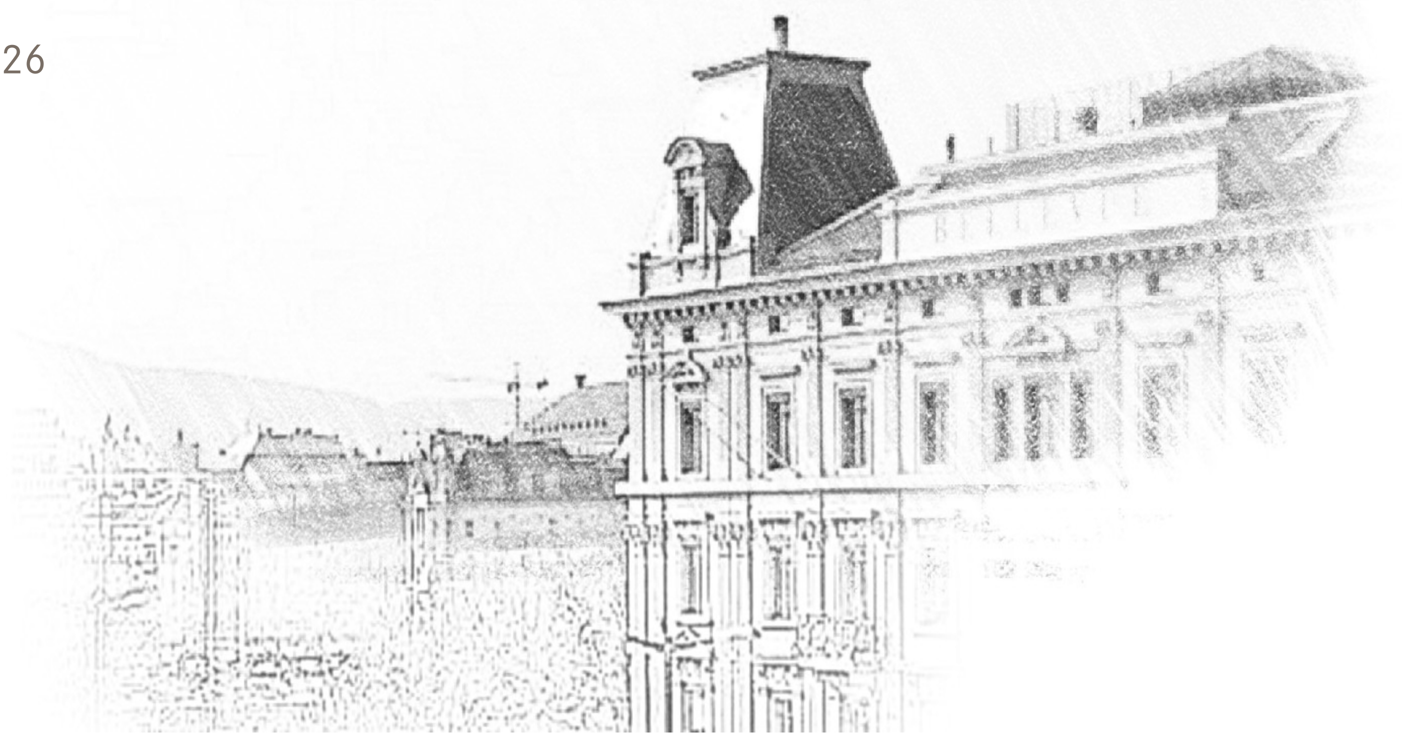
NPB

Neue Privat Bank AG

Private Banking is a People's Business

CIO Office – Chartbook Q3 2026

Zurich, July 2026



NPB | Neue Privat Bank 25 YEARS

Content

Chartbook Categories

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“If we want things to stay as they are,

things will have to change.”

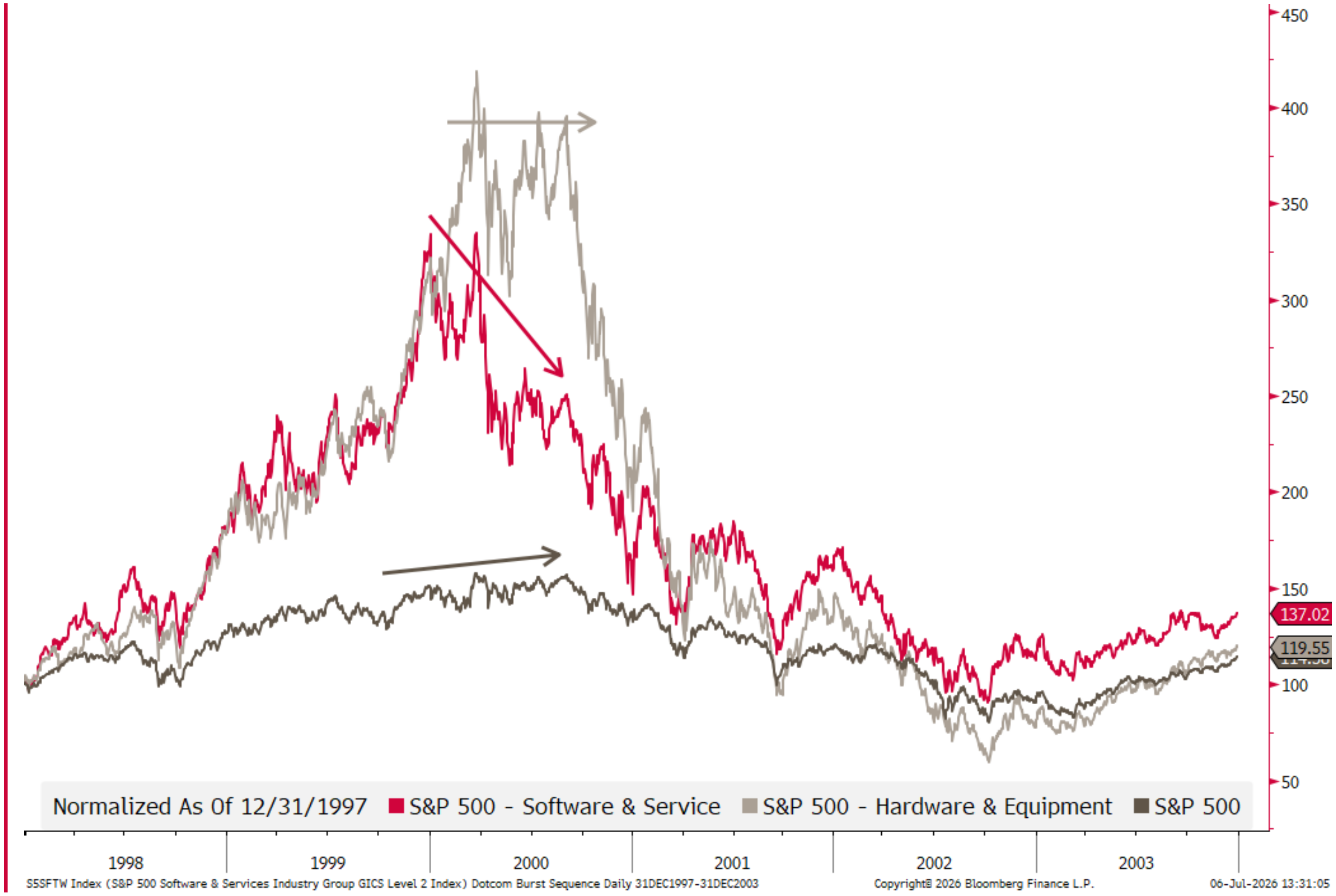
– Tancredi Falconeri, in The Leopard

Chart of the Quarter

Rotation, Rotation, Rotation

During the Dotcom burst, hardware companies (grey) initially outperformed their software counterparts (red) on the belief that they could maintain sales growth. Eventually, they tumbled as demand for IT equipment evaporated.

The broad stock market (dark grey) even made a new all-time high, one year AFTER software stocks had topped out!



Source: Bloomberg, NPB calculations (G830a)

Key Charts & Observations

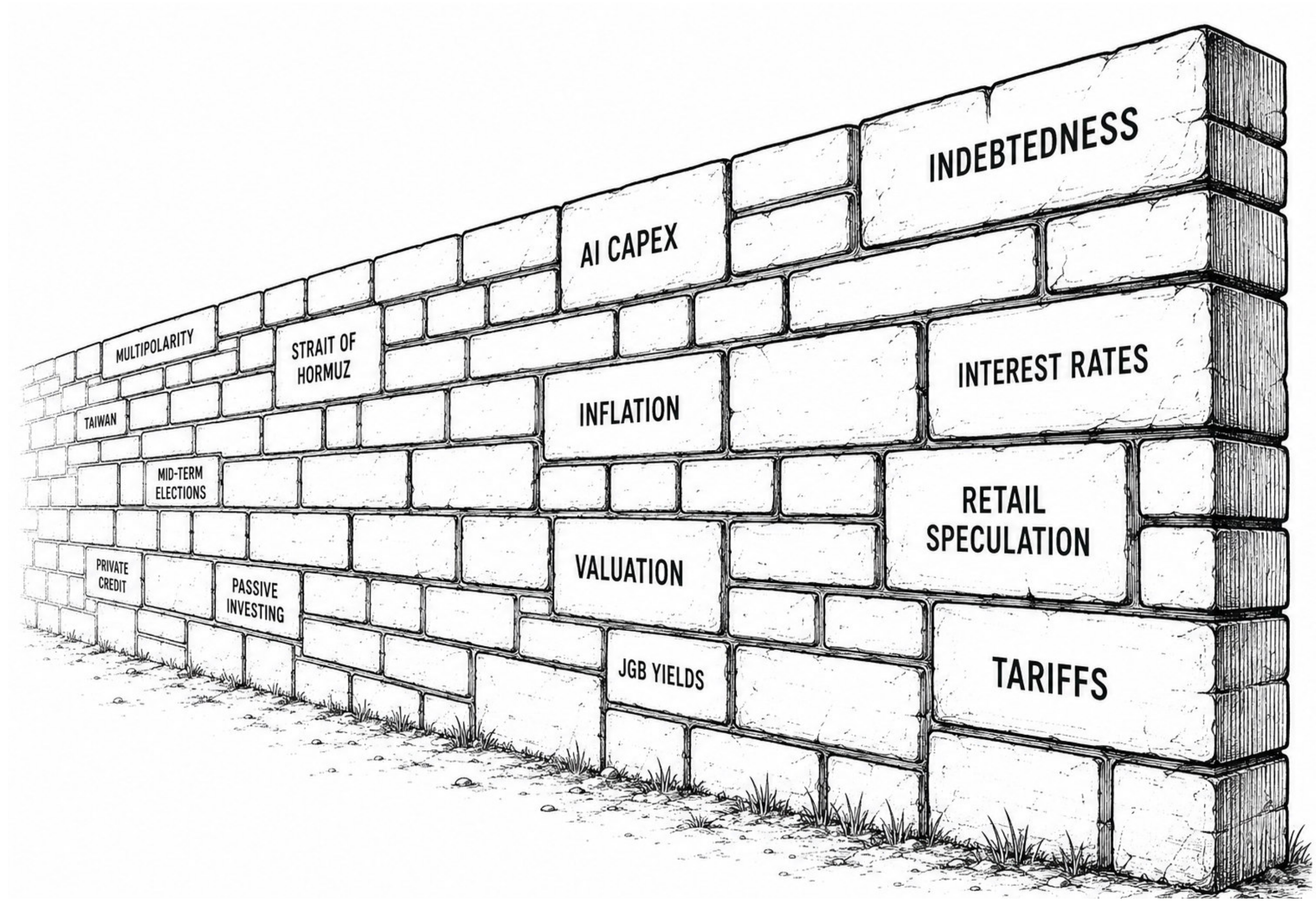
Chartbook Q3 2026

The Permanent Wall of Worry™

A ~~Brave~~ Crazy New World

The Wall of Worry™ is as daunting and menacing as ever to financial market investors.

However, we should be used to climbing this wall, one brick at a time …



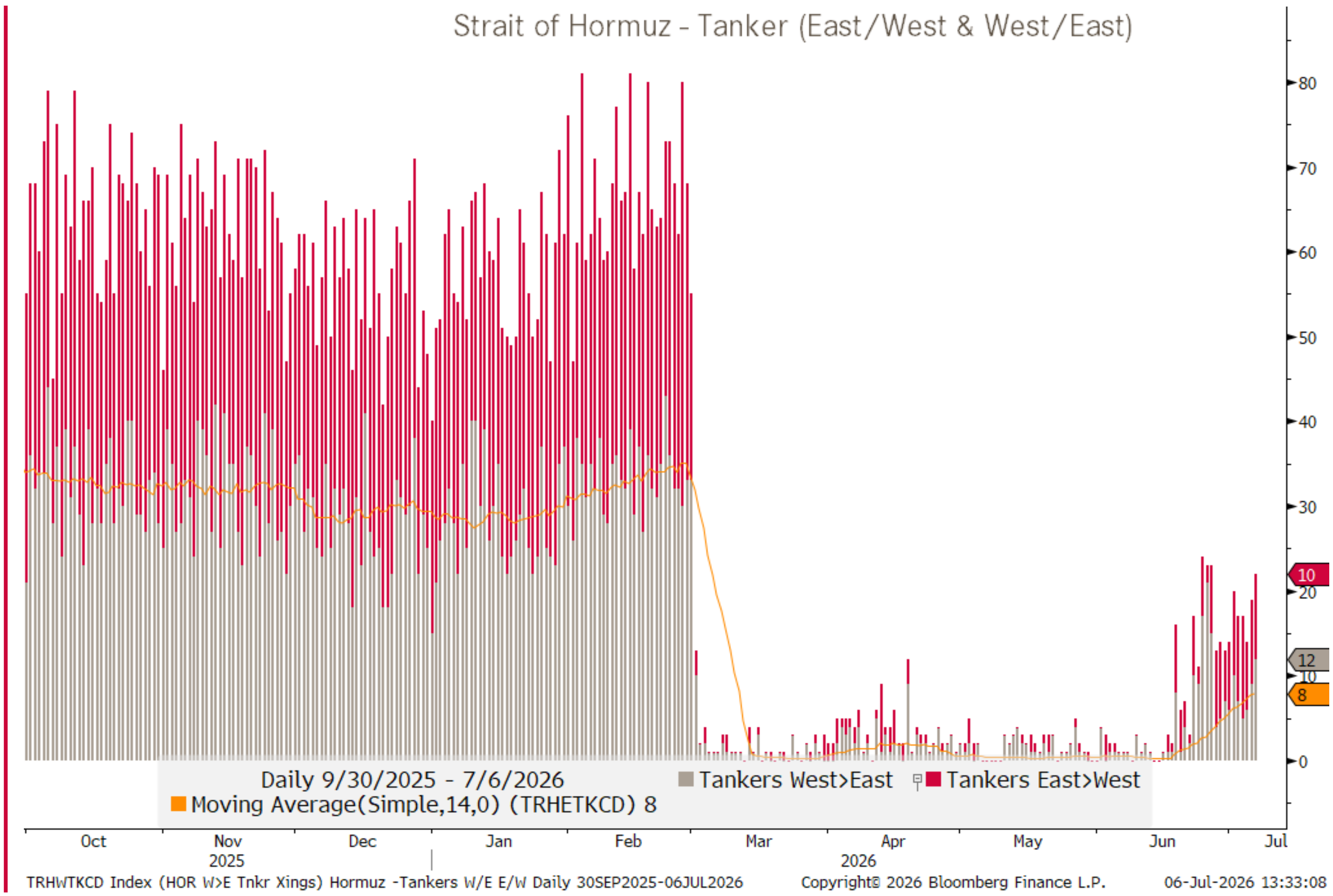
Source: Web

Iran – Strait of Hormuz

Peacefire

After the most recent ceasefire, or should we say peacefire, agreement and the Strait of Hormuz (SoH) kind of reopened, traffic through the strait has been picking up again.

Whilst only at about 20% of previous levels, it must be noted that this understates the true picture as many vessels are transiting dark (i.e. without their tracking systems on) to avoid the attention of Iran's IRGC.



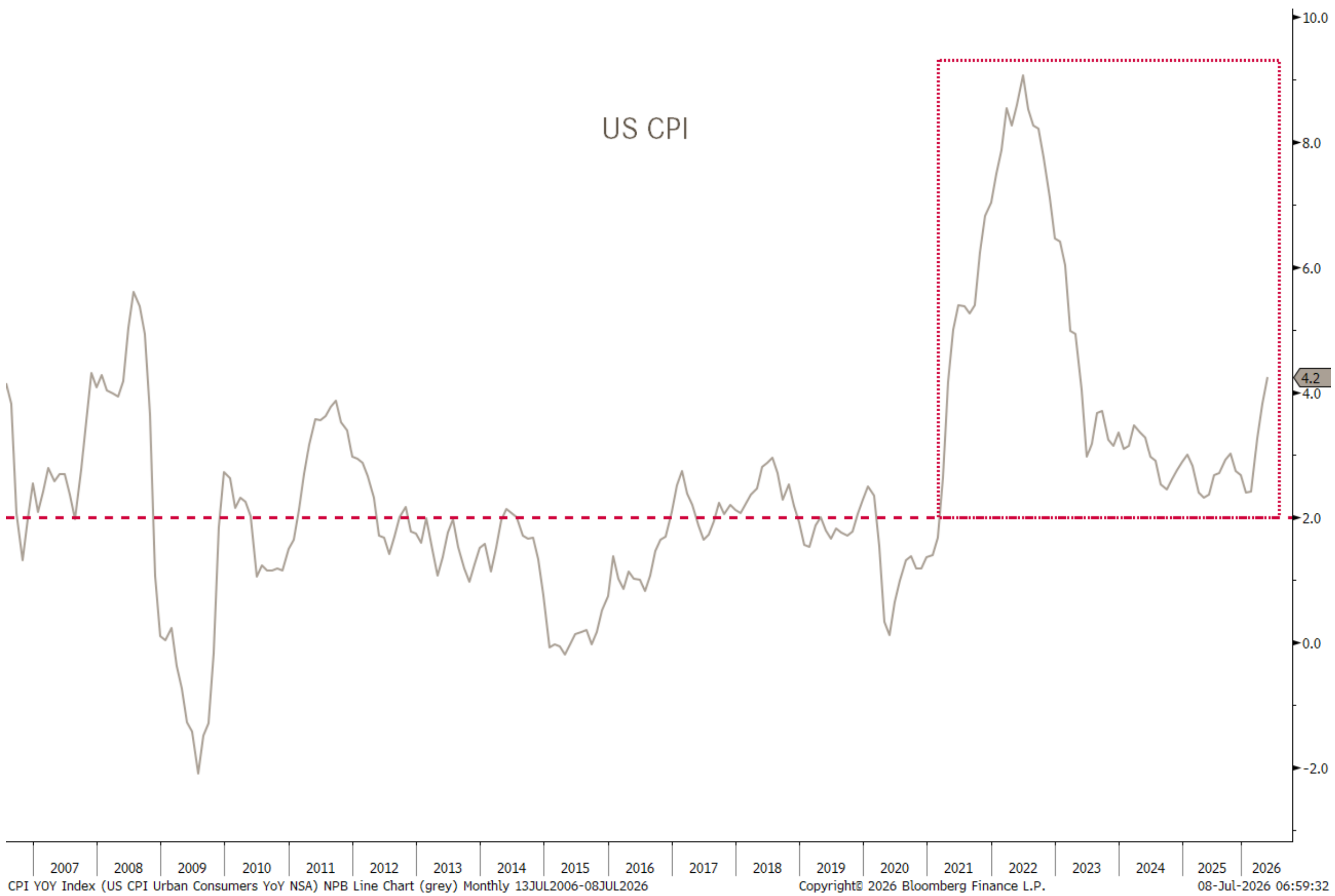
Source: Bloomberg, NPB calculations (G7 18a)

Consumer Price Inflation

Five Years and Counting

US inflation (CPI YoY) has now been above the Fed’s 2% inflation target for more than five years.

Whilst Warsh made clear that inflation fighting was one of his top priorities, words still have to be followed by action.

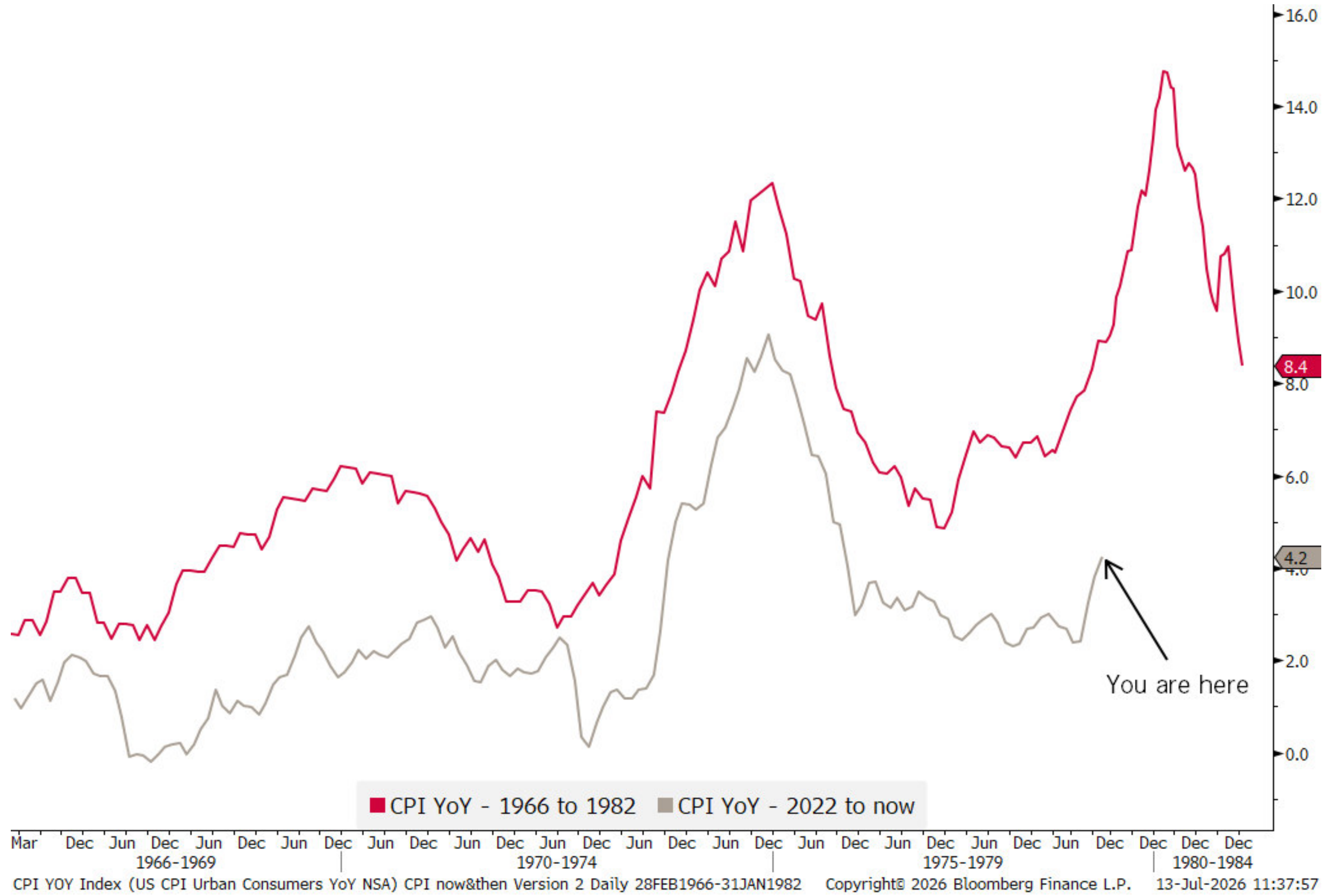


Source: Bloomberg, NPB calculations (G3)

Inflation

Waves

Has the second wave started?

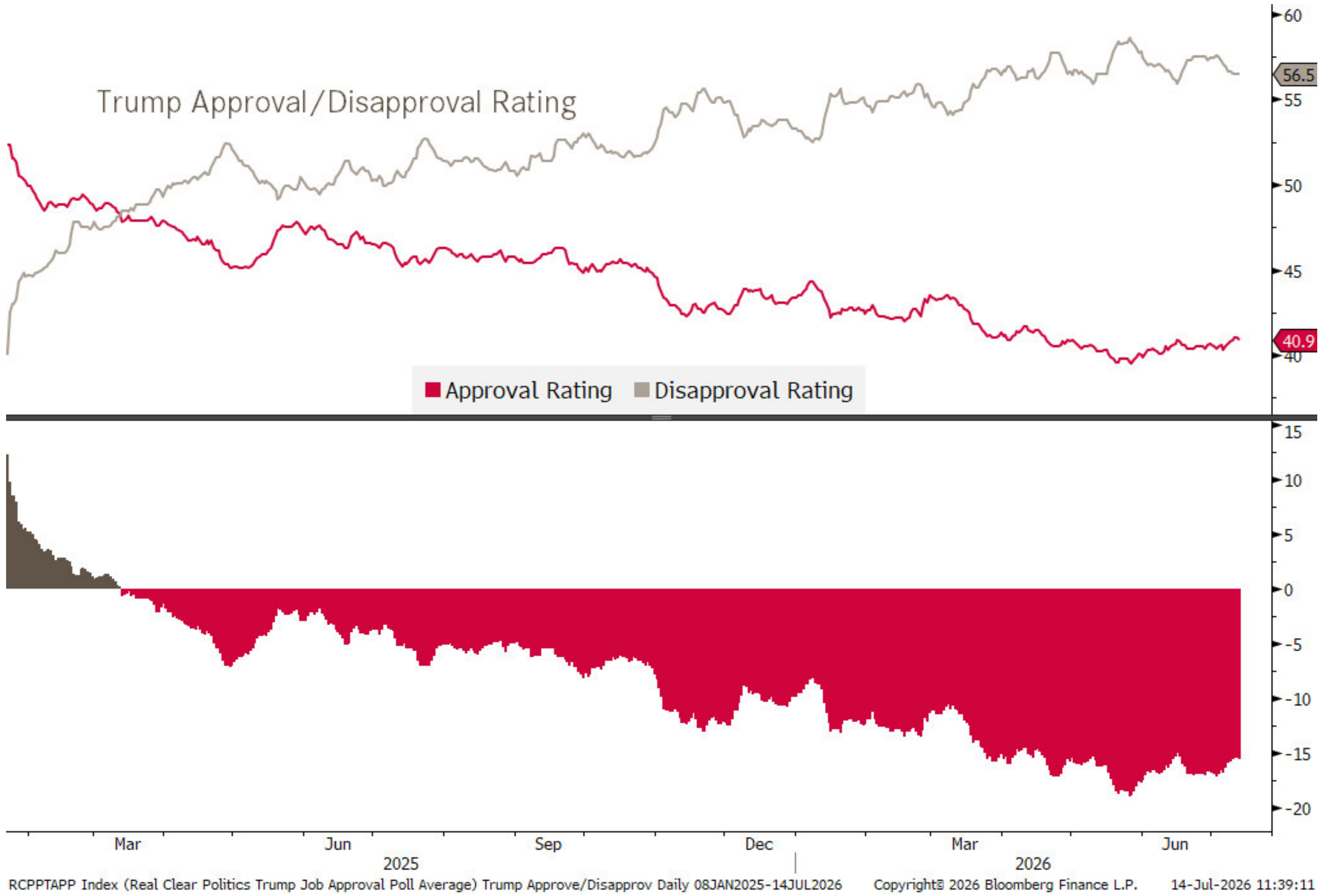


Source: Bloomberg, NPB calculations (G838a)

US Presidential Cycle

Next Up: Mid-Term Elections

What hat-trick will Trump pull off to improve his approval rating (pun intended) as the country is heading towards mid-term elections?



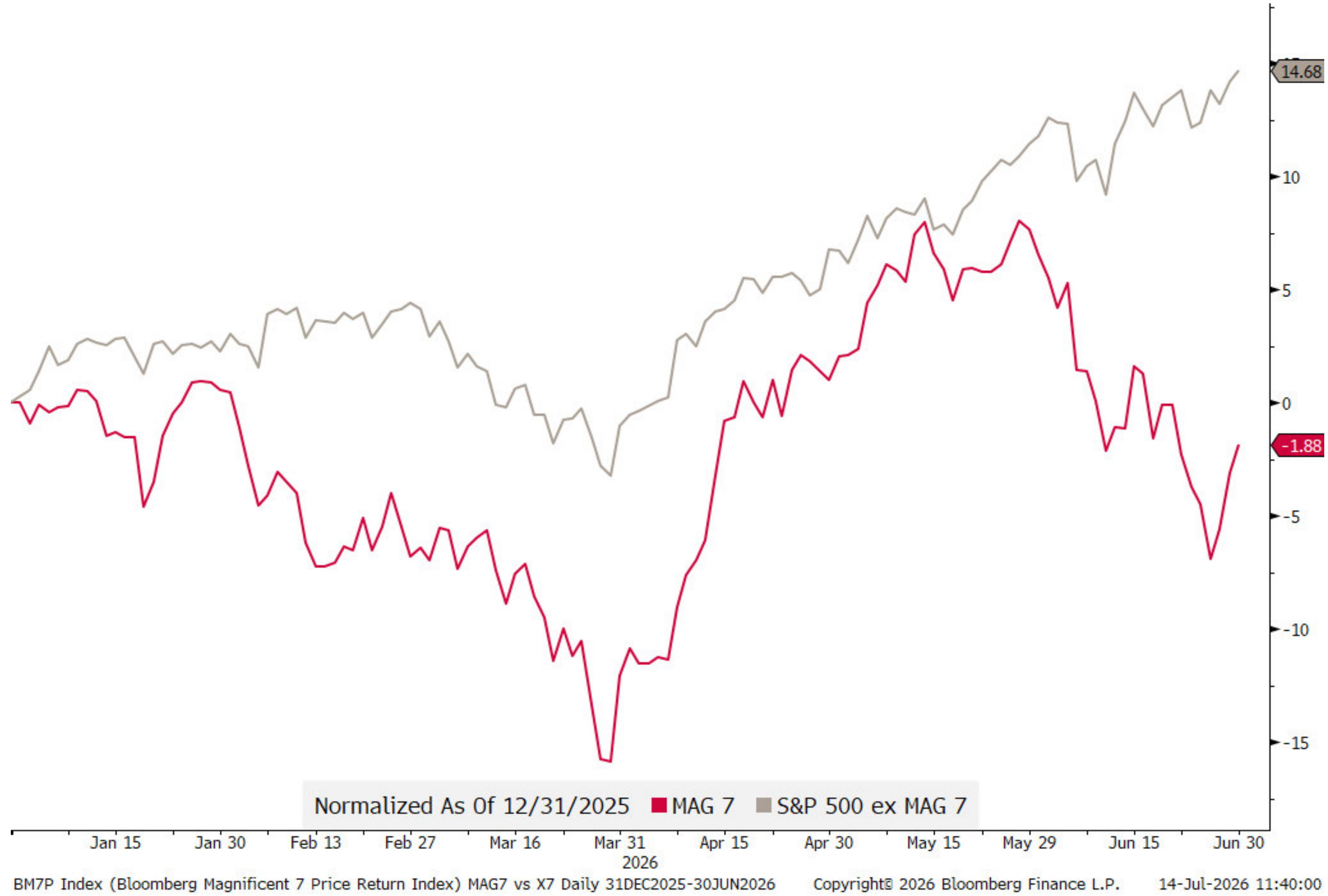
Source: Bloomberg, NPB calculations (G603a)

Leadership Rotation

Mag 7 versus the Other 493

The theme of rotation we already suggested at the beginning of the year worked well, until it did not.

In late May, the Mag 7 (red) were suddenly back in vogue, however, that trend was yet once again reversed in June, with the Other 493 (grey) gaining a substantial upper hand.



Source: Bloomberg, NPB calculations (G831a)

Semiconductor Rally (1/2)

Déjà Vu All Over Again?

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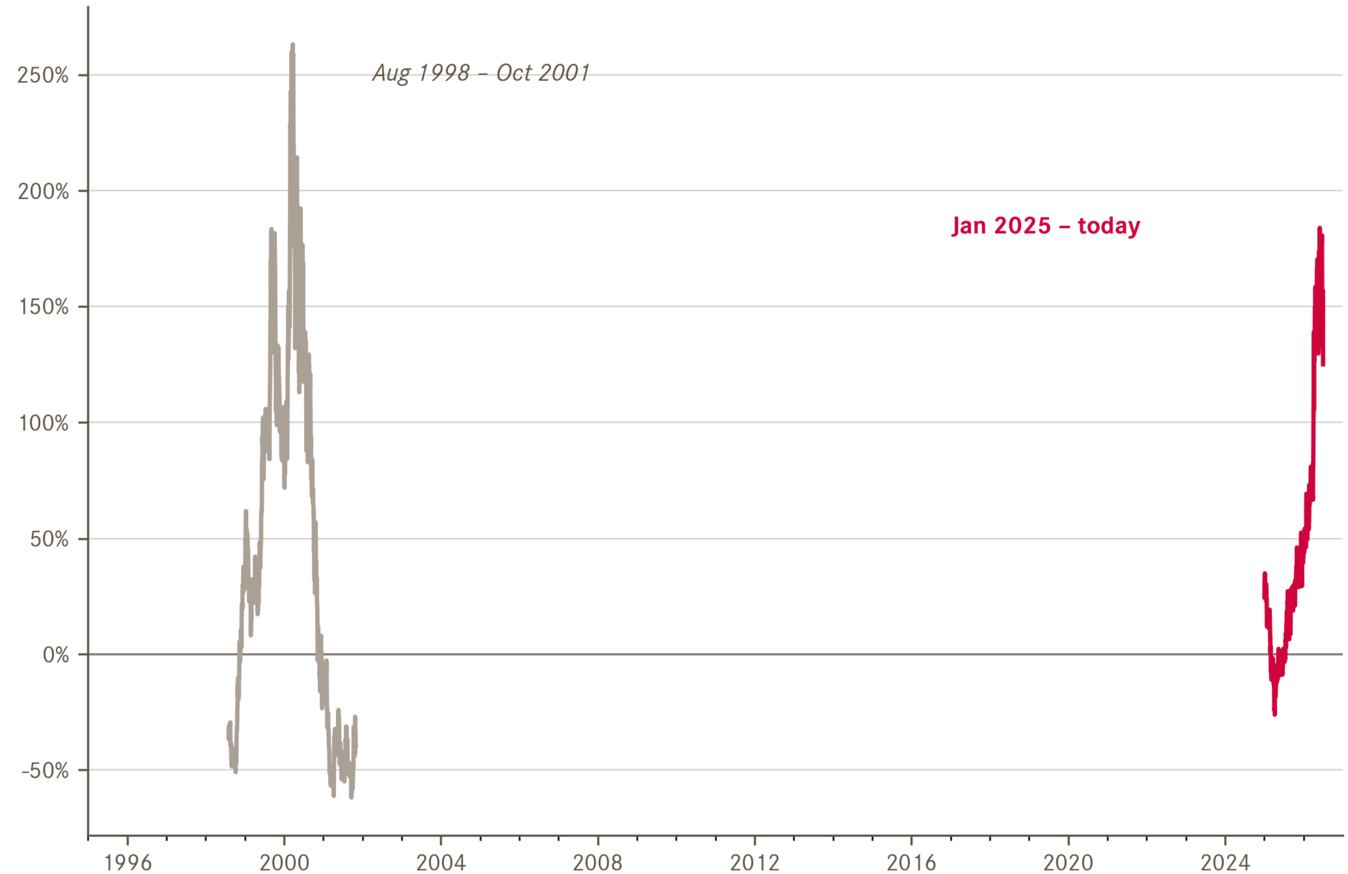
The massive run-up (and eventual bust) in semiconductor stocks is not a first. Rather, we have seen this pattern in this highly cyclical industry before, with the closest parallel being the massive price ascent and subsequent crash at the height of the Dotcom bubble.



Source: Bloomberg, Claude AI, NPB calculations

Semiconductor Rally (2/2)

Déjà Vu All Over Again?

Same data but overlaying the then & now over each other.

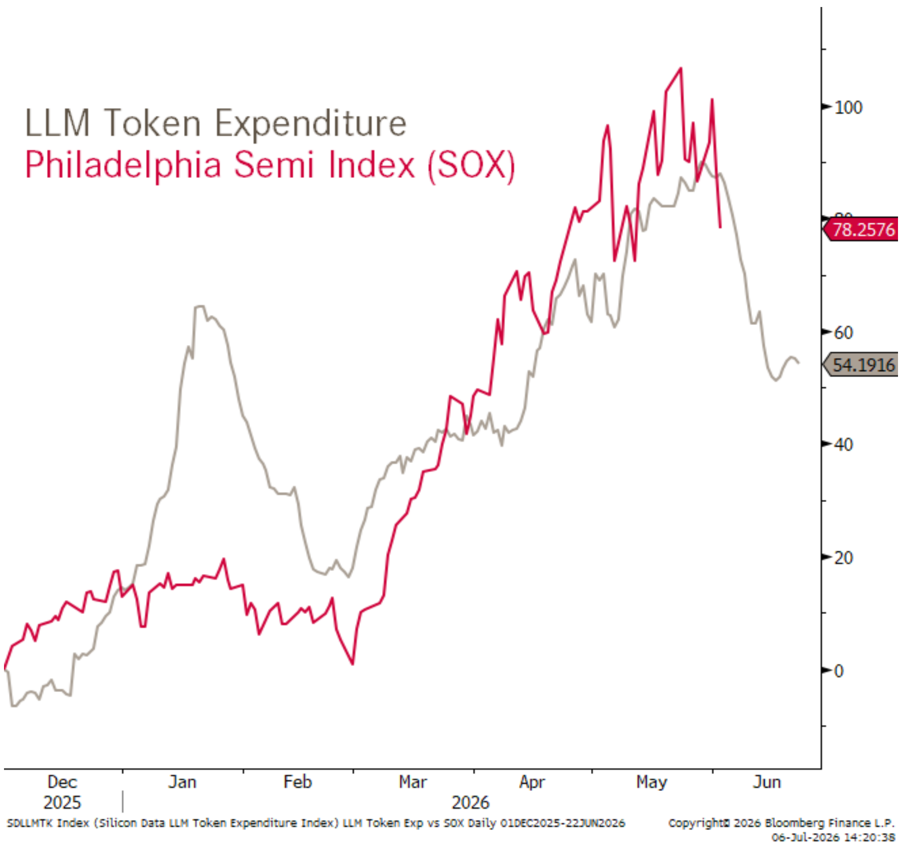
Hence, the only remaining $16 Trillion question is: will we get that final hype (aka upleg) or are we already done and dusted?

Source: Bloomberg, Claude AI, NPB calculations

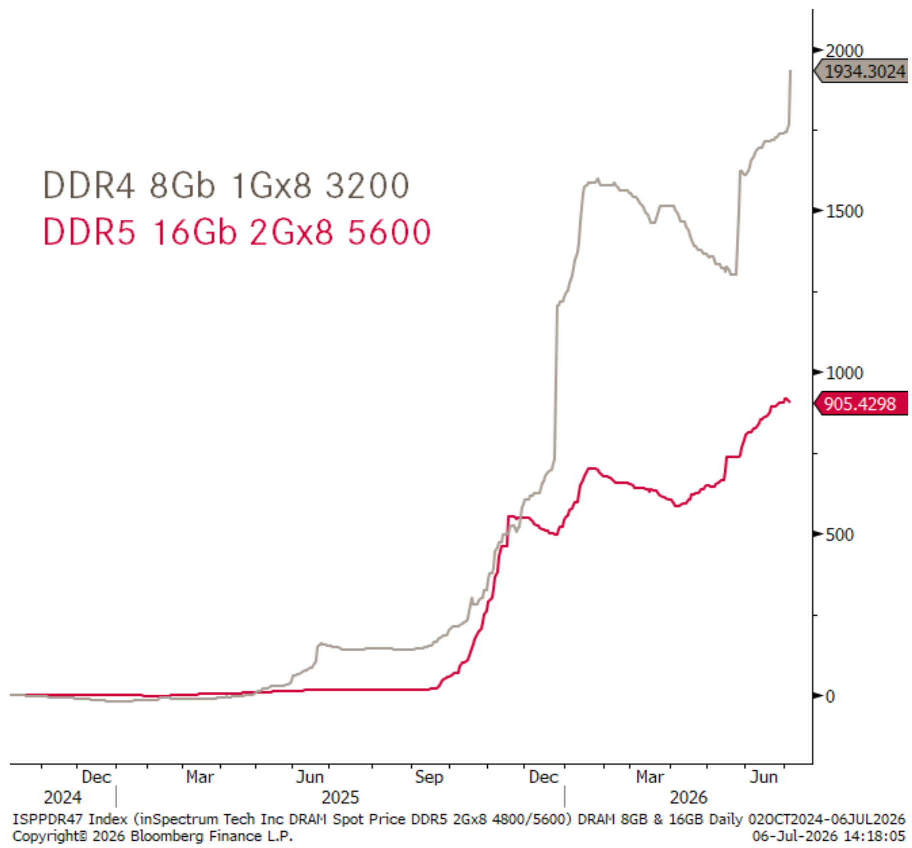
Semiconductor Top

Conflicting Arguments

Tumbling LLM token expenditure would suggest the SOX has further to fall.



Continually rising DRAM prices argue for semiconductor stocks to continue to do well.



Source: Bloomberg, NPB calculations (G825a, G781a)

Equity

Chartbook Q3 2026

“Now this is not the end… but it is, perhaps, the end of the beginning.”

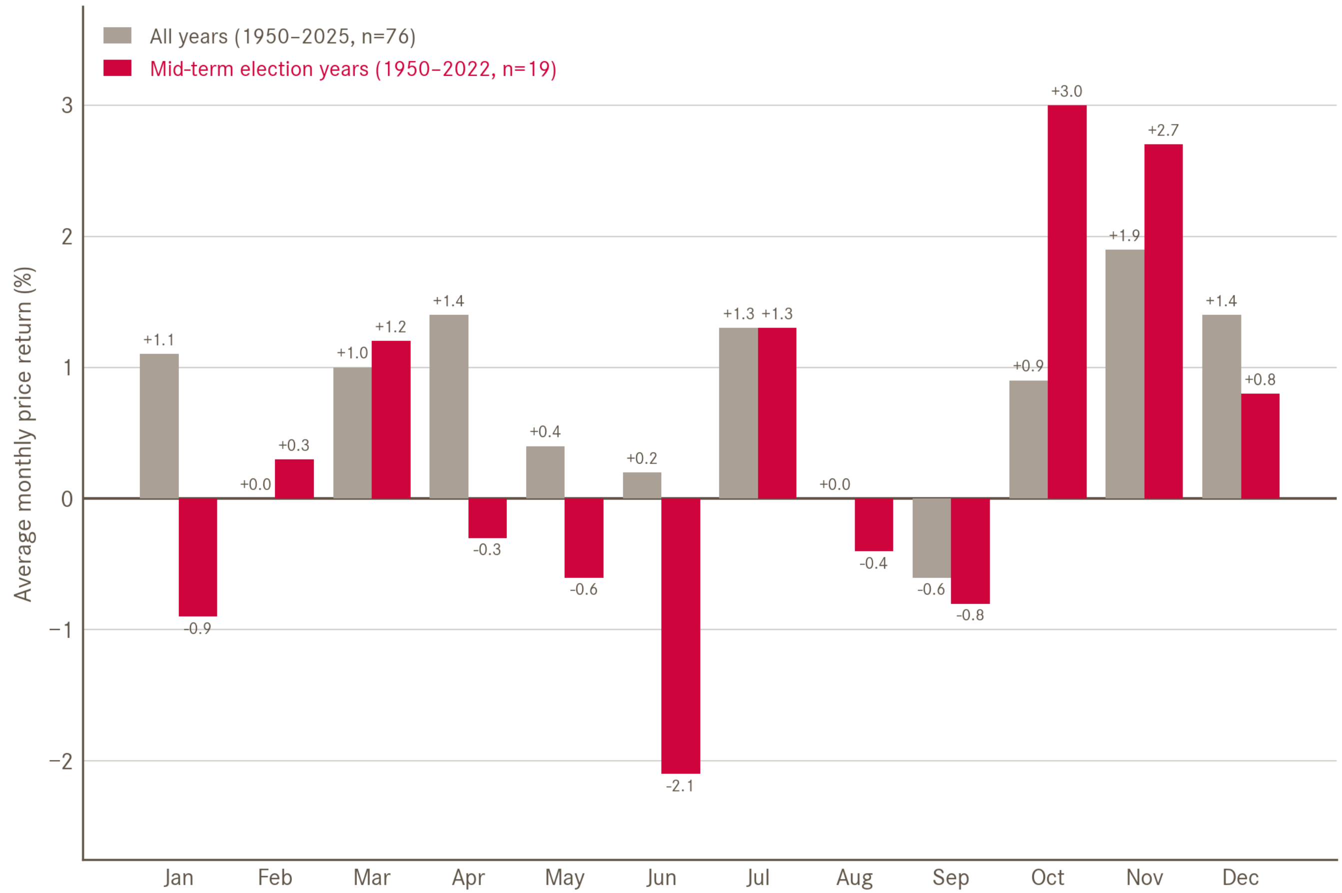
— Winston Churchill

Equity Chart of the Quarter

US Presidential Cycle – Year 2

Whilst July is in the top quartile of the best performing months from a seasonal point of view, shortly thereafter difficult season, especially during mid-term years, starts.

Time to fasten your mid- to late-summer seatbelts?

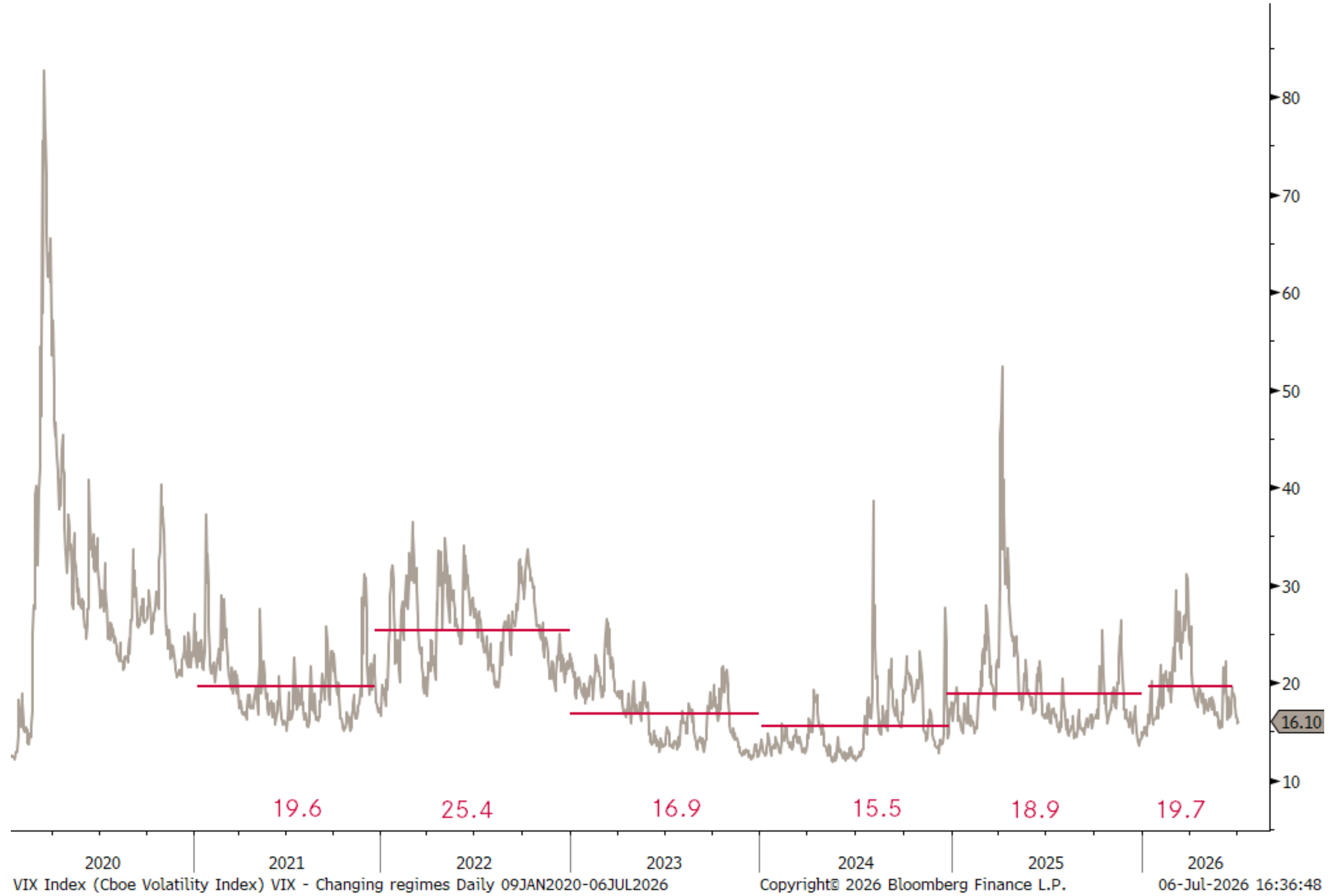


Source: Bloomberg, NPB calculations, NPB Research Hub

Equity Volatility

VIX

Current average equity volatility as measured by the CBOE Volatility Index, better known as the VIX, is currently below the typically elevated average of mid-term elections years (e.g. 2022).

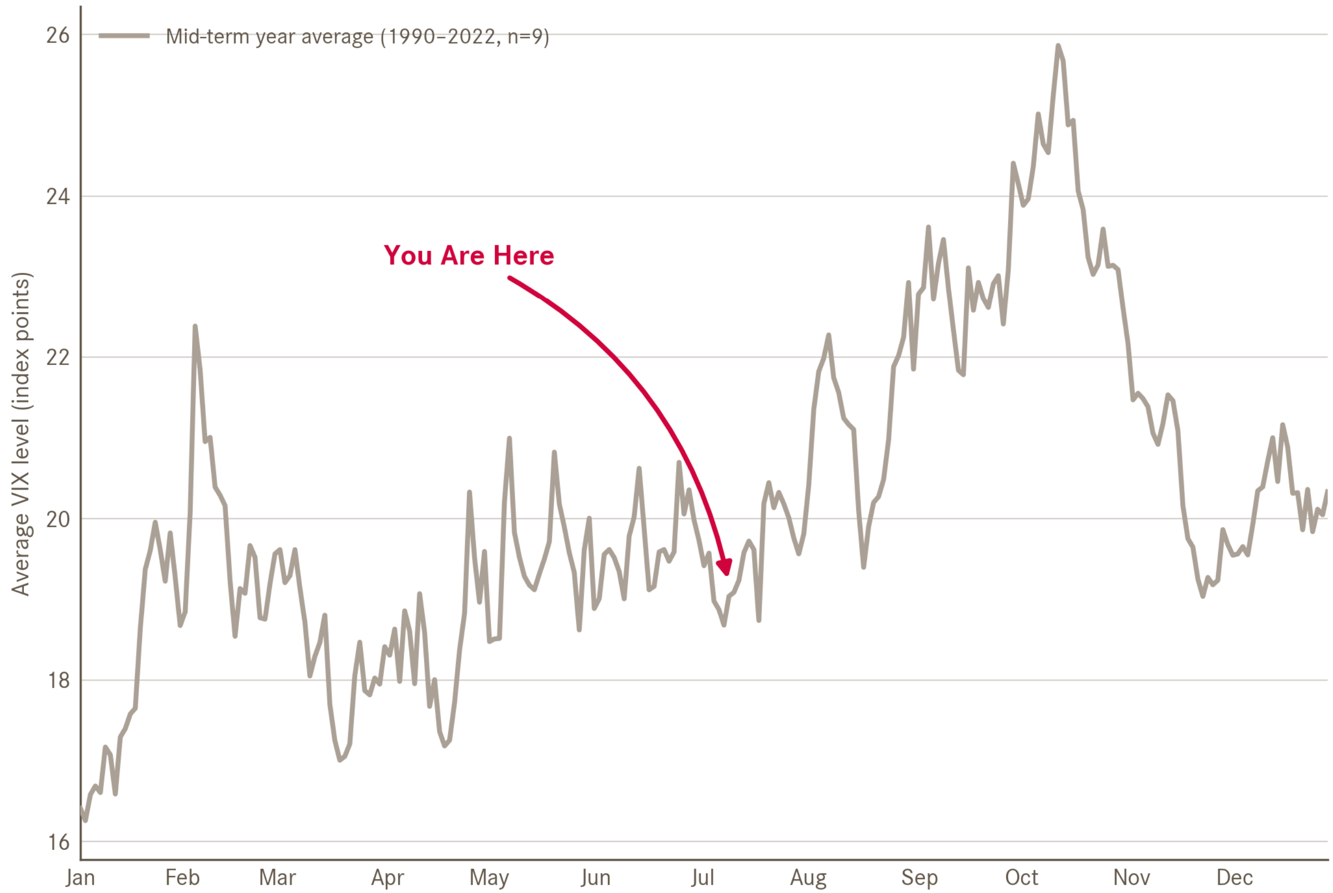


Source: Bloomberg, NPB calculations (G456a)

Equity Volatility

VIX

However, if previous mid-term election patterns are to hold up, we are now entering the “fun” season…



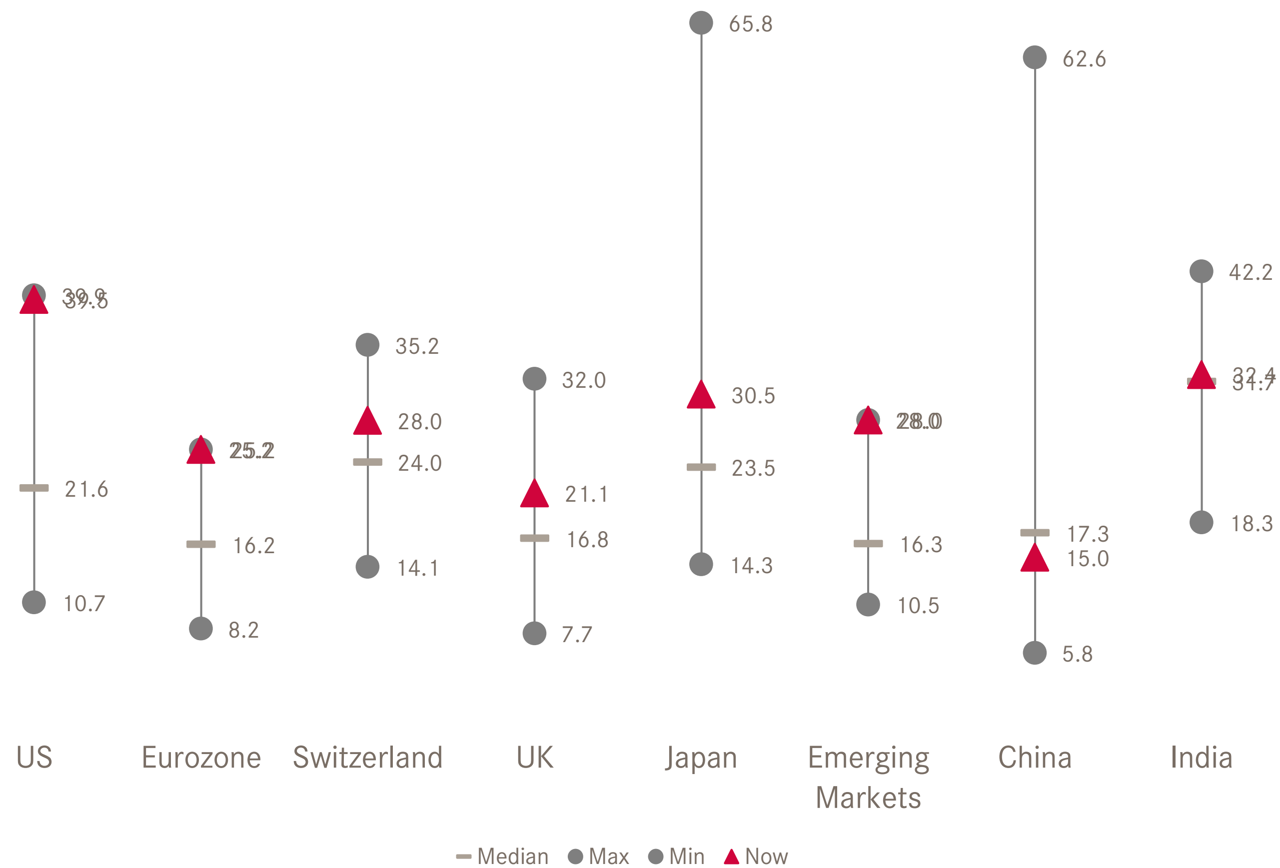
Source: Bloomberg, Claude.AI, NPB calculations

Equity Valuations

Price/Earnings Ratios across the NPB Universe

Eurozone equities seem more expensive now in relative terms, but in absolute, global comparison they are still not expensive.

Chinese stocks continue to trade below longer-term average, and Indian stocks are finally more fairly valued now.



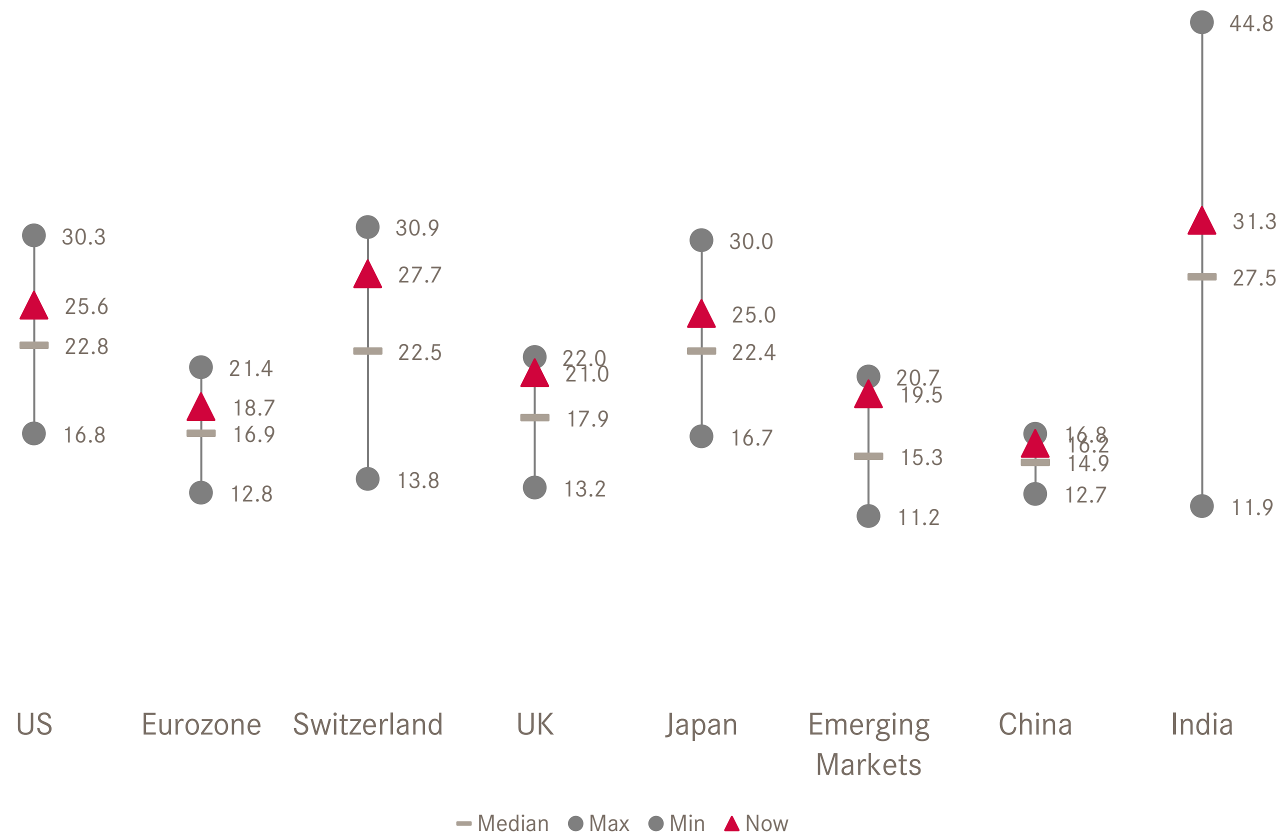
Source: Bloomberg, NPB calculations, NPB Research Hub

Equity Valuations (EW)

Price/Earnings Ratios across the NPB Universe (Equal-Weight)

Relative valuations improve for nearly all observed markets when taking an equal-weight approach.

Which, of course, is nothing else than saying that large caps are expensive in comparison to smaller cap stocks.

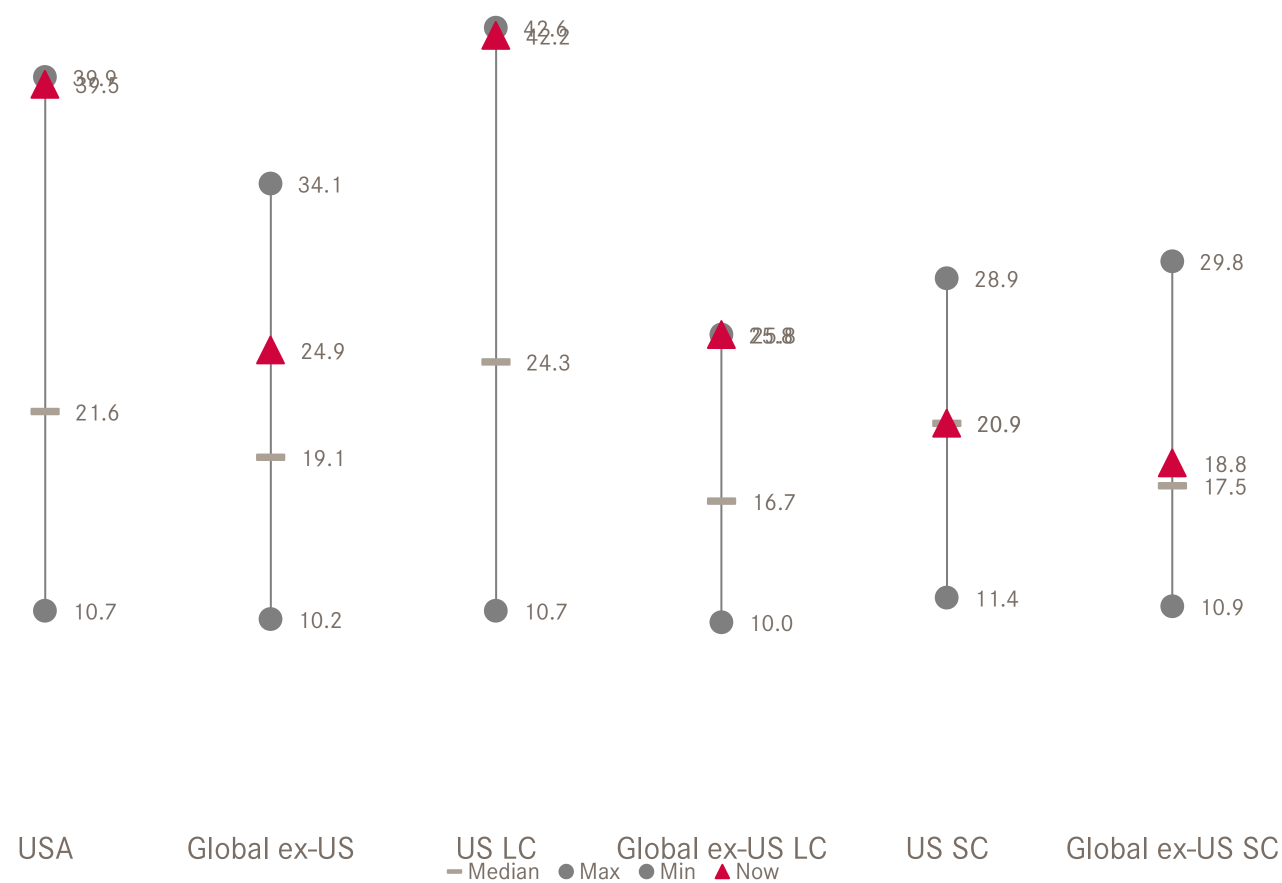


Source: Bloomberg, NPB calculations, NPB Research Hub

Equity Valuations

By Market Cap

(Small) Size continues to offer re-rating potential.



Source: Bloomberg, NPB calculations, NPB Research Hub

Equity Valuations

Factors

Surprisingly, momentum stocks are not at the top of their range in terms of valuation, despite this factor having outperformed for years on end now.

Simultaneously, value stocks are cheap in comparison, but not so much in terms of their historic range.

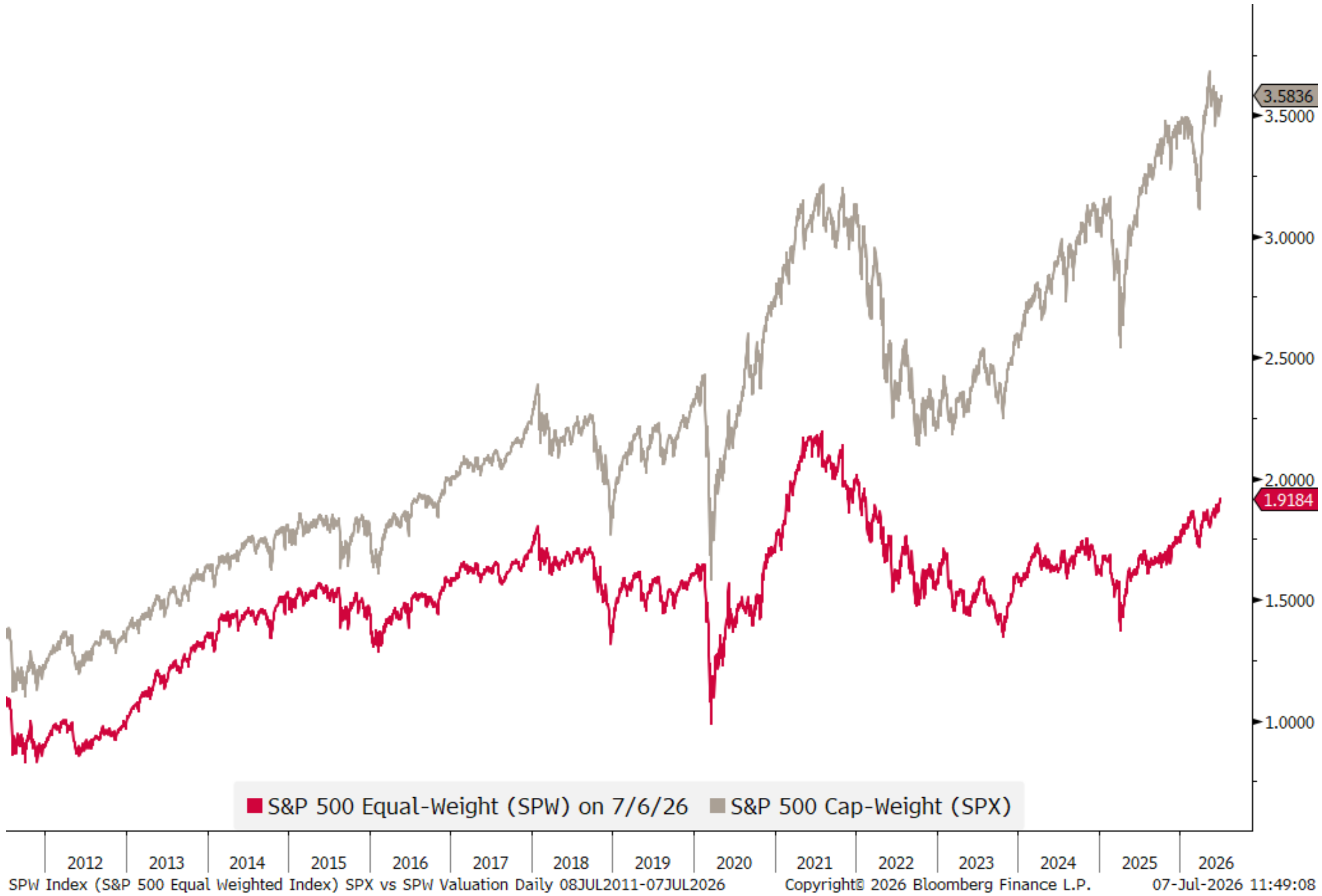
All of these numbers should be taken with a grain of salt, due to earnings distortions and index rebalancing.

Source: Bloomberg, NPB calculations, NPB Research Hub

US Equity Valuation

S&P 500 Price-to-Sales Ratio

The market-cap weight version of the S&P 500 continues to trade in nose-bleed territory and whilst the equal-weight version isn't cheap either, it has been able to re-rate to higher levels in the past (2021).



Source: Bloomberg, NPB calculations (G363a)

Global Markets

MSCI World (in local currency)

After the Iran-related March pullback right to the lower end of the rising trend channel, stocks have recovered quickly and currently "surfing hard" at the very top of the cyclical wave.

Source: Bloomberg, NPB calculations (G366a)

Global Markets

MSCI World (in local currency)

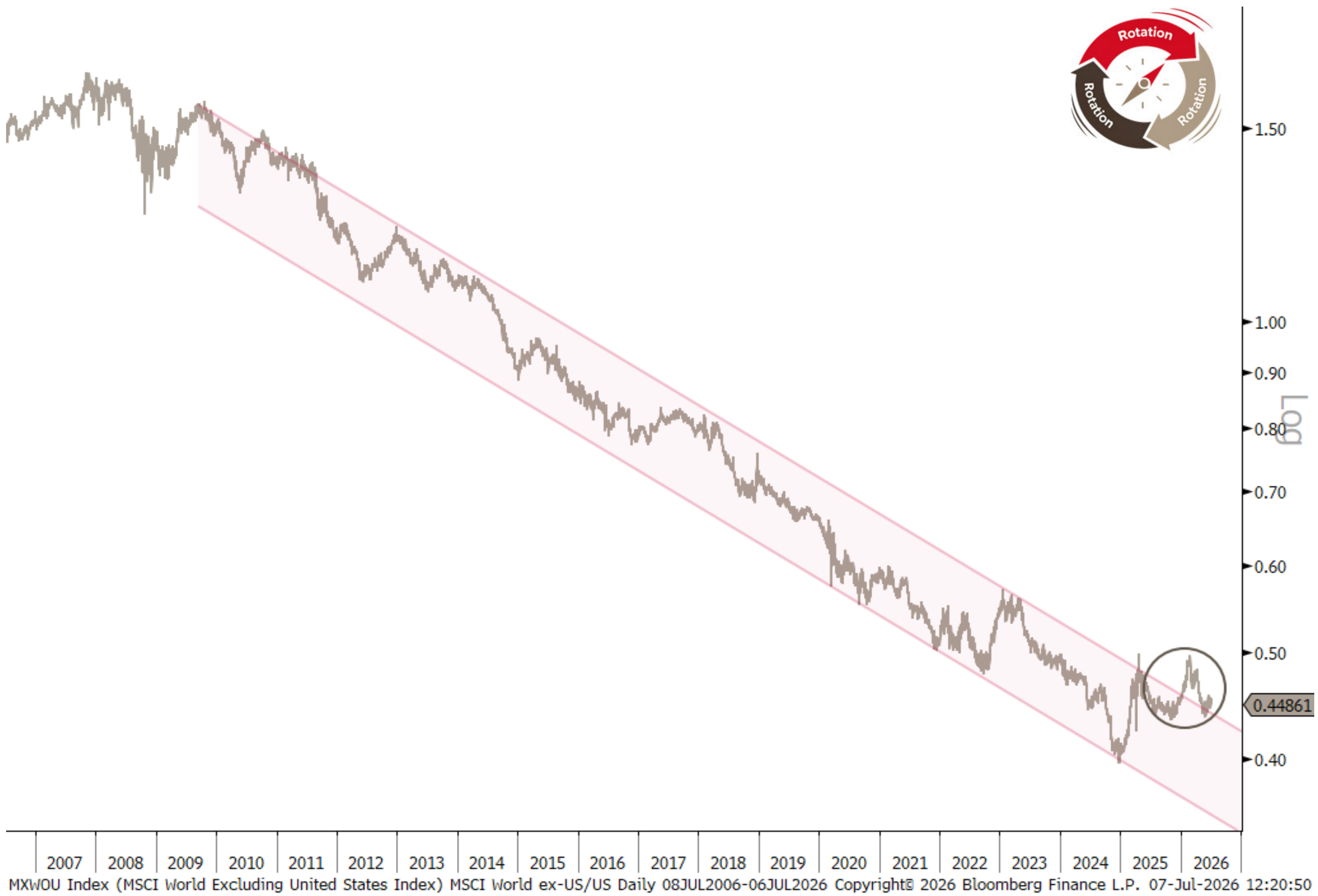
And not only is the MSCI World right on top of its cyclical crest but is also at the very upper end of its SECULAR trend channel.

Source: Bloomberg, NPB calculations (G367)

Global Equities

MSCI World (ex-US) to MSCI US Ratio (1 of 2)

The rotation from US into non-US stocks is still ongoing, albeit at a glacial pace.

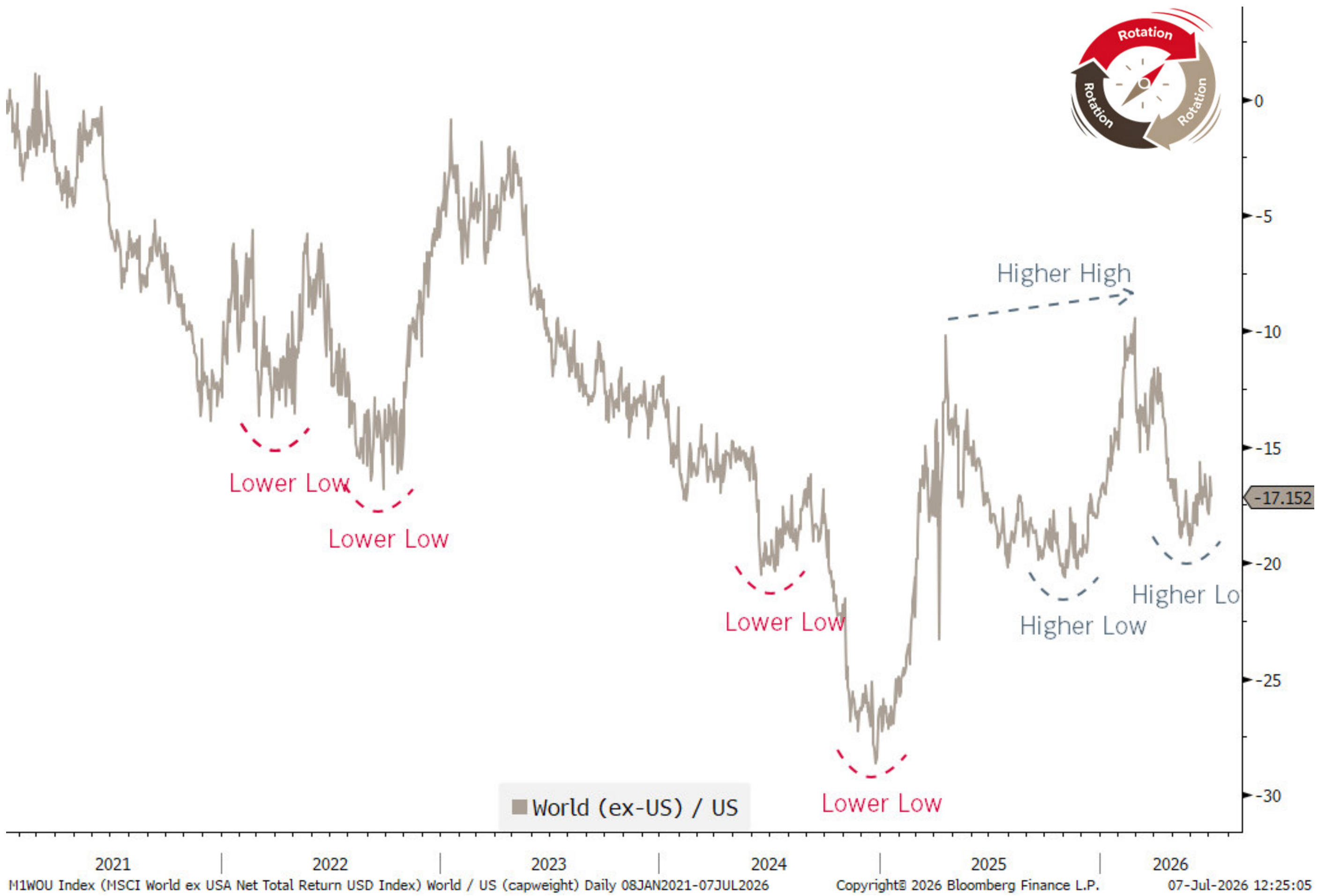


Source: Bloomberg, NPB calculations (G344)

Global Equities

MSCI World (ex-US) to MSCI US Ratio (2 of 2)

“Officially” the pattern of higher highs and especially higher lows confirms that the non-US/US ratio is still an uptrend which started in early 2025.



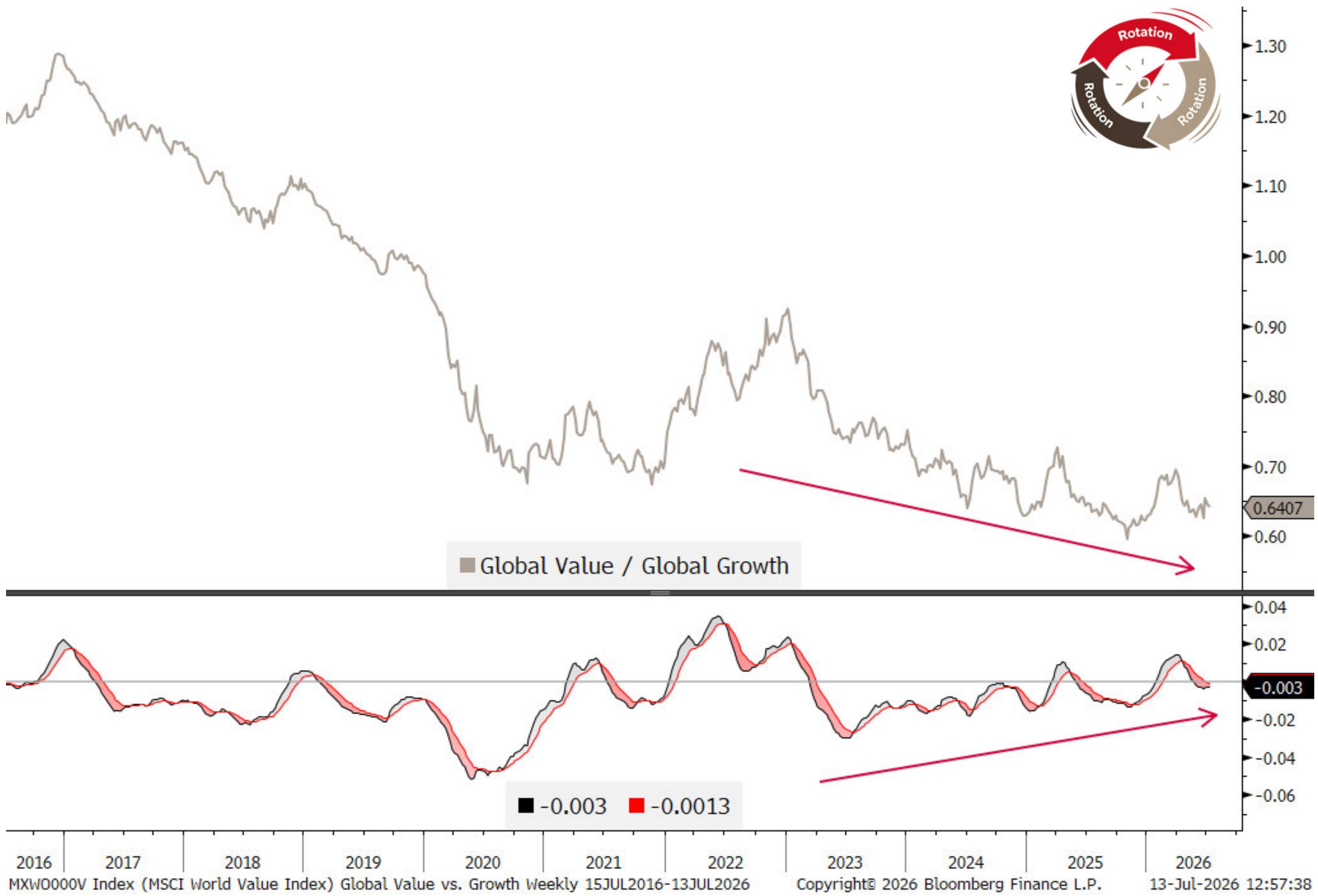
Source: Bloomberg, NPB calculations (G559a)

Global Equities

Value vs. Growth

Are global value stocks about to start outperforming global growth stocks (top clip)?

The divergence between the ratio and the momentum indicator (bottom clip) would suggest that is a possibility.

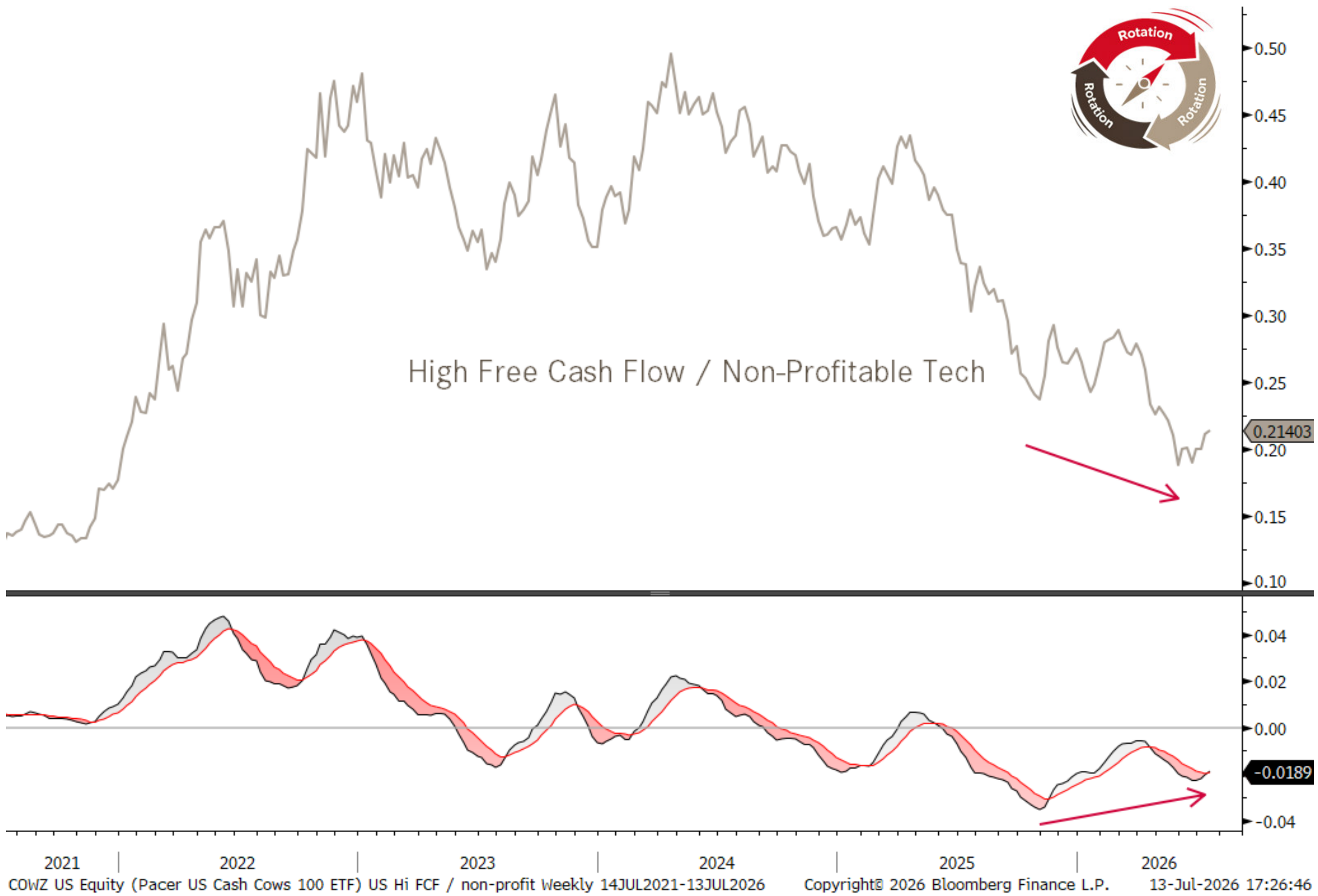


Source: Bloomberg, NPB calculations (G641a)

US Equities

Quality (High FCF) vs. Growth-at-any-price (non-profitable tech)

In our proxy for quality (Pacer US cash Cows ETF - COWZ) versus non-profitable tech (GS index), we note that a divergence between price and momentum indicator and an imminent positive cross-over on the latter, may be signalling an upleg for this ratio.



Source: Bloomberg, NPB calculations (G841a)

US Equities

S&P 500

Turns out the dip below the 200-day moving average during the Iran-conflict was only short-lived and did not lead to a deeper sell-off.

Currently, the index is trading well-above its rising trend channel, which makes it vulnerable to a short-term set-back.

Source: Bloomberg, NPB calculations (G449a)

US Equities

S&P 500 Earnings

Earnings expectations by analysts have been able to keep up with the rally in the underlying stocks.

However, similarly as a quarter ago, we ask ourselves whether those analysts have not gotten a bit ahead of themselves with their expectations.

Source: Bloomberg, NPB calculations (G737)

US Equities

S&P 1500 Information Technology Earnings

And if you think that analysts are wearing their rosy colored glasses for the overall S&P 500 index, you have not yet seen their increase in earnings expectations for the tech sectors (S&P 1500 composite)….

Source: Bloomberg, NPB calculations (737)

US Equities

Semiconductor Stocks Earnings

And don't get me started on semis …

Source: Bloomberg, NPB calculations (835)

US Equities

Reminder

A brief reminder of that price leads narrative ... and ... apparently also earnings revisions!

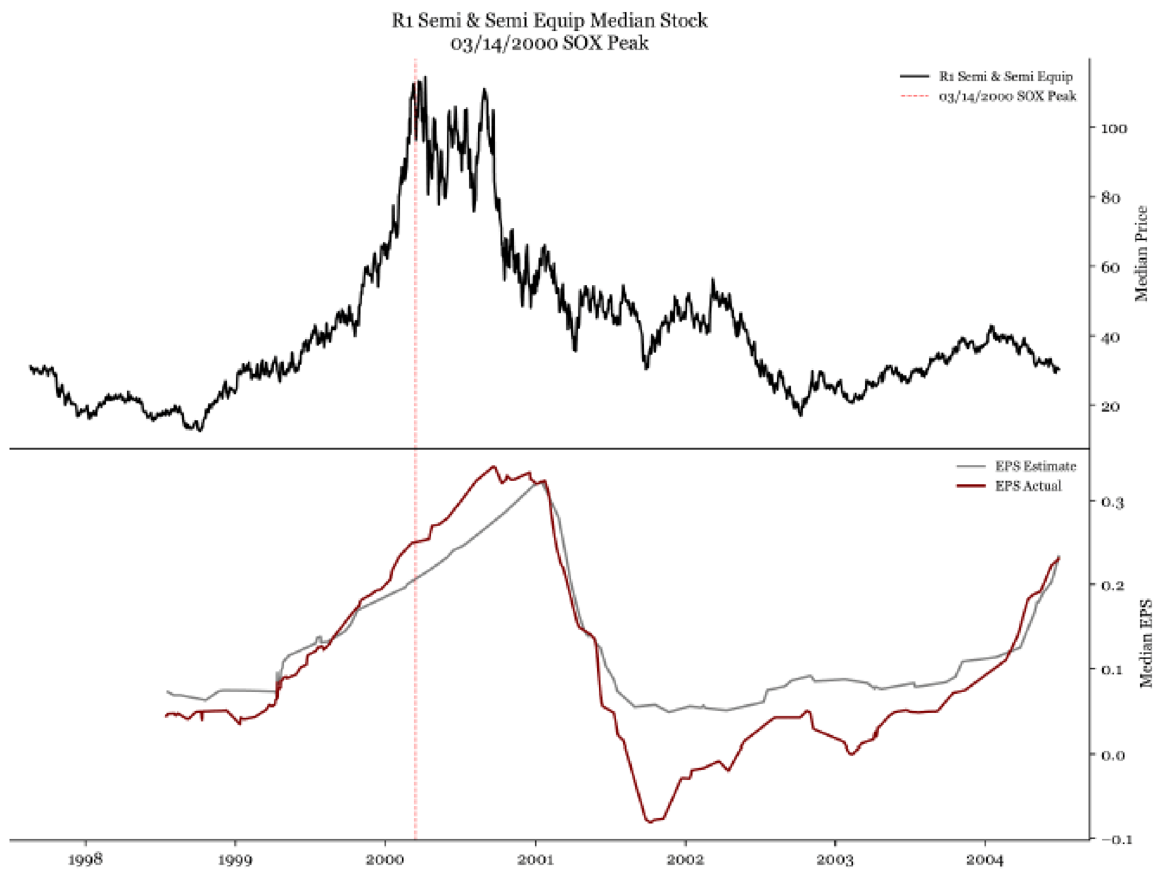


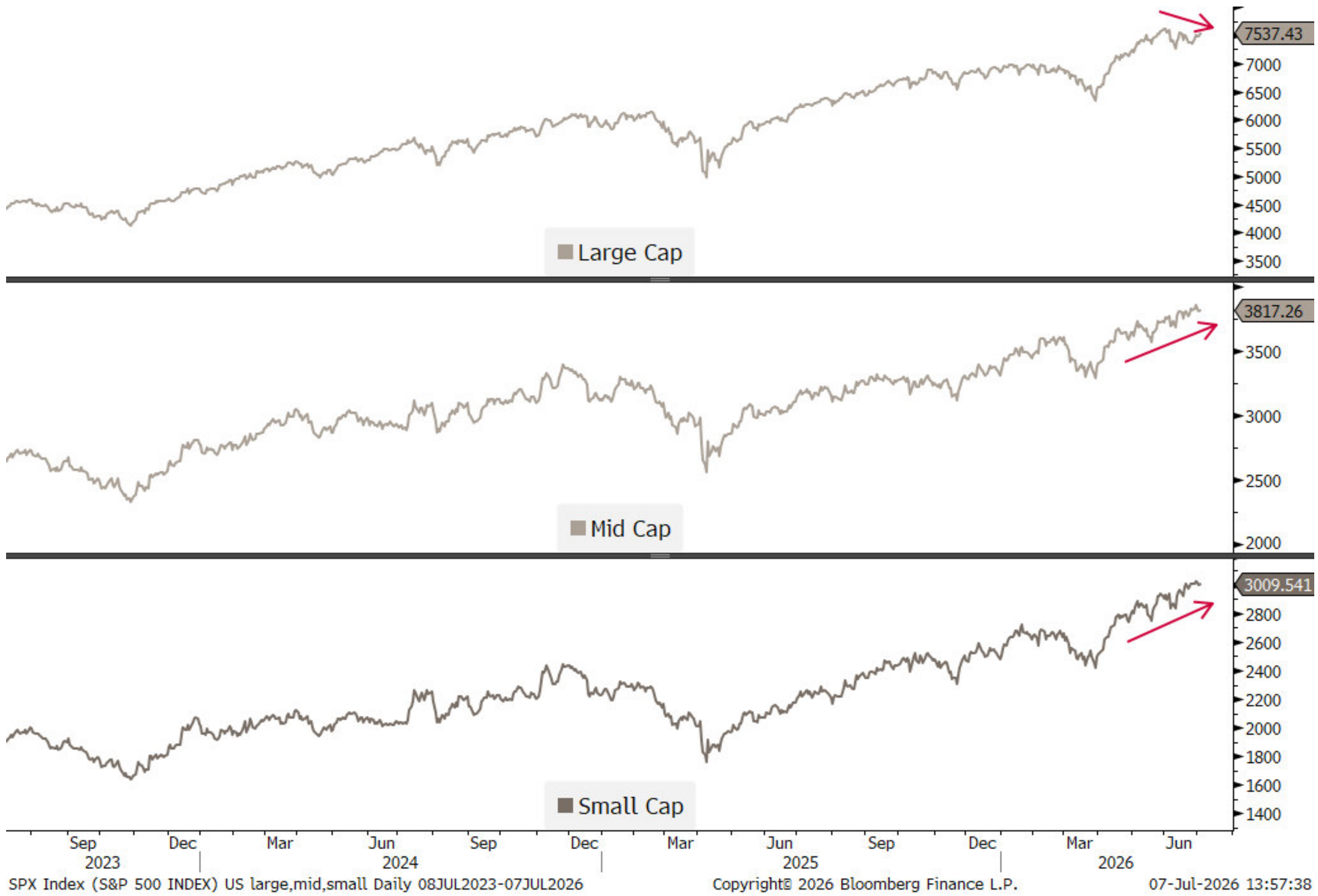
Exhibit 4. Earnings cross-check — R1 Semi & Semi Equip median stock vs. median EPS around the March 14, 2000 SOX peak. EPS: consensus estimate (gray) vs. reported actual (crimson). Source: Bloomberg, RenMac.

Source: RenMac

US Equities

The Rally is Broadening

The US equity rally has clearly broadened from residing mostly in large cap stocks to the lower (cap) echelons of the market. As a matter of fact, small- and mid cap stocks could now be in the driving seat and pull large caps to new ATHs over the coming weeks.



Source: Bloomberg, NPB calculations (G256a)

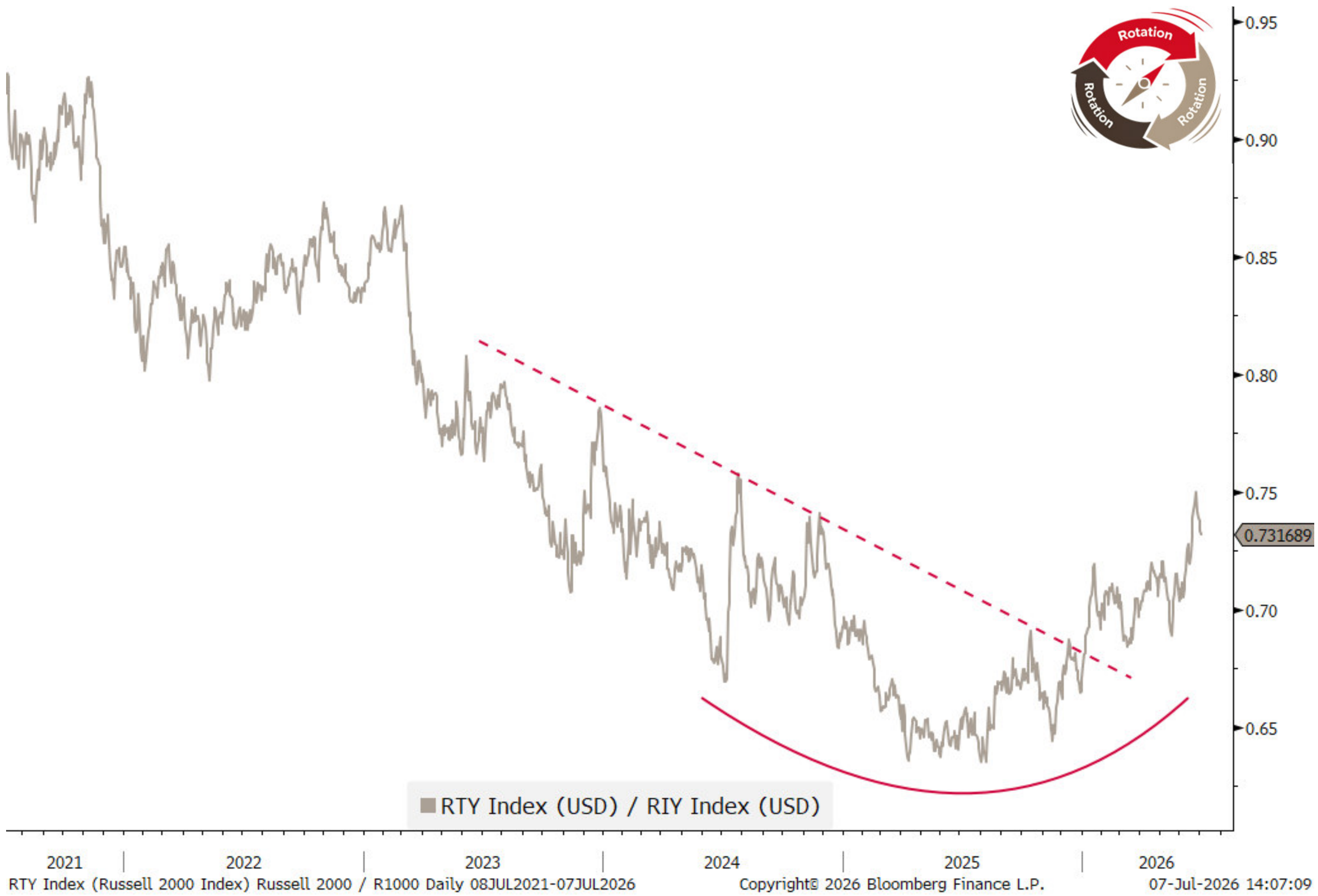
US Small vs. Large

Russell 2000 / Russell 1000

Perhaps to the surprise of many of us, by this way (R2000/R1000) of measuring small cap over large cap performance, small has started to outperform already a year ago.

Too late to the trend? No!

Given the multi-year outperformance of large caps, the moment for small caps to shine should last at least another four to six quarters.



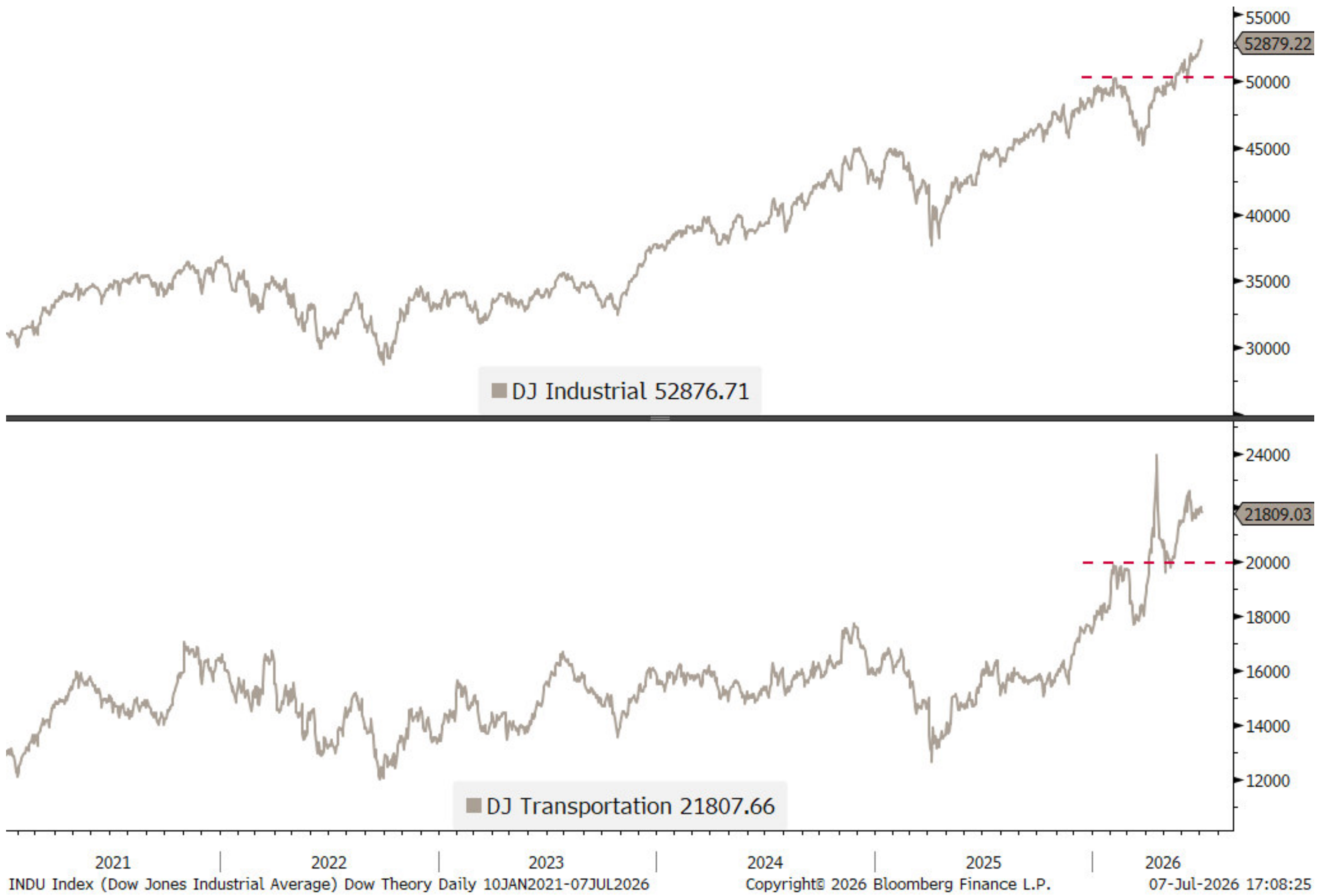
Source: Bloomberg, NPB calculations (G836a)

US Stocks

Dow Theory

Dow Theory, which requires that advances in the DJ Industrial or Transportation index are confirmed by the other, continues to give an unequivocally bullish message.

Not only are both in clear uptrends, but also are both at or close to all-time highs.



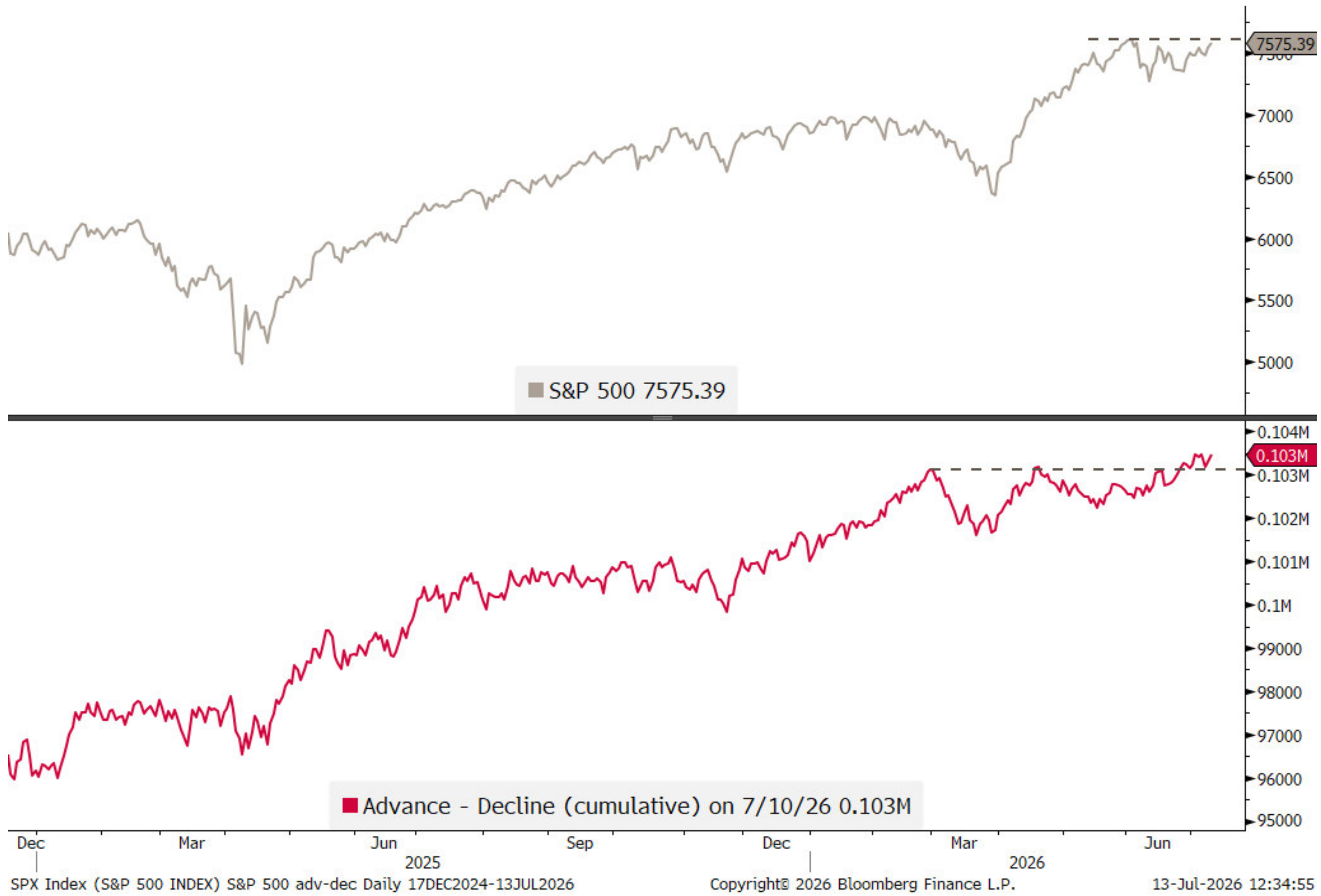
Source: Bloomberg, NPB calculations (G564a)

US Stocks

Breadth

Under the hood, the US stock market also remains very healthy, as the number of advancing stocks is outpacing that of declining stocks in the S&P 500, with the adv/decl line (lower clip) having hit a new all-time high already.

This is further evidence of the rally broadening and rotation away from tech.



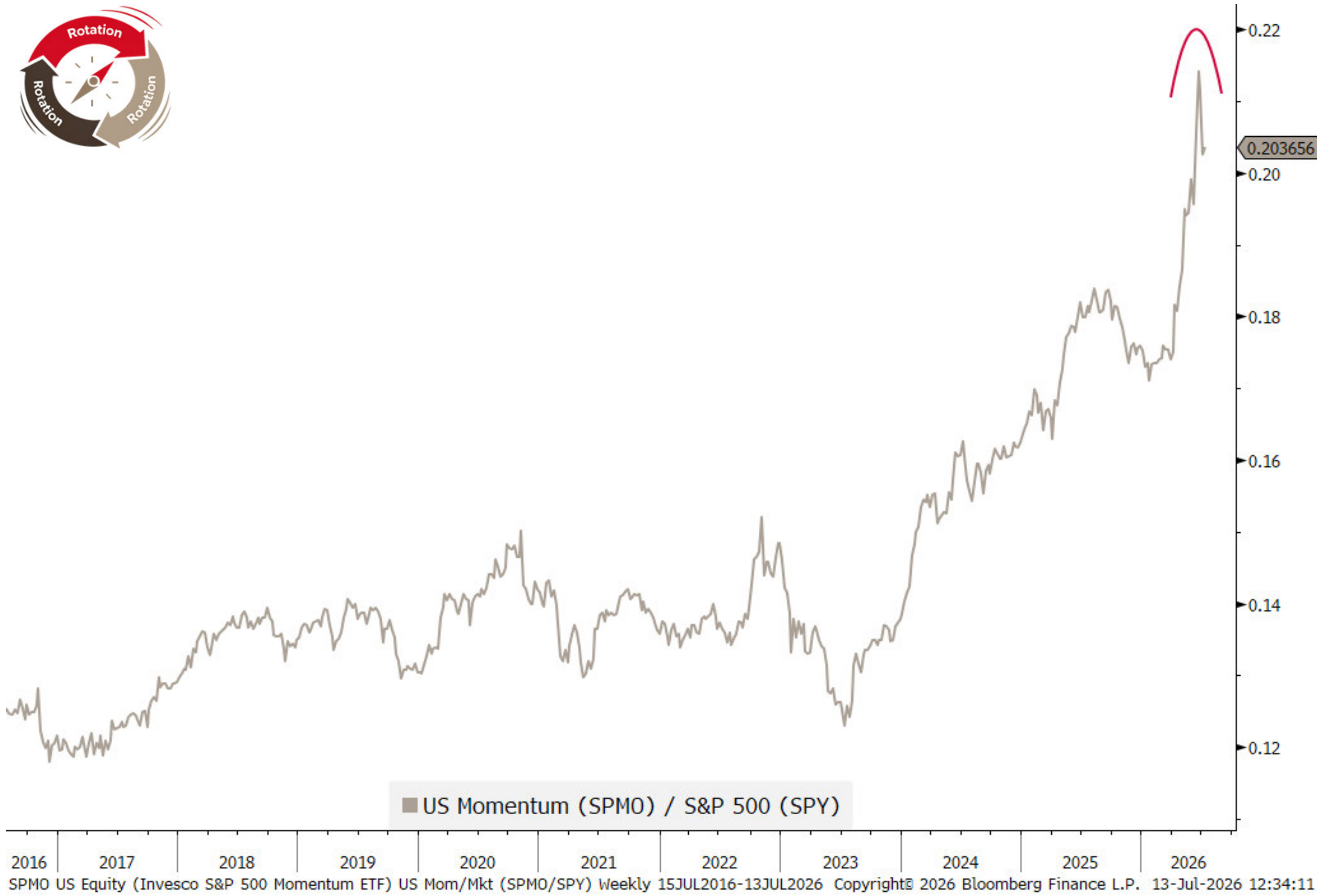
Source: Bloomberg, NPB calculations (G66a)

US Equities

Momentum Stocks

Momentum is one of the few (if not the only) equity factor that has withstood the test of time – as also accepted by Academia.

However, the current momentum 'bubble' may have burst for now.

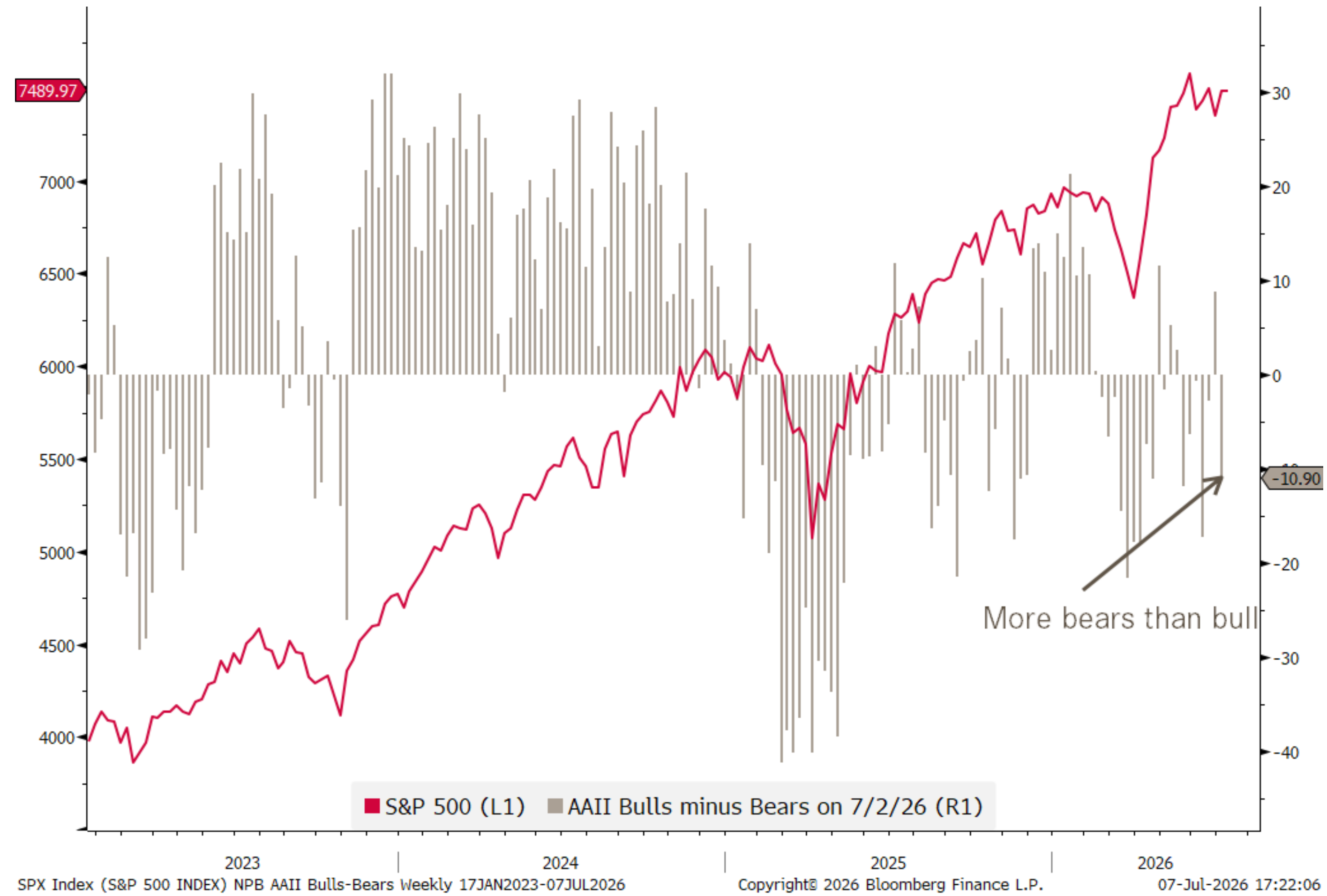


Source: Bloomberg, NPB calculations (G839a)

Sentiment

AAII Survey of Bulls & Bears

Investors' mood can be ignored for the time being, as the AAII survey has been swinging between bullish and bearish for the past few months. Only an extreme reading on either side will be useful at this point.

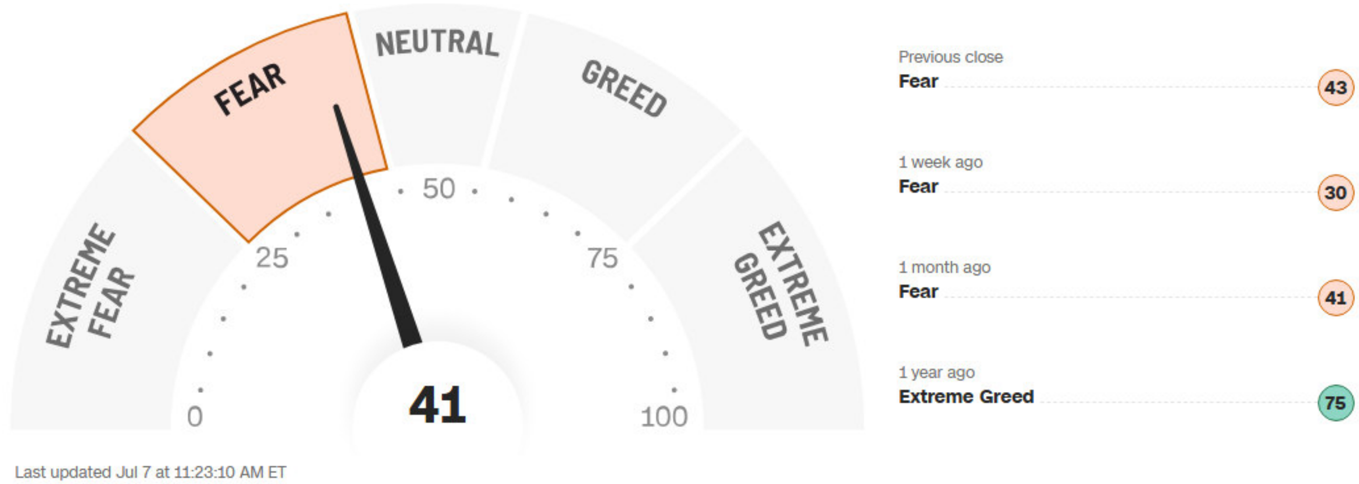


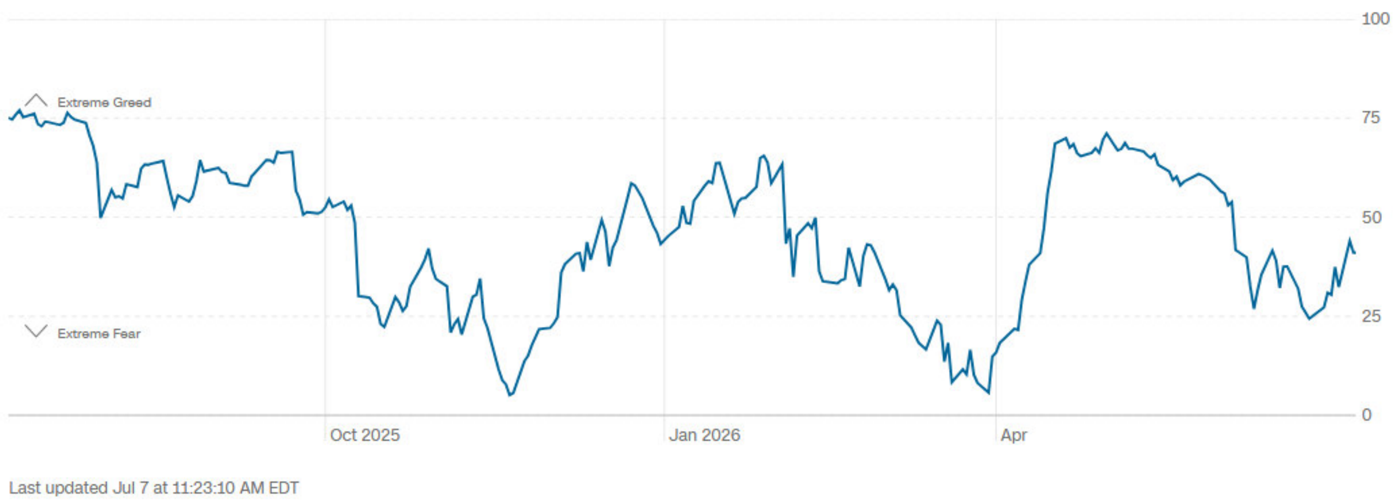
Source: Bloomberg, NPB calculations (G255a)

Sentiment

CNN Fear and Greed Indicator

Similarly, CNN's sentiment indicator is too close to Neutral territory in order to be useful as a contrarian indicator.





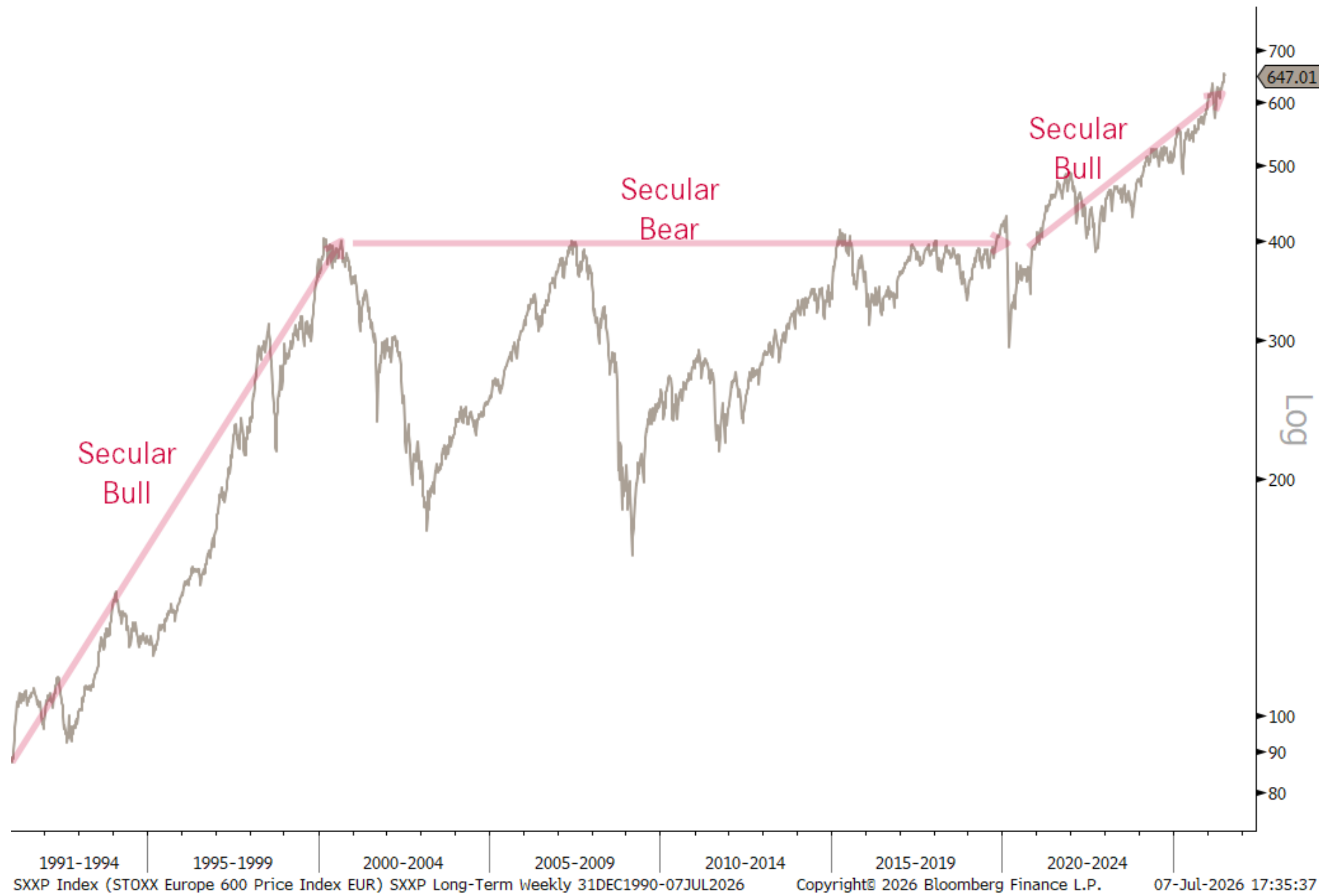
Source: CNN

Europe Equities

STOXX 600 Europe – Long-Term View

As we wrote last quarter, arguably, European equities only left their 21-year secular bear market at the back-end of 2020, hence, the current secular bull market is only around five and a half years old.

There are many different ways to measure the potential upside from here, but even the most conservative would suggest at least 60-80% more.



Source: Bloomberg, NPB calculations (G562a)

Europe Equities

STOXX 600 Europe

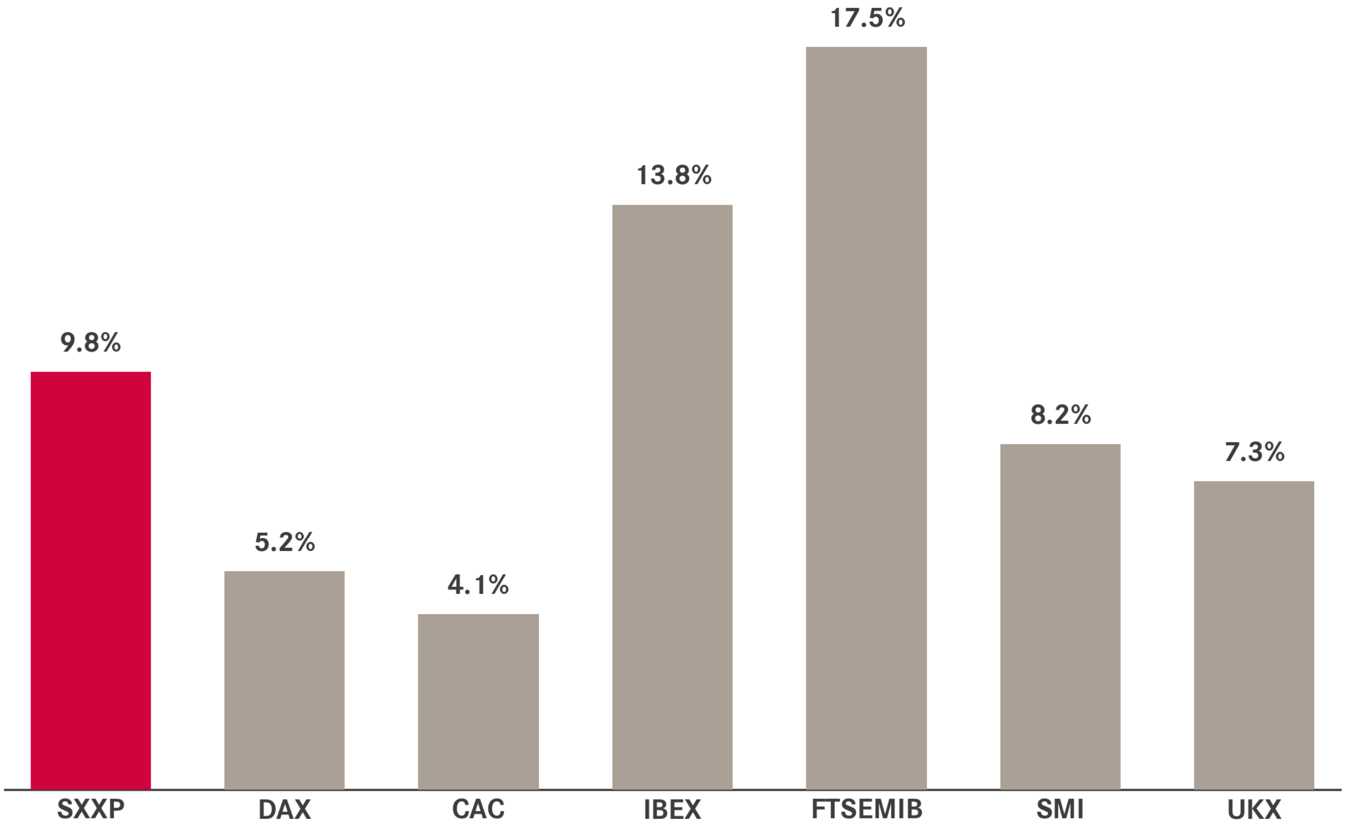
European stocks, as measured by the STOXX 600 Europe index, continue to stair-step higher.

Source: Bloomberg, NPB calculations (G563a)

Europe Equities

A Region of Different Speeds

Whilst European stocks are doing well as a whole, it definitely matters where you were allocated to, geographically speaking.



Source: Bloomberg, NPB calculations

Europe Equities

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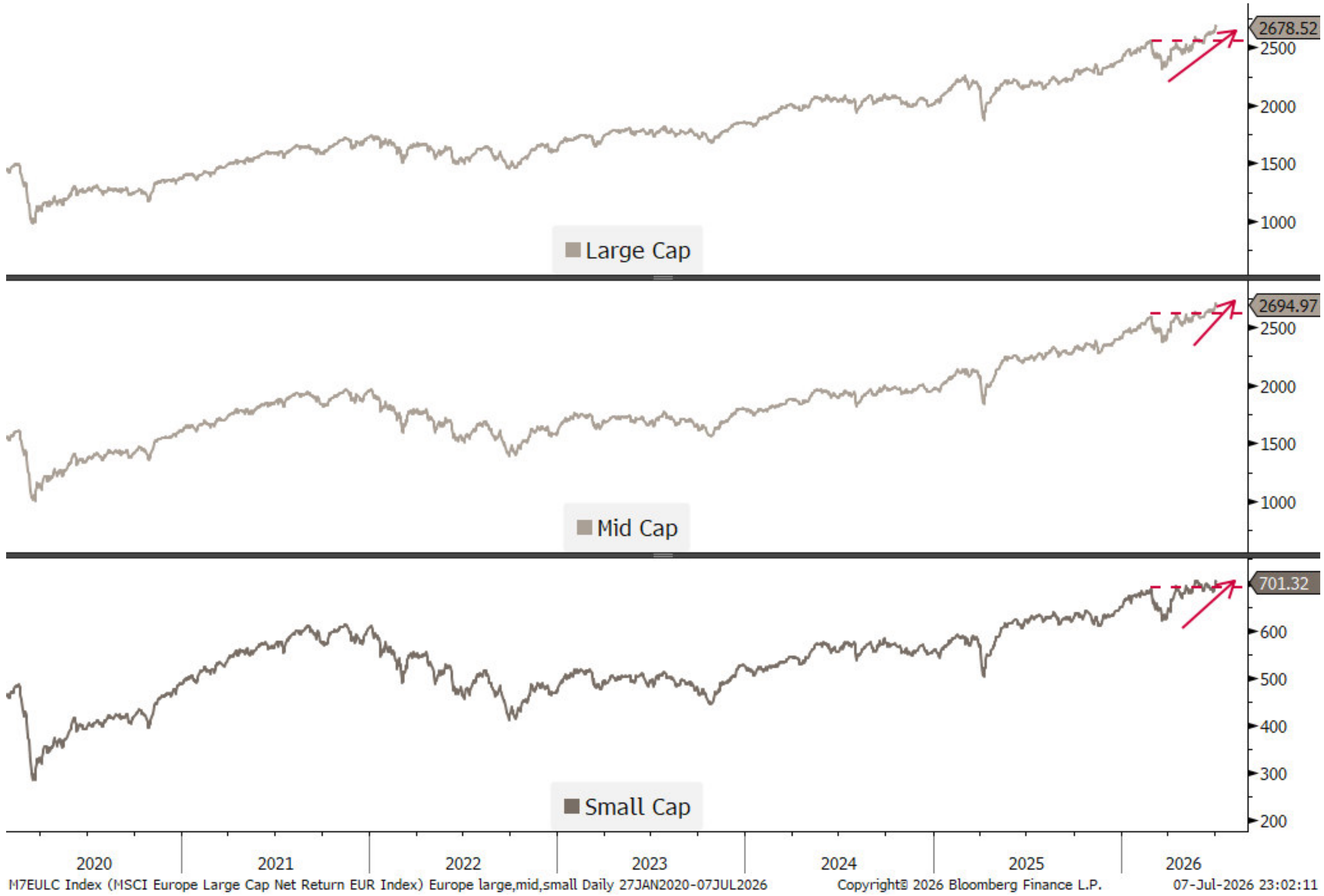
Large-, mid- and small-cap indices

European stocks, however unreal it feels, are firing on all cylinders across all market cap segments.



Source: Bloomberg, NPB calculations (G177a)

Swiss Equities

Swiss Market Index (SMI)

Switzerland's SMI has seen an excellent rebound since the latter of March.

Source: Bloomberg, NPB calculations (G565a)

UK Equities

FTSE-100

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The FTSE-100's recovery has been much more muted, and for now the late February 2026 all-time highs have not been exceeded.

Source: Bloomberg, NPB calculations (G566a)

Japan Equities

Nikkei

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The Japanese equity market continues within its strong cyclical (and of course secular) bull trend and has advanced over 40% since the spring lows.

The latter is a bit of a tactical issue as the index remains technically overbought on a weekly and monthly basis.

However, given the constellation of a business friendly government, corporate reforms, neutral valuations but above all, a weaker Yen, any further weakness is more an opportunity to add where still underweight.

Source: Bloomberg, NPB calculations (G567a)

Emerging Markets

The Good, the Bad and the Ugly

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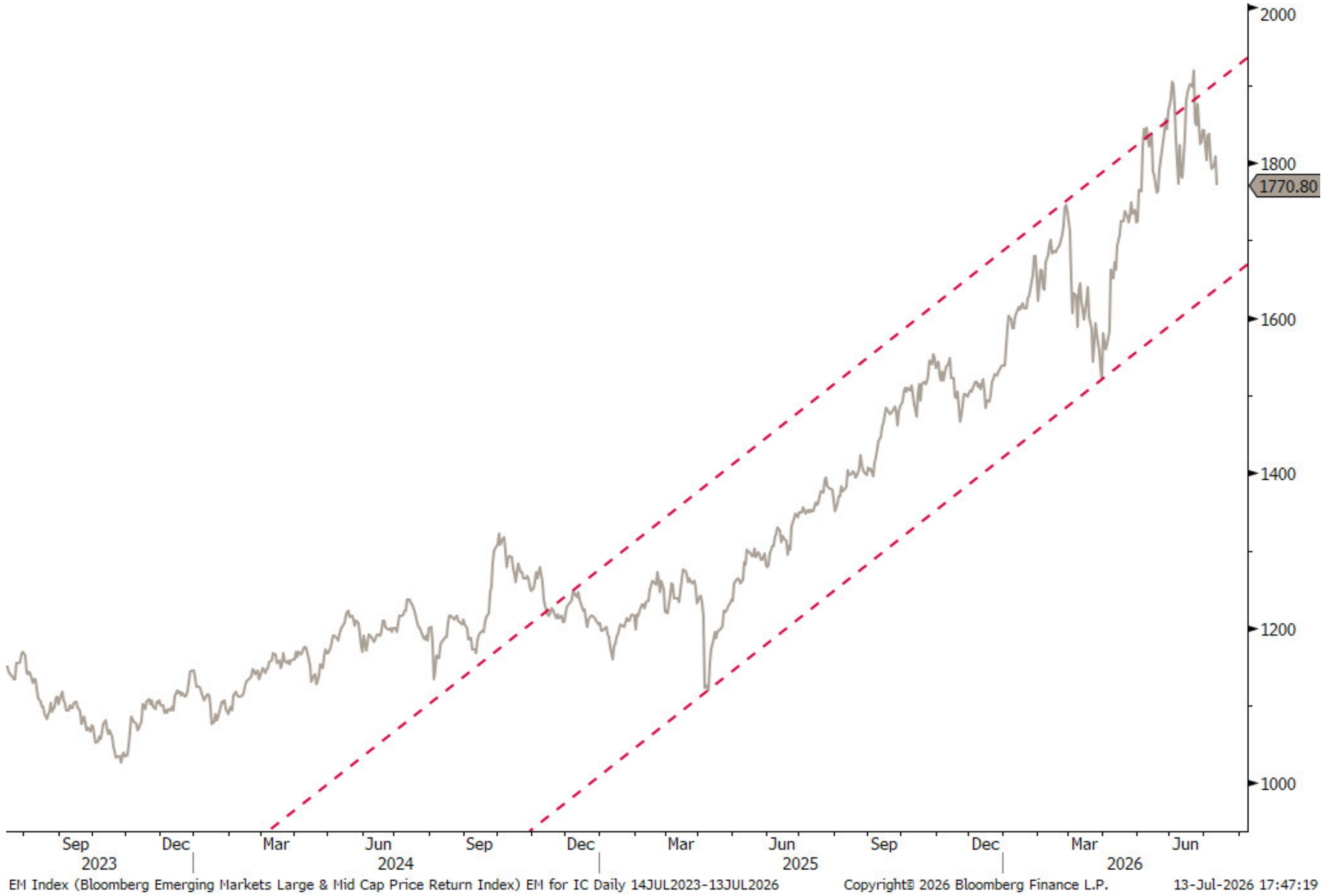
Emerging markets are taking a breather after having ‘surfed’ hard at the top of the wave for large parts of the year.

The resilience of EMs, with many of them net oil importers, especially in Asia, has been astonishing.

The recent “supply shock” experience will be a lesson well learned and an increase in strategic holdings of everything, but especially energy products and fertilizers will be a net positive for EM equity markets.

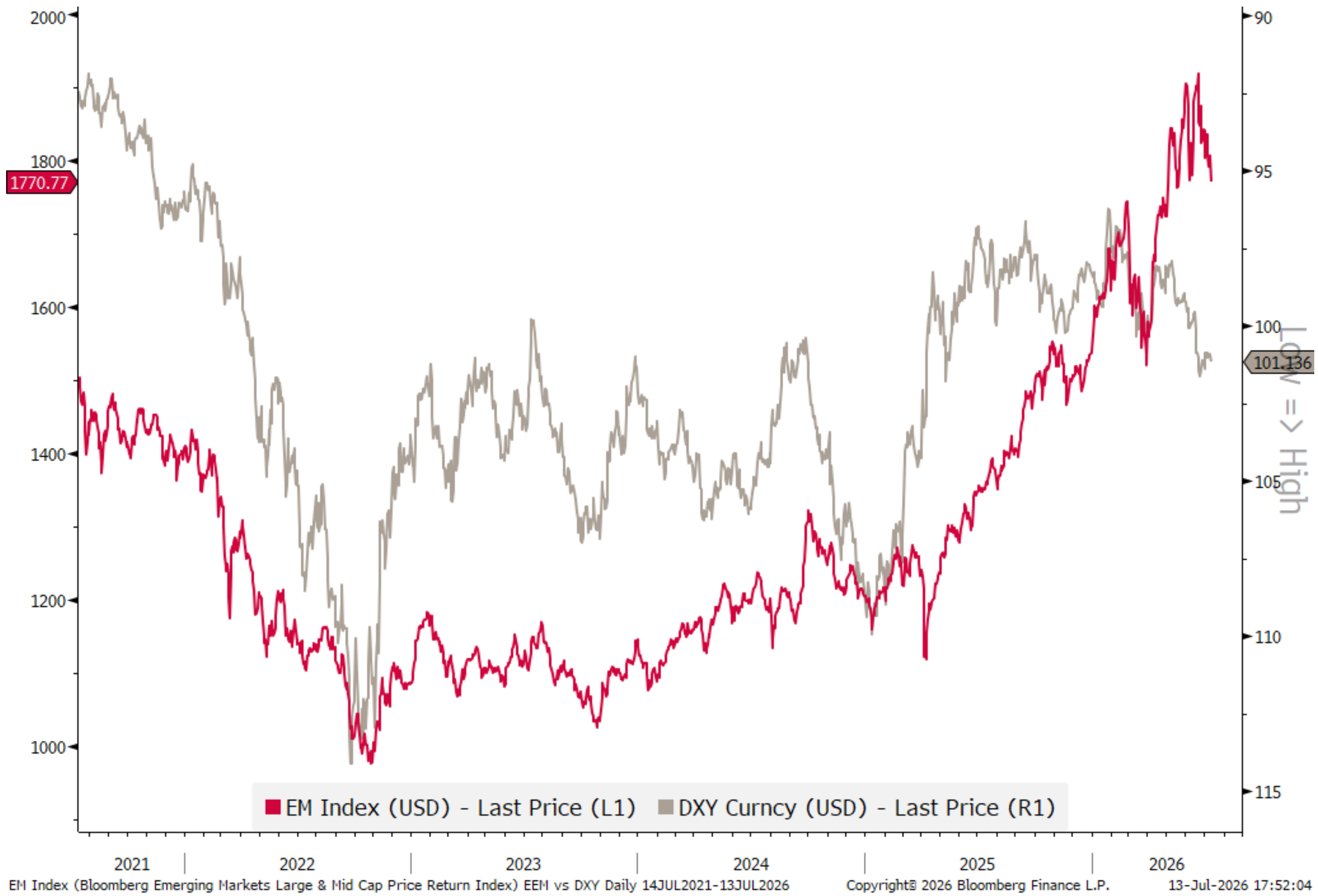


Source: Bloomberg, NPB calculations (G570a)

Emerging Market Equities

Tailwinds from a weaker USD reinstating

EMs (red line) have also held up well, given the sudden Dollar strength (grey line, inverted). Should this US Dollar strength continue however, then a further consolidation in EMs will be likely.



Source: Bloomberg, NPB calculations (G244a)

Emerging Markets

EM / DM

The relative outperformance of EM over DM, which started nearly two years ago, is set to continue.

Source: Bloomberg, NPB calculations (G102a)

India Equities

Nifty 50

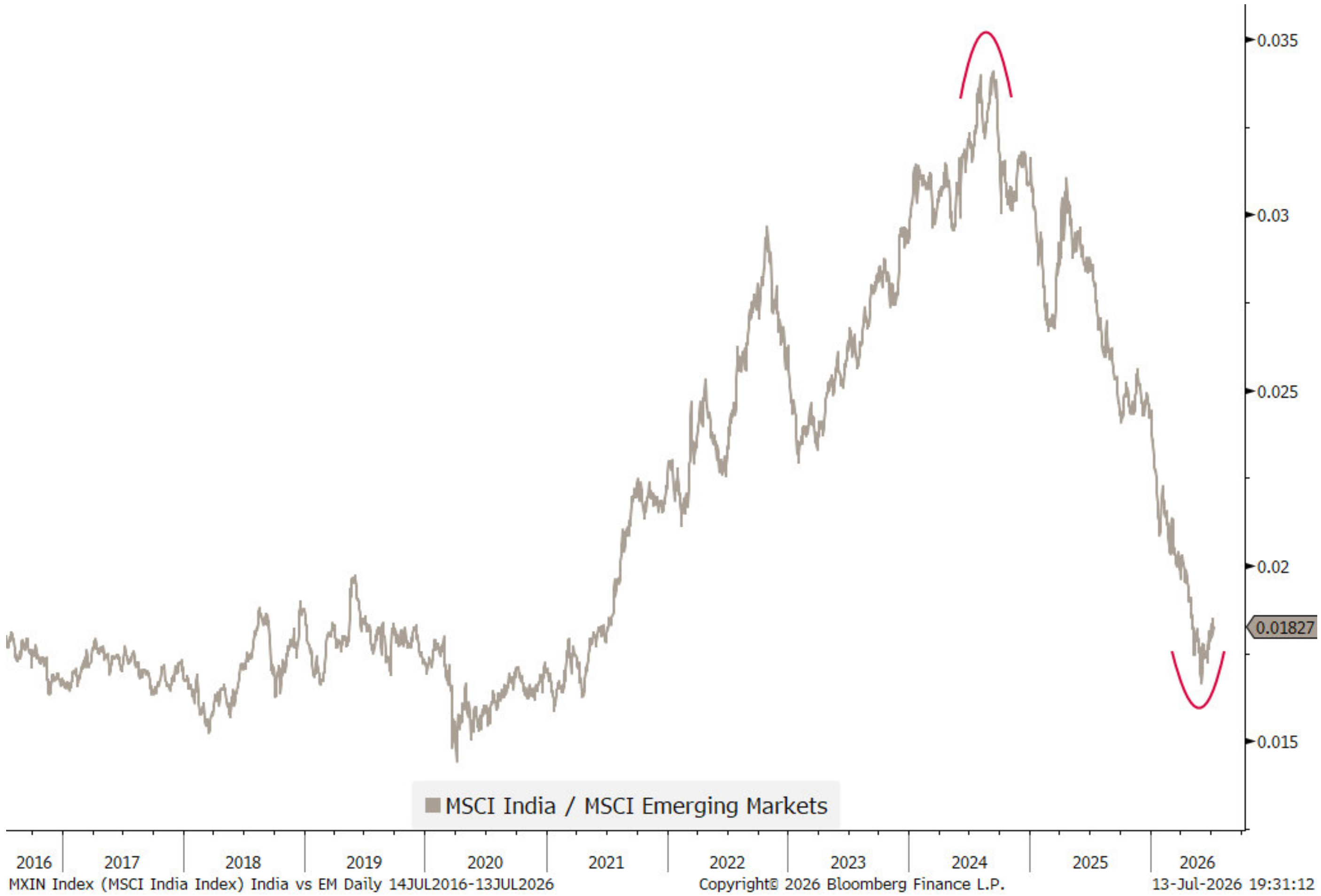
We saw India as a tactical buying opportunity in our previous report, which so far, at least on a relative basis, has not worked well.

Source: Bloomberg, NPB calculations (G571a)

India Equities

MSCI India / MSCI EM

However, we think that at the current "bombed out" levels, a long India relative trade is still an interesting value proposition.

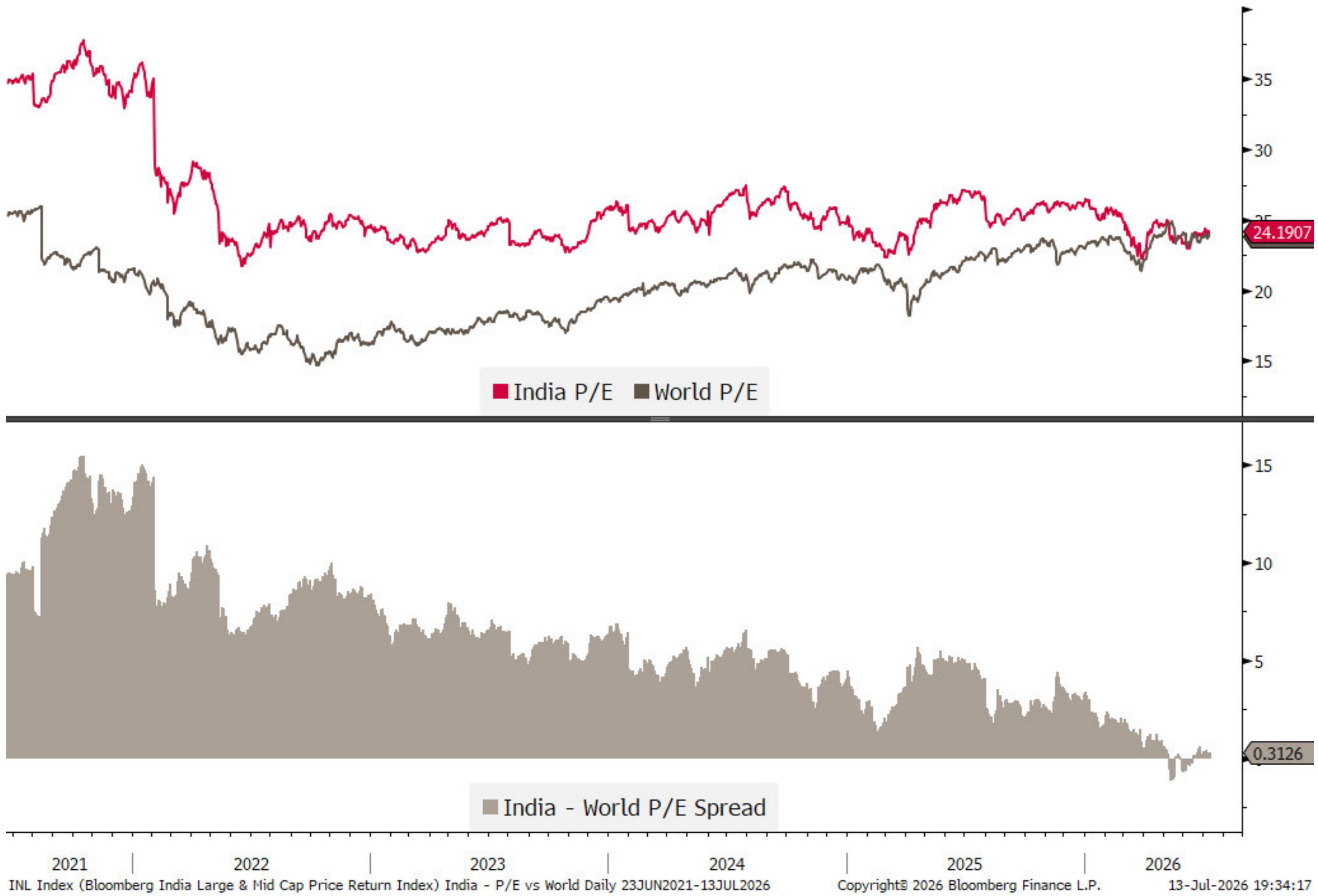


Source: Bloomberg, NPB calculations (G435a)

India Equities

Valuation

Our positive view is further cemented by the fact that the usual premium on the Indian stock is now completely gone (see lower clip).



Source: Bloomberg, NPB calculations (G7 13a)

Middle East

Saudi Arabia – Tadawul All Share Index

The Tadawul continues to be our preferred market in the Middle Eastern region, and we should see a solid upside resolution out of the consolidation triangle over the coming two to three quarters.

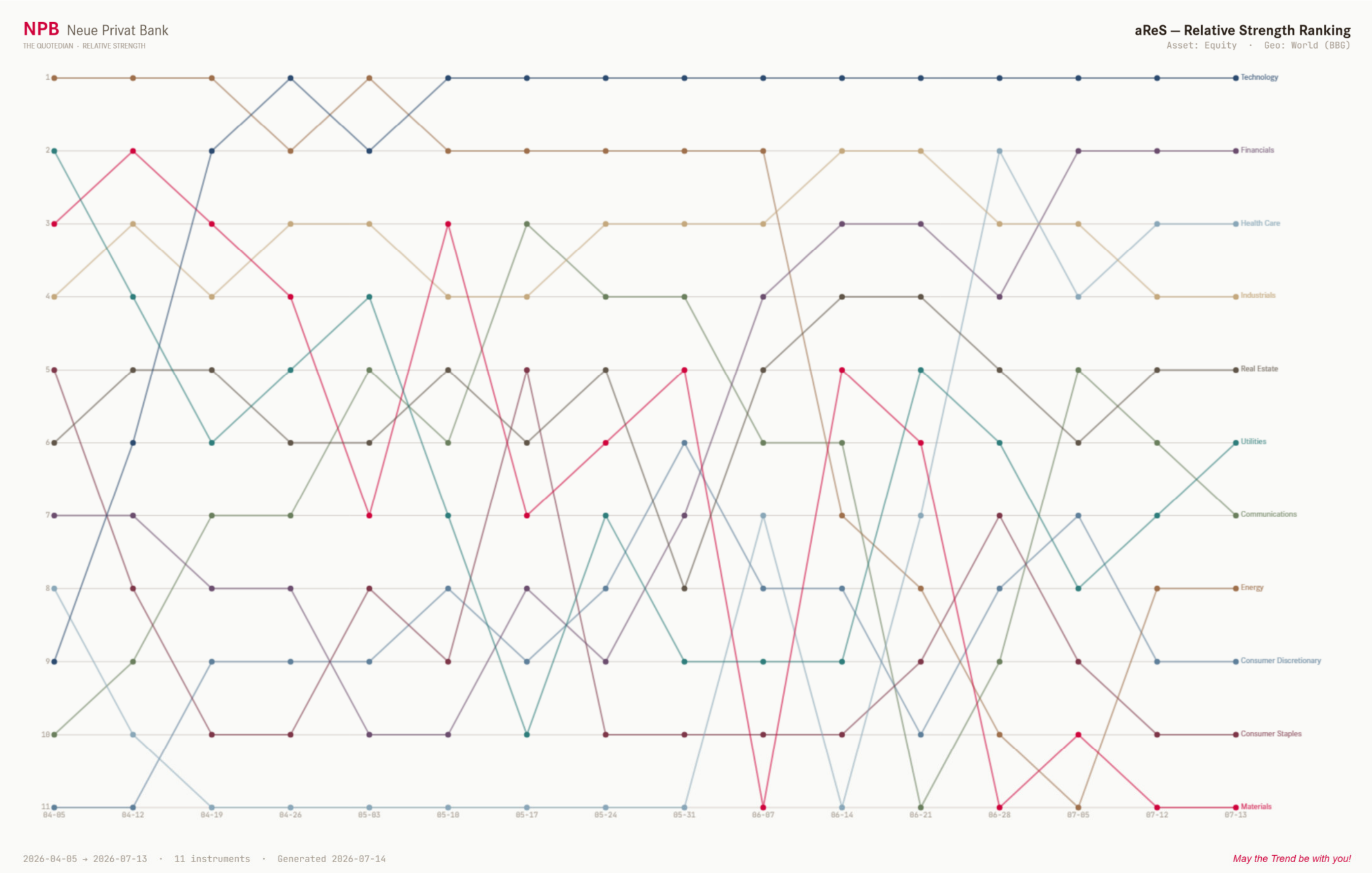
Source: Bloomberg, NPB calculations (G455a)

Sector Analysis

Proprietary aReS™ Model

The sectors exhibiting best relative momentum are currently technology, followed by financials and health care. We find especially this latter (HC) to be intriguing, as it offers some defensive features but also good price momentum.

Materials, a previous highflyer and NPB favourite, has fallen from grace, but we'd keep a close eye on it.



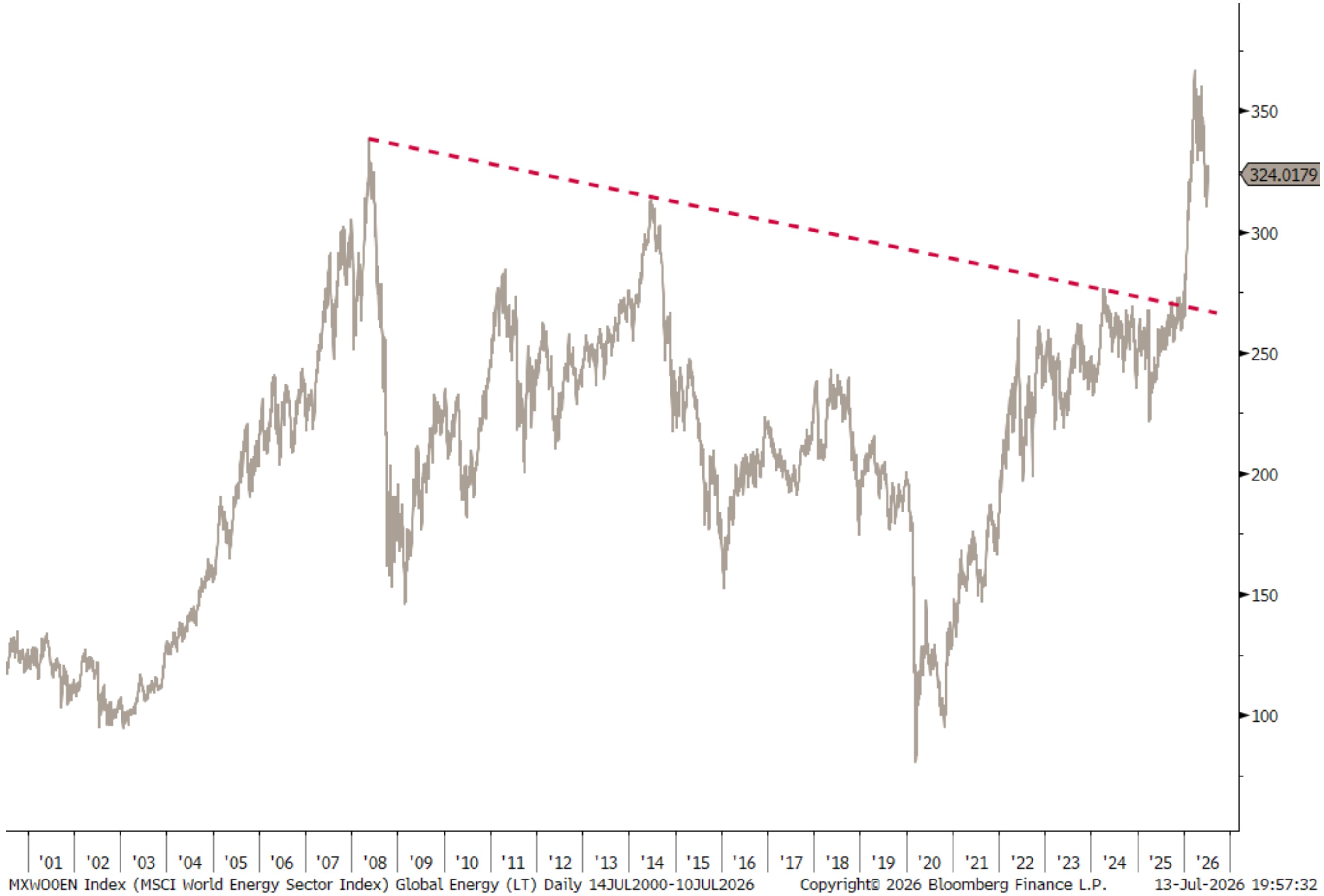
Source: Bloomberg, aReS™, NPB calculations

Sector Focus

Energy vs. World (MSCI)

Last quarter we argued that secularly the uptrend should continue for a while, but tactically it was time to take some chips off the table …

… this turned out to be a savvy call, and re-entry at current levels should be pondered.

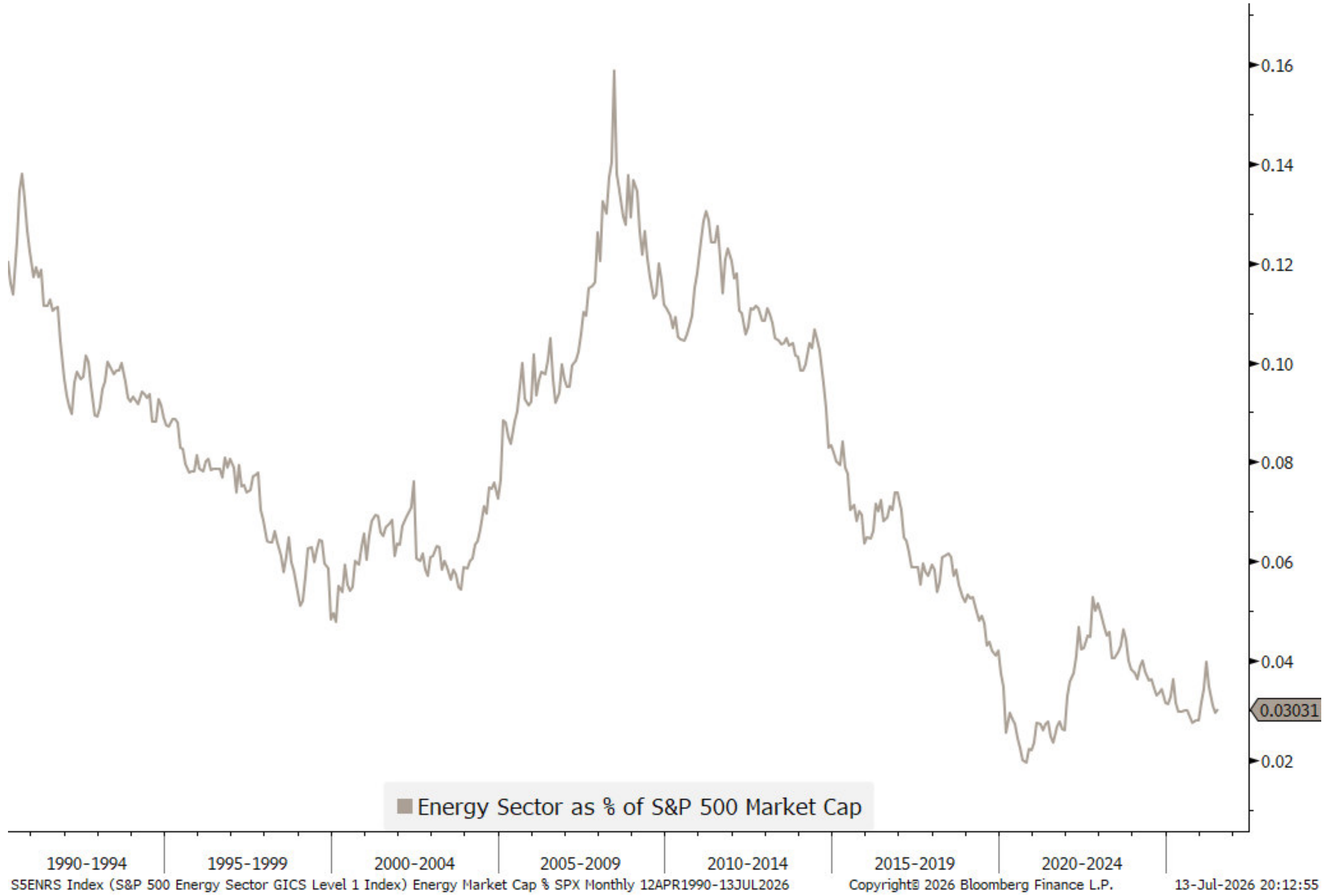


Source: Bloomberg, NPB calculations (G740a)

Sector Focus

Energy

From a percent of market cap point-of-view the energy sector has fallen back to a meagre 3%.



Source: Bloomberg, NPB calculations (G741a)

Sector Focus

Metals & Mining

Our Age of Empires "play", the Metals & Mining sector, has entered a wide and volatile consolidation period.

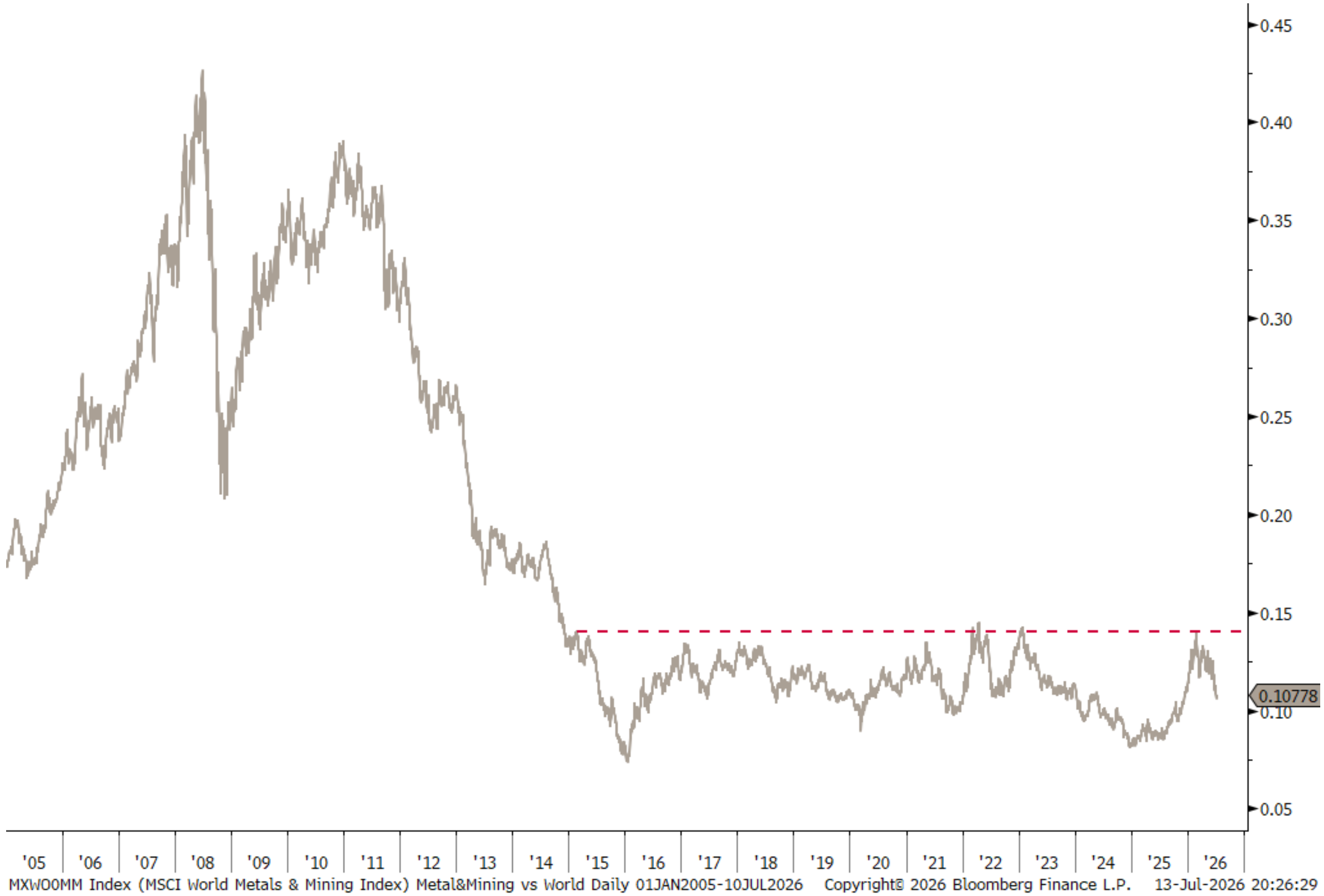
Forget the short-term gyrations and focus on the longer-term (up) trend.

Source: Bloomberg, NPB calculations (G579a)

Sector Focus

Metals & Mining vs. Global Stocks

The relative performance of the past few months has been disappointing of course, but again, keep in mind that once those trends get really started, they will hold for years (2005-2008 and 2009-2011).



Source: Bloomberg, NPB calculations (G578a)

Fixed Income

Chartbook Q3 2026

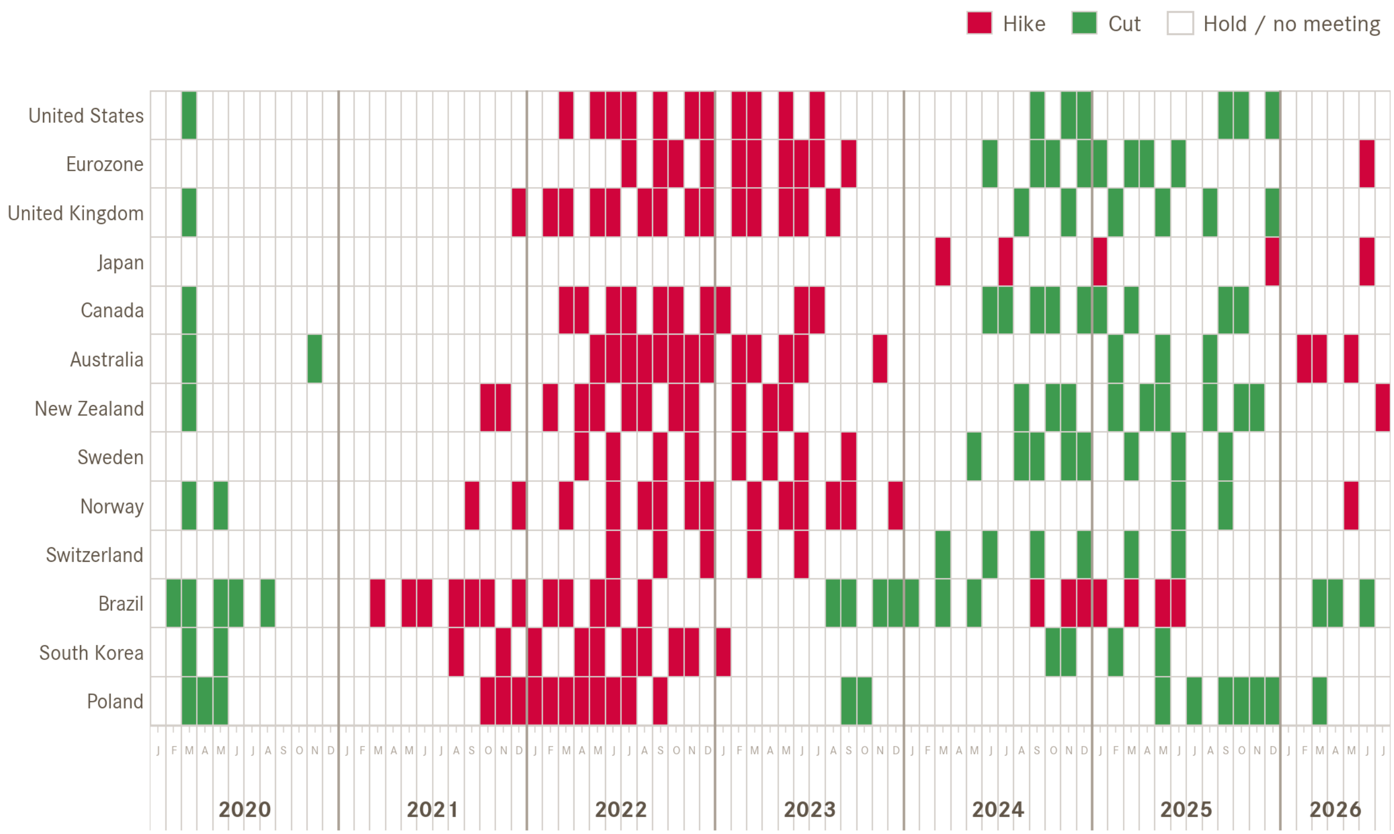
> “None of the U.S. expansions of the past 40 years died in bed of old age; every one was murdered by the Federal Reserve.”
>
> — Rudi Dornbusch

Fixed Income Chart of the Quarter

Cycle Shift

The chart to the right shows central bank monetary policy for selected countries since 2020. Green means a country's CB cuts, red means it hikes.

Notice a new trend has been slowly setting in during 2026?



Source: NPB calculations

US Monetary Policy

Fed Fund Futures

There has been a profound change in expectations of the future path of US monetary policy over the past few months, not least due to Fed Chair Warsh's rather hawkish (i.e. inflation fighting) inaugural press conference.

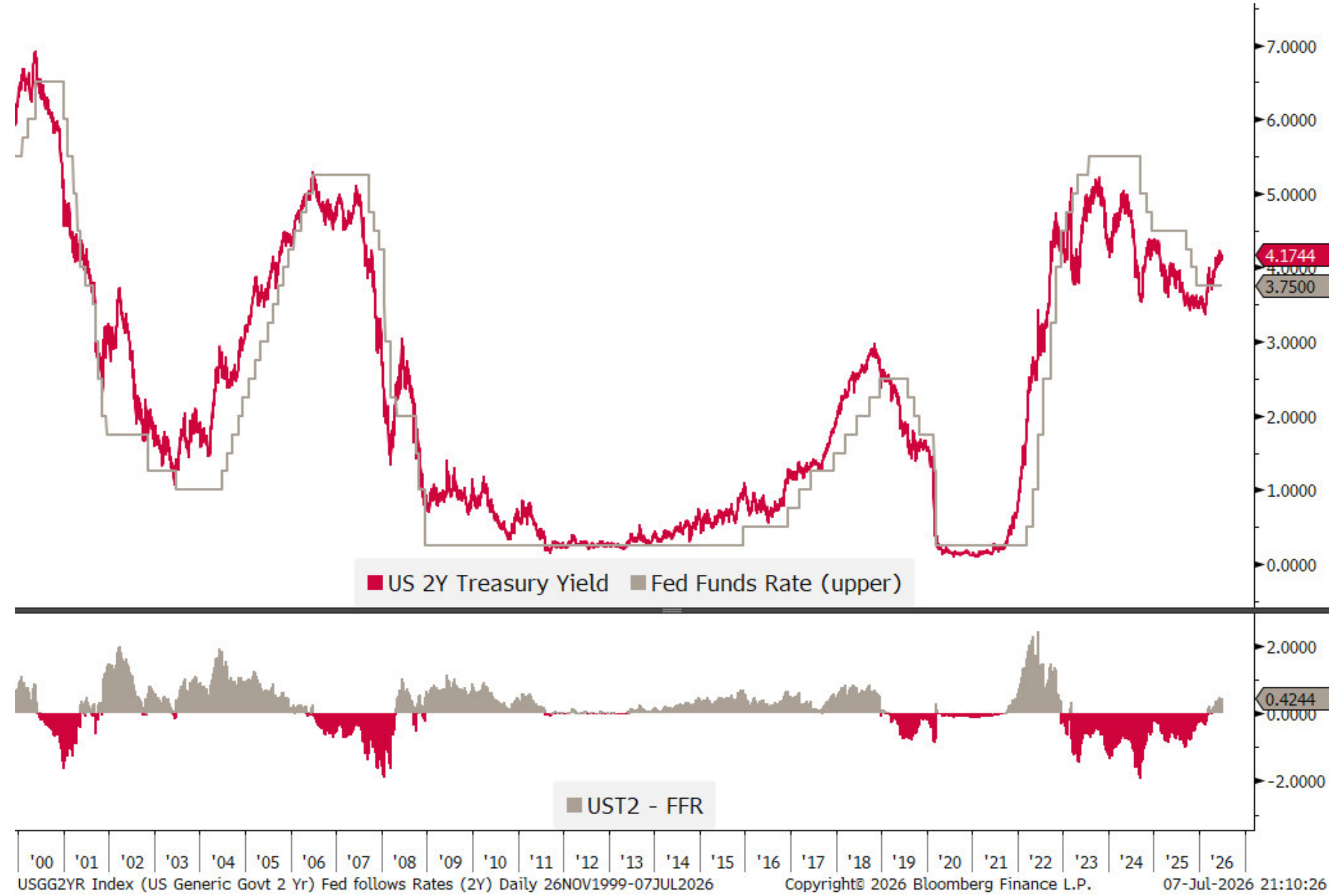
Source: Bloomberg, NPB calculations (G531a)

US Monetary Policy

NPB | Neue Privat Bank 25 YEARS

2-year Treasury Yield vs Fed Fund Rate

The short-end of the curve is now pricing in one interest rate hike.



Source: Bloomberg, NPB calculations (G182a)

US Breakevens

5- and 10-Years

Market implied inflation expectations have collapsed post the Iran “Peacefire”. Whilst this move, which has gone even below the levels before the start of the conflict, baffles us, we accept that markets have spoken (hint: making money over being right).

Source: Bloomberg, NPB calculations (G180a)

US 10-year Yields

Break-Out Imminent or …

As the 10-year yield moves further into the apex of its consolidation triangle a breakout either side is becoming imminent.

“Our” side is still the upside, but we could also not rule out another down, up sequence before yields move above 5%.

The risk level to our view is now very clearly the 4% level.

Source: Bloomberg, NPB calculations (G558a)

US Yield Curve

10s minus 2s

The yield curve has continued to flatten, especially after Warsh's "hawkish" inaugural press conference in mid-June.

The most recent (soft) non-farm payroll number however has taken some wind out of the hawks' sails, leading to a small steepening.

Source: Bloomberg, NPB calculations (G459a)

Eurozone

Expected rate hikes

NPB | Neue Privat Bank 25 YEARS

The ECB was expected to hike three times into year-end shortly after the start of the Iran conflict and the SoH-related energy supply shock.

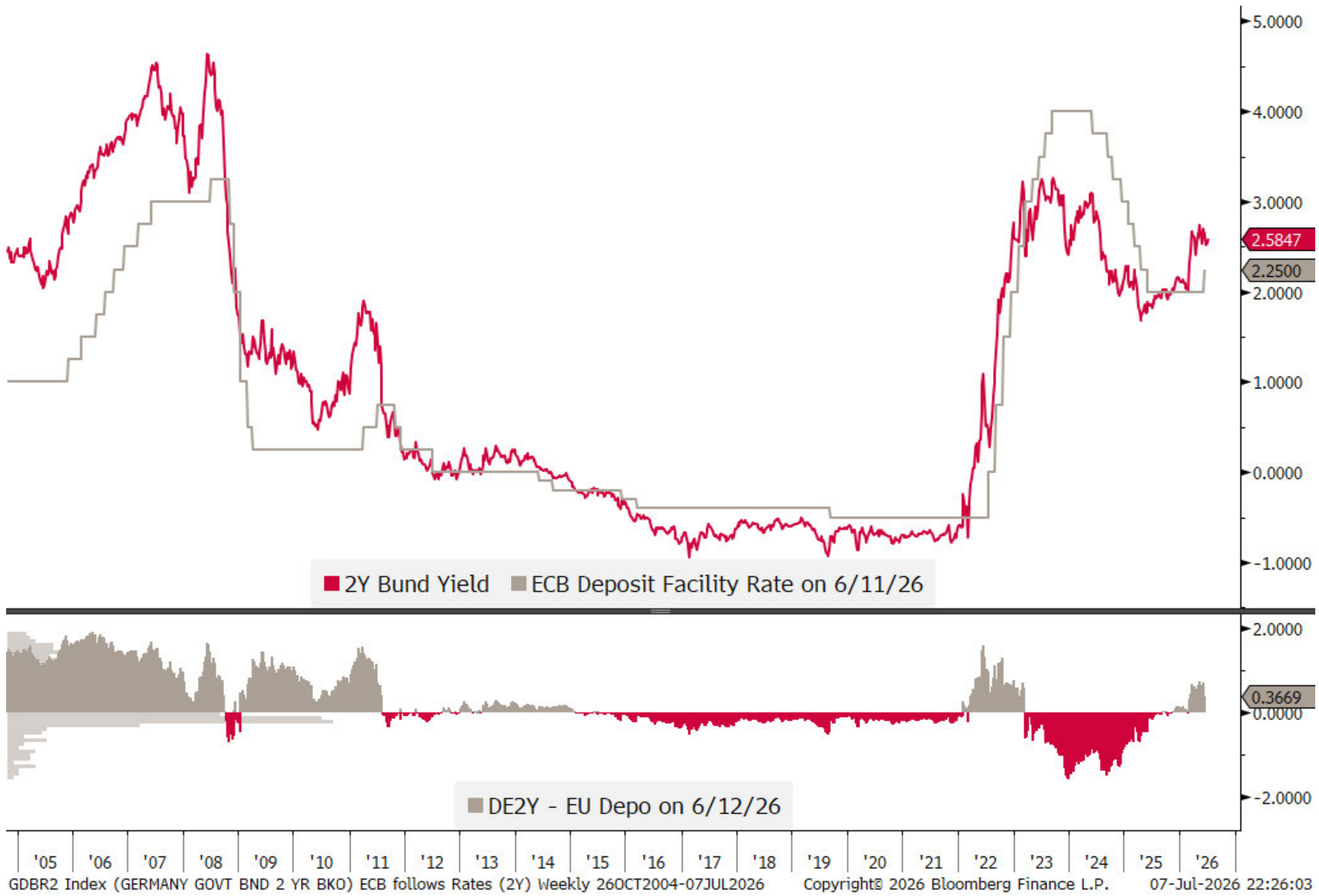
With one hike delivered so far and on the back of a surprisingly low inflation (CPI) reading for the Eurozone, those expectations have cooled down noticeably.

Source: Bloomberg, NPB calculations (G307a)

ECB Monetary Policy

2-year Bund Yield vs ECB Facility Rate

The prevailing constellation of the 2-year yield to the current ECB facility rate would agree with the message from futures markets of one more rate hike.



Source: Bloomberg, NPB calculations (G370a)

ECB & The Oil Price

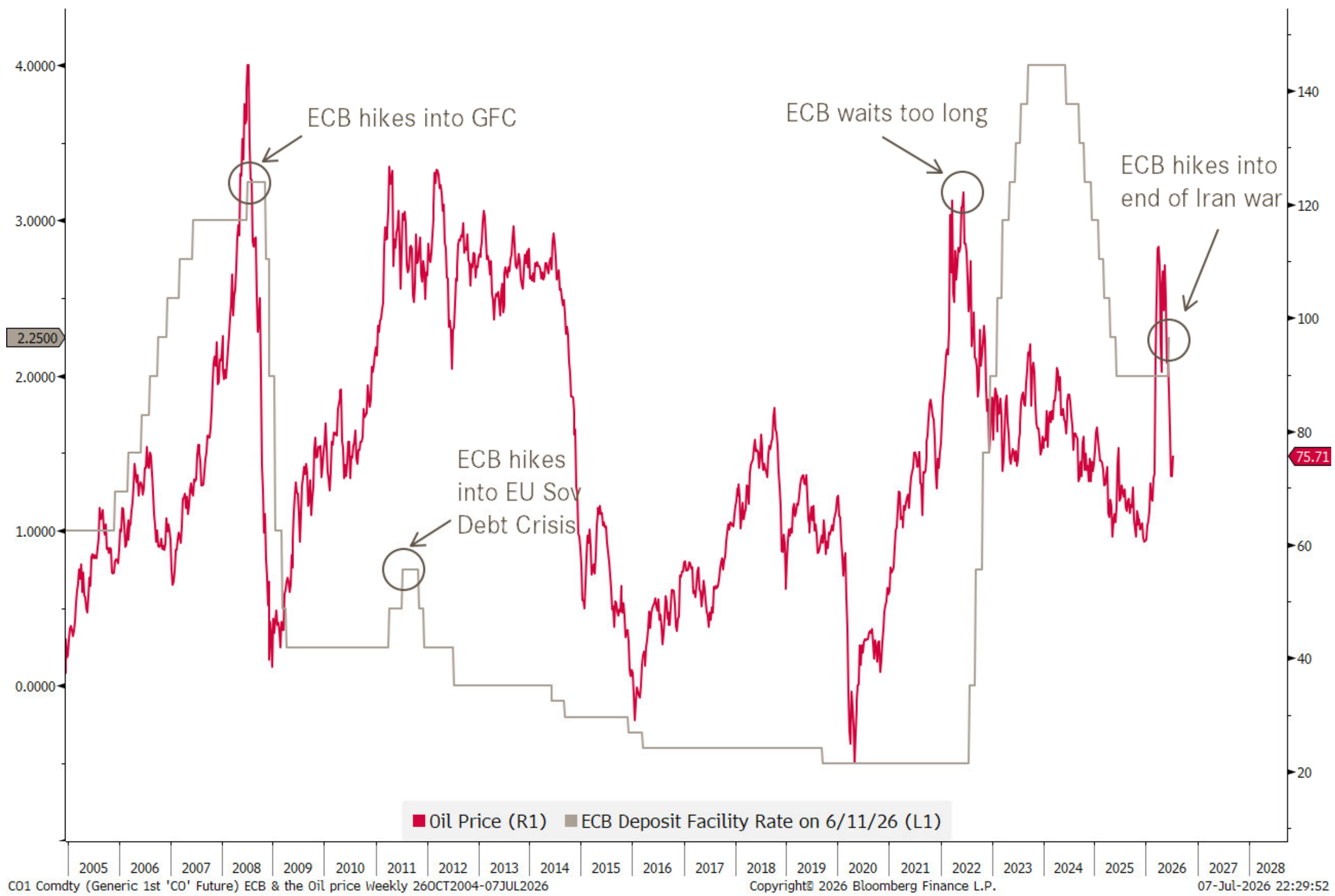
Mediocre Track Record

No more ECB bashing here ...

... well, ok, one last time:

As feared, the ECB hiked the same afternoon that a ceasefire between the US and Iran was agreed, and the oil price started plummeting.

Or hang on, maybe it was the ECB hike that ended the war?



Source: Bloomberg, NPB calculations (G7 16a)

European Yield Curve

Proxied via German 10-Year minus 2-Year Bunds

The yield curve has flattened, in line with a central bank that has entered a tightening cycle in the face of a slowing down economy.

As they say: "Economic expansions do not die of old age, but rather be murdered by central banks"...

Source: Bloomberg, NPB calculations (G461a)

Market Implied Inflation Expectations

EUR 5y5y Inflation Swap

Has the trend of ever less volatility post the 2021 inflation shock (editor's note: shock to central bankers only) now started to reverse, just in time for the next 'shock'?

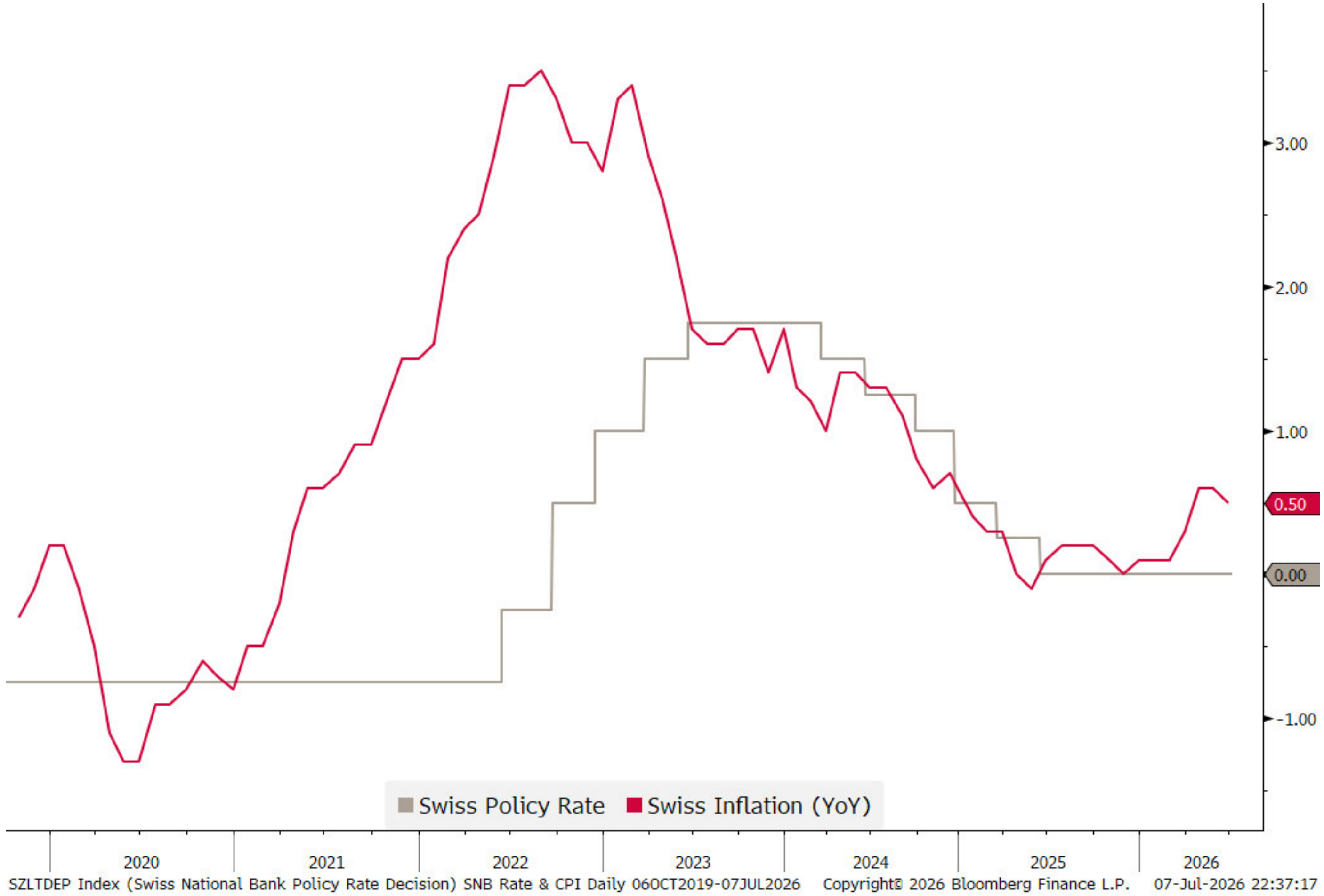
Perhaps...

Source: Bloomberg, NPB calculations (G106a)

Switzerland

SNB Policy Rate & Inflation

Shock! The SNB is allowing inflation to run “hot”!



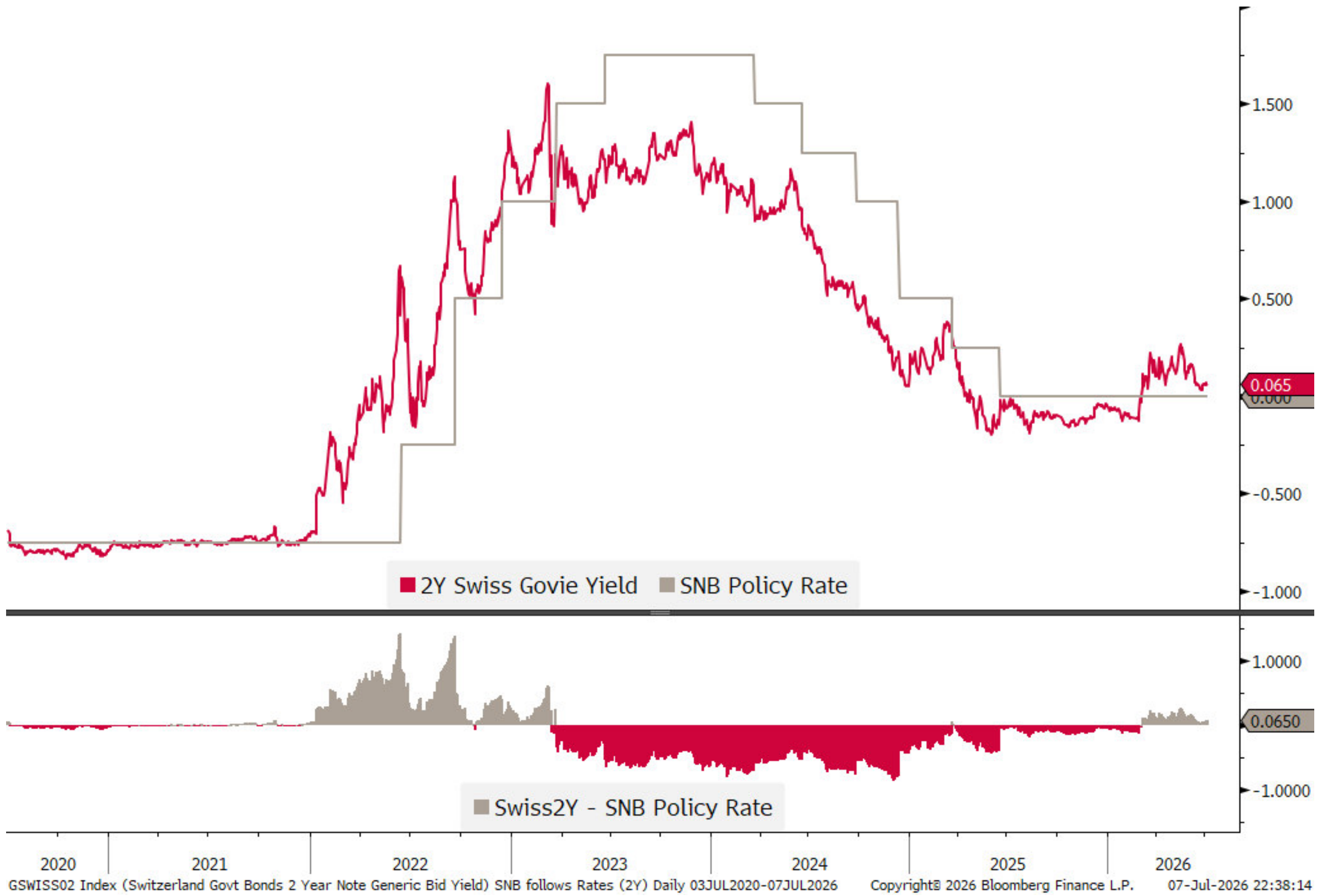
Source: Bloomberg, NPB calculations (G260a)

SNB Monetary Policy

SNB Policy Rate & 2-Year Swiss Government Bond Yields

NPB | Neue Privat Bank

But 2-year bond yields don't care and agree with the central bank's current monetary policy.



Source: Bloomberg, NPB calculations (G371a)

Bank of England Monetary Policy

NPB | Neue Privat Bank

Market Implied BoE Policy Rate Moves

The last move by the Bank of England monetary policy committee (MPC) was a 25bp cut back in December of last year.

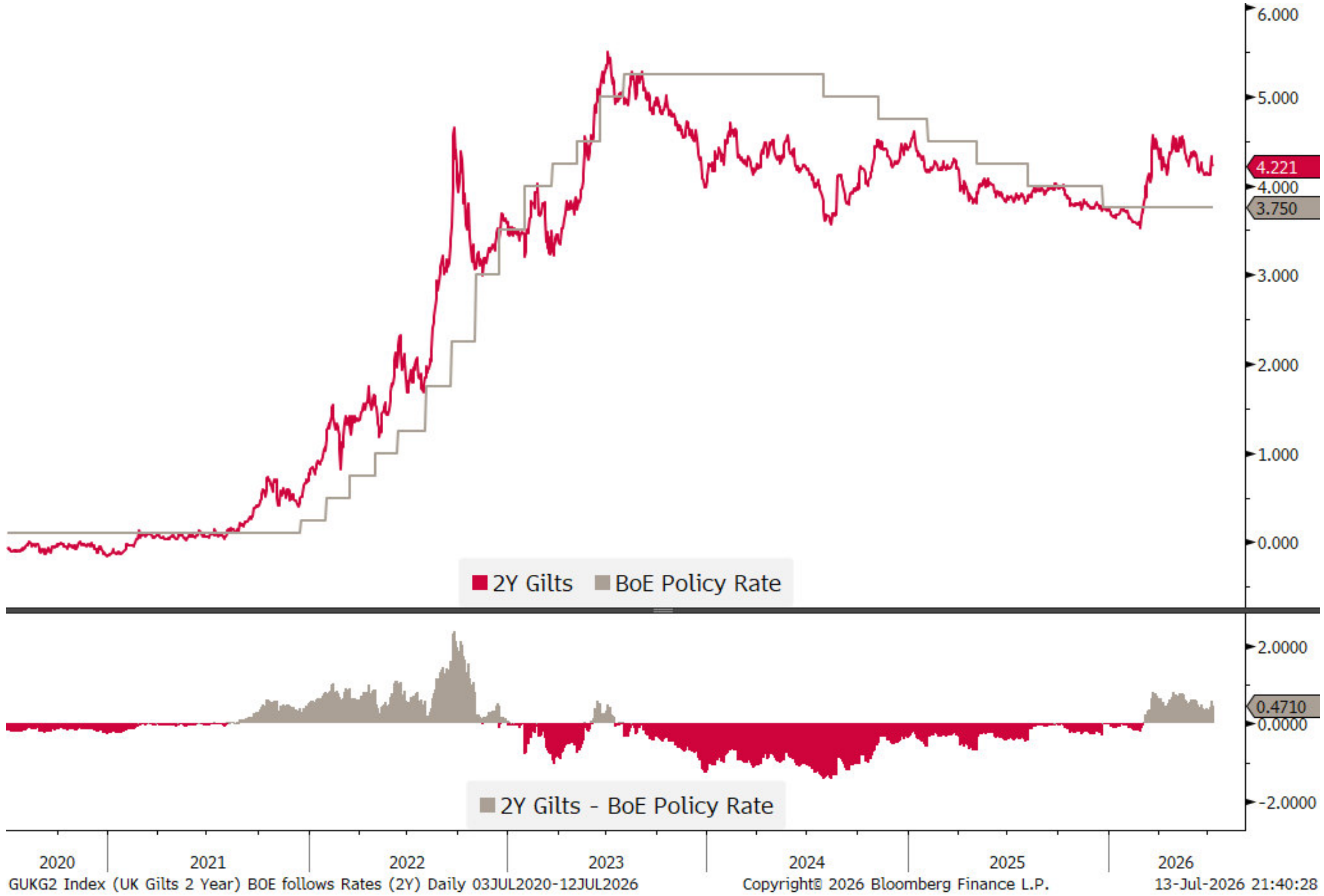
Since then, expectations have completely U-turned from two more expected cuts to two hikes by the end of this year (down from 3 back in March).

Source: Bloomberg, NPB calculations (G373a)

Bank of England Monetary Policy

BoE Policy Rate & 2Y Gilt Yield

Two-year Gilt yields agree with those two hikes.



Source: Bloomberg, NPB calculations (G373a)

Bank of England Monetary Policy

10-Year UK Gilt Yield

10-year Gilt yields are somewhat range bound in an upward sloping pennant.

The upside continues to be the path of least resistance.

Source: Bloomberg, NPB calculations (G464a)

Japanese Bond Yields

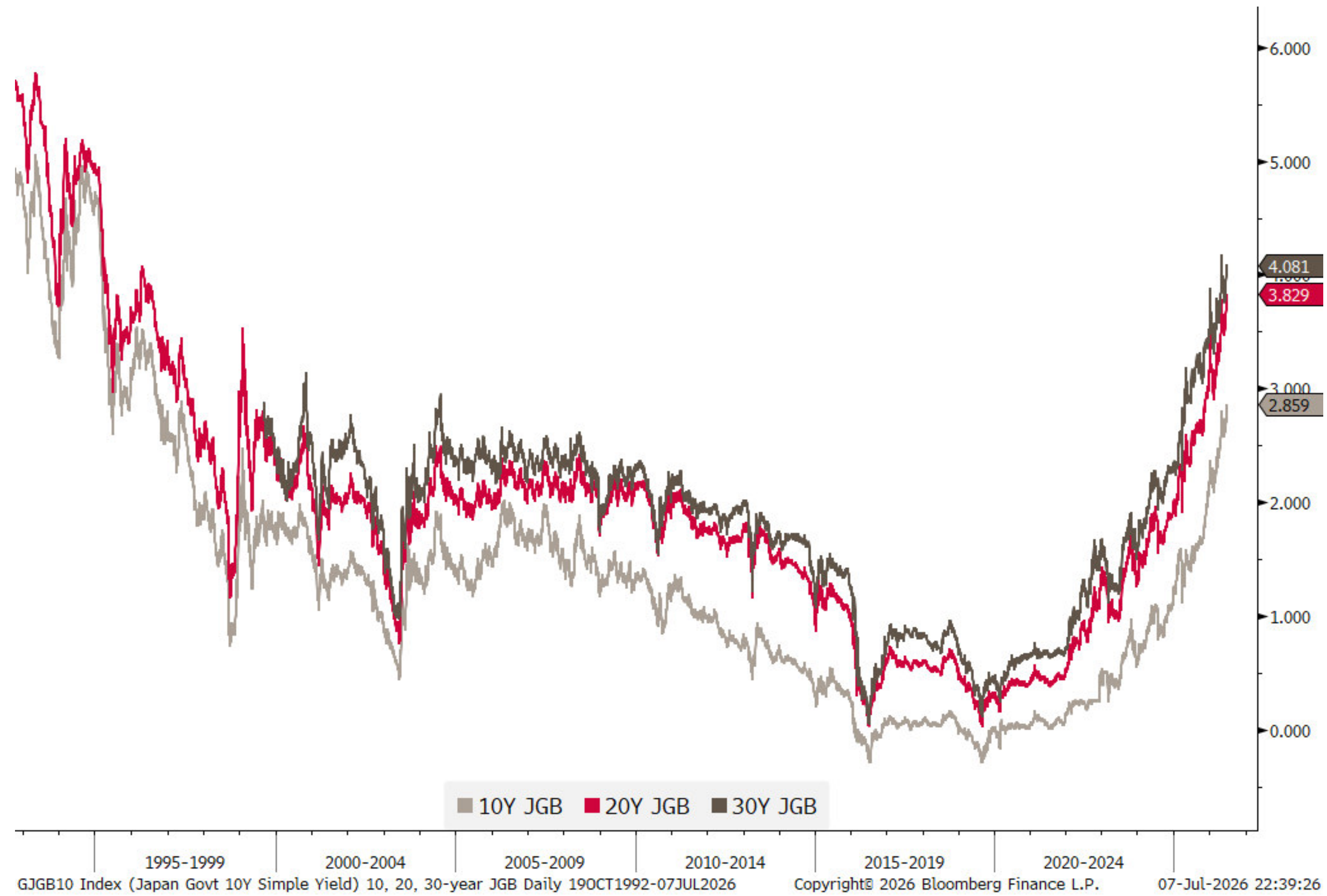
10-, 20- and 30-Year JGBs

NPB | Neue Privat Bank 25 YEARS

The current wildcard for global macro markets continues to be Japanese Government bond yields, now at levels higher than most of you will remember...

How much longer will the world's largest carry trade hold?

(Spoiler alert: as long as the Japanese Yen continues to fall)



Source: Bloomberg, NPB calculations (G519a)

Emerging Markets

EM Yield – DM Yield Spread

This is the chart that troubles our positive view on EM debt most.

However, for now, and as suggested in our previous quarterly outlook, the compression continues.

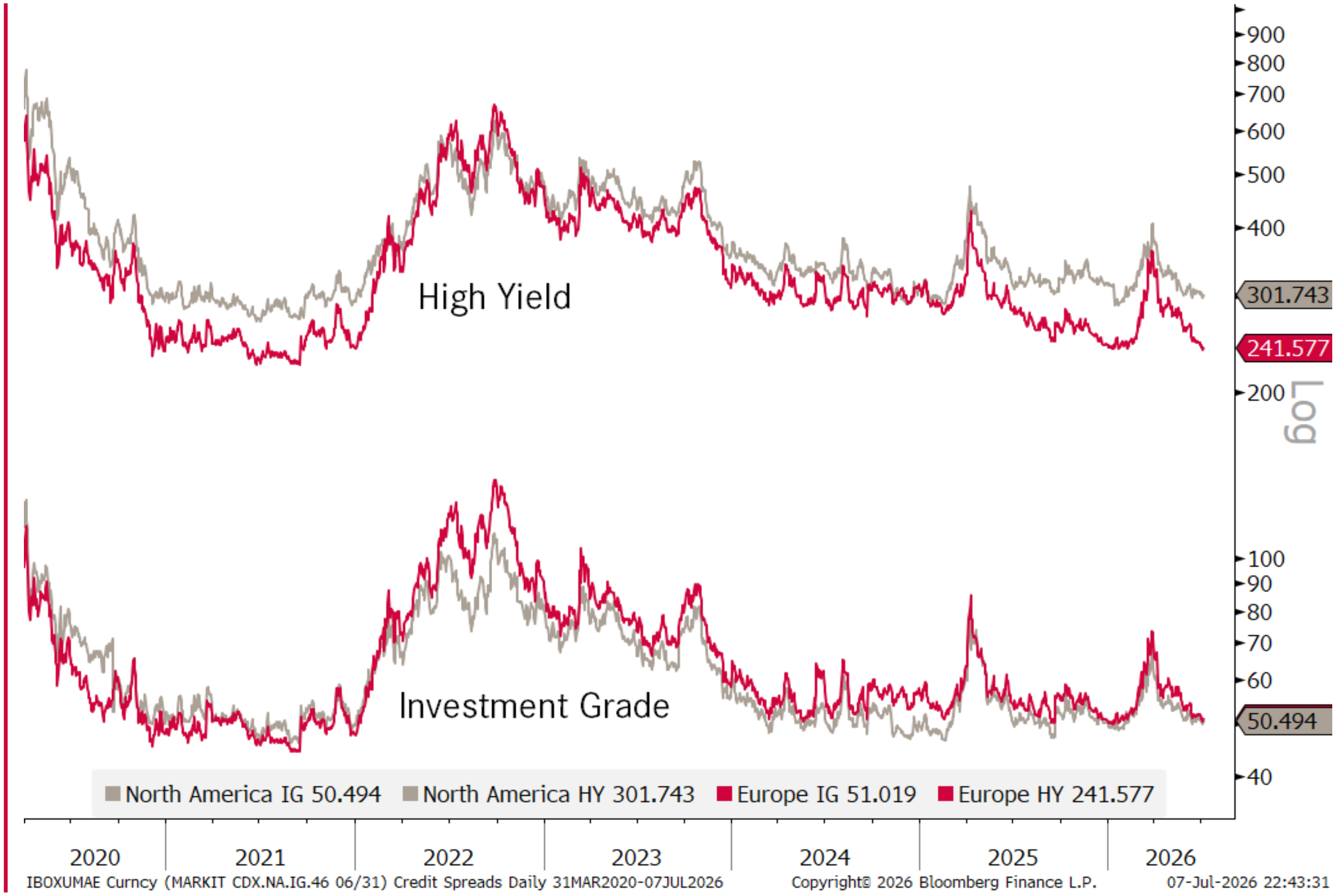
Source: Bloomberg, NPB calculations (G375a)

Credit Spreads (1 of 3)

NPB | Neue Privat Bank 25 YEARS

US & European IG/HY

The lemons are fully squeezed …

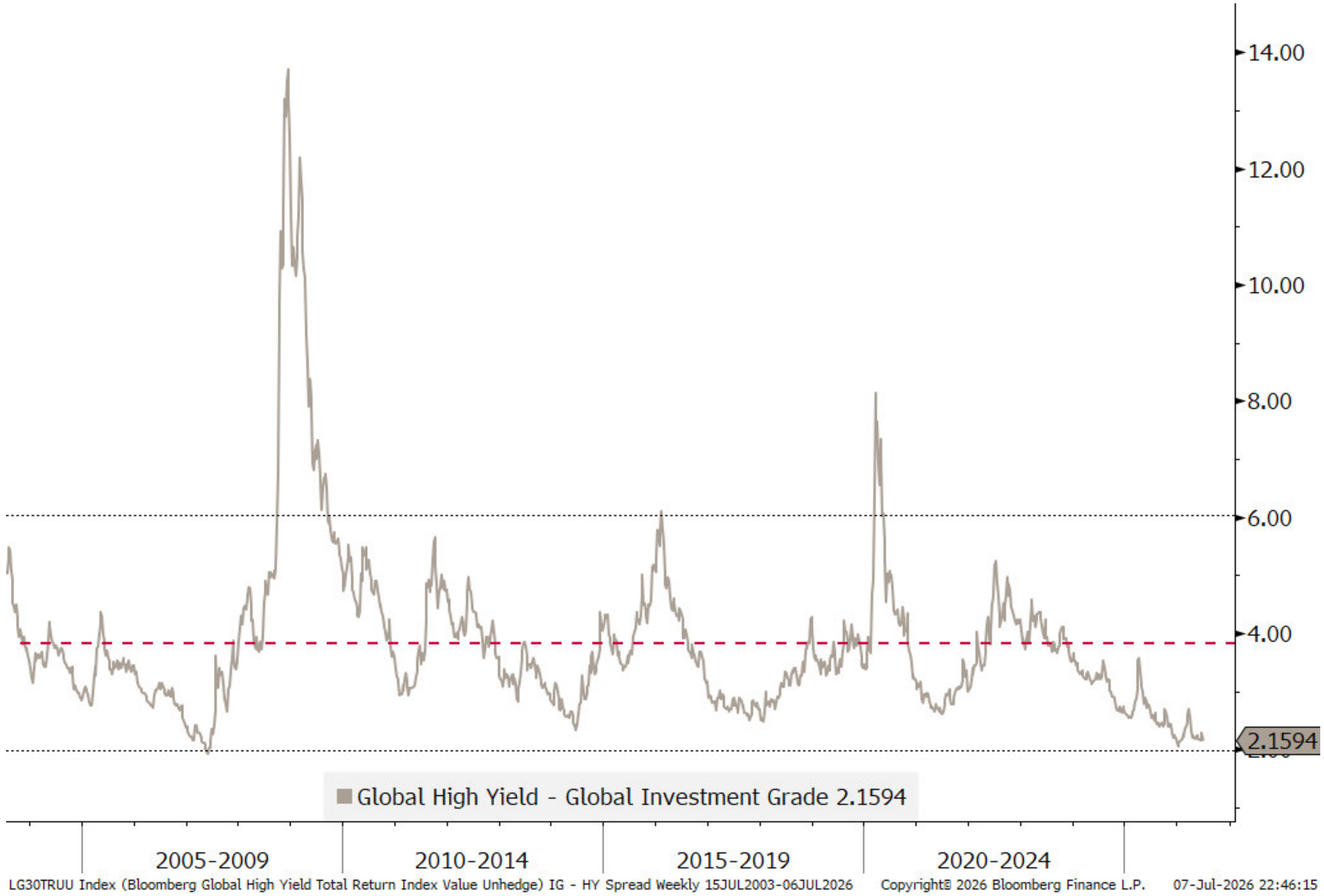


Source: Bloomberg, NPB calculations (G37a)

Credit Spreads (2 of 3)

HY – IG Spread

Same message from another angle.

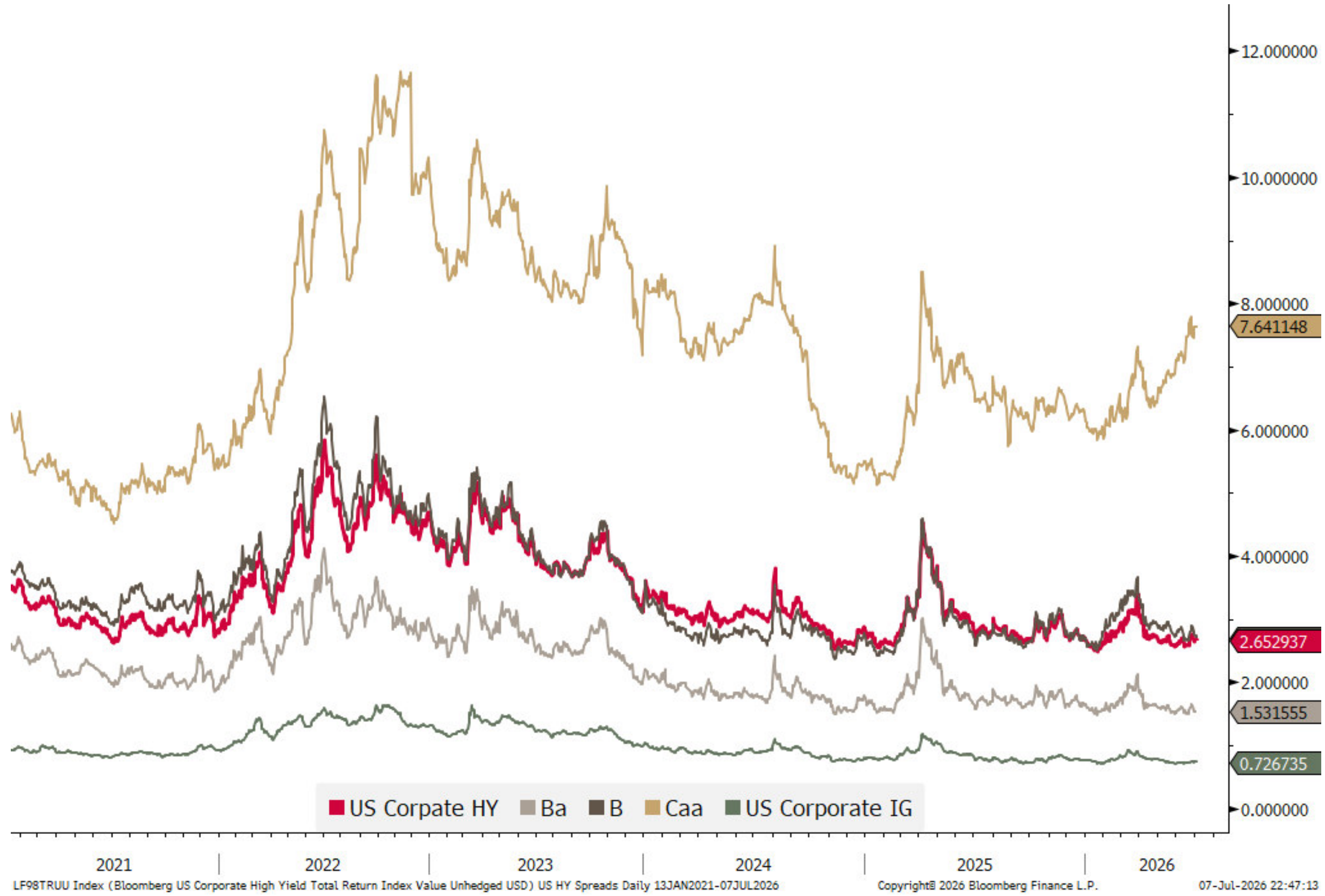


Source: Bloomberg, NPB calculations (G120a)

Credit Spreads (3 of 3)

IG vs. different HY segments

Keep an eye on CCC spreads though, which so far counts for at least 150 bp this year with a recent acceleration.



Source: Bloomberg, NPB calculations (G319a)

Private Credit

Is the (Private) Credit Shock Over?

Perhaps.

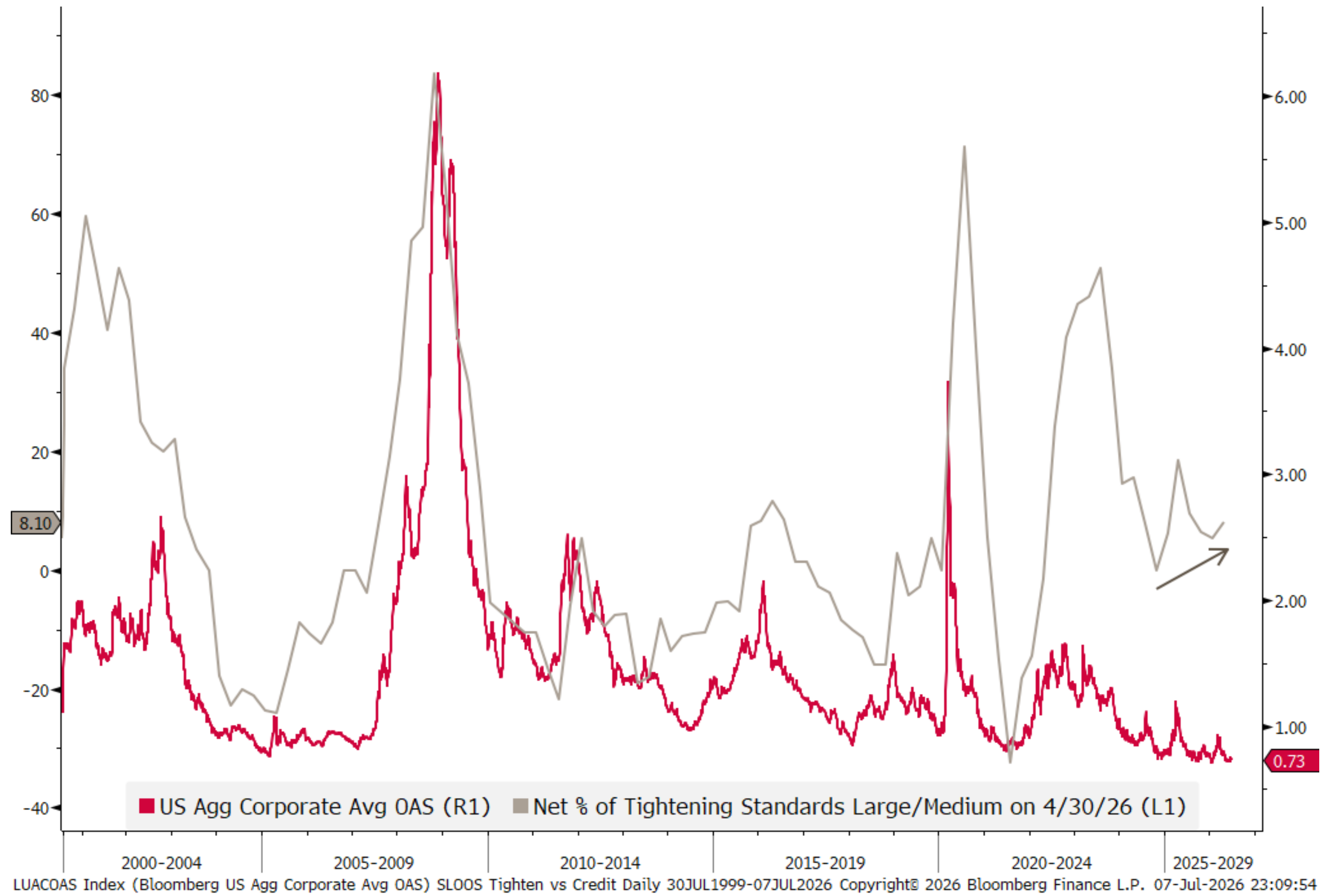
Source: Bloomberg, NPB calculations (G735a)

Senior Lending Officers Opinion Survey (SLOOS)

NPB | Neue Privat Bank 25 YEARS

No warning signs here

For now, just watch that slight increase in tightening standards. For now…

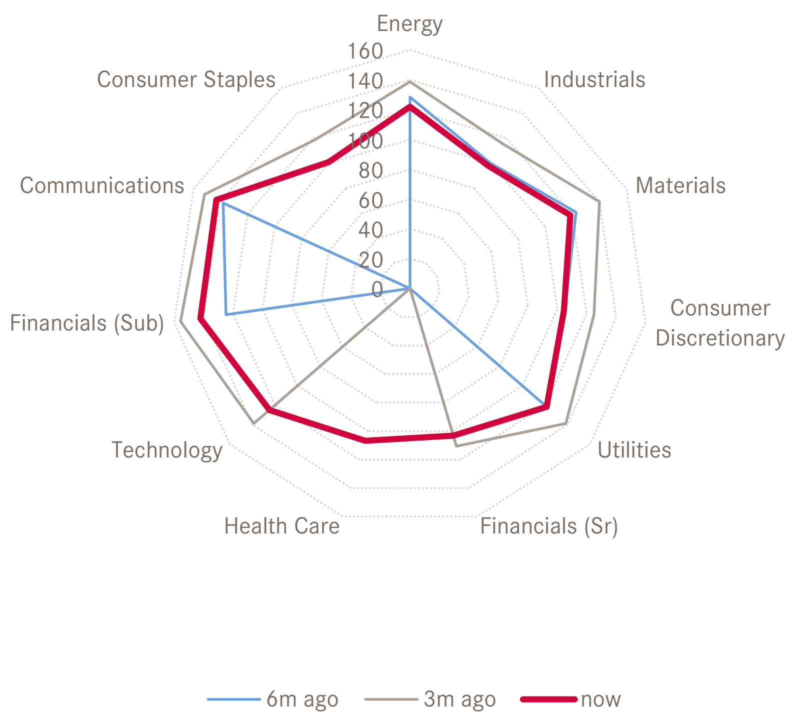


Source: Bloomberg, NPB calculations (G126a)

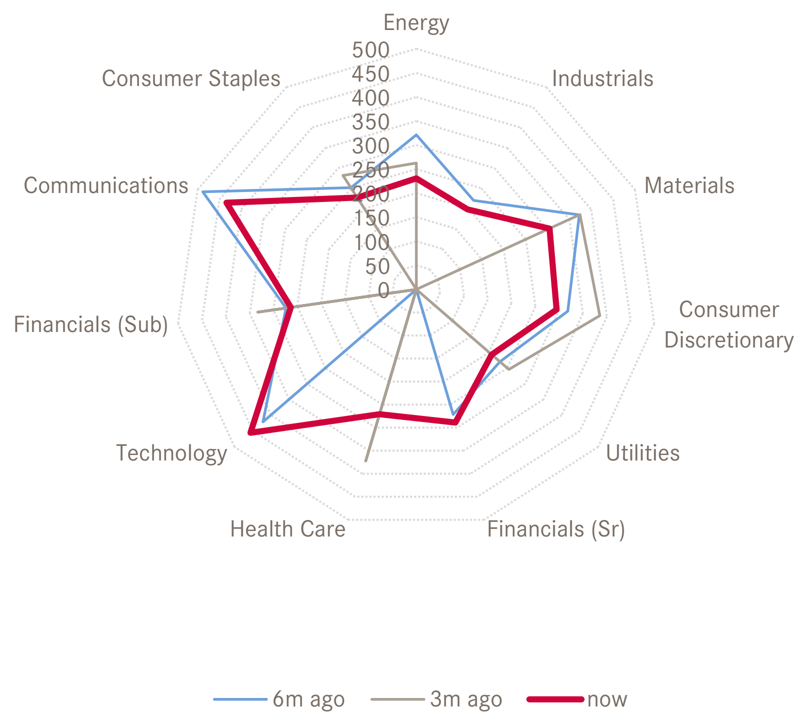
Credit Spreads – Sectors (1 of 2)

US Dollar IG & HY

Investment Grade



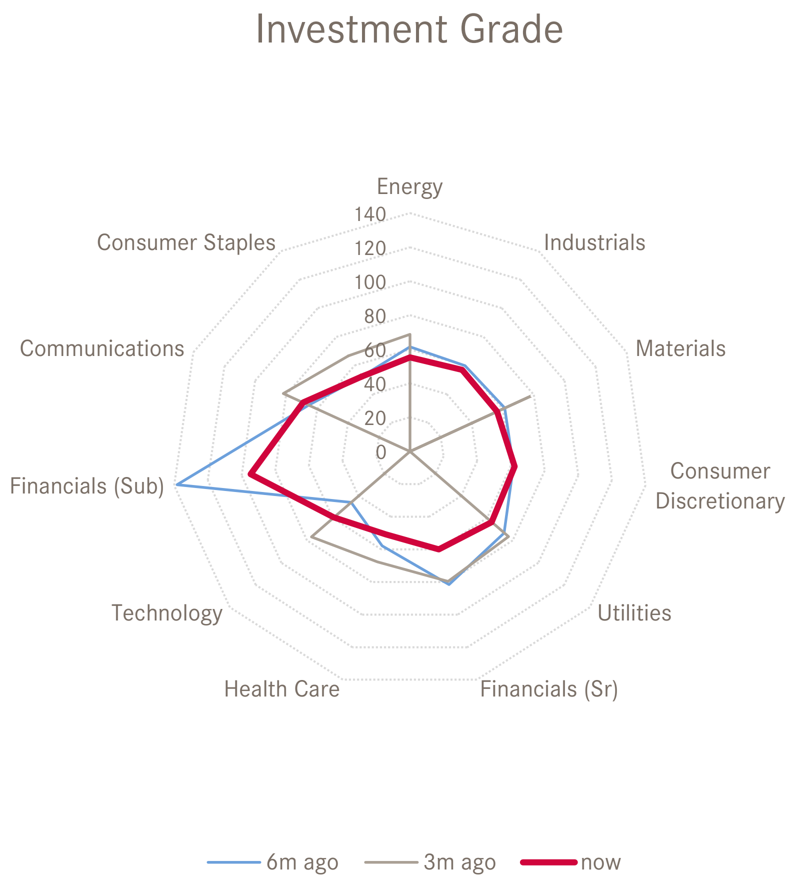
High Yield

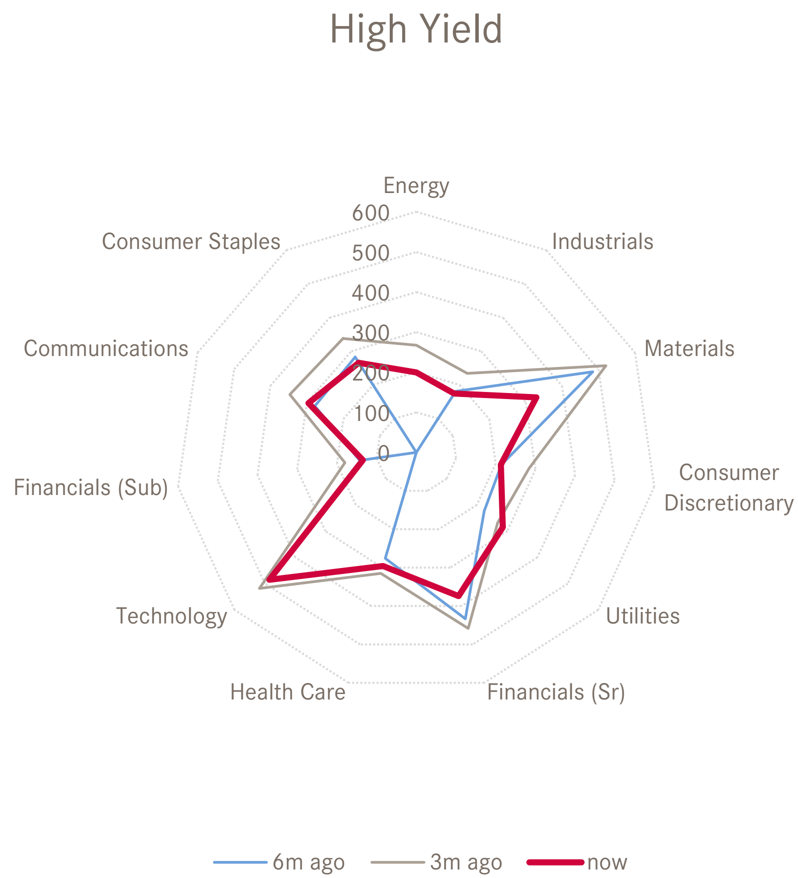


Source: Bloomberg, NPB calculations, NPB Research Hub

Credit Spreads – Sectors (2 of 2)

Euro IG & HY





Source: Bloomberg, NPB calculations, NPB Research Hub

FX

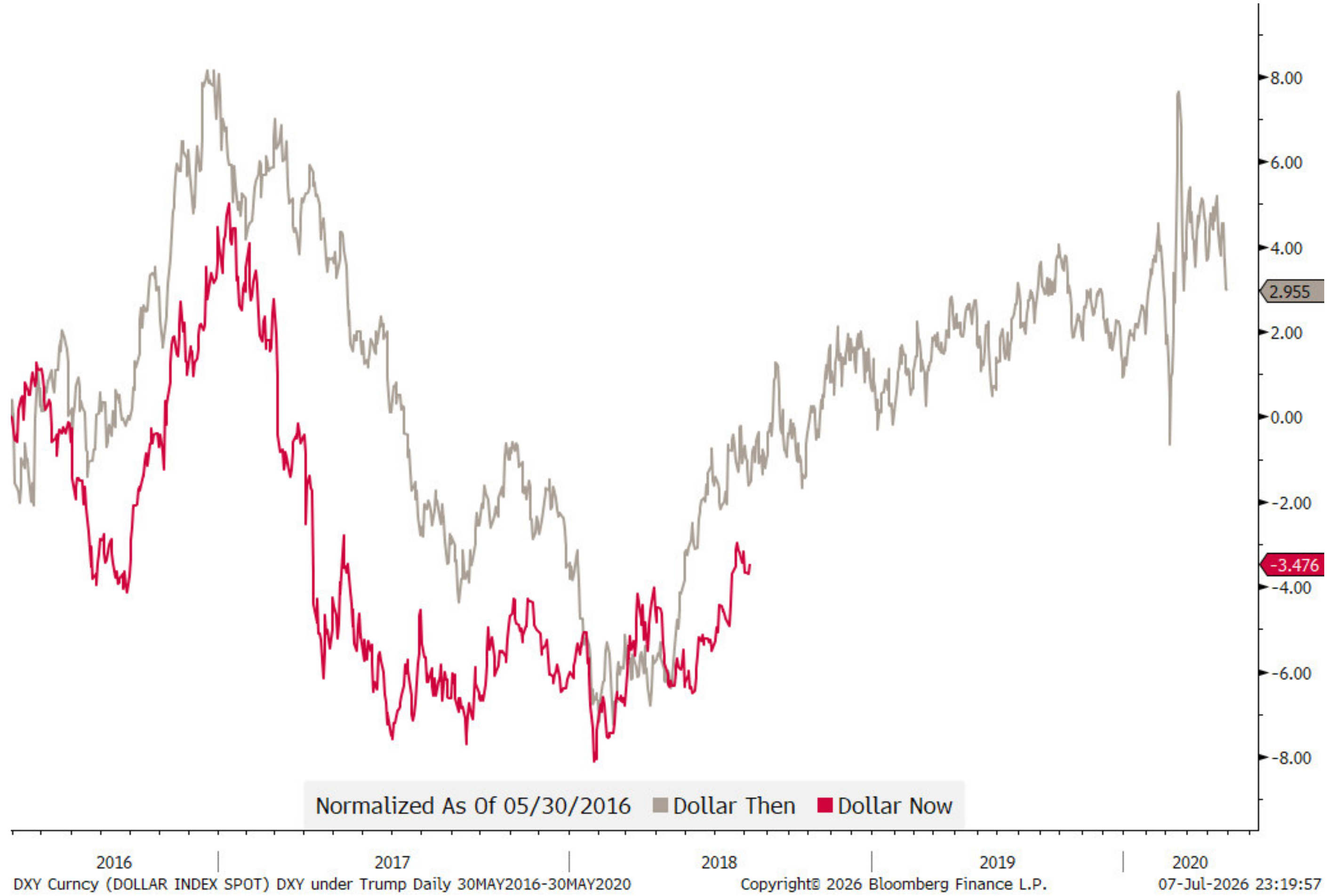
Chartbook Q3 2026

> “History doesn't repeat itself, but it often rhymes.”
>
> – Often attributed to Mark Twain

Currency Chart of The Quarter

Dollar Parallelum

To our complete and utter surprise, and against our base view of course, the US Dollar has continued to follow the pattern of the first Trump presidency.



Source: Bloomberg, NPB calculations (G264a)

FX Forecasts

Economists' Forecasts

The top table shows the FX forecasts by currency seers last quarter.

The bottom table shows their new currency forecasts.

Let me explain with the EUR/USD example: The spot rate of this currency pair is about 150 pips lower than a quarter ago, so "forecasters" have lowered their, well, forecast by 100-200 basis points.

I don't know why I still bother putting up this table …

	FX Forecasts								
	30-09-25	Q2-2026	Q3-2026	Q4-2026	Q1-2027	12-2027	12-2028	12-2029	12-2030
EUR/USD	1.1553	1.17	1.18	1.2	1.2	1.2	1.2	1.23	1.21
USD/CHF	0.7995	0.79	0.78	0.78	0.78	0.78	0.84	0.87	0.89
EUR/CHF	0.9237	0.91	0.92	0.93	0.93	0.94	0.99	0.96	0.95
GBP/USD	1.3227	1.34	1.35	1.36	1.36	1.38	1.34	1.36	1.34
EUR/GBP	0.8735	0.88	0.88	0.88	0.88	0.88	0.87	0.88	0.82
USD/JPY	158.72	156	154.5	153	150	145	140	132.5	140
USD/INR	94.8325	93.5	93	93	92.9	92.75	91	90	88
USD/CNH	6.8892	6.87	6.85	6.8	6.8	6.7	6.8	6.75	7
AUD/USD	0.6900	0.71	0.71	0.72	0.72	0.73	0.74	0.75	0.69
USD/CAD	1.3916	1.37	1.36	1.35	1.35	1.34	1.35	1.33	1.3
EUR/NOK	11.2024	11.2	11.1	11.1	11.08	10.95	11.07	9.75	n.a.
EUR/SEK	10.9386	10.7	10.6	10.5	10.5	10.35	10.27	9.75	n.a.

	FX Forecasts								
	30-09-25	Q3-2026	Q4-2026	Q1-2027	Q2-2027	12-2027	12-2028	12-2029	12-2030
EUR/USD	1.1422	1.15	1.17	1.17	1.18	1.18	1.17	1.18	1.22
USD/CHF	0.8084	0.8	0.8	0.8	0.8	0.81	0.83	0.84	0.89
EUR/CHF	0.9232	0.92	0.93	0.93	0.94	0.94	0.95	0.94	0.98
GBP/USD	1.3262	1.33	1.34	1.34	1.35	1.36	1.34	1.33	1.34
EUR/GBP	0.8613	0.87	0.87	0.88	0.88	0.87	0.87	0.86	0.87
USD/JPY	162.55	159	158	156	155	151	145	140	120
USD/INR	94.6675	95.2	95.4	95.55	96	95.47	94	93	98
USD/CNH	6.7918	6.77	6.72	6.7	6.69	6.6	6.72	6.82	6.74
AUD/USD	0.6919	0.7	0.71	0.72	0.73	0.73	0.72	0.71	0.75
USD/CAD	1.4196	1.4	1.39	1.38	1.37	1.35	1.35	1.34	1.3
EUR/NOK	11.3124	11.1	11.07	11	10.98	10.8	10.92	10.92	9.13
EUR/SEK	11.0811	10.81	10.8	10.72	10.7	10.45	10.33	10.37	9.53

Source: Bloomberg, NPB calculations, NPB Research Hub

US Dollar

Disappointing Wartime Performance

The Dollar has broken out of its 15-month trading range. Not to the side we expected, but as they say, it is what it is. The level just above 100 is now the key support level to watch – and until it is breached, the working assumption is for a higher greenback.

Source: Bloomberg, NPB calculations (G469a)

US Dollar

Breakdown Pending

The US Dollar Index (DXY) is held above its long-term bull-run support level. Officially, the secular trend remains up.

Source: Bloomberg, NPB calculations (G469a)

EUR/USD

Trend remains up

For now, the EUR/USD has been rejected at the resistance line running from the tops in 2018 over 2021 to 2026.

Source: Bloomberg, NPB calculations (G470a)

EUR/USD

Trend remains up

NPB | Neue Privat Bank

As long as 1.08 holds, our inverse head-and-shoulders pattern with a price target north of 1.40 is still valid.

BUT, it is now clear that this will need patience!

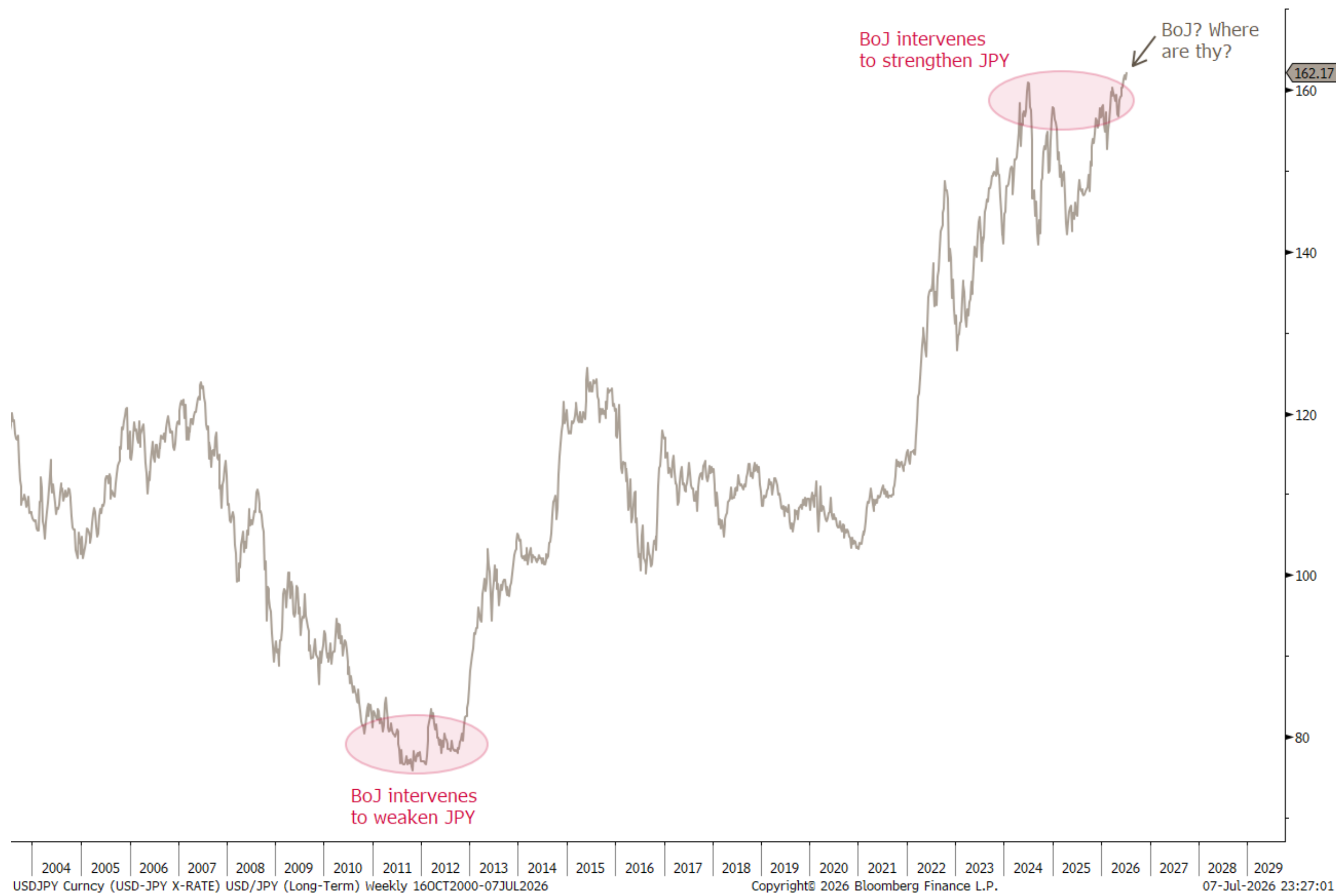
Source: Bloomberg, NPB calculations (G746a)

USD/JPY

Is the Top In?

The USD/JPY rate has once again reached the intervention levels of the MoF (Ministry of Finance) and once again has been rejected.

The low-risk trade is to short the cross here with a tight stop loss above the recent highs.



Source: Bloomberg, NPB calculations (G473a)

USD/CHF

Long-Term

The longer-term path for the USD/CHF remains clear.

Source: Bloomberg, NPB calculations (G47 1a)

USD/CHF

Intermediate-Term

Over the next few months, the USD/CHF cross however should move into the 0.82-0.84 area, after which the downside will resume.

Source: Bloomberg, NPB calculations (G843a)

EUR/CHF

Fake out?

Short-term the EUR/CHF should rise to 0.93 and possibly 0.94.

There is even a point to be made that the currency pair is showing an inverse head-and-shoulders trend reversal pattern which could take it as high as 0.96

However, for that, we would need the interest rate differential between the Eurozone and Switzerland to widen further.

Source: Bloomberg, NPB calculations (G472a)

Commodities

Chartbook Q3 2026

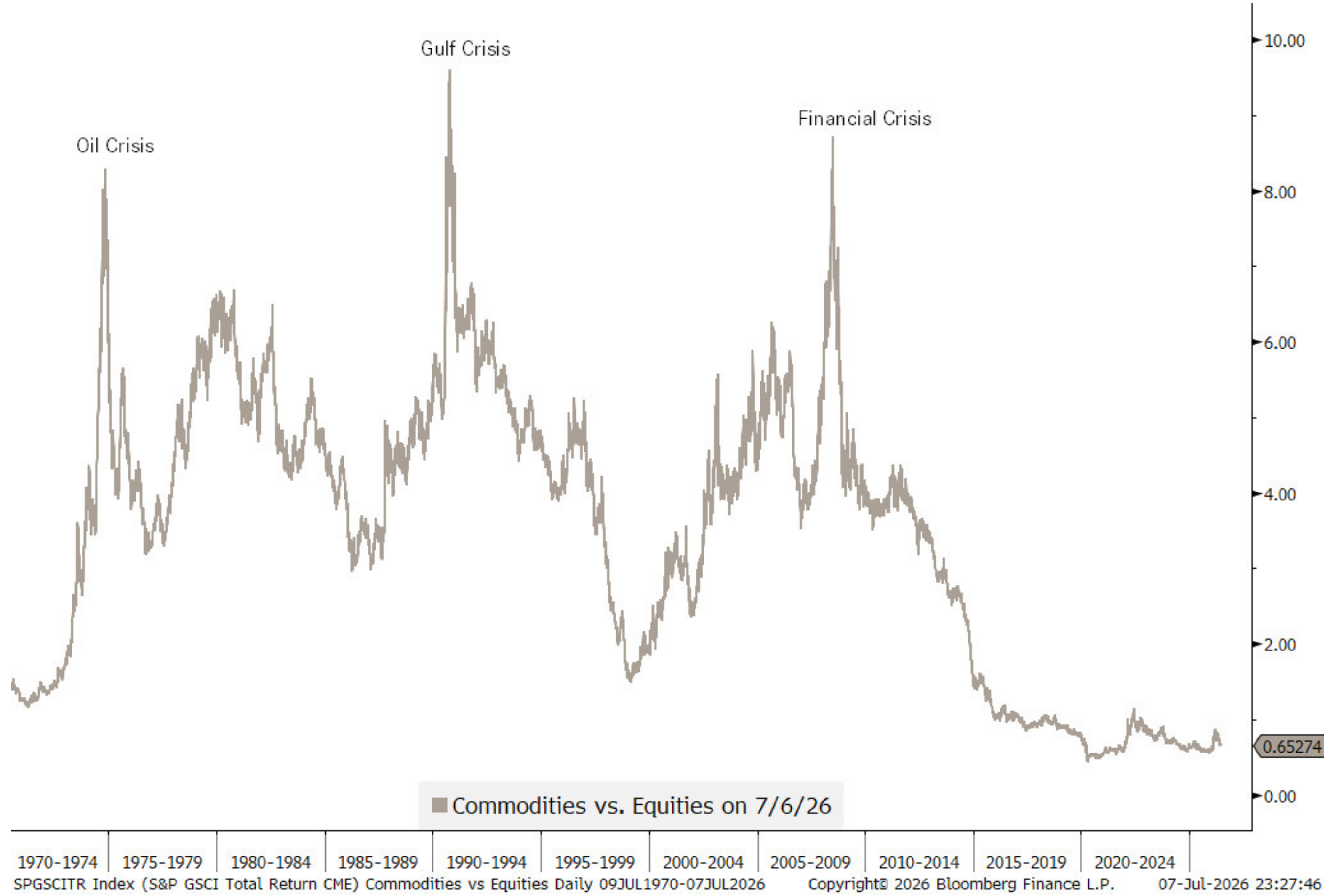
“ The road up and the road down is one and the same. ”

— Heraclitus

Commodity Chart of the Quarter

Commodities versus Equities

Commodities have not (yet?) shown the typical blow-off top.



Source: Bloomberg, NPB calculations (G198a)

Commodities

Bloomberg Commodity Index (BCOM)

However, in absolute terms the rally has been important and as previous experiences show, secular commodity market rallies tend to be violent and volatile during their making.

Source: Bloomberg, NPB calculations (G588a)

Commodities vs. Bonds

NPB | Neue Privat Bank 25 YEARS

Commodity EW vs. Global Aggregate Bonds (USD Hedged)

On the Commodities to Bonds price chart, the measured pole and a flag pattern was picture perfect (see arrows and pennant).

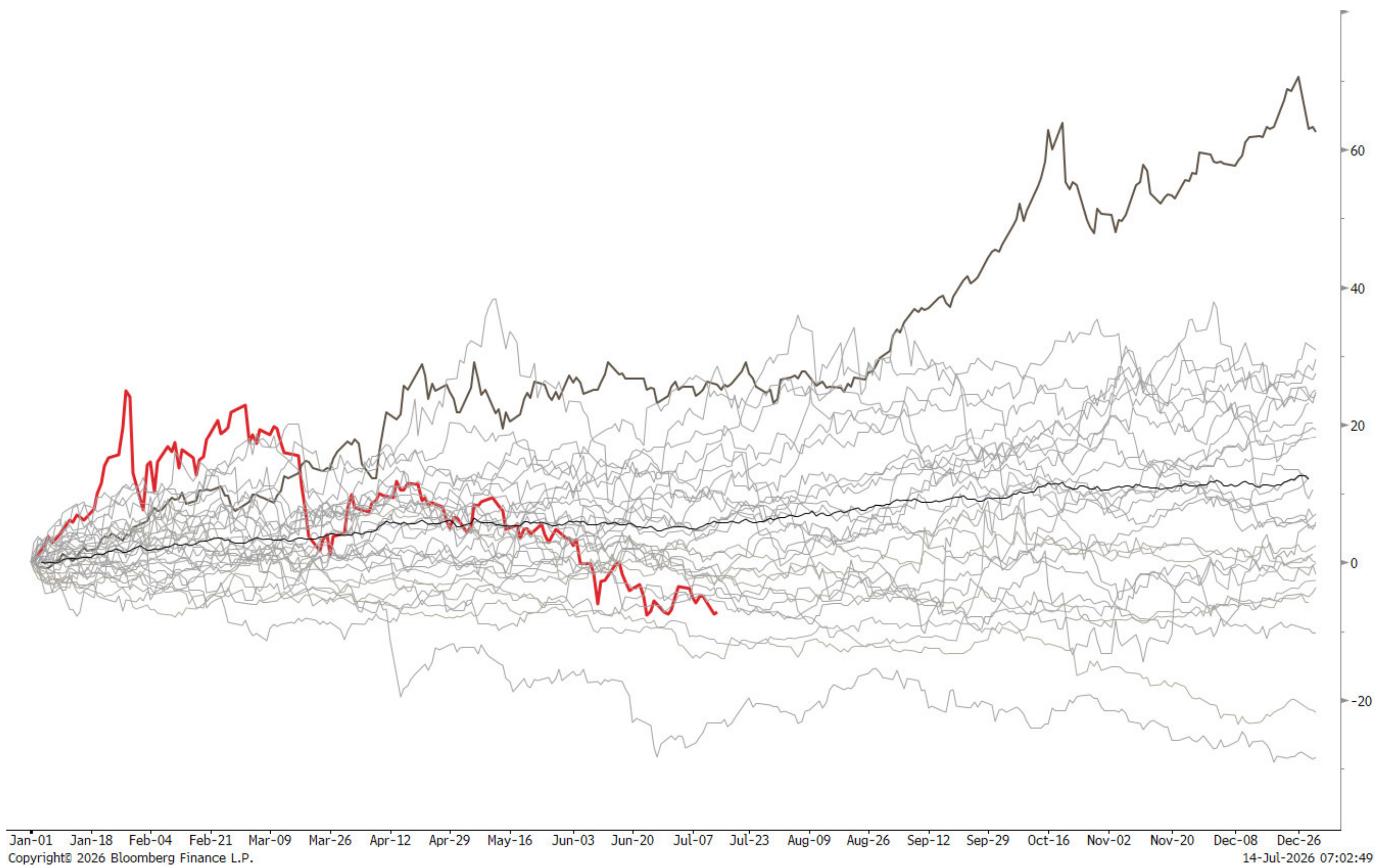
After the recent correction, commodities should be readying themselves for the next upleg. Or bonds for the next downleg. Or both.

Source: Bloomberg, NPB calculations (G591a)

Gold

Mean Reversion

After having its best run in the past 30 years during 2025 (dark, bold line), mean reversion is hitting with a vengeance in 2026 (red line), with the performance on track to be in the five worst.

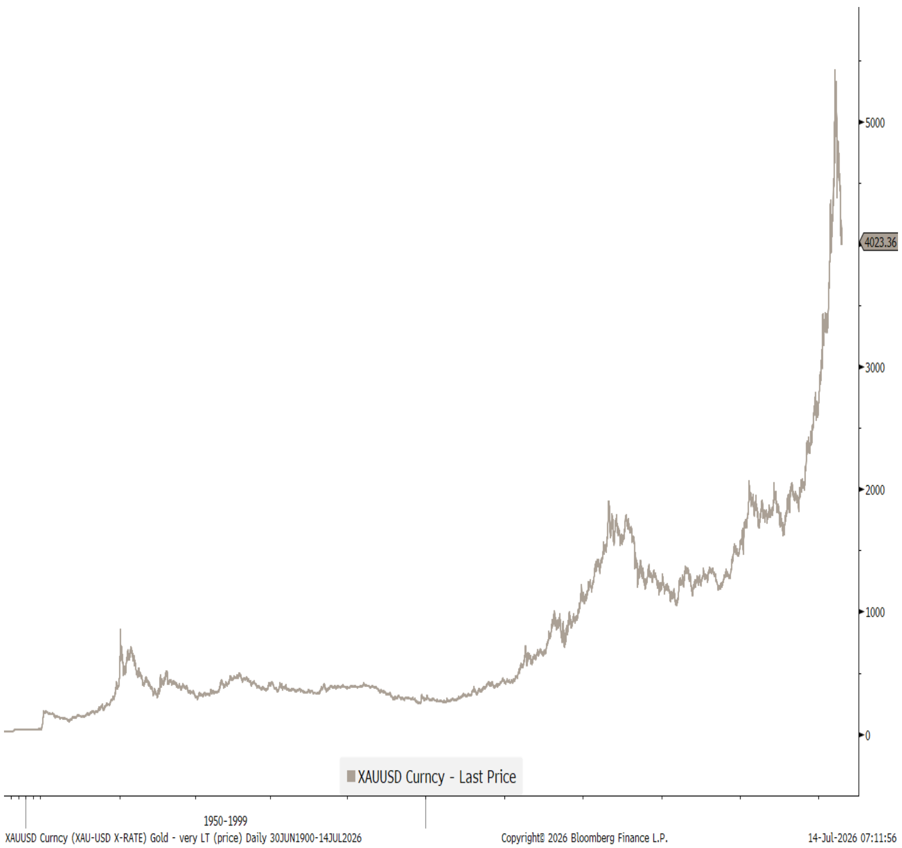


Source: Bloomberg, NPB calculations (G592)

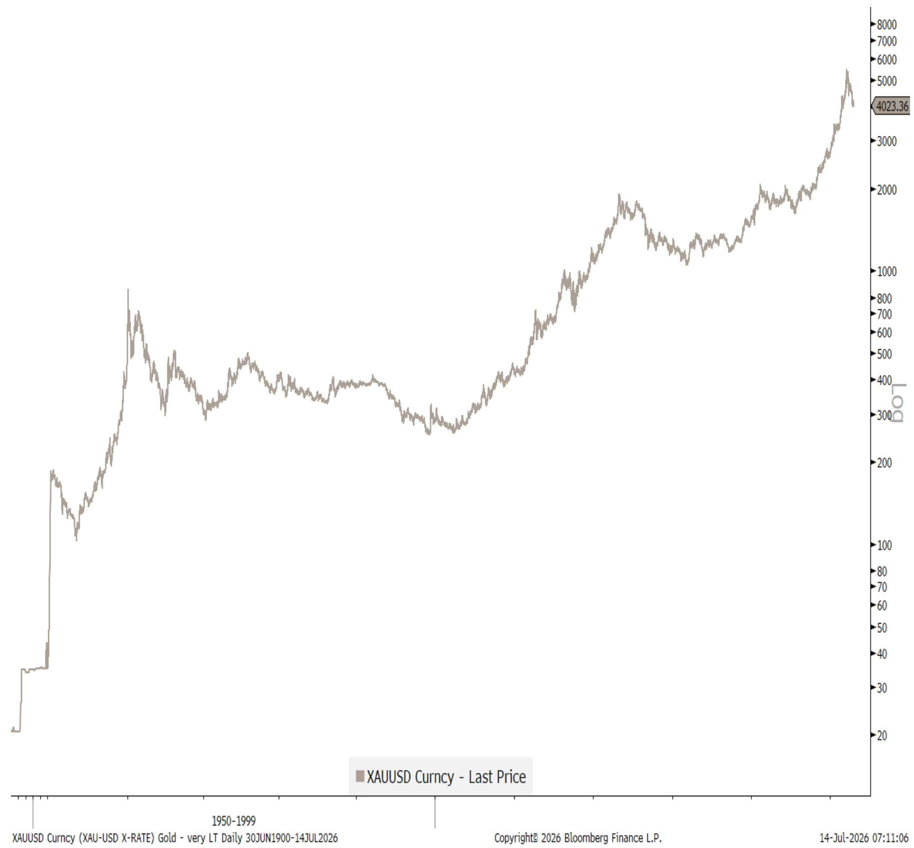
Gold

Context is needed after recent correction

Context (Normal Scale)



Context (Log Scale)

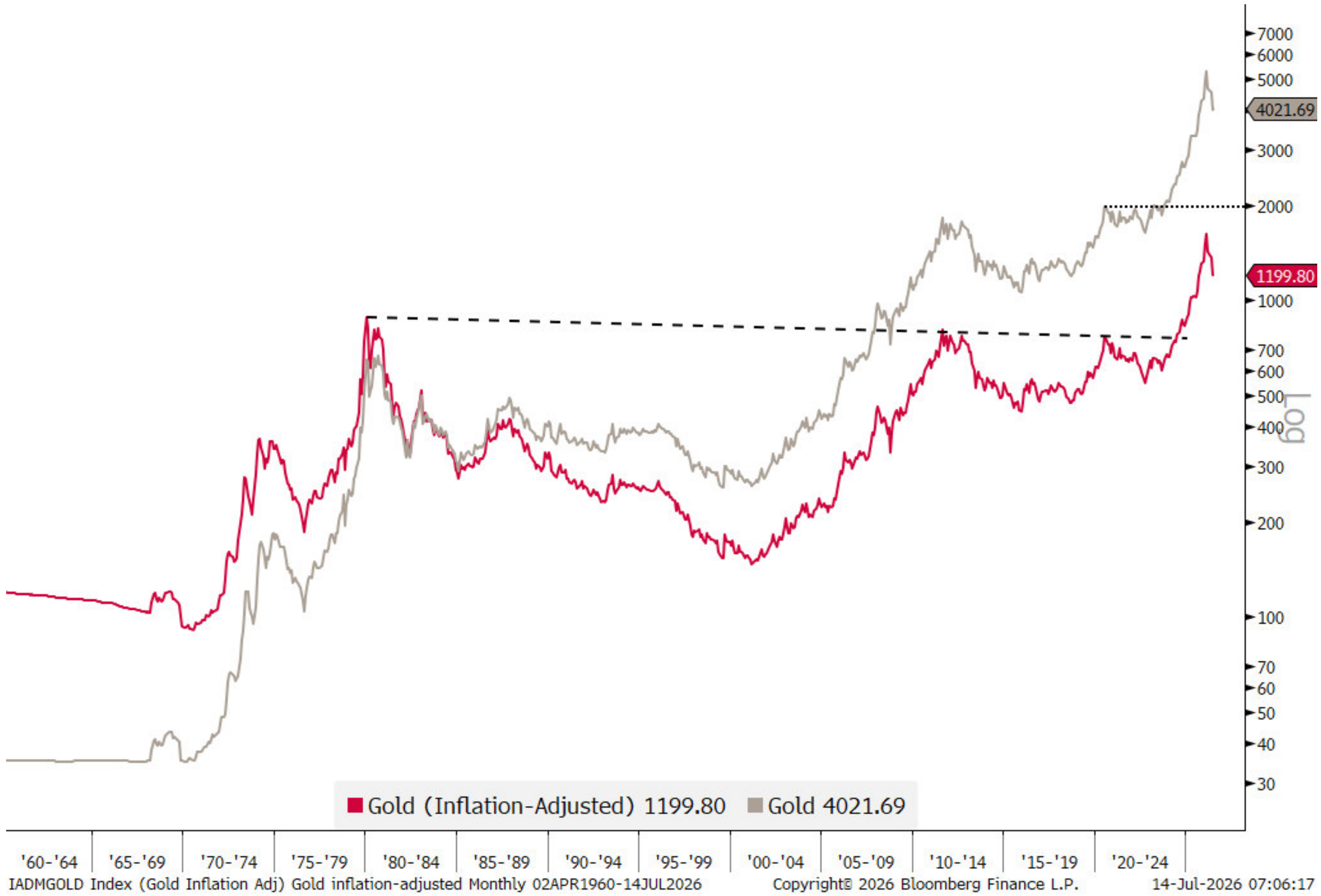


Source: Bloomberg, NPB calculations (G844a, G845a)

Gold

Inflation-Adjusted

An Update.



Source: Bloomberg, NPB calculations (G30a)

Gold

Seasonality

Last quarter we highlighted that seasonal weakness was about to begin, and, oh boy, did it!

If everything “goes to plan”, the seasonal factor should now be turning from headwind into tailwind.

We think this may indeed be possible, after one final “washout” to below 3,900.

Source: Bloomberg, NPB calculations (G585a)

Gold

Further Upside?

This view of a final shakeout is reinforced by the daily candle chart.

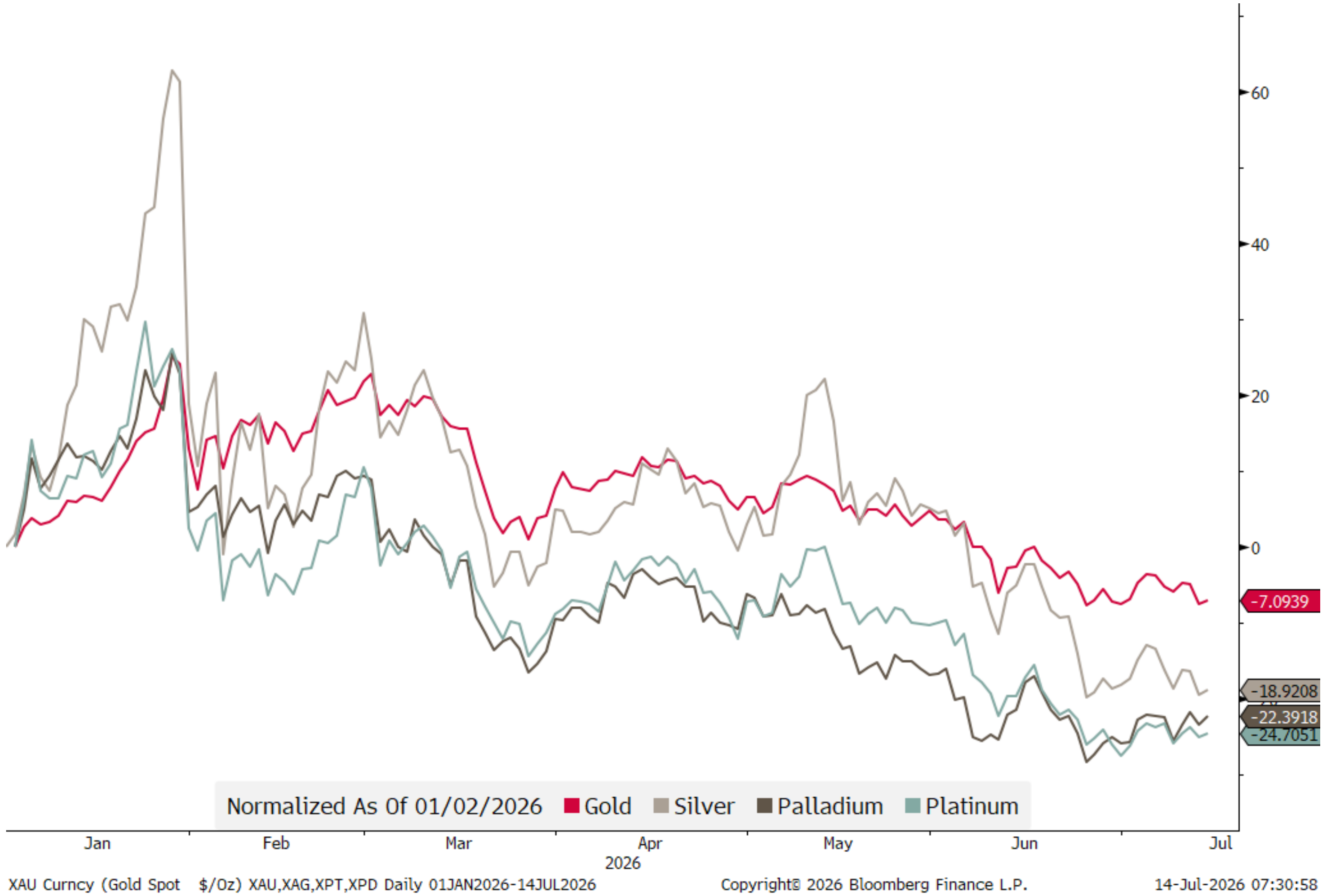
Whilst the market gods seldom listen to us, a drop below the lower dashed line would be ideal to get rid of the final weakest hands (aka bear trap).

Source: Bloomberg, NPB calculations (G585a)

Precious Metals

Know what you own

It is to be noted that gold continues to be the lowest-beta of the precious metals.



Source: Bloomberg, NPB calculations (G339a)

Crude Oil

Brent

NPB | Neue Privat Bank 25 YEARS

It ain't over till it's over ... recent resurgence of kinetic activity between the US and Iran has pushed the oil price higher again – with very little (news) noise surrounding it.

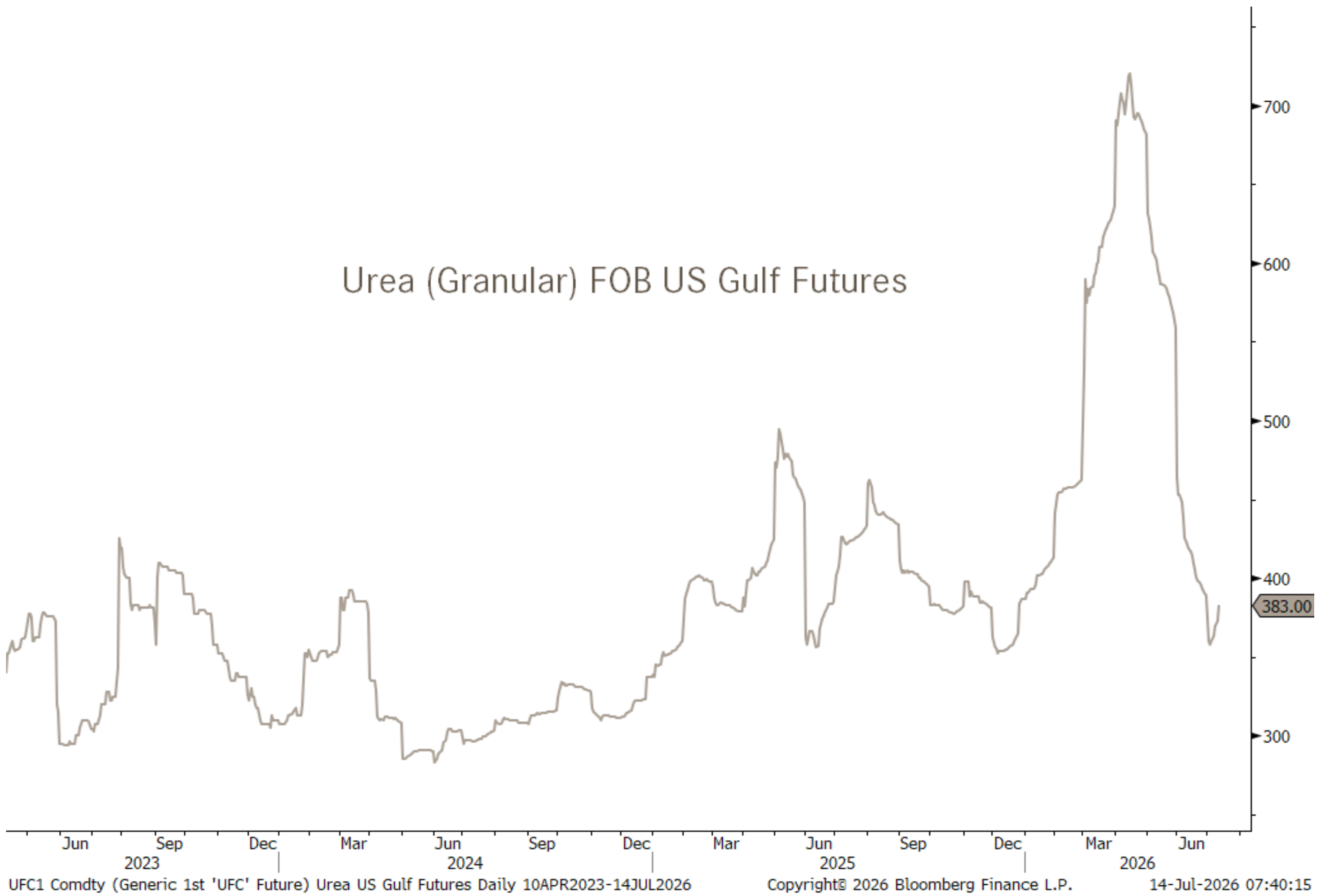
Watch carefully for a second shock wave...

Source: Bloomberg, NPB calculations (G476a)

Fertilizers

Back to Normal

Admittedly the rapid recovery of fertilizer prices to normality has taken us somewhat by surprise. However, this is of course good news, especially also for EM countries.

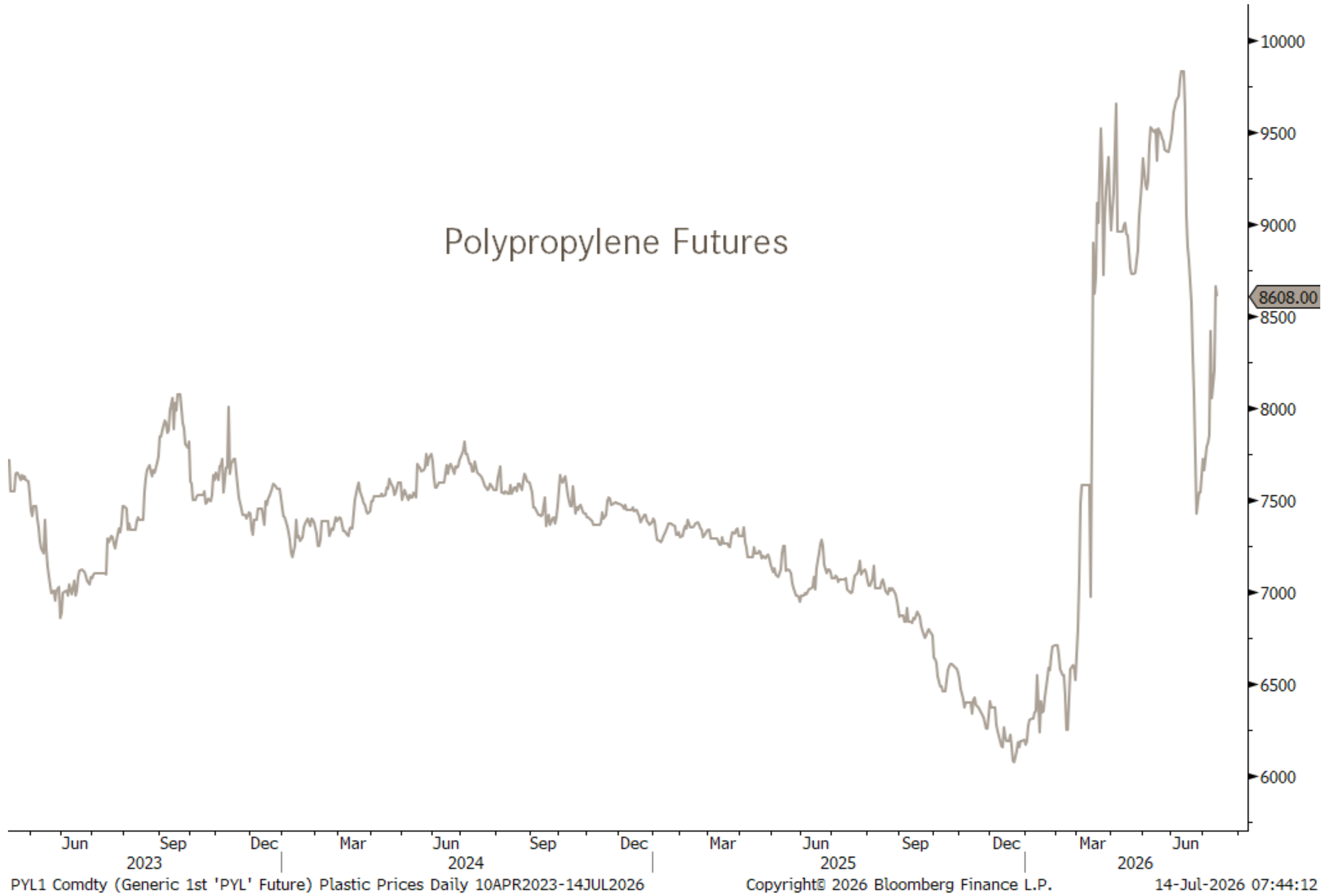


Source: Bloomberg, NPB calculations (G749a)

Plastics

Lego under Siege

Surprisingly, or perhaps not, plastic prices are showing a much higher correlation and sensitivity to the geopolitical newsflow out of the Middle East.



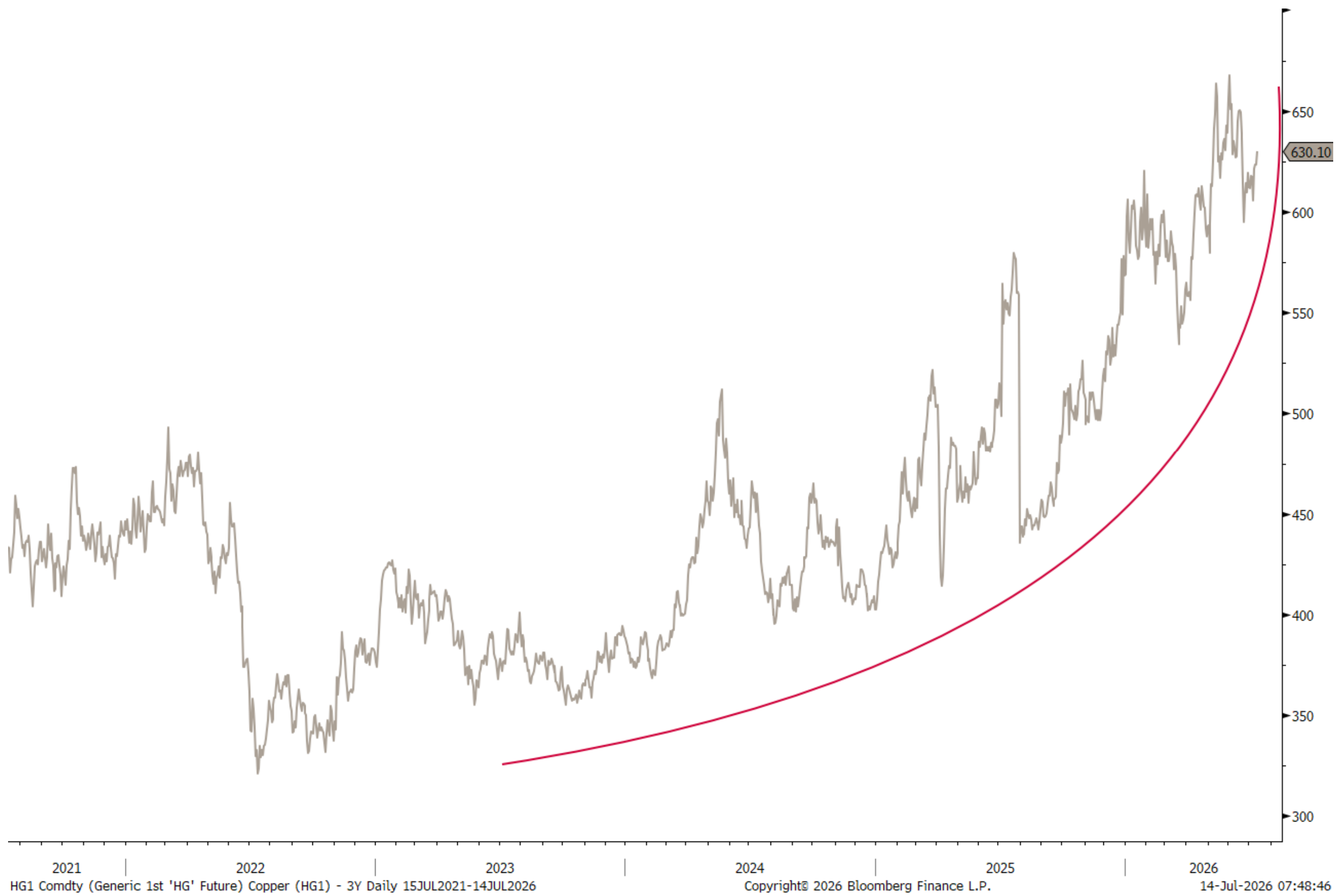
Source: Bloomberg, NPB calculations (G712a)

Copper

Stay the Bullish Course

Given our constructive view on the global economy, coupled with some supply constraints for the red metal, we remain firmly in the bullish camp on copper.

Yes, there's some volatility to be stomached, but the upside should continue.



Source: Bloomberg, NPB calculations (G846a)

Macroeconomics

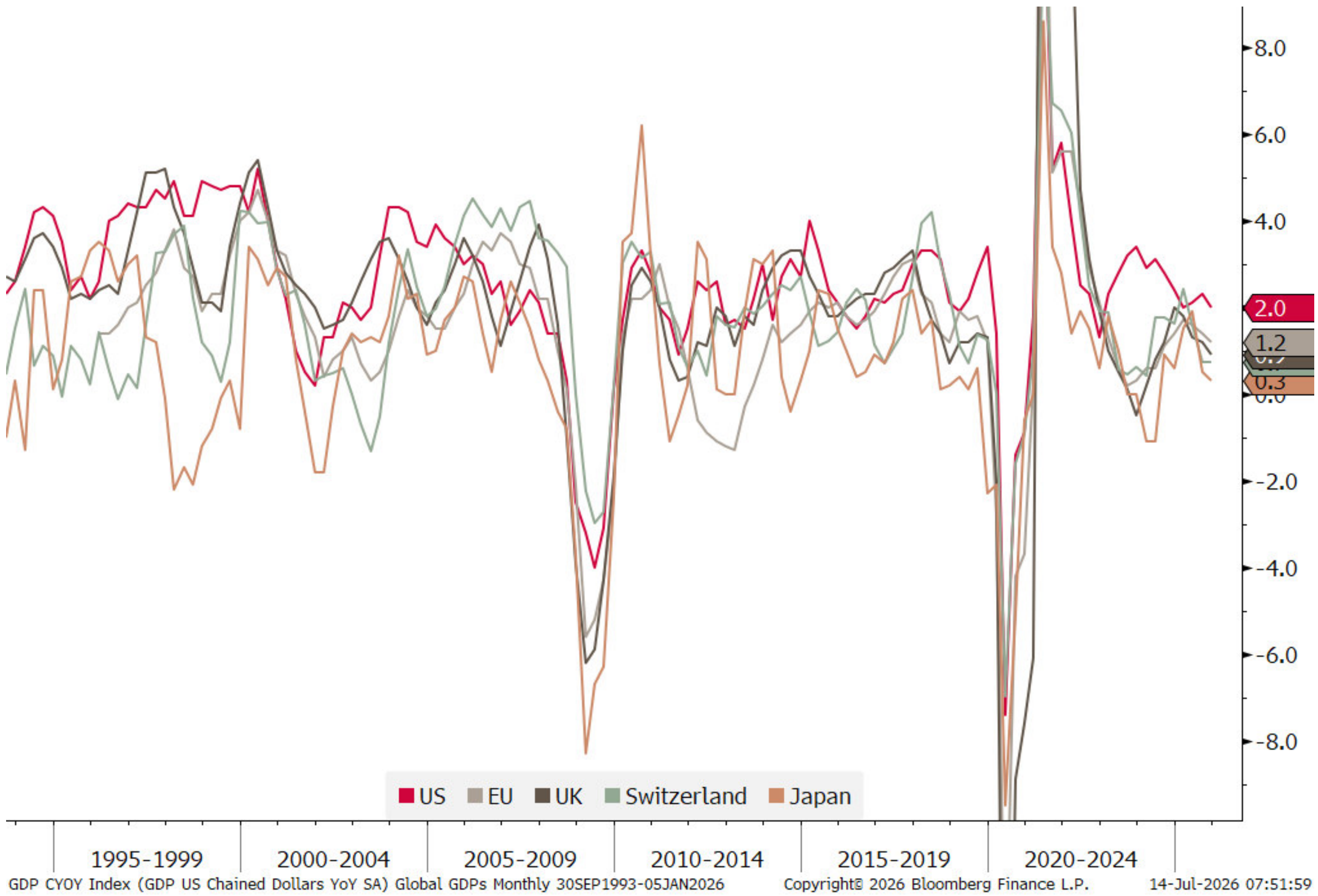
GROWTH

Chartbook Q3 2026

Global GDPs

Selected Developed Countries

Despite the recent growth slowdown, we still expect an economic re-acceleration in the second half of 2026.



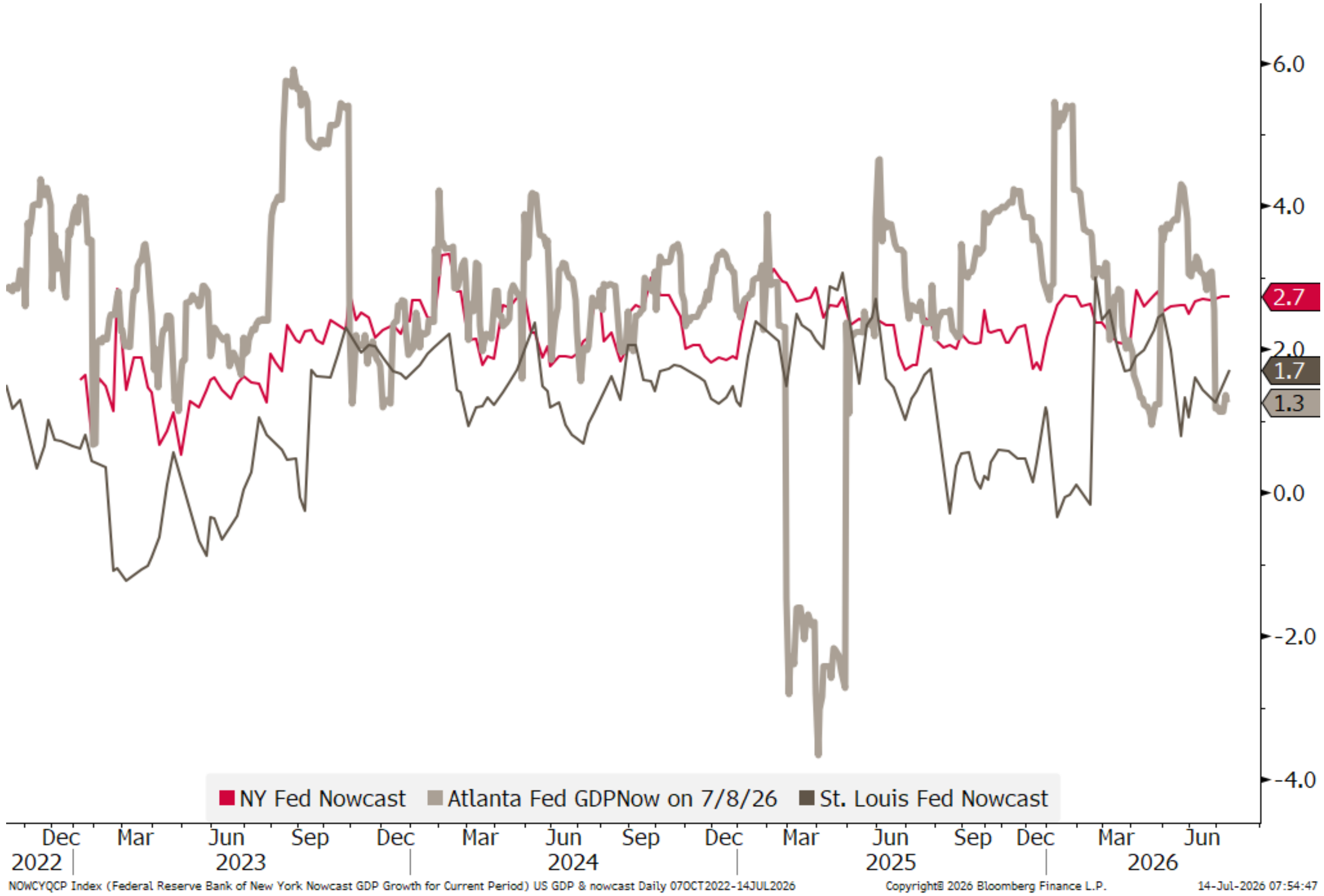
Source: Bloomberg, NPB calculations (G17a)

GDP Nowcasts

US

NPB | Neue Privat Bank

The Atlanta Fed's GDPNow model (grey, fat line) has dropped recently, however, given its recent volatility we only pay half attention to that.

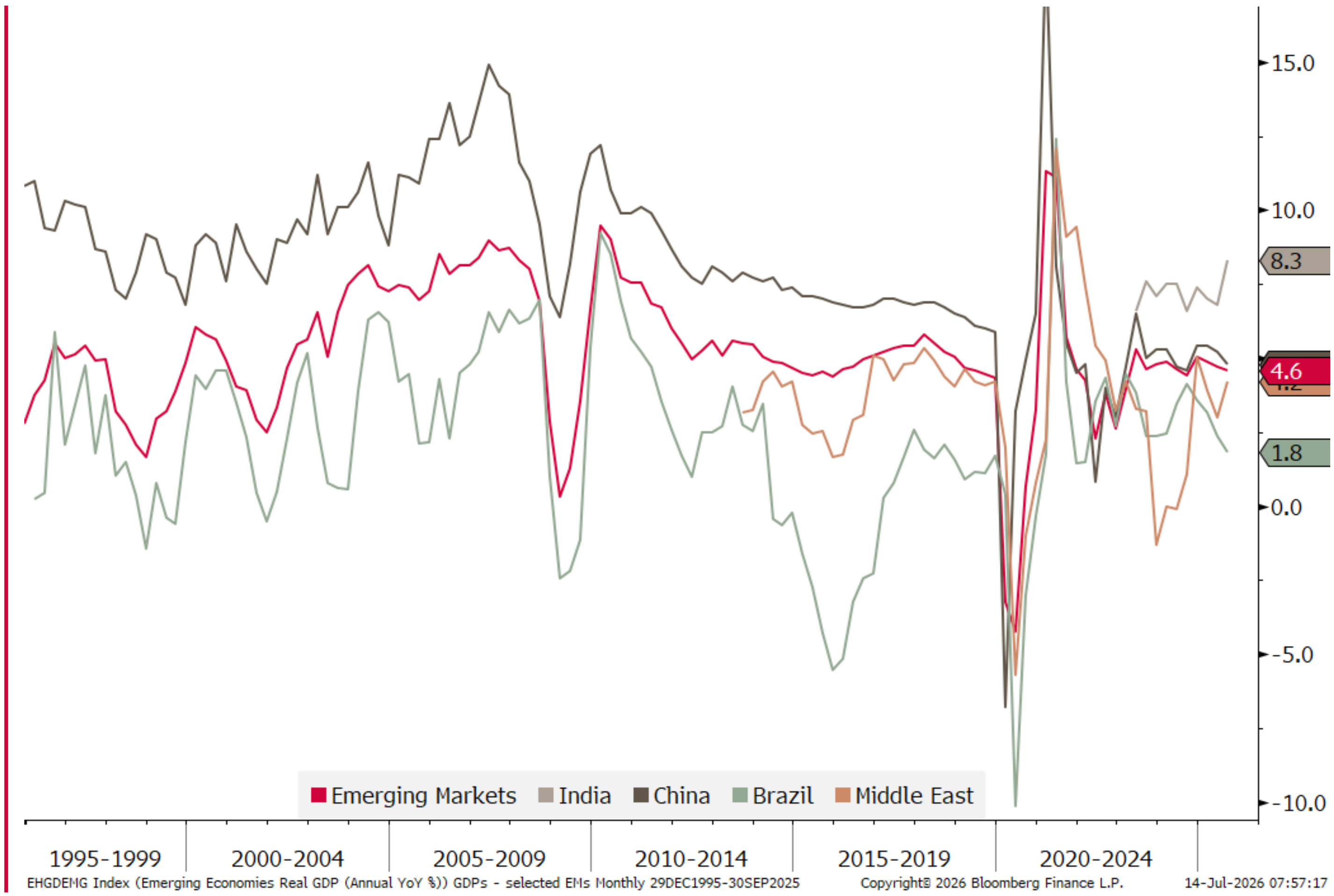


Source: Bloomberg, NPB calculations (G170a)

Global GDPs

Selected Emerging Countries

India's GDP is continuing to run hot, however, this is currently not expressed in the stock market. Other EM economies have shown some slowdown recently.

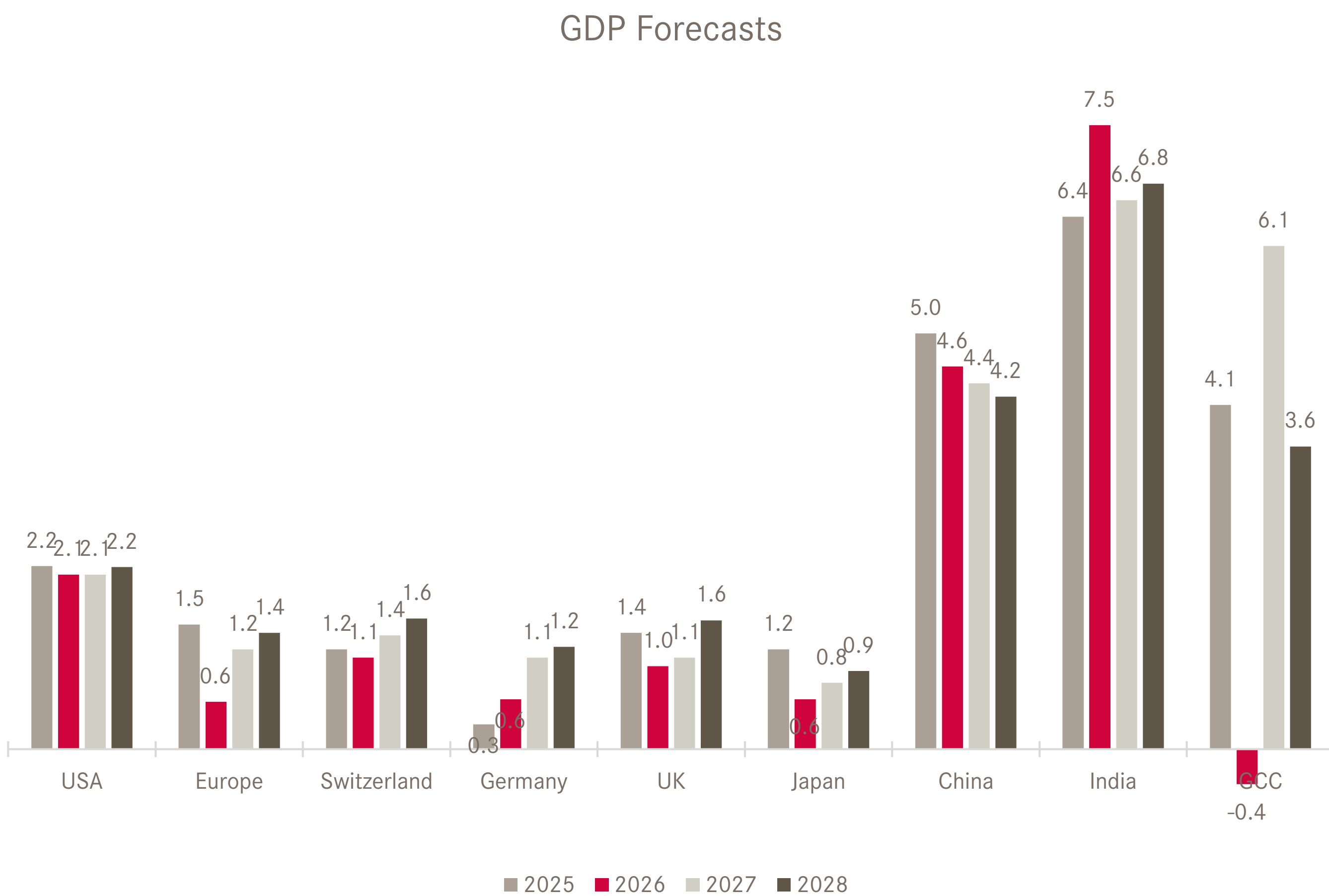


Source: Bloomberg, NPB calculations (G16a)

Global GDP Forecasts

NPB Universe

No comment.

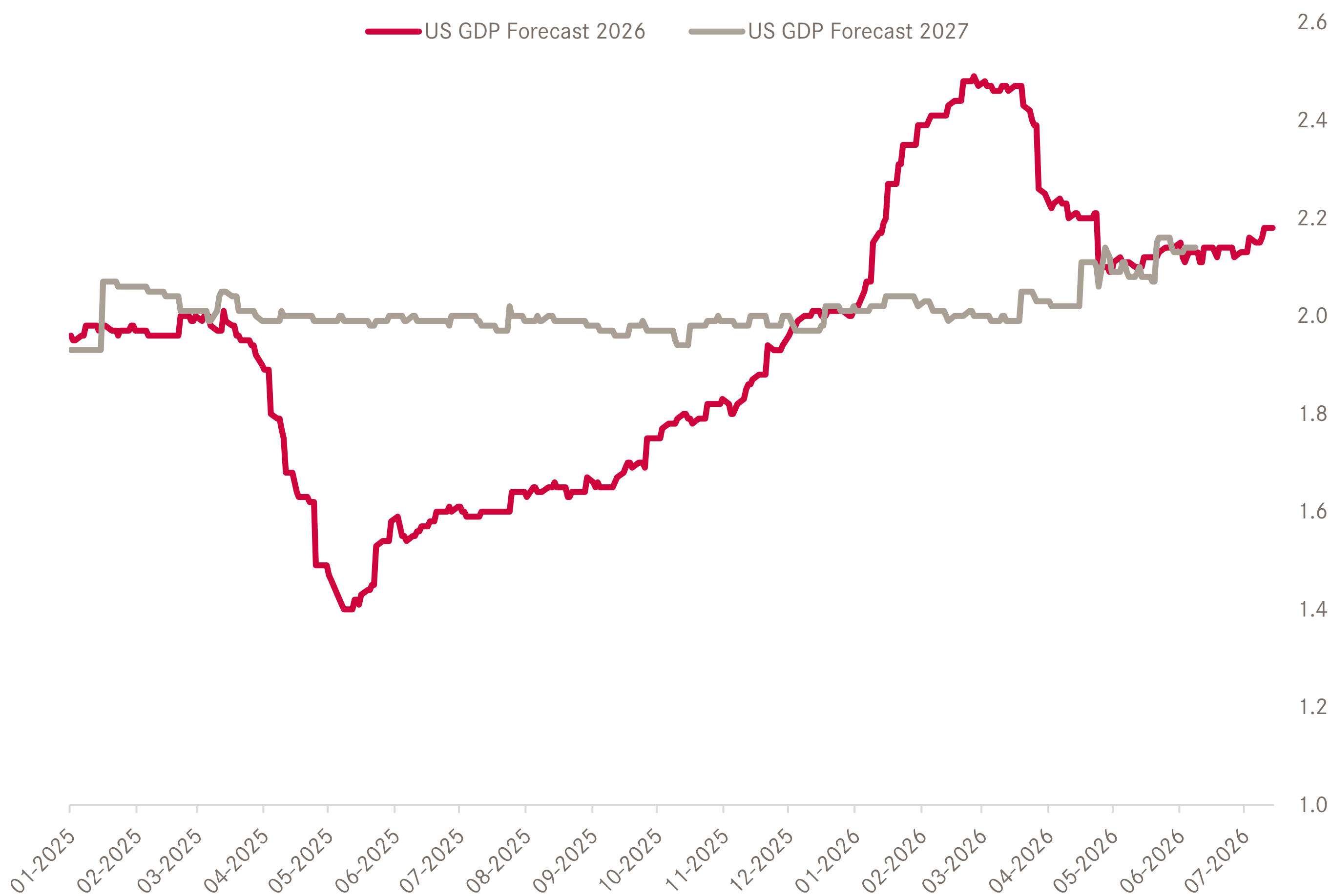


Source: Bloomberg, NPB calculations

US GDP Forecasts

2026 & 2027

Economists are currently not leaning far out the window, seeing a constant GDP growth rate of around two percent for this and next year.

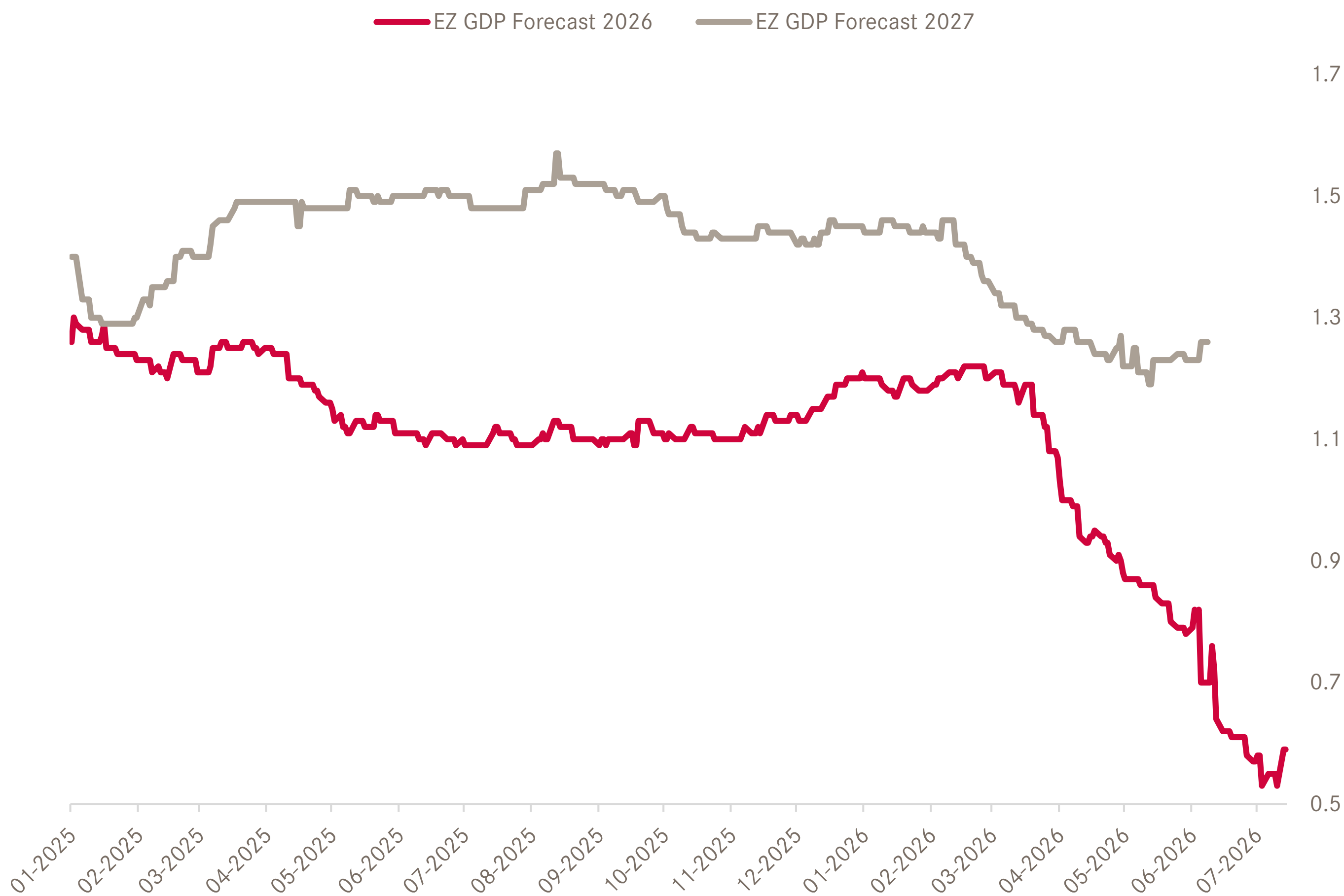


Source: Bloomberg, NPB calculations

Eurozone GDP Forecasts

2026 & 2027

Economists observing the fortunes of Eurozone growth have become very pessimistic for this year.

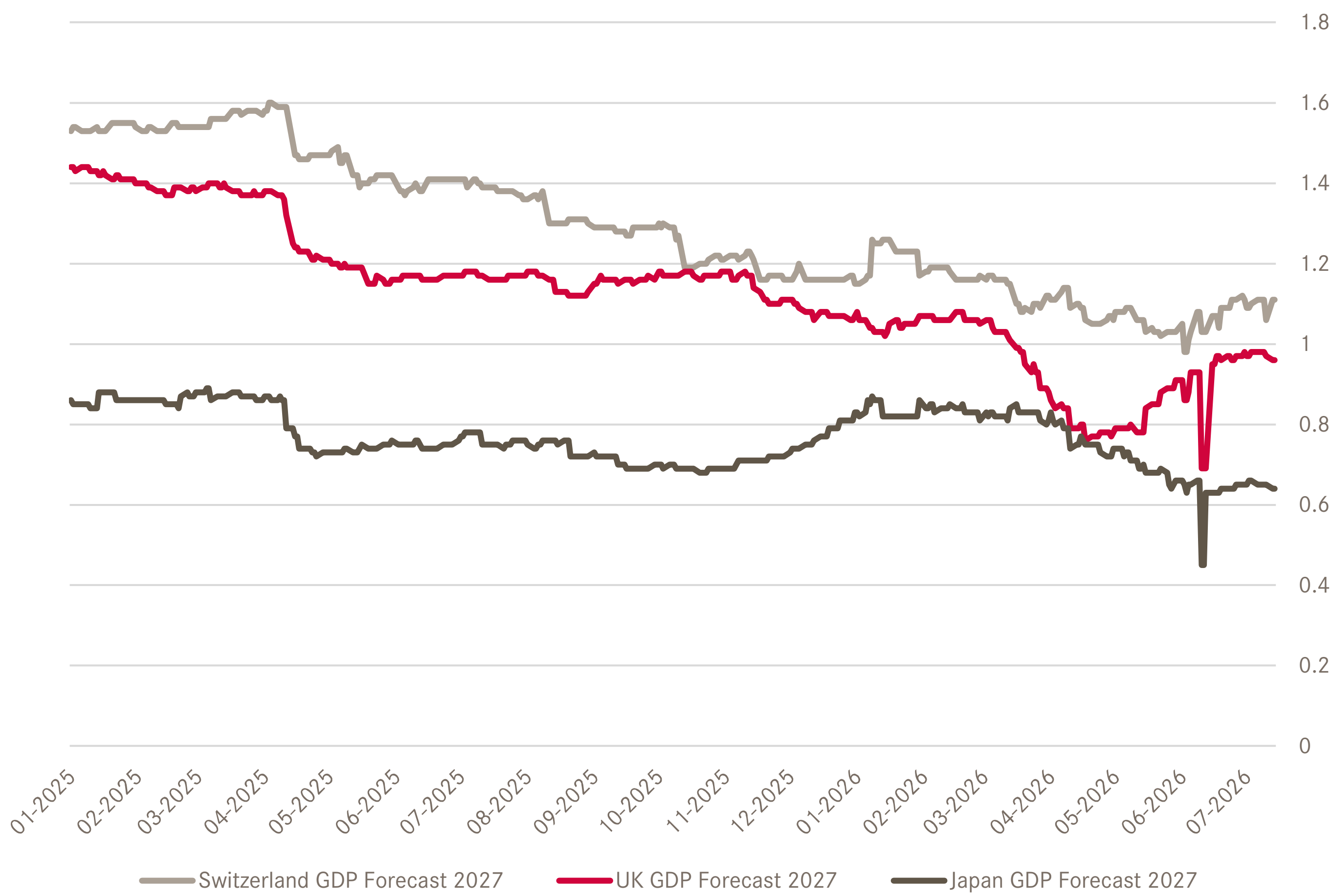


Source: Bloomberg, NPB calculations

Other DM GDP Forecasts

2027

Growth downward revisions have also taken place for Switzerland, the UK and Japan.

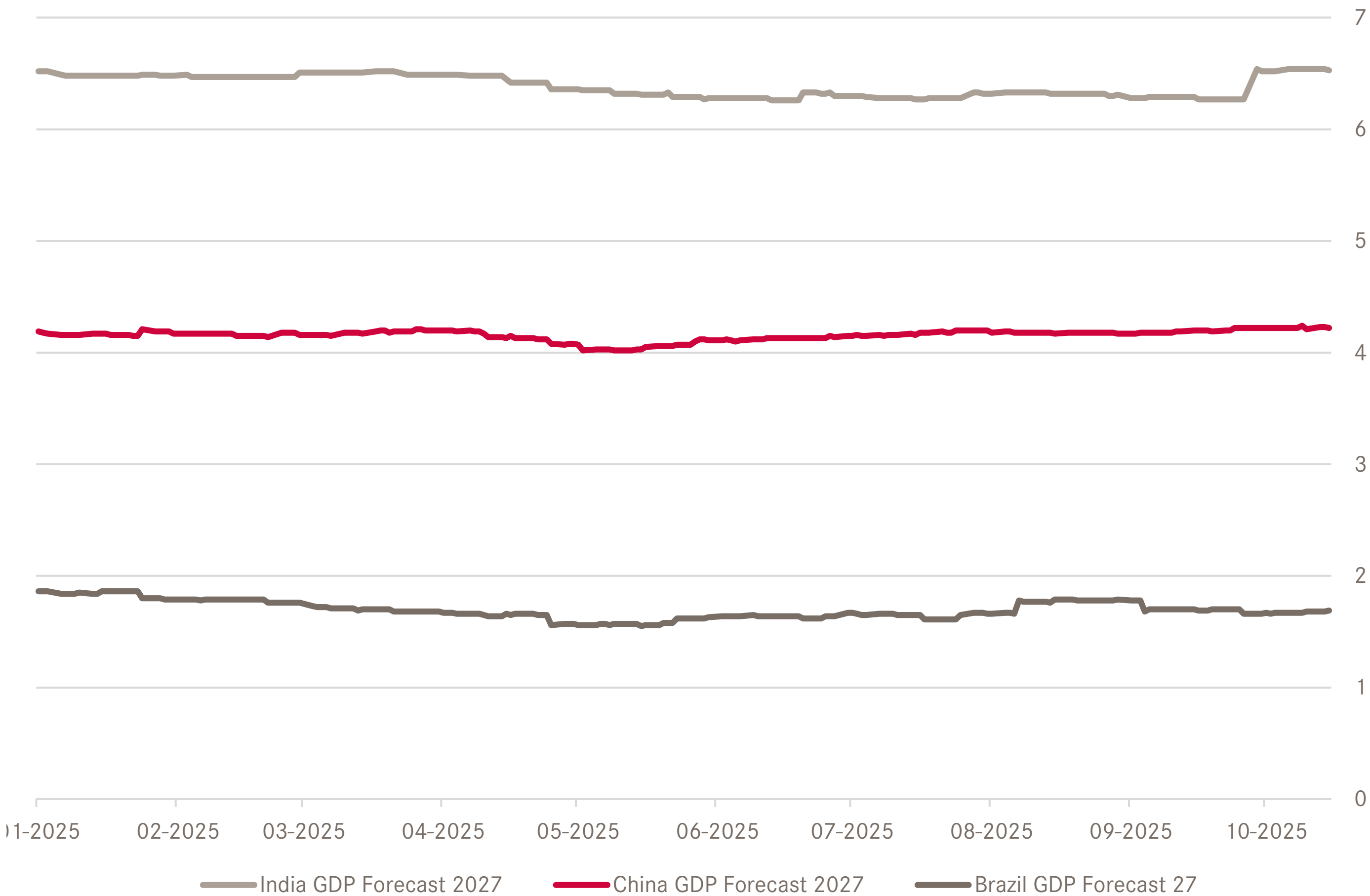


Source: Bloomberg, NPB calculations

EM GDP Forecasts

2027

Nothing to see here.



Source: Bloomberg, NPB calculations

Citi Economic Surprise Indices

US & Eurozone

Given the “negativity” of economists on the European economy it maybe should be no surprise that the surprises are surprising to the upside (yes, puns intended).

Source: Bloomberg, NPB calculations (G447a)

Macroeconomics

INFLATION

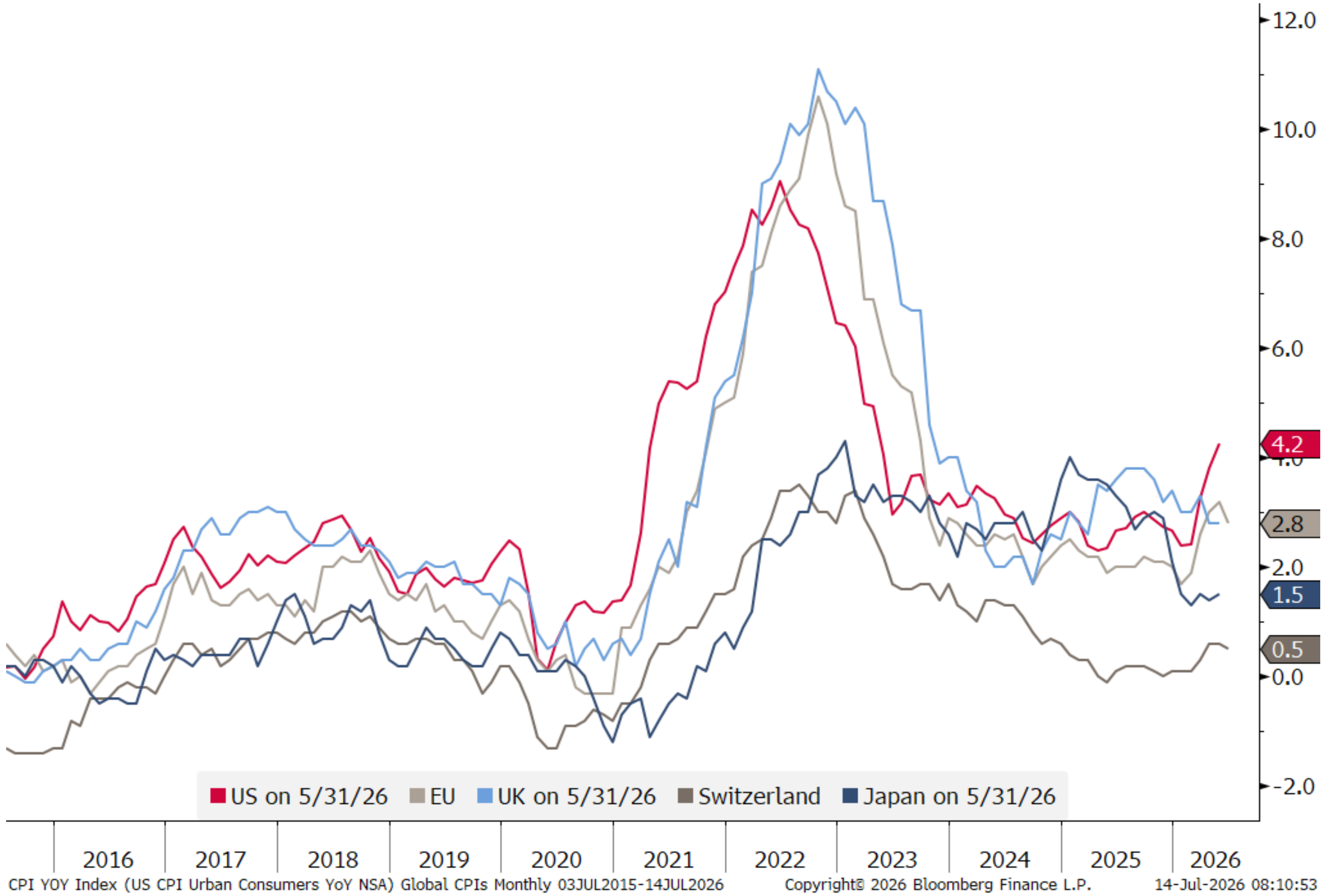
Chartbook Q3 2026

Global Inflation Rates

Selected Developed Countries

From a rear-view mirror perspective, slowing GDP growth and rising inflation is clearly positioning the global economy in the stagflation quadrant.

However, we believe that growth (but not inflation) is currently understated, hence a "inflationary boom" positioning is more likely.



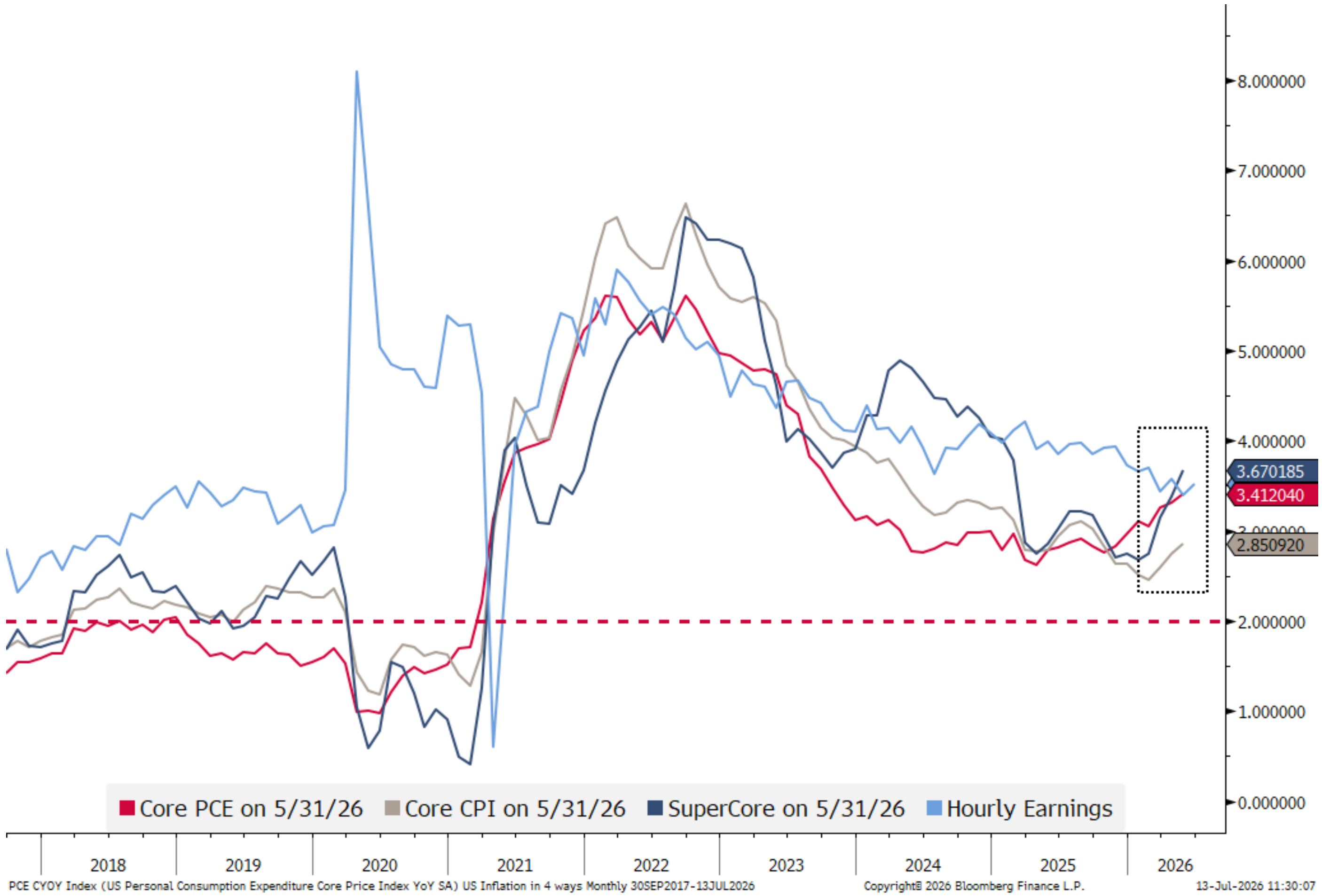
Source: Bloomberg, NPB calculations (G107a)

US Inflation

Four Ways of Measuring Inflation

NPB Neue Privat Bank 25 YEARS

Turn and twist it as you like, or even, invent new inflation measures, but whatever you do, the message remains the same

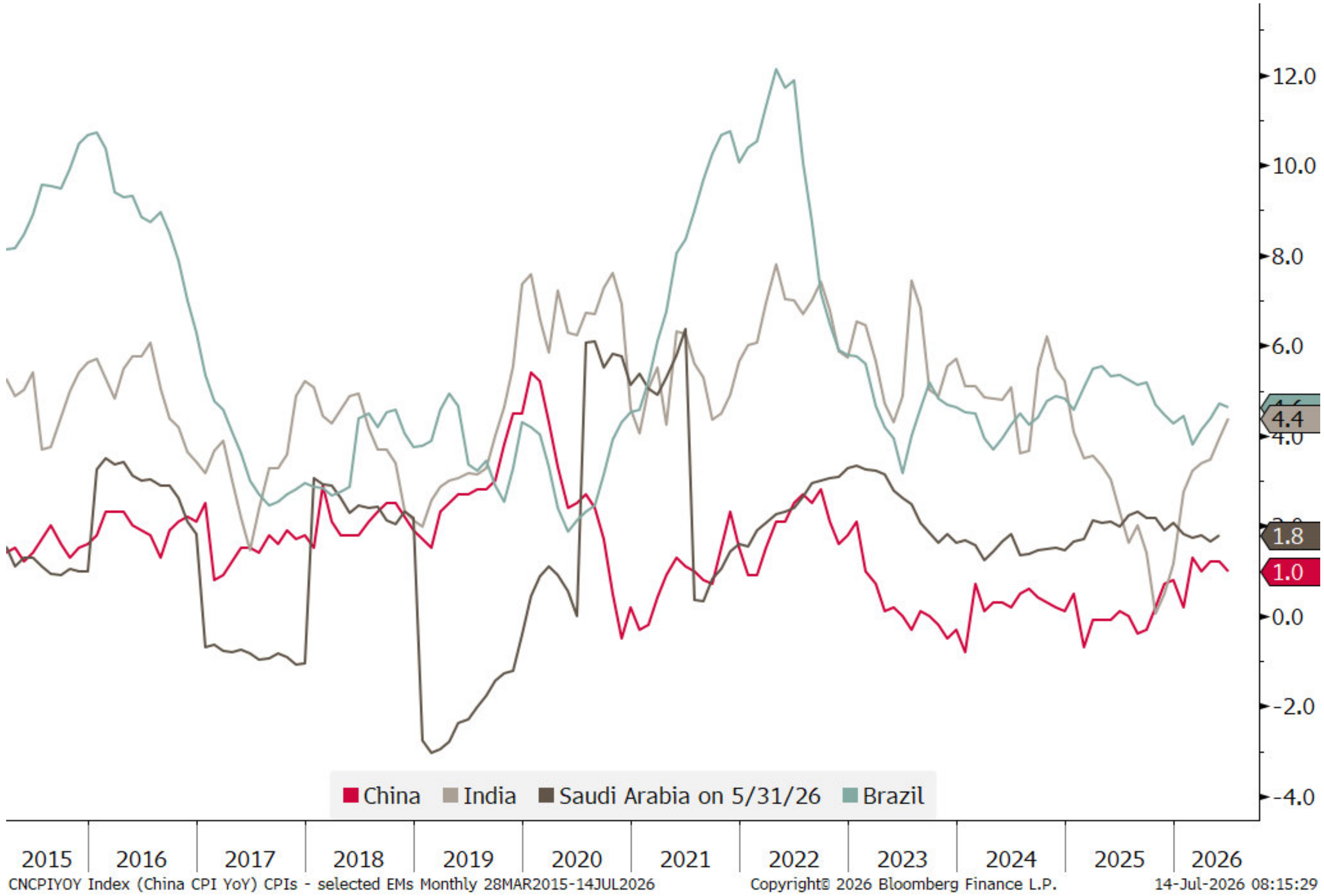


Source: Bloomberg, NPB calculations (G248a)

Global Inflation Rates

Selected Emerging Countries

Inflation seems to be accelerating in India.

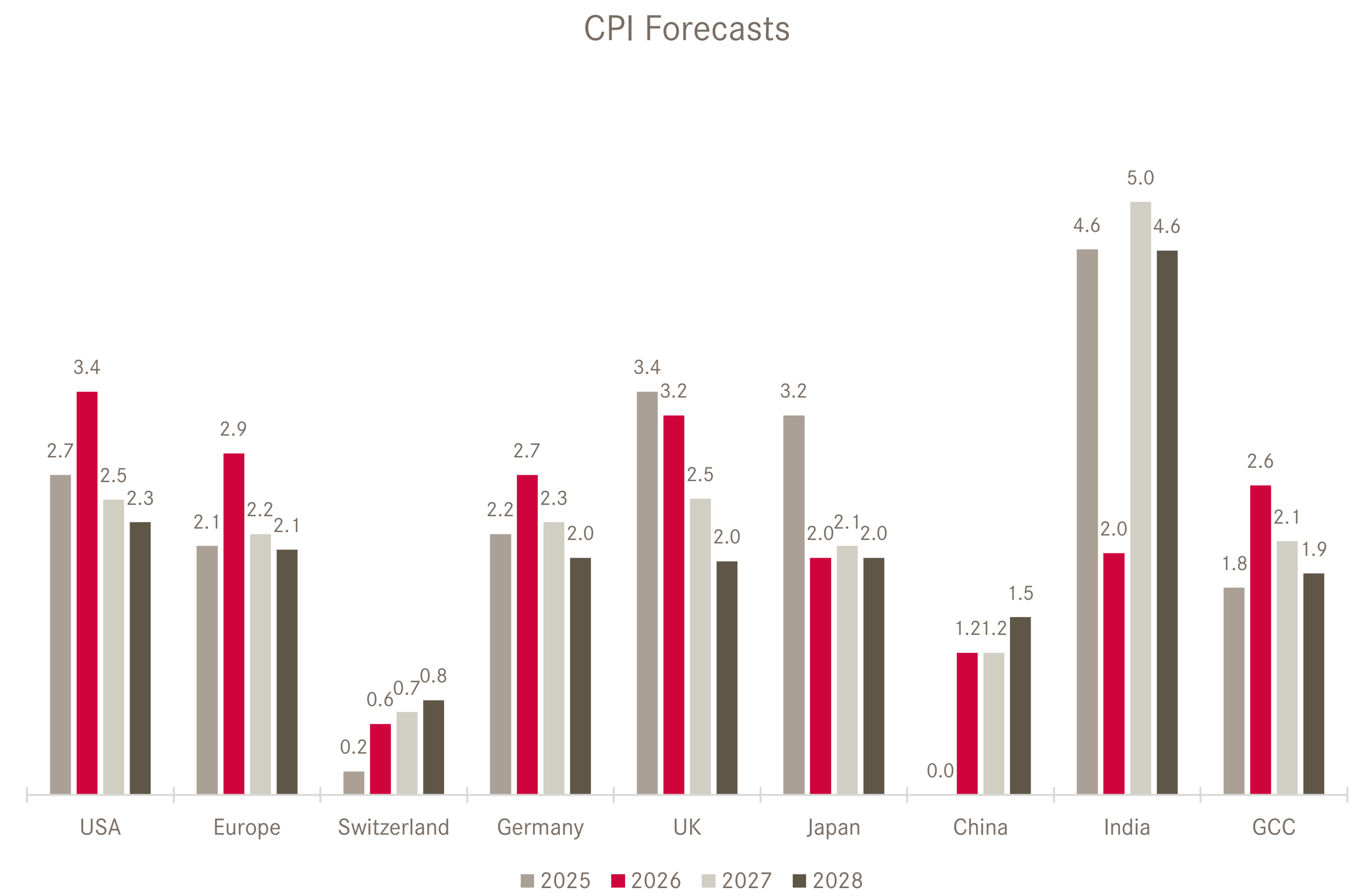


Source: Bloomberg, NPB calculations (G108a)

Global Inflation Forecasts

NPB Universe

No comment.

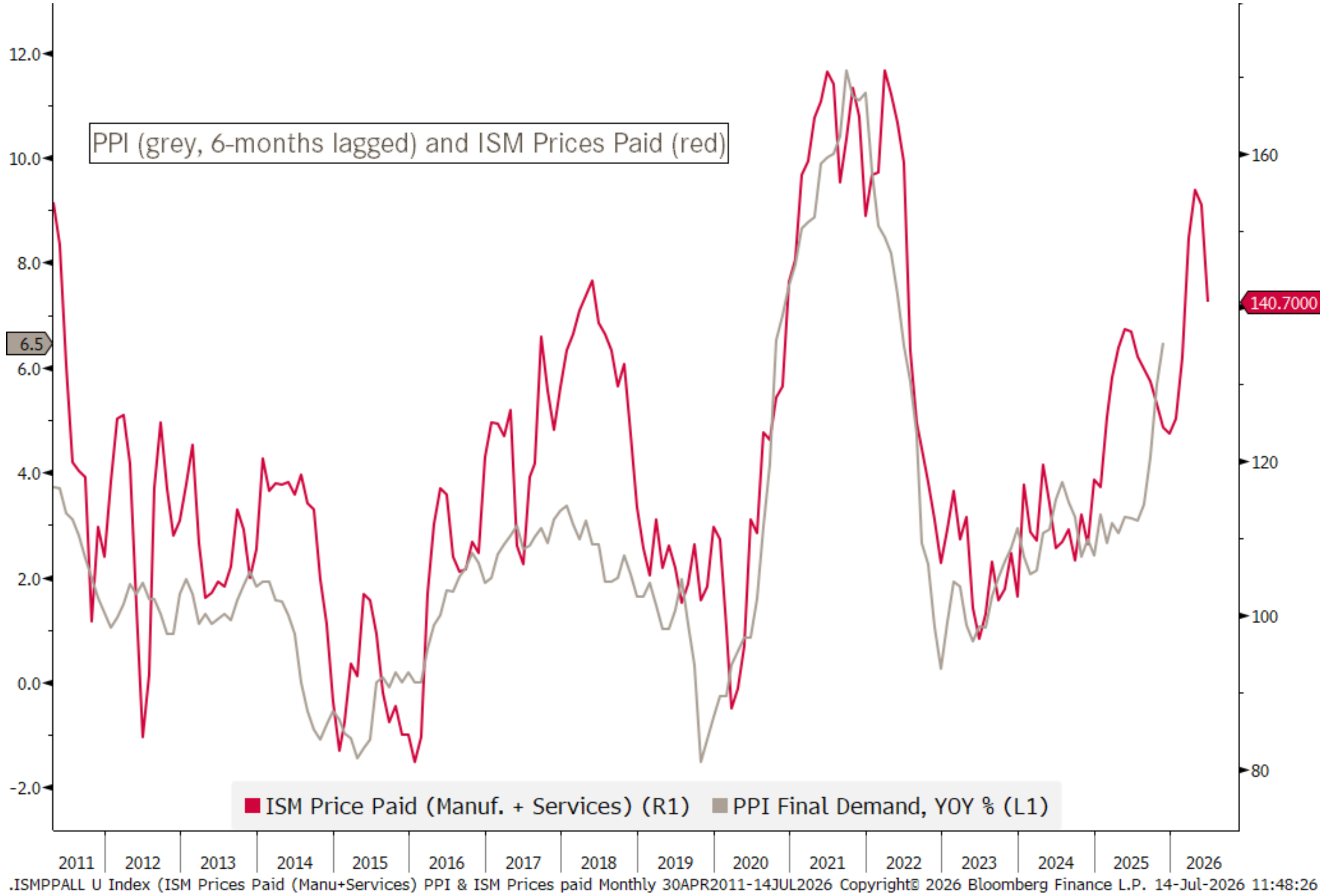


Source: Bloomberg, NPB calculations, NPB Research Hub

Producer Prices

Higher Inflation Coming not only for Businesses …

Our model has worked well in forecasting the path of inflation (PPI – grey line). The next ISM readings will be interesting to observe.



Source: Bloomberg, NPB calculations (G730a)

Consumer Price Inflation

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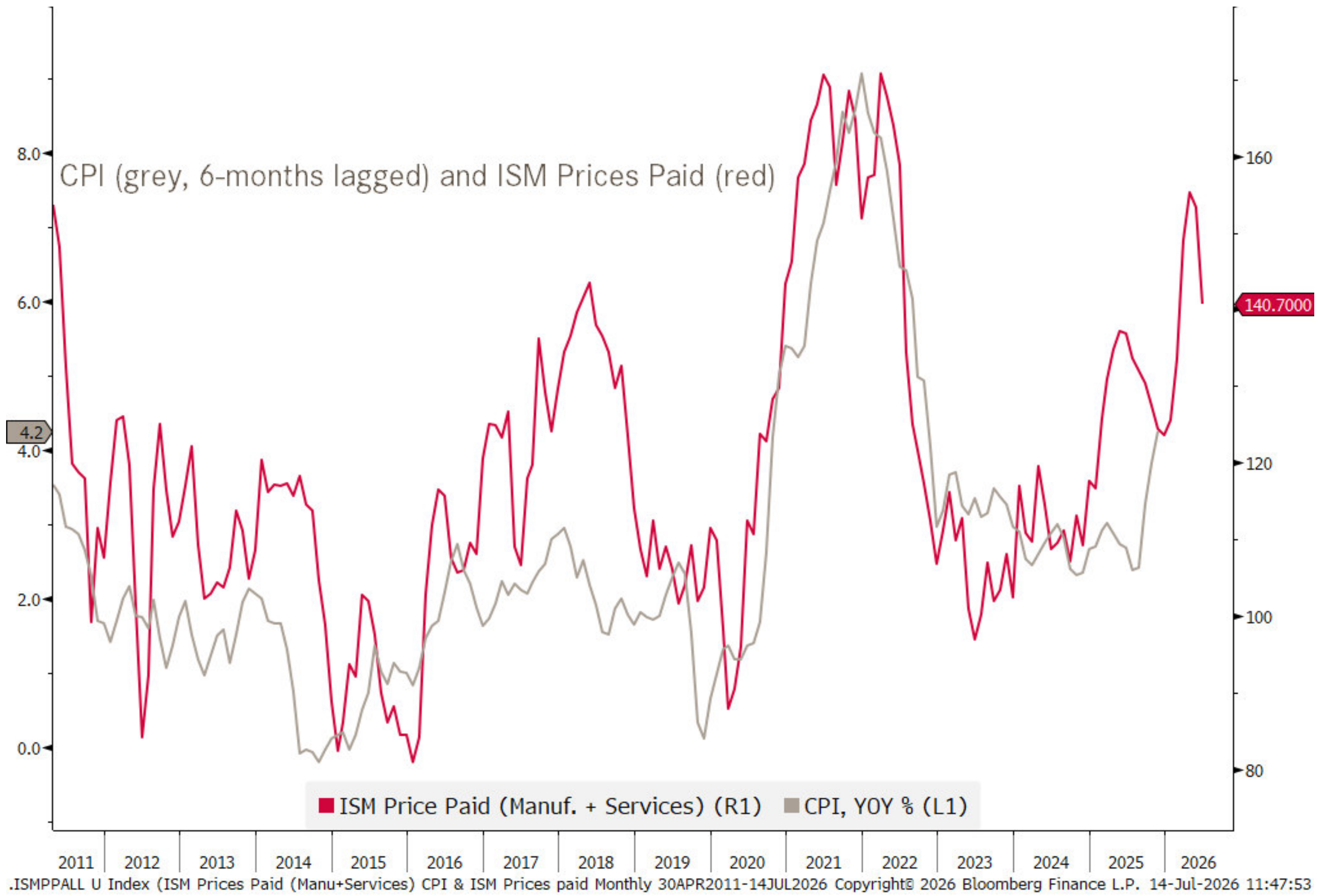
… But also, for the Consumer

The same is true for our consumer-price model. Is the recent downturn in ISM prices paid a pause or a trend reversal? The next reading or two should provide clarity.

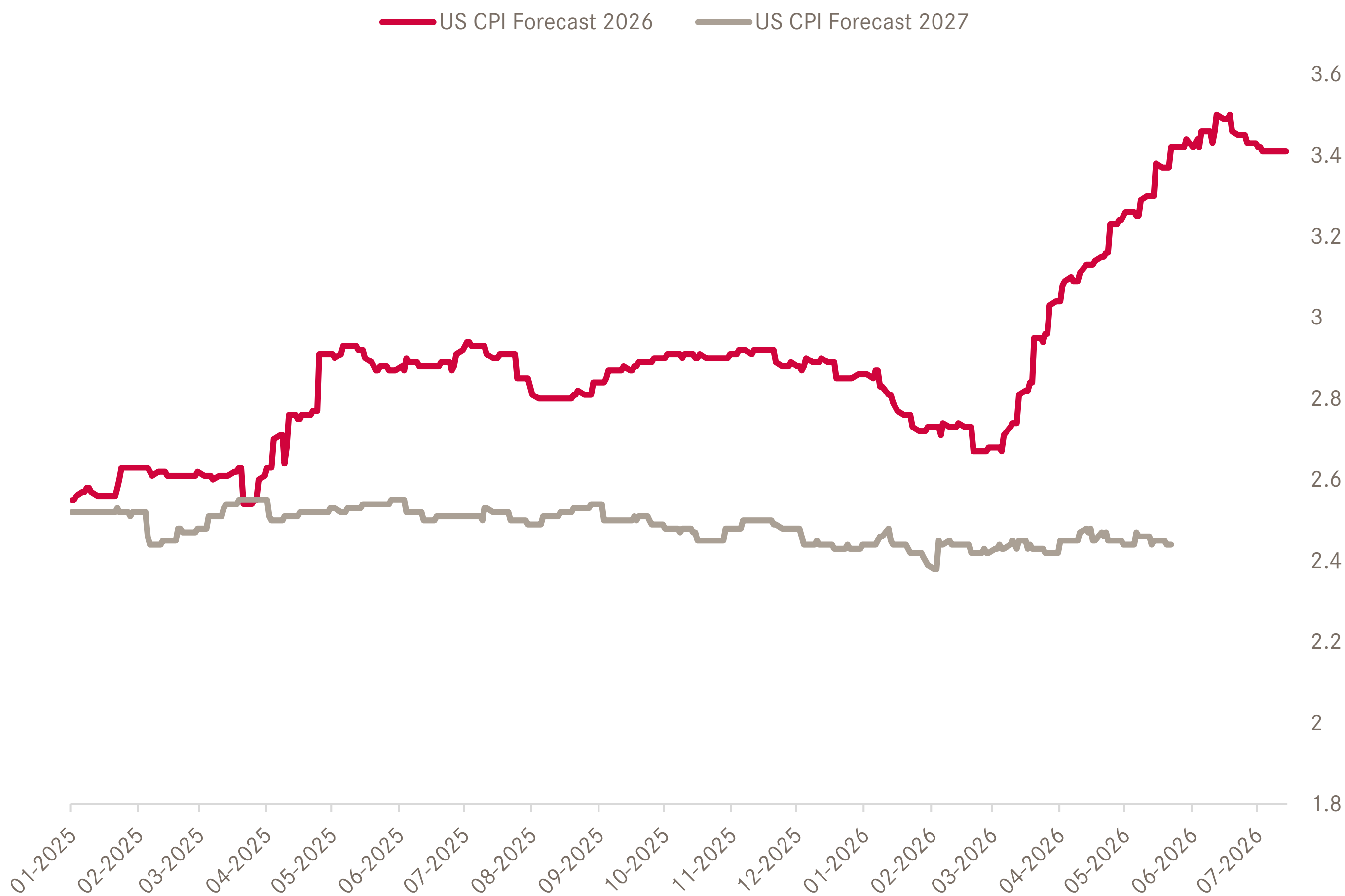


Source: Bloomberg, NPB calculations (G731a)

US CPI Forecasts

2026 & 2027

Inflation forecast has continued to be revised to the upside. The conundrum is the sudden one percent drop into 2027…

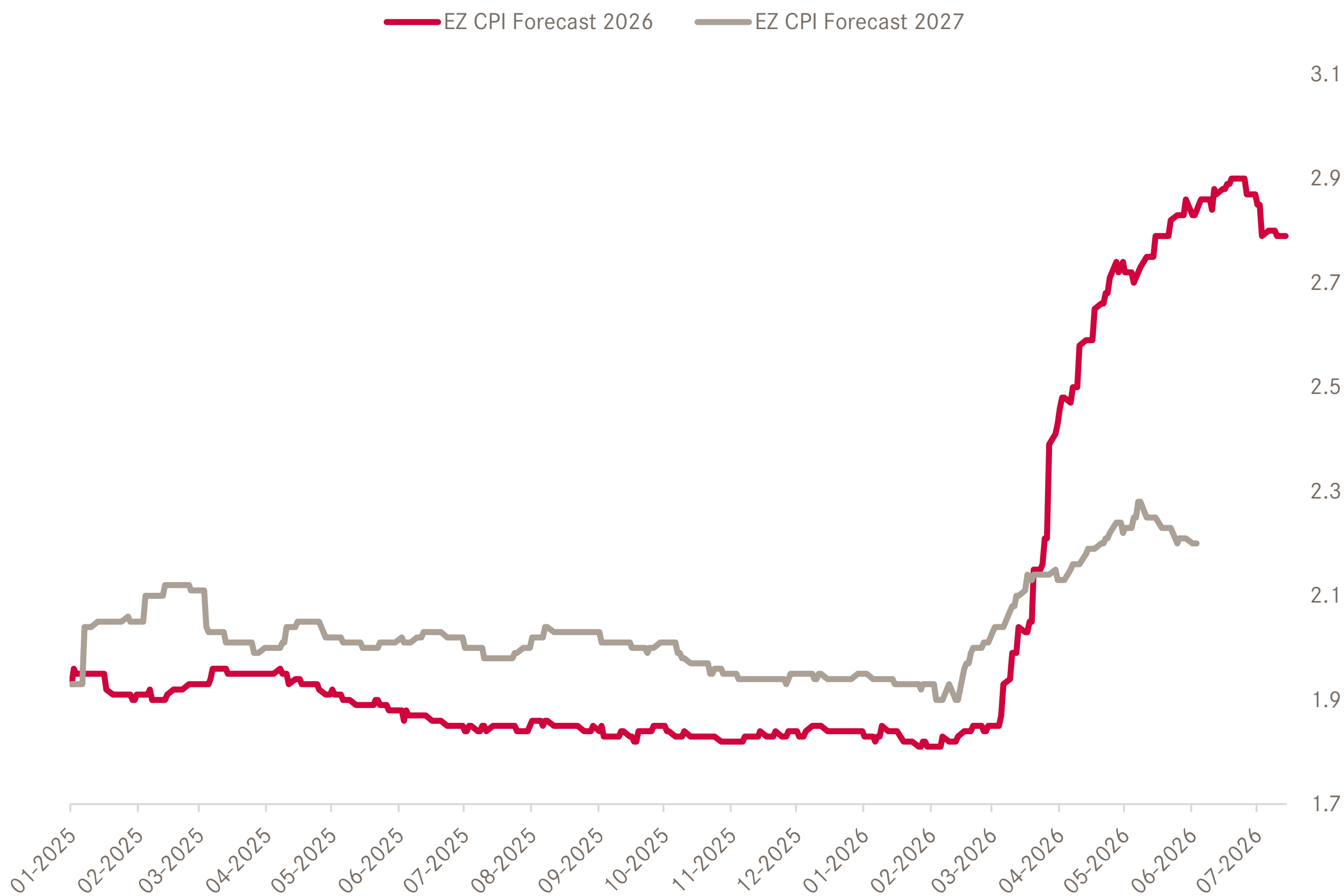


Source: Bloomberg, NPB calculations, NPB Research Hub

Eurozone CPI Forecasts

2026 & 2027

Despite a higher energy dependency than the US, inflation forecast is lower for the Eurozone. This is probably fully attributable to lower growth expectations.

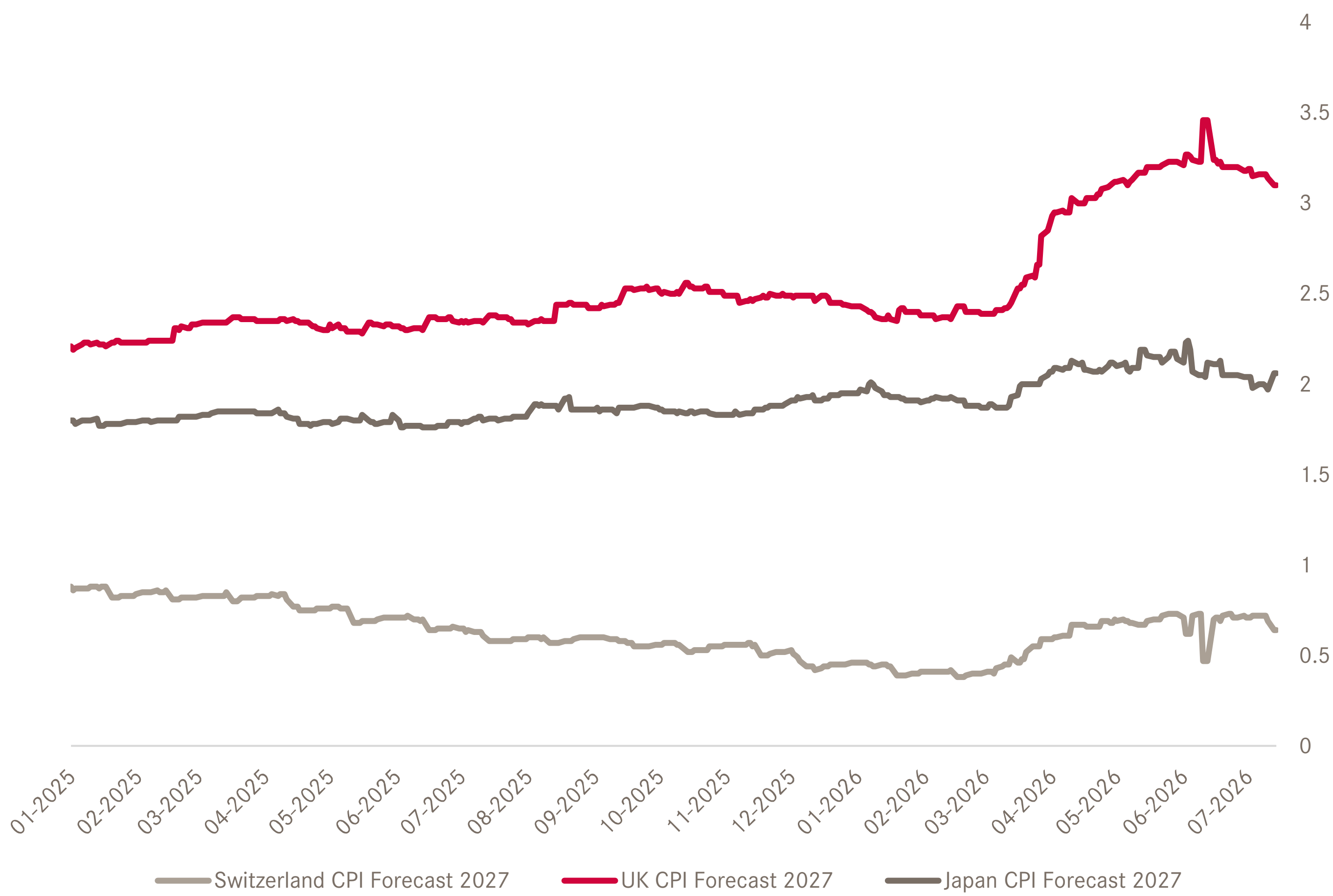


Source: Bloomberg, NPB calculations, NPB Research Hub

Other Selected DM CPI Forecasts

2027

No comment.

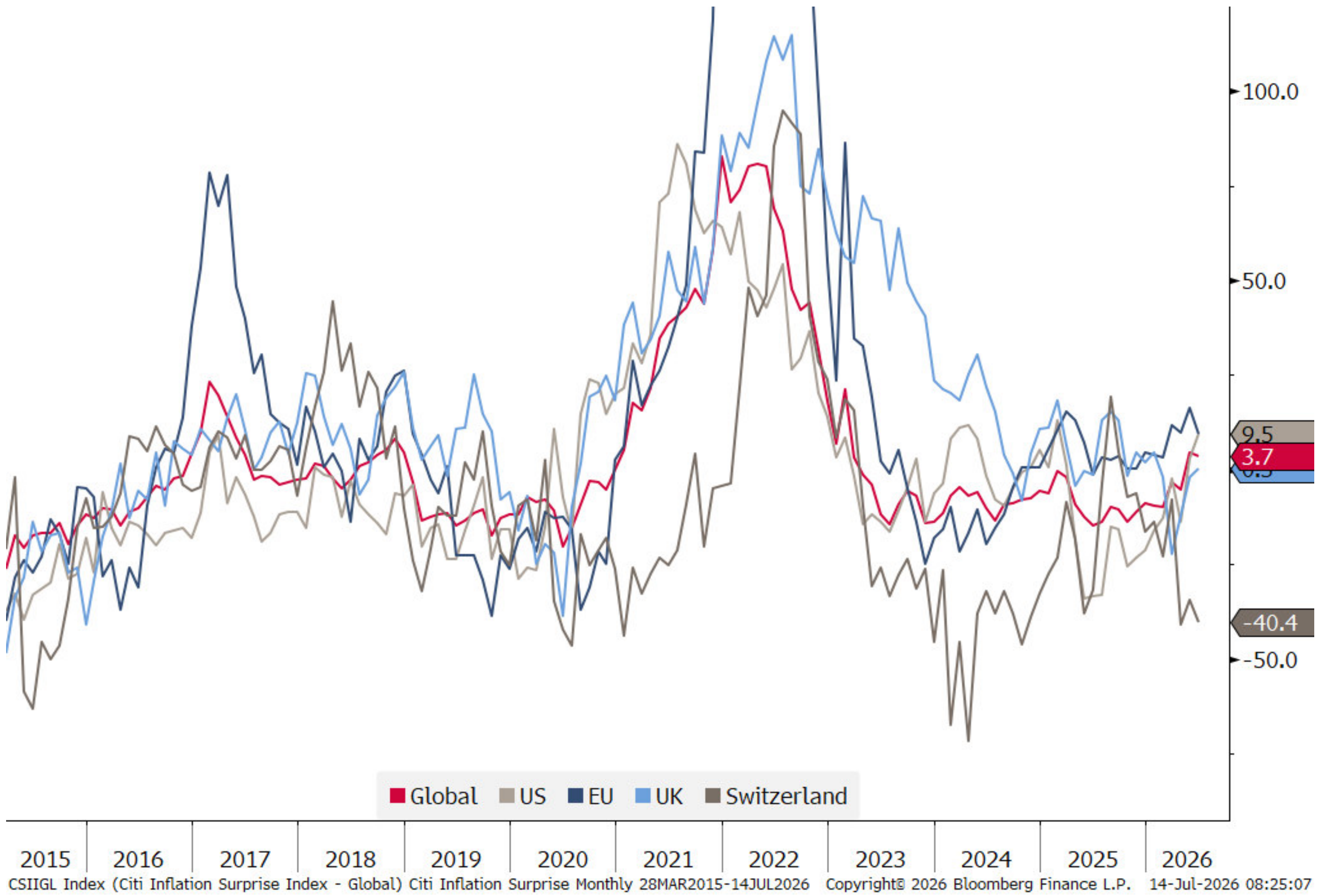


Source: Bloomberg, NPB calculations, NPB Research Hub

Citi Inflation Surprise Indices

Selected Developed Countries

Inflation surprises continue to happen rather to the upside than the downside (ex Switzerland).



Source: Bloomberg, NPB calculations (G111a)

Macroeconomics

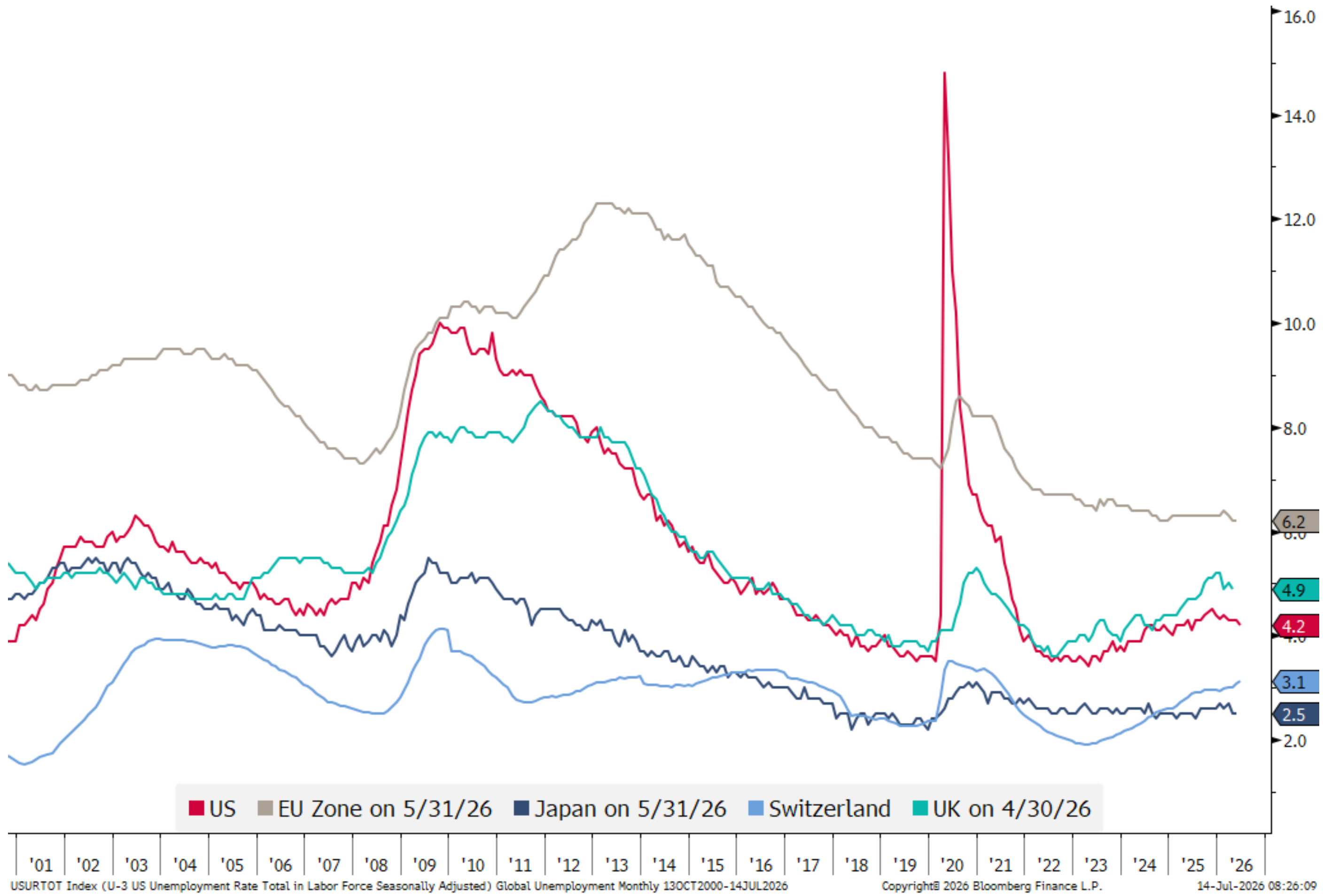
OTHER

Chartbook Q3 2026

Global Unemployment

Selected Developed Countries

Unemployment continues to increase in the US, but as it is happening outside a recession, the rise is much more muted and slower than in previous cycles.

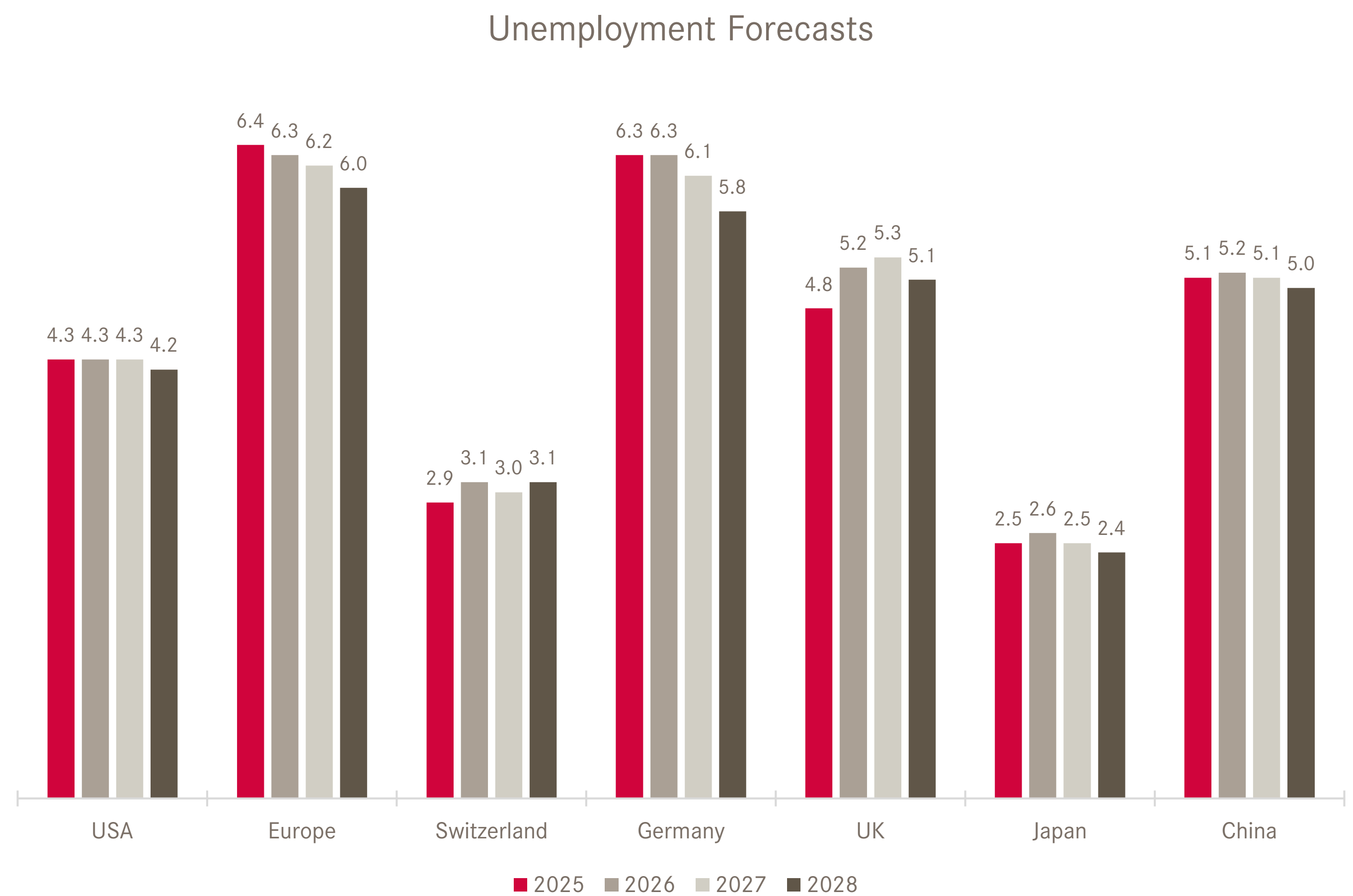


Source: Bloomberg, NPB calculations (G110a)

Unemployment Forecast

NPB Universe

No comment.

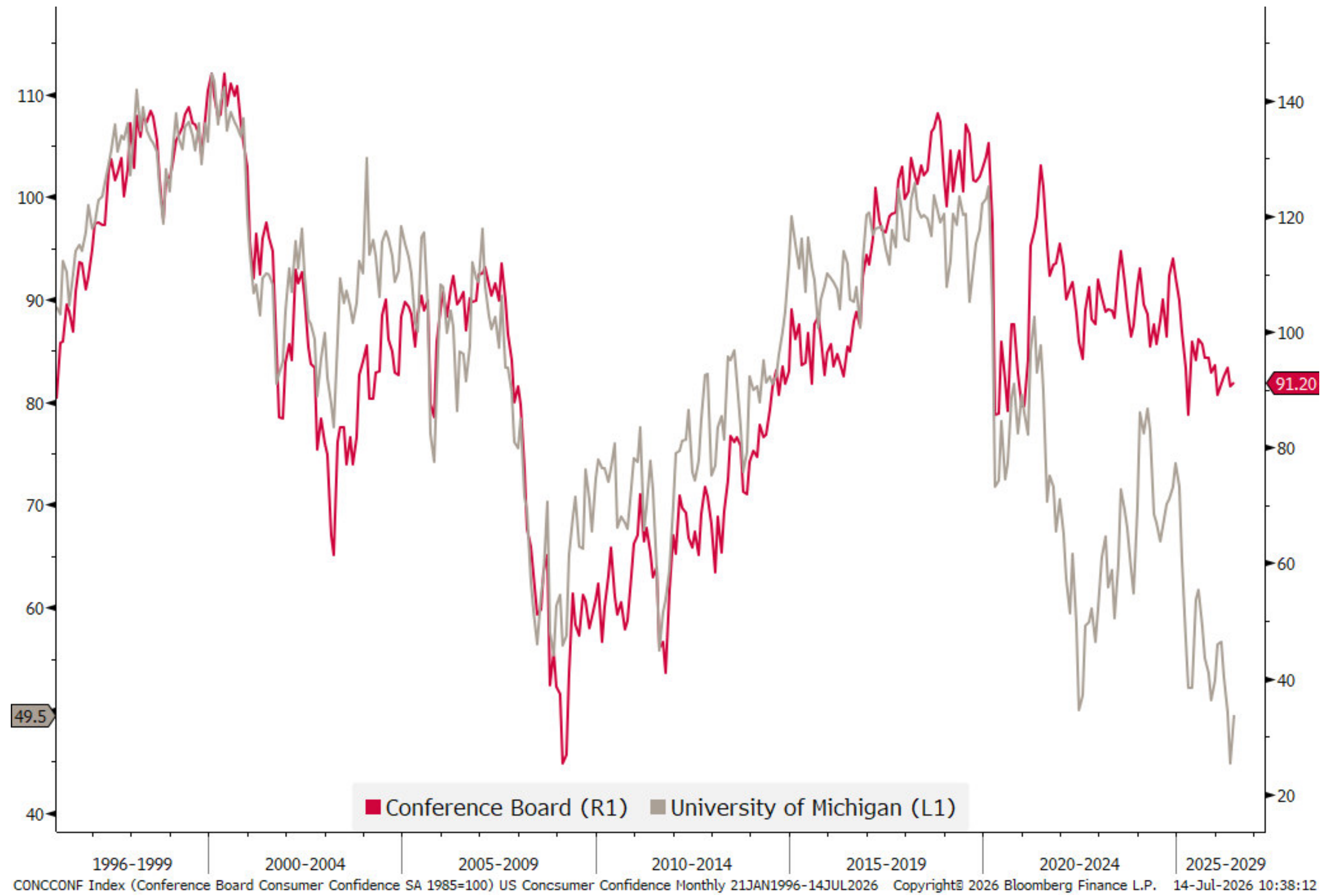


Source: Bloomberg, NPB calculations, NPB Research Hub

US Consumer Confidence

Low

Stock markets close to all time highs, but consumer confidence is absolutely floored.



Source: Bloomberg, NPB calculations (G597a)

Appendix

Chartbook Q3 2026

NPB Market Cycle Framework

Quadrant Analysis

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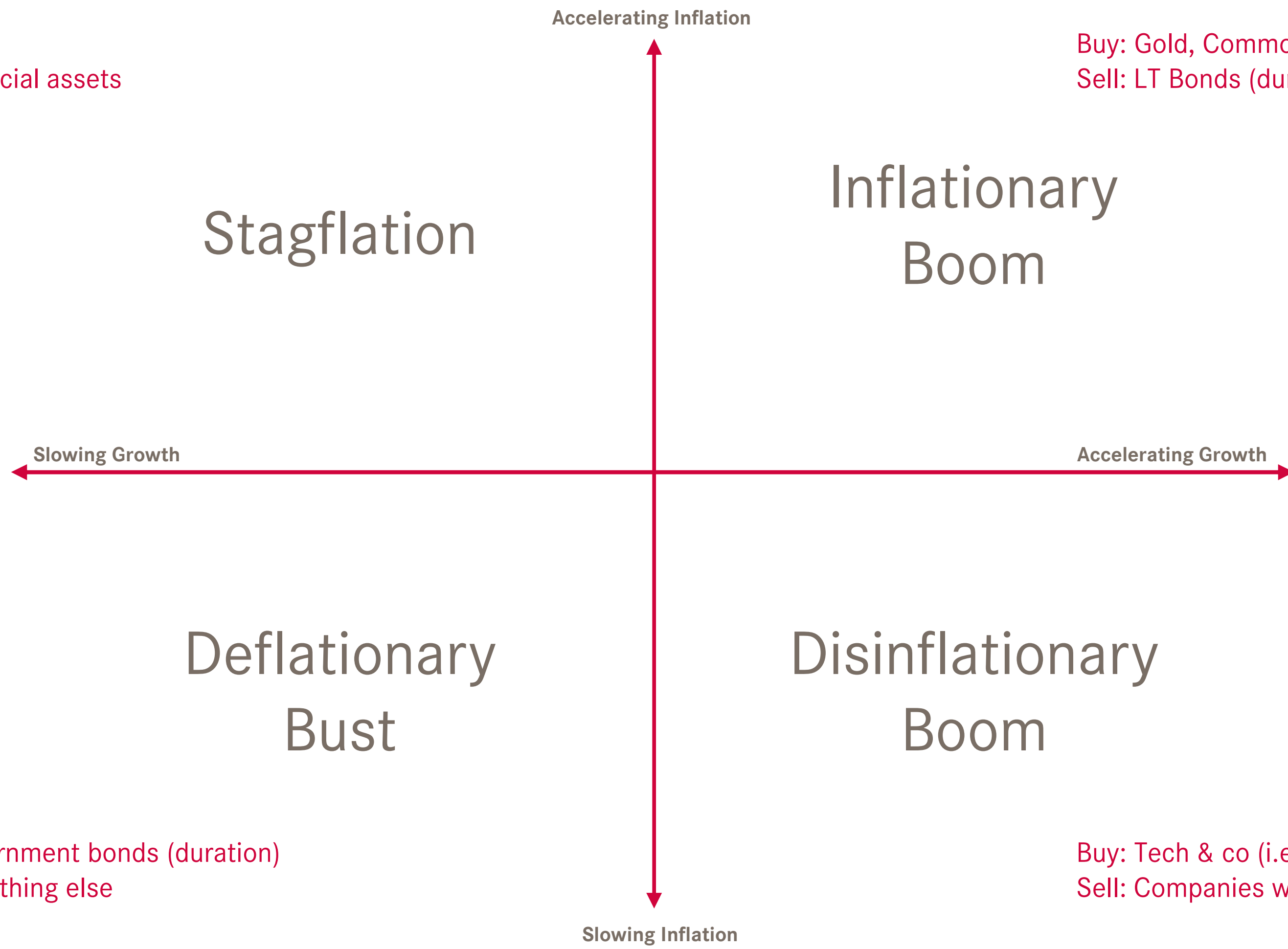
Buy: Cash
Sell: Financial assets

Buy: Gold, Commodities, cyclical producers
Sell: LT Bonds (duration)



Buy: Government bonds (duration)
Sell: Everything else

Buy: Tech & co (i.e. innovative companies)
Sell: Companies without pricing power

Source: NPB

Glossary

NPB | Neue Privat Bank 25 YEARS

Initialism	Term	Explanation
PMI	Purchasing Managers' Index	The Purchasing Managers' Index (PMI) is an index of the prevailing direction of economic trends in the manufacturing and service sectors. It consists of a diffusion index that summarizes whether market conditions are expanding, staying the same, or contracting as viewed by purchasing managers. The purpose of the PMI is to provide information about current and future business conditions to company decision-makers, analysts, and investors.
AAII	American Association of Individual Investors	The American Association of Individual Investors (AAII) is an investor education organization. It is a membership-driven nonprofit with local chapters throughout the United States.
CPI	Consumer Price Index	The Consumer Price Index (CPI) measures the monthly change in prices paid by U.S. consumers. The Bureau of Labor Statistics (BLS) calculates the CPI as a weighted average of prices for a basket of goods and services representative of aggregate U.S. consumer spending.1U.S. Bureau of Labor Statistics. "Consumer Price Index.“
CNN Fear and Greed Index	CNN Fear and Greed Index	The Fear and Greed Index was developed by CNN Business to measure how emotions influence how much investors are willing to pay for stocks. The index is calculated daily, weekly, monthly, and yearly and is based on the logic that excessive fear will drive share prices down, and too much greed will drive prices up.
PPP	Purchasing Power Parity	A popular macroeconomic analysis metric to compare economic productivity and standards of living between countries is purchasing power parity (PPP). PPP is an economic theory that compares different countries' currencies through a "basket of goods" approach. According to this concept, two currencies are in equilibrium—known as the currencies being at par—when a basket of goods is priced the same in both countries, taking into account the exchange rates.
GOP	Grand Old Party	The Republican Party, also known as the GOP (Grand Old Party), is one of the two major contemporary political parties in the United States.
ATH/ATL	All-Time High / All-Time Low	The highest or lowest price a financial instrument has ever reached

Glossary

NPB | Neue Privat Bank 25 YEARS

Initialism	Term	Explanation
Core Inflation	Core Inflation Rate	Core inflation is the change in the costs of goods and services, but it does not include those from the food and energy sectors. This measure of inflation excludes these items because their prices are much more volatile. It is most often calculated using the consumer price index (CPI), which is a measure of prices for goods and services.
Halloween Indicator	Halloween Indicator	The Halloween strategy, Halloween effect, or Halloween indicator is a market timing strategy based on the hypothesis that stocks perform better from Oct. 31 (Halloween) to May 1 than they do from the beginning of May through the end of October.
NPB Liquidity Index	NPB Liquidity Index	Fed Total Assets – (Treasury General Account + Fed Reverse Repo)
FDI	Foreign direct investment	Foreign direct investment (FDI) is the category of international investment that tracks resident entities in one country obtaining a lasting interest in enterprises from another country.
U-3	U-3 US Unemployment Rate Total in Labor Force	The unemployment rate tracks the number of unemployed persons as a percentage of the labor force (the total number of employed plus unemployed). These figures generally come from a household labor force survey.
Gig Economy	Gig Economy	A gig economy is a labor market that relies heavily on temporary and part-time positions filled by independent contractors and freelancers rather than full-time permanent employees.
OAT	Obligations Assimilables du Trésor	OATs (Obligations assimilables du Trésor) are government bonds issued by Agence France Trésor (French Treasury), generally by auction according to an annual calendar published in advance.
BoJ	Bank of Japan	The Bank of Japan is Japan's central bank, managing currency issuance, monetary policy, and financial stability, while conducting economic research and ensuring transparency.

Glossary

Initialism	Term	Explanation
aReS	aReS	Proprietary Relative Strength System, which calculates what prices are moving the fastest up (or down). It is designed to identify pockets of strength under the assumption that such strength will then persist for an investible period.
RRG	Relative Rotation Graph	A visual method for identifying in what stage of their usual cycle financial instruments are in absolute AND relative terms.
MoF	Ministry of Finance	The Ministry of Finance (MoF) manages a country's public finances, including budgeting, taxation, and economic policy.
JOLTS	Job Openings and Labor Turnover Survey	JOLTS is a monthly survey of U.S. job vacancies, hiring, and job separations released by the Bureau of Labor Statistics of the U.S. Department of Labor.
SLOOS	Senior Loan Officer Opinion Survey on Bank Lending Practices	The Senior Loan Officer Opinion Survey on Bank Lending Practices is a survey the Federal Reserve conducts to gain insight into bank lending practices and conditions.
GEPU Index	Global Economic Policy Uncertainty Index With Current Price GDP Weights	The index is constructed by analyzing the frequency of newspaper coverage using terms related to the economy, policy, and uncertainty, based on a consistent set of major newspapers in each country (approximately 21 countries). The number of articles meeting all criteria is then normalized. Each country’s contribution to the index is weighted according to its share of global nominal GDP (unadjusted for inflation).

NPB | 25 Neue Privat Bank YEARS

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