels, all levies together thus add up to around **46 percent** of the petrol price and around **43 percent** of the diesel price. Because the mineral oil tax is a fixed centime amount, its percentage share paradoxically falls the more expensive the fuel becomes.

Where does the money go? The mineral oil tax surcharge flows entirely into the National Roads and Agglomeration Traffic Fund (NAF); the mineral oil tax goes largely to road traffic and into the federal coffers. In total, fuel sales bring the federal government a sum in the order of around **five billion francs** each year. Not a tax, but an added cost item, is the CO₂ compensation obligation on importers: motor fuels are not subject to the CO₂ levy (which applies only to combustion fuels such as heating oil), yet importers must offset part of their emissions — and that too ends up in the price per litre.

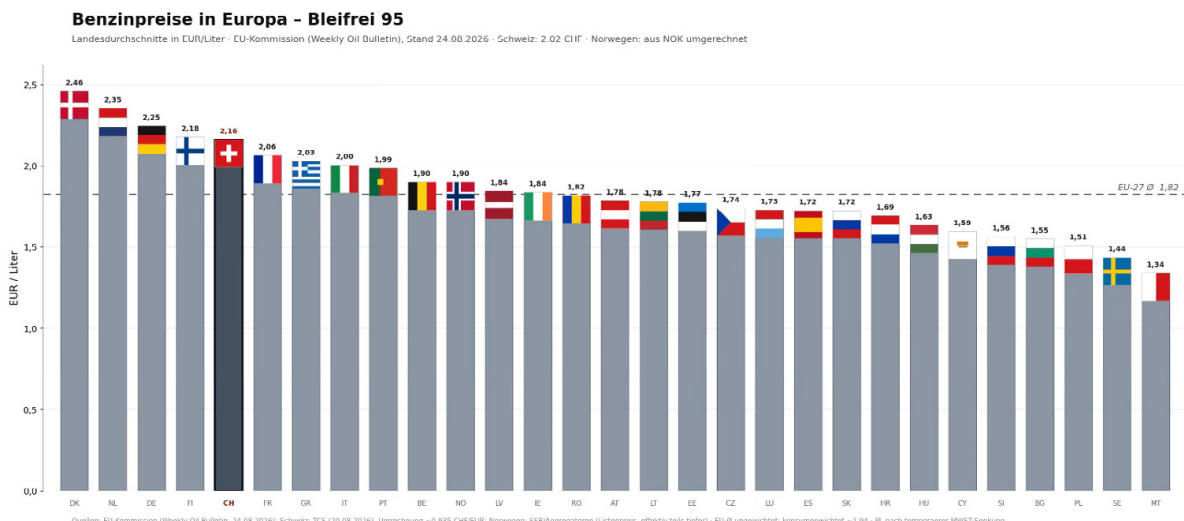
Distribution and the stations' margin: What remains after procurement, freight and levies — around **30 centimes** a litre on average — covers the entire route from the tank farm to the pump: storage, pipeline, rail and truck transport, maintenance and depreciation of station infrastructure, wages, marketing and, finally, the profit margin. The industry association Avenergy once illustrated this with a 30-franc fill-up: around half flowed to the federal government as taxes, and in the end about four francs stayed with the station — trading spread including profit. The actual margin, then, is surprisingly thin.

DIFFERENCES ACROSS EUROPE

Where do the big differences in Europe come from? Here lies perhaps the most important insight for every holiday traveller: the fuel itself — the raw product from Rotterdam — costs roughly the same everywhere in Europe. What drives the price at the pump apart from country to country by up to **a euro per litre** is almost entirely taxation — excise duty plus value-added tax. Added to this are short-term national interventions: Poland, for instance, temporarily cut VAT on fuel from 23 to 8 percent over the summer holidays, Italy reduced excise duty only on diesel for a time, and other countries used price caps. For countries outside the euro-zone — such as Switzerland — the **exchange rate** is an additional factor.

The pattern is clear: fuel is cheapest in Eastern and Southern Europe and in the tax havens, and most expensive in Scandinavia and the north-west. Sweden is an exception, owing to tax cuts and a Swedish krona that has been weaker since the start of the year. In the EU average, taxes account for around **52 percent** of the petrol price and just under **45 percent** of the diesel price.

And here a second look is worthwhile, especially for a finance-minded audience: Switzerland is regarded as a high-cost island — but when it comes to fuel taxes, it is precisely not one. With VAT of only 8.1 percent (versus 19 to 25 percent across much of the EU) and comparatively moderate fixed levies, the tax share of the Swiss price per litre lies below the EU average.





In “normal” times, Swiss fuel is therefore often cheaper than German fuel once converted. That Switzerland nonetheless appears in the upper third at present has two reasons that have little to do with the taxman: the historically strong franc, which makes every Swiss price look expensive in euros, and the supply and freight situation already mentioned. For the time being, then, a Swiss driver fills up more cheaply abroad.

CONSOLIDATION

Switzerland has one of the densest filling-station networks in Europe: around **3,300** publicly accessible branded stations (as of 2025), plus several hundred independent ones, mostly at car garages. Over the past 15 years the number has fallen slowly but steadily — by nearly 280 stations since 2011. The industry speaks of a “structural shake-out.”

The market is concentrated and shaped by a few large networks. The **five biggest** are Avia (526 stations), Agrola (409), BP (309), Migrol (308) and Coop (264). The proximity to retail is striking: behind Migrol stands Migros, and behind the Coop network the second orange giant. BP focuses heavily on motorway sites and — unlike Avia or Agrola, say — is also a producer. Socar, originally the former Esso network, today belongs to the Azerbaijani state group. In such an environment of fewer players, the classic price war is correspondingly restrained.

Economically, the business model is shifting away from fuel alone. **Stations with a shop** make up only about a third of all sites, yet handle around two-thirds of fuel sales — and increasingly earn their money from coffee, sandwiches and the product range rather than from the margin on the litre. The number of shop stations has recently risen to around 1,386, with a trend towards larger sales areas. Average throughput per station is about 1.2 million litres a year, slightly declining; the 65 motorway stations, at an average of 2.29 million litres, sell by far the most. In parallel, operators are upgrading: 233 stations now offer at least one fast-charging point — up 43 percent year on year.

CONSUMERS

Rising prices change consumer behaviour — but less radically than one might think. Those who depend on their car keep filling up, perhaps drive a little more economically, and compare more often. Price comparison has established itself for precisely this purpose: the TCS fuel-price radar covers around 3,800 stations; as a rule of thumb for whether a detour pays off, the **“rule of five”** applies — at least 5 centimes saved per litre, no more than a 5-kilometre detour, at least 50 litres in the tank.

Price sensitivity shows up particularly strikingly in fuel tourism — and in how strongly the exchange rate steers it. In 2008, when the euro still cost 1.60 francs, foreign customers filled up around 475 million litres of petrol and 75 million litres of diesel in Switzerland. After the Swiss National Bank abandoned the euro floor in early 2015, Swiss fuel became around 25 centimes more expensive overnight for cross-border residents — and petrol tourism came to a virtual standstill. Conversely, one could see how quickly Swiss drivers cross the border when discounts beckon there: when Germany, France and Italy granted fuel rebates in the summer of 2022, Swiss sales in July collapsed by 15 percent against the average of previous years — at individual border stations by up to **80 percent**.

Beneath the short-term ups and downs lies a structural trend: fossil fuel sales are declining over the long run, with electric mobility and more efficient vehicles pushing demand down. In the short term, however, the motorist remains largely **price-inelastic** — the two-franc mark is annoying, but changes little in most people’s fuelling behaviour. And that is precisely what makes the fuel price such a reliable seismograph for geopolitics, freight markets and currencies alike.



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