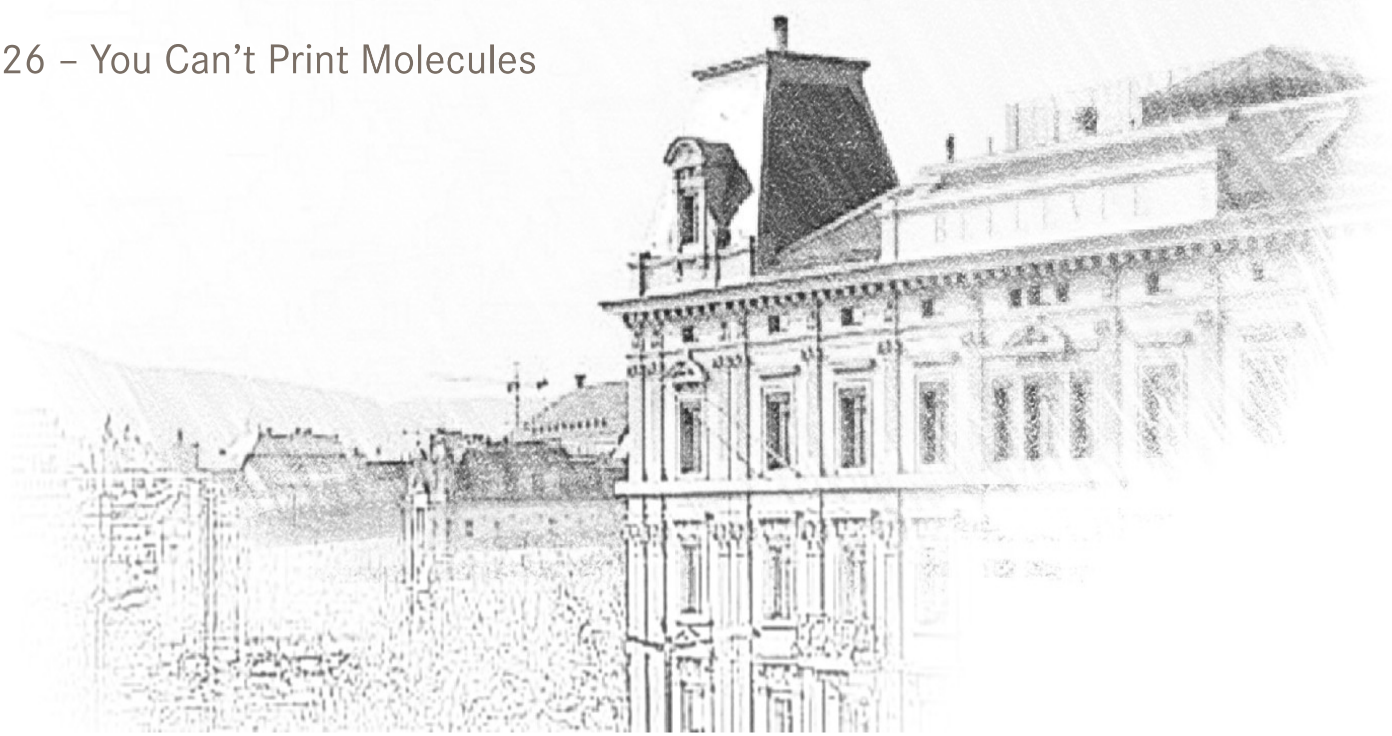
NPB

Neue Privat Bank AG

Private Banking is a People's Business

CIO Office – Chartbook Q2 2026 – You Can’t Print Molecules

Zurich, April 2026



Content

Chartbook Categories

NPB | Neue Privat Bank 25 YEARS

> “For a successful technology, reality must take precedence over public relations, for Nature cannot be fooled.”
>
> — Richard Feynman

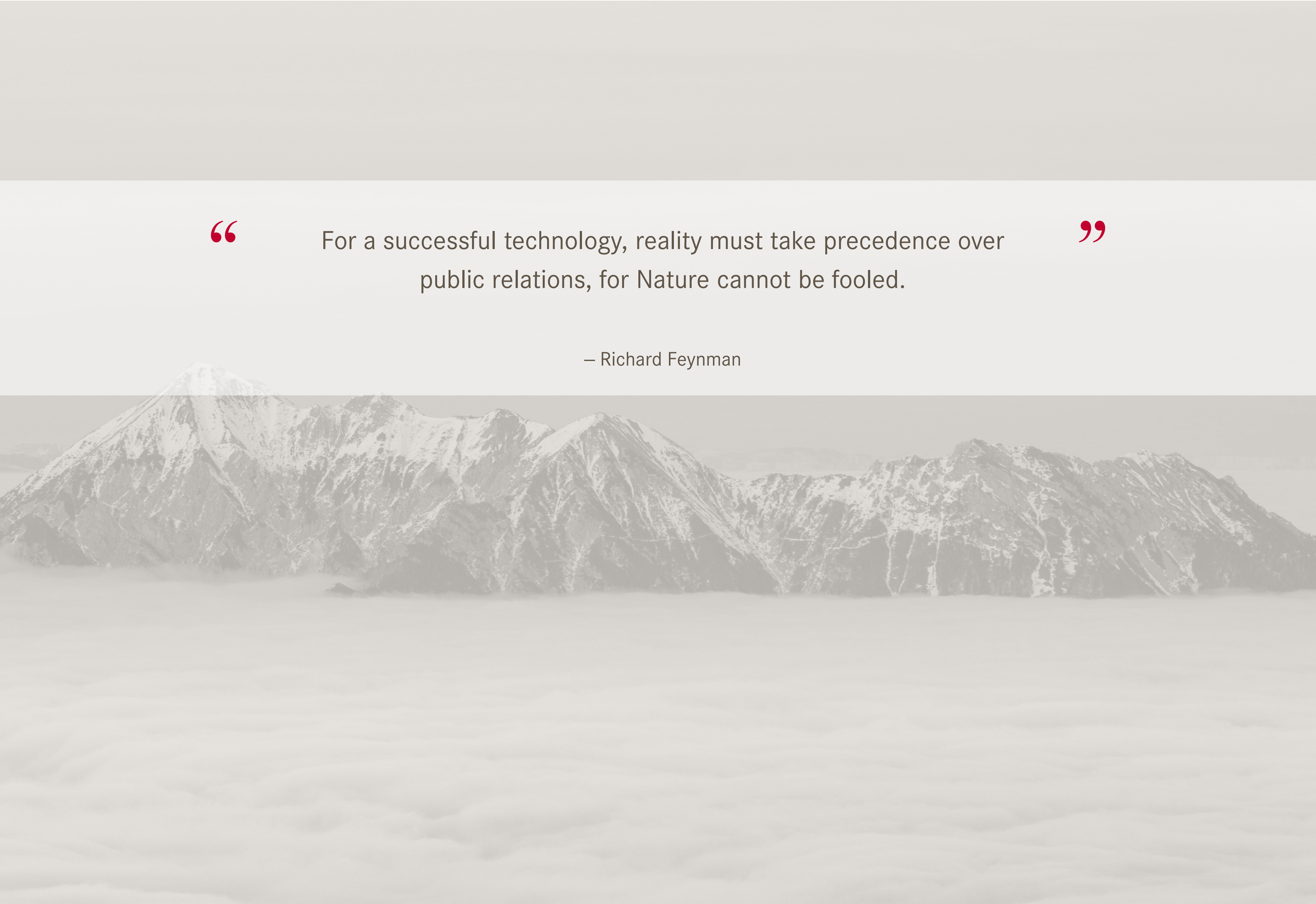


Chart of the Quarter

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Revenge of the H.A.L.O?

Our chart of the quarter shows a ratio of capital heavy (i.e. high capex) companies to that of capital light companies.

Since the GFC, capital light companies have been outperforming. However, in a combination of AI eats the software world and our previously described "Age of Empires" thesis, we think this trend could be turning higher now, i.e. in favour of Capex-heavy companies.

In yet other words, is it time for the Revenge of the H.A.L.O. (**H**eavy **A**ssets, **L**ow **O**bsolescence).

Key Charts & Observations

Chartbook Q2 2026

~~Brave~~ Crazy New World

The Four Horseman of the Apocalypses

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There are at least four currently ongoing themes, with each individually would need an army of CIOs, strategist, analysts, etc. with full-time dedication to figure out at least half-way what the implications for markets could be.

It is important NOT to trade the headlines but take a step back and think about longer-term implications and adjust the asset allocation accordingly.

> Tariffs

> Job Losses to AI

> Private Credit

> **Strait of Hormuz**

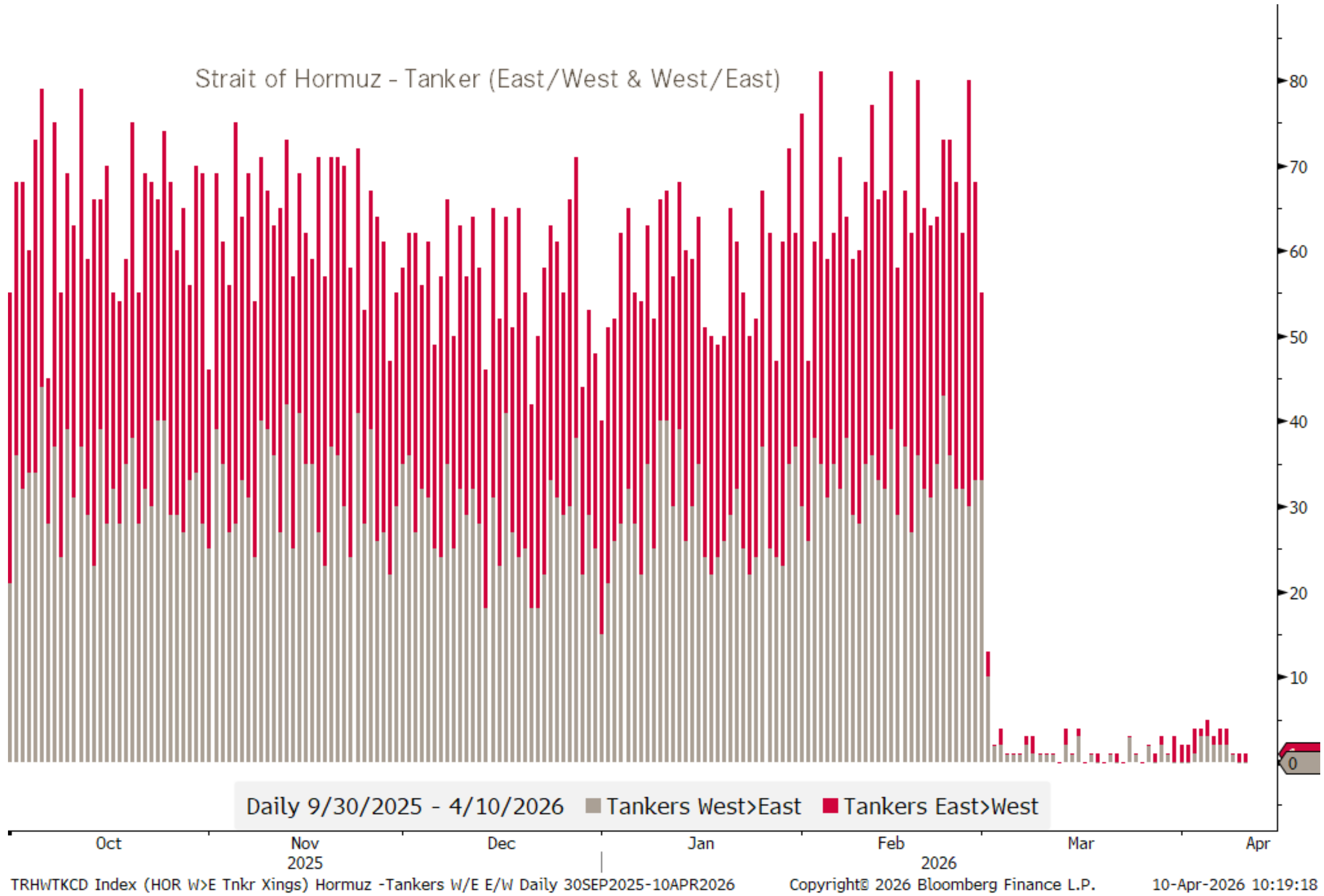
Iran – Strait of Hormuz

Ceasefire ≠ Re-opening

The drop in “traffic” count post the initiation of the Middle East conflict has been impressive.

With an extended ceasefire recently agreed, much of the global economic future will depend how quickly we can get back to the previous levels of ships floating through the Strait of Hormuz.

Supply-chain disruption induced GDP slowdown, coupled with oil shock/war inflation could lead to stagflation.



Source: Bloomberg, NPB calculations (G718a)

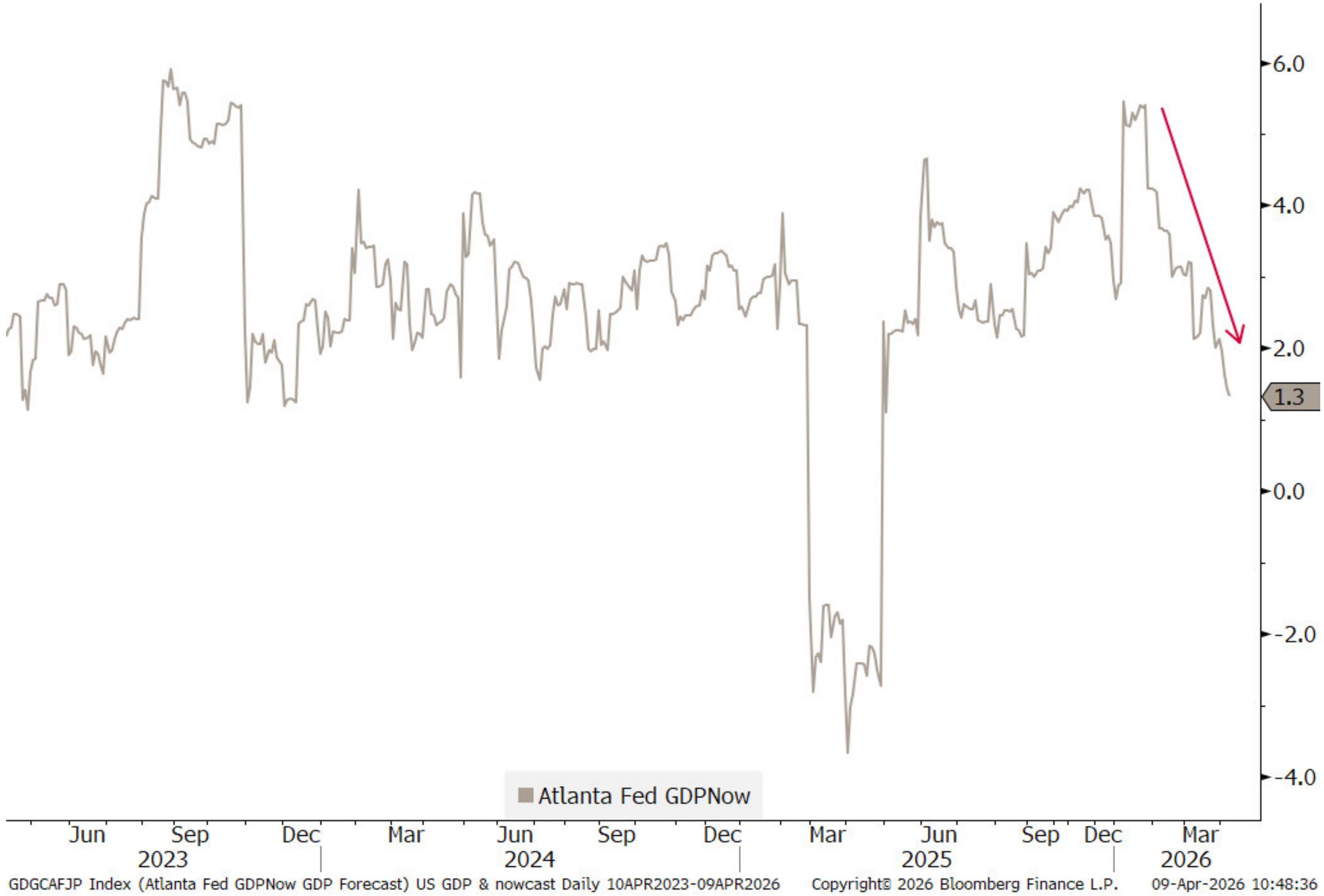
GDP Growth

Slowdown Ahead?

We have learned over the past few weeks how important the Strait of Hormuz (SoH) is not only for global energy transfer, but a heap of other products such as fertilizers, plastic, gases, etc.

With the announced ceasefire (7.4.) a light at the end of the tunnel is now (barely) visible. However, the speed reopening of the SoH will be crucial to the global growth outlook.

Using the Atlanta Fed's US GDPNow (see chart to the right) as a real-time proxy for global growth, the picture is not too rosy right now…



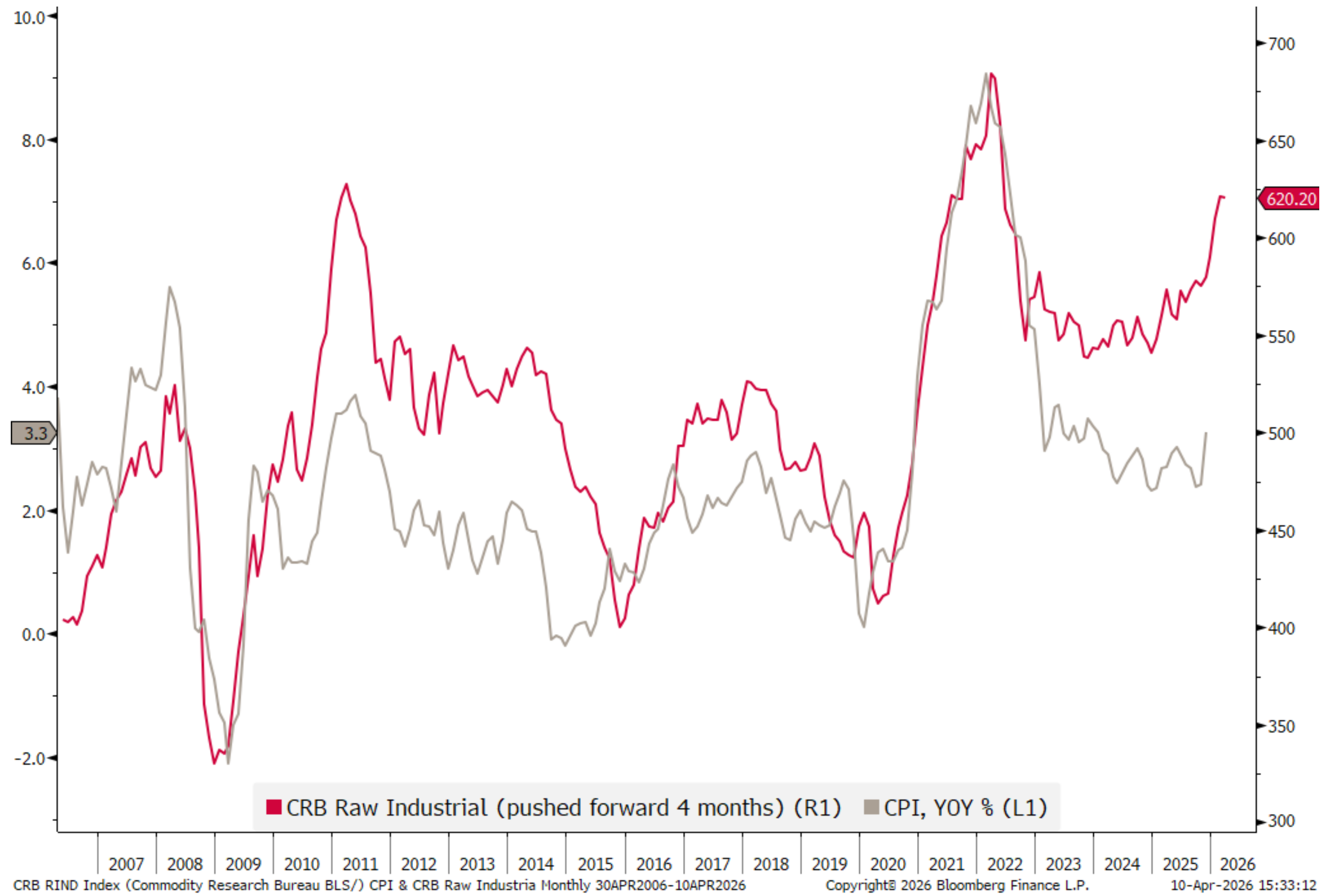
Source: Bloomberg, NPB calculations (G736a)

Consumer Price Inflation

Speedup Ahead?

In the chart to the right, we compare consumer price inflation (CPI, grey) to the CRB Raw Industrial index (red) forwarded by four months.

Whilst direction is not equal to magnitude, it gives a good idea of where inflation is likely to head over the coming months.

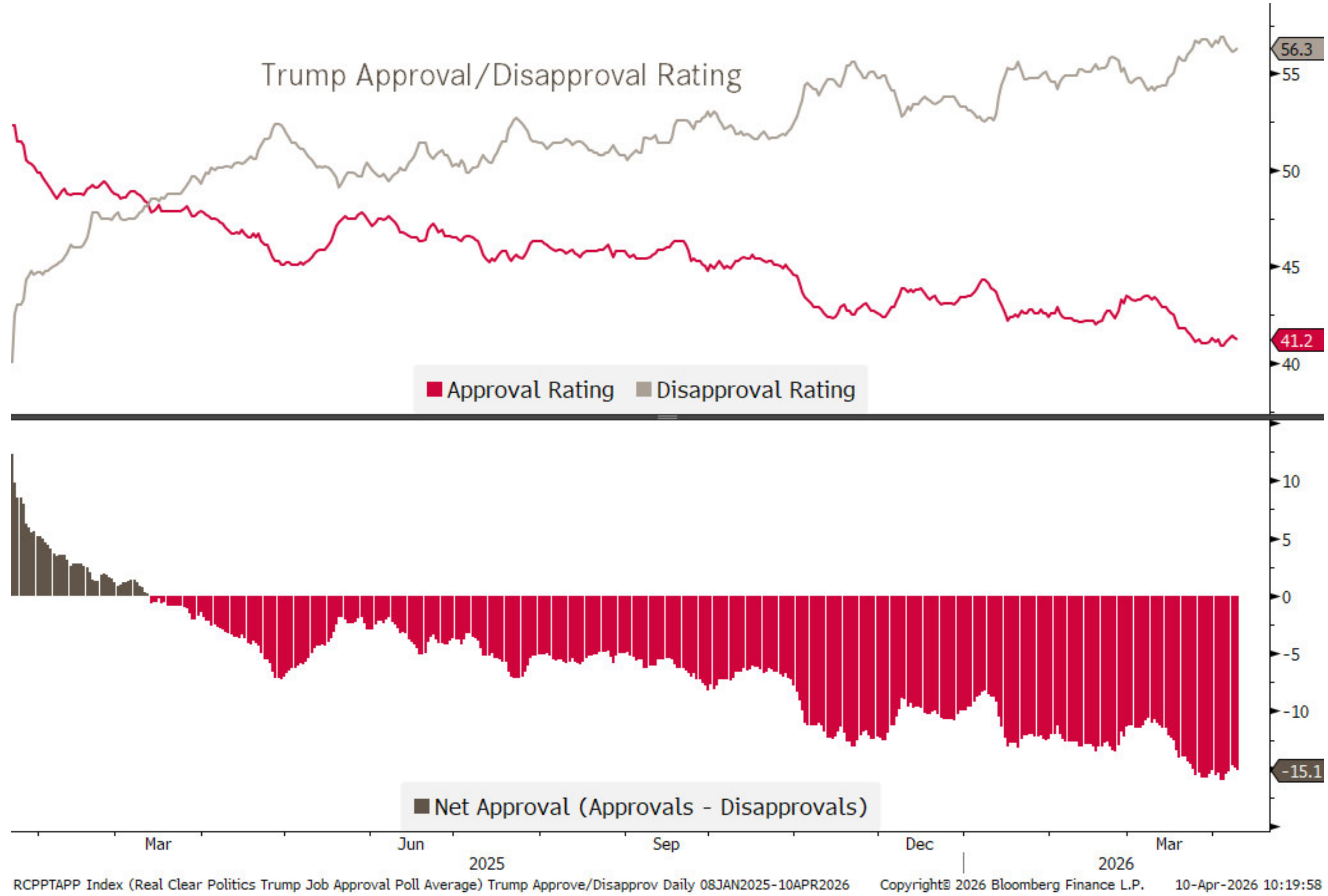


Source: Bloomberg, NPB calculations (G731a)

US Presidential Cycle

Next Up: Mid-Term Elections

The Trump administration has now about six months left until mid-term elections. Whilst Operation “Absolute Resolve” in Venezuela was well-executed and hence ‘accepted’ by the US public, Operation “Epic Fury” seems increasingly more like Operation “Epic Folly”. Trump’s Net approval (approval – disapproval, bottom clip) is at its lowest.

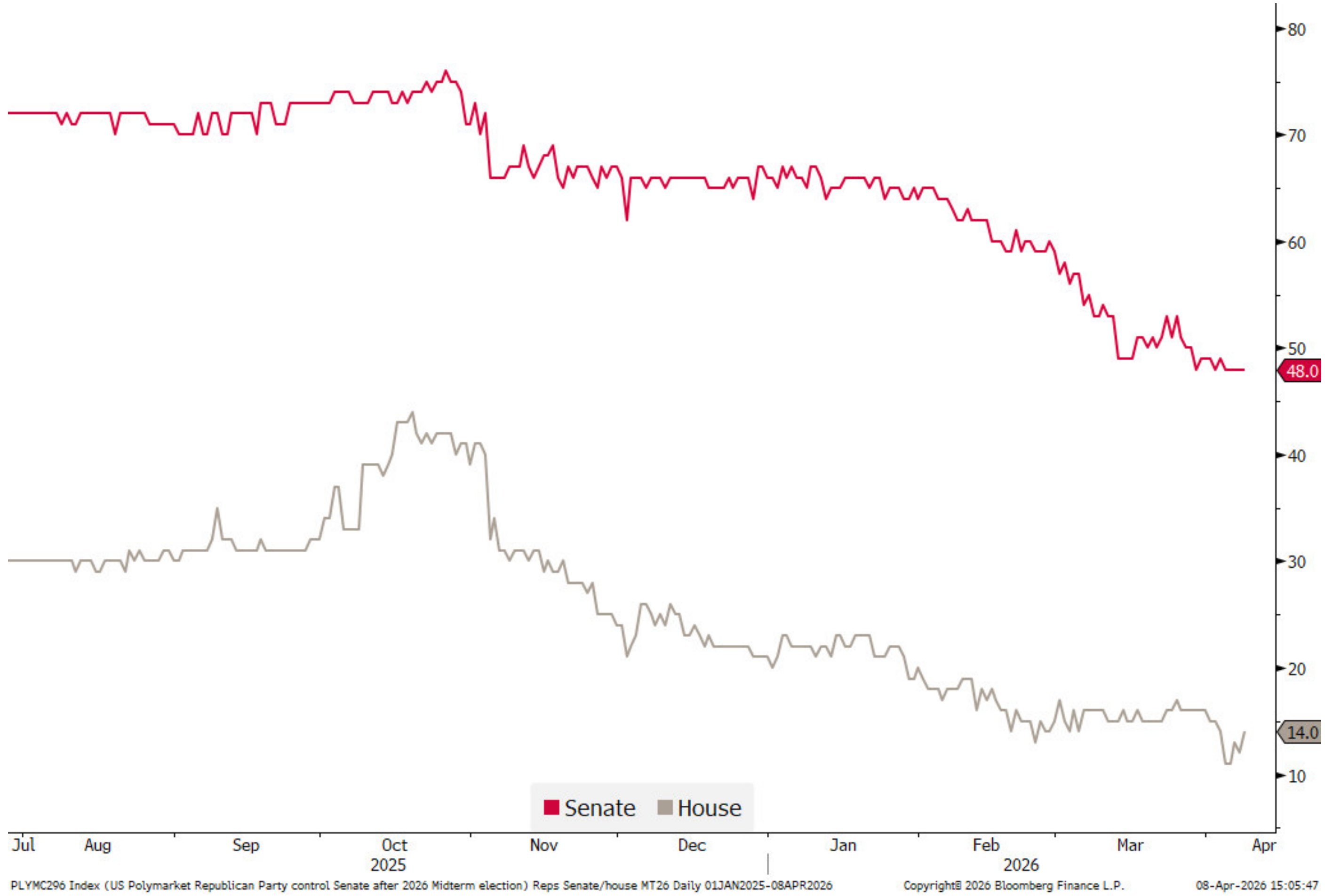


Source: Bloomberg, NPB calculations (G603a)

US Presidential Cycle

Next Up: Mid-Term Elections

In line with Trumps approval ratings have bets on Polymarket for the Senate and the House to be Republican dominated also dropped.

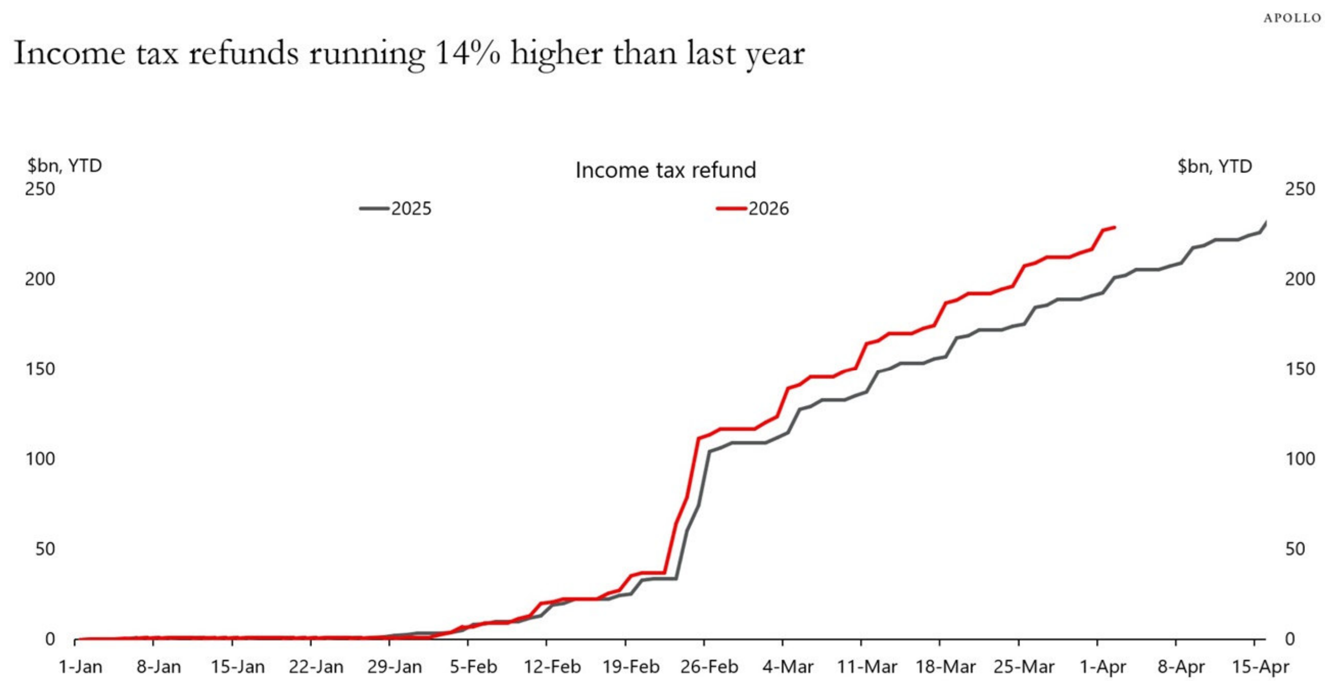


Source: Bloomberg, NPB calculations (G734a)

US Presidential Cycle

Next Up: Mid-Term Elections

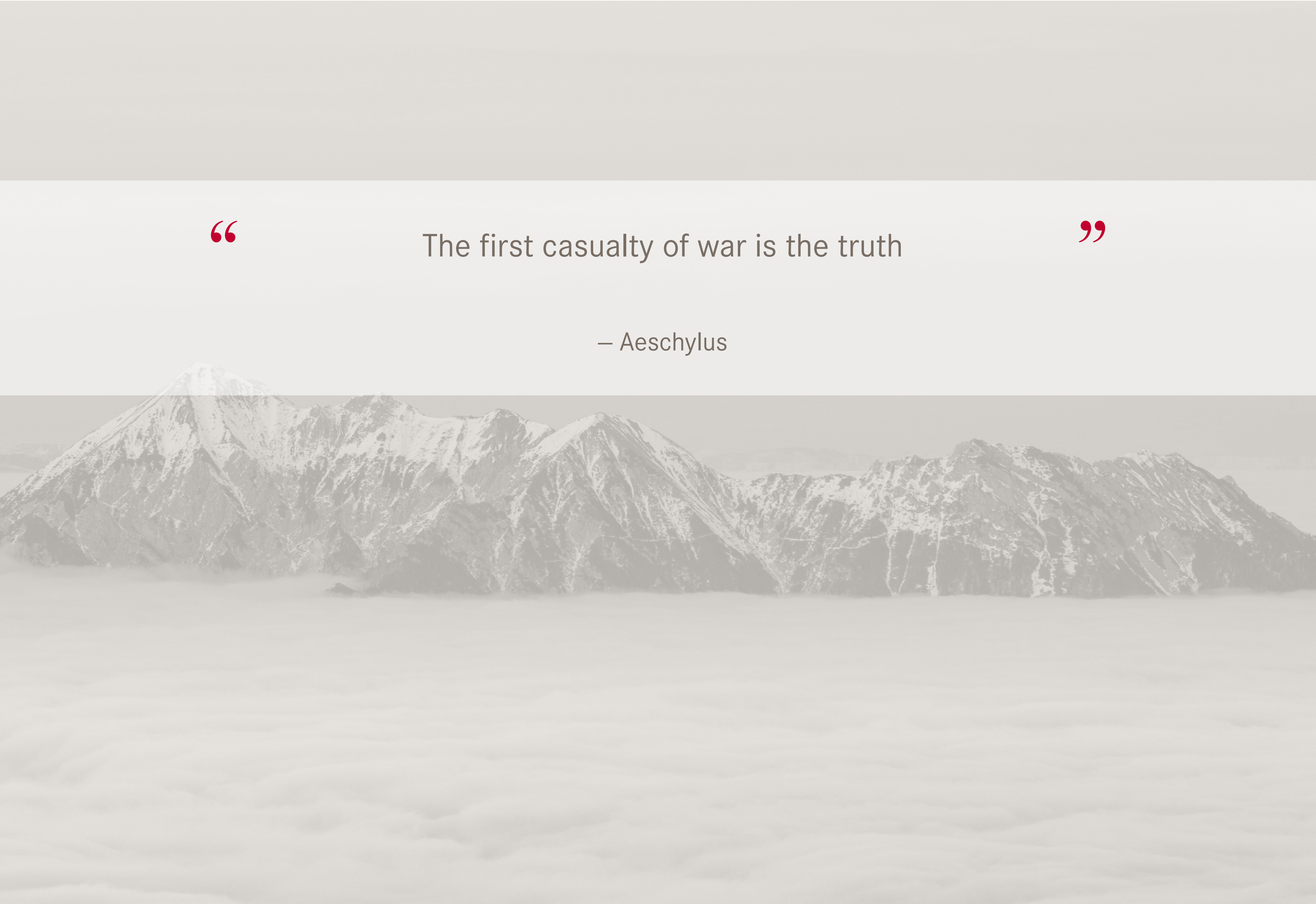
Can the impact from the OBBB (One Big Beautiful Bill) and the connected record tax refunds (see chart to the right) and other measures save the day for the Republicans?



Source: US Treasury, Haver Analytics, Apollo Chief Economist

Equity

Chartbook Q2 2026



“The first casualty of war is the truth”

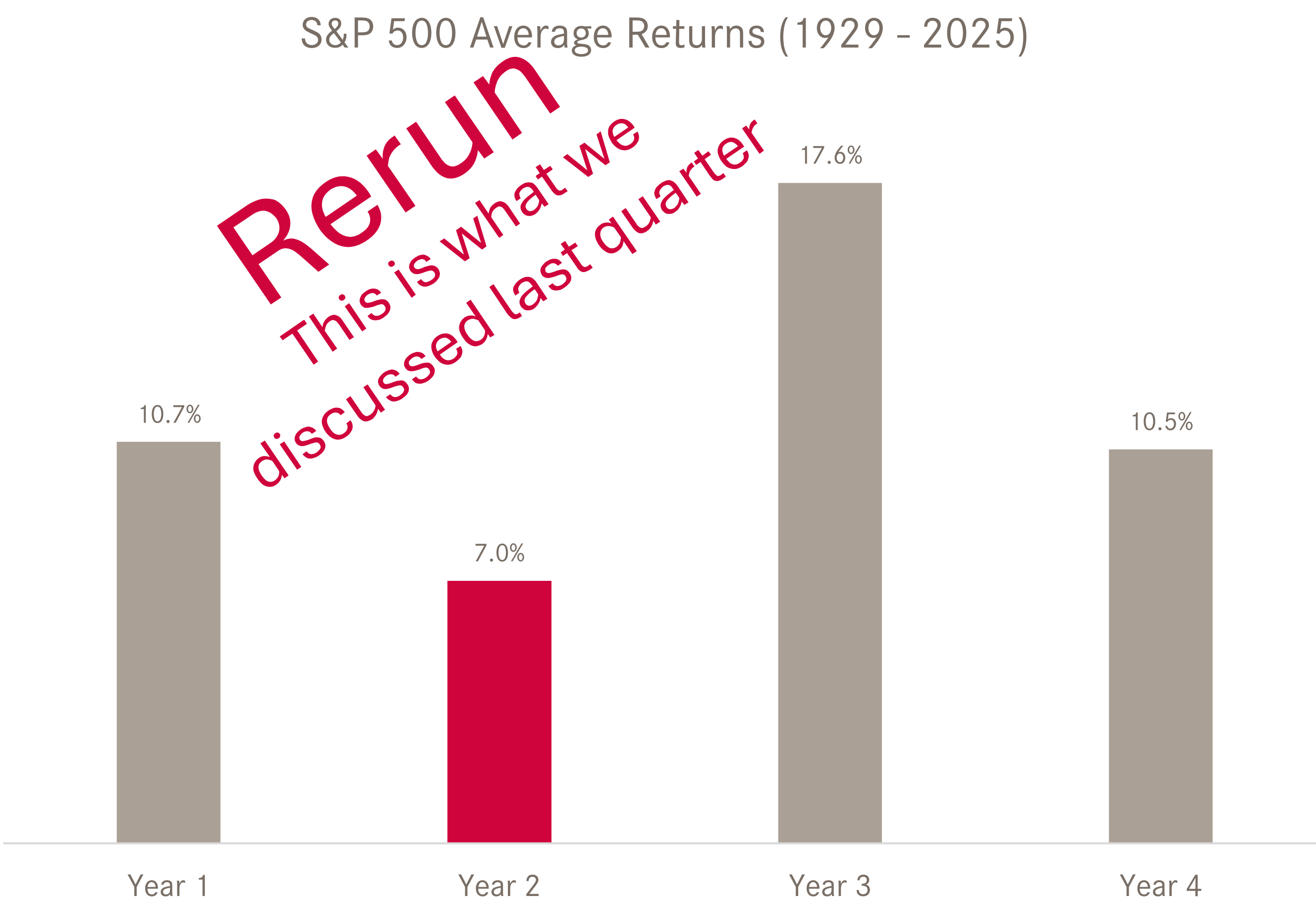
— Aeschylus

Equity Chart of the Year (1 of 2)

US Presidential Cycle – Year 2

Oh dear! Here we are in presidential year number two, aka the midterm year. As the chart to the right shows, this tends to be the year with the 'weakest' returns for equities … on average.

And this is the caveat this year. Everybody, except the current President, knows that the sitting President tends to lose the mid-term elections. Hence, Mr. Trump may be inclined to throw anything at the public and the market to make sure he gets elected again, which may be a major tailwind right up to the elections.

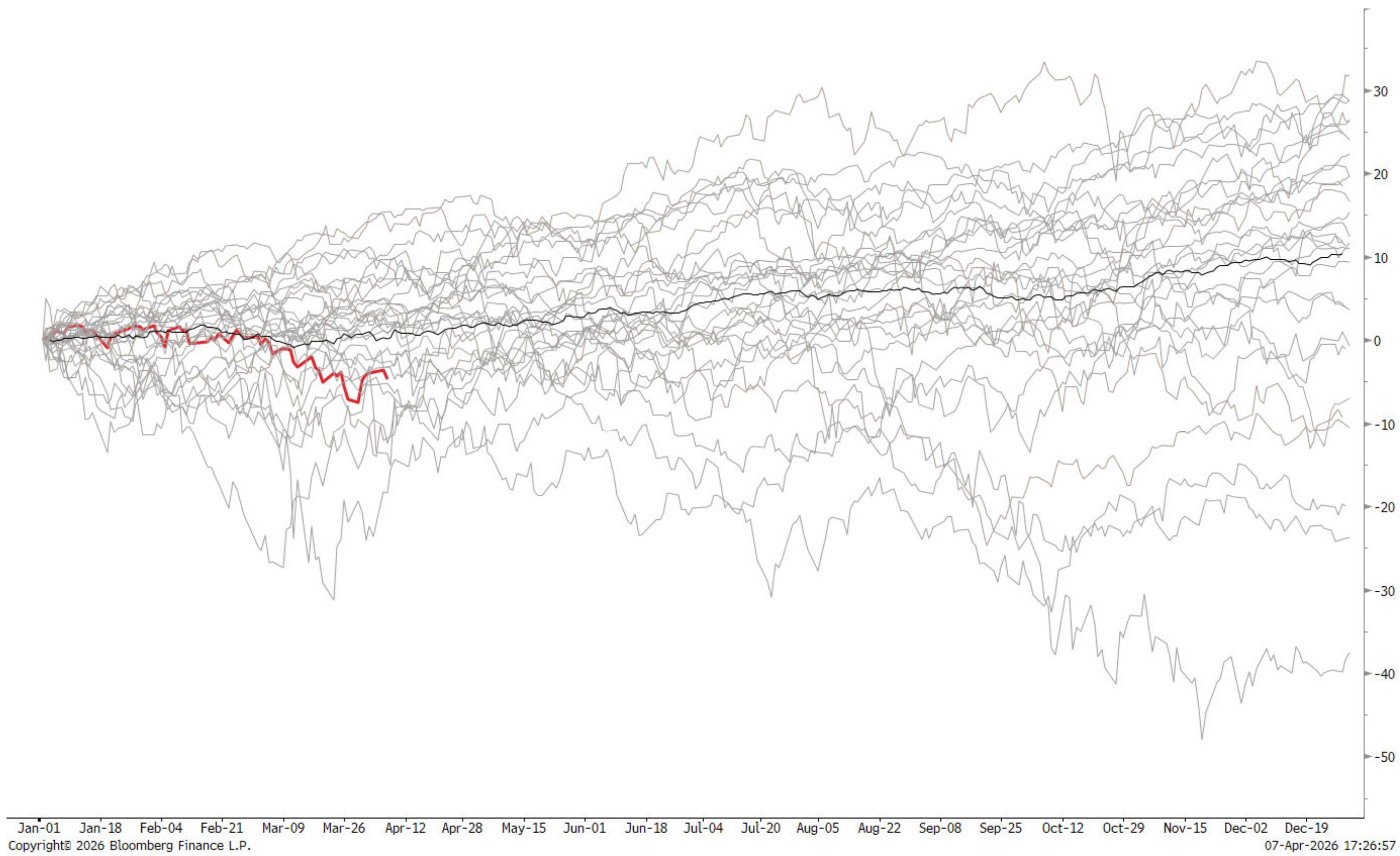


Source: Bloomberg, NPB calculations, NPB Research Hub

Equity Chart of the Year (2 of 2)

US Presidential Cycle – Year 2

This is how it's going …

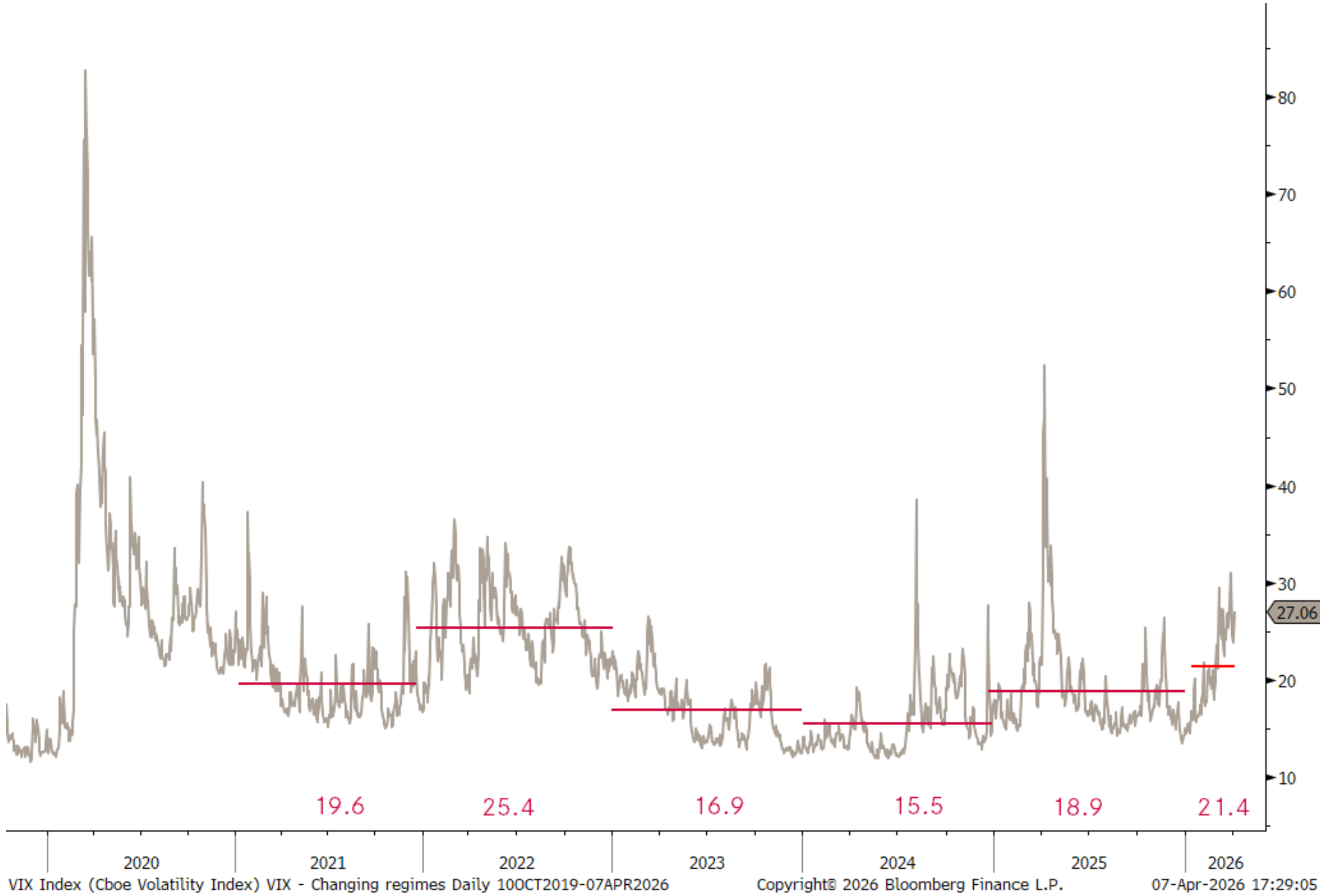


Source: Bloomberg, NPB calculations (G733)

Equity Volatility

VIX

In that context, whilst our call at the beginning of 2025 for a higher volatile regime than the previous two years was spot on, the real 'fun' may just be beginning.



Source: Bloomberg, NPB calculations (G456a)

Equity Valuations

Price/Earnings Ratios across Major Regions

Stocks, especially US stocks are off their peak valuations from a few months ago. But nothing looks “cheap”.

Source: Bloomberg, NPB calculations, NPB Research Hub

Equity Valuations

Price/Earnings Ratios across Major Regions – EQUAL WEIGHT

Equal-weighting the regional indices continues to give a better value picture. I.e. the second order impact of passive investing (concentration in a few, large stocks) continues to deter market valuation.

Source: Bloomberg, NPB calculations, NPB Research Hub

Equity Valuations

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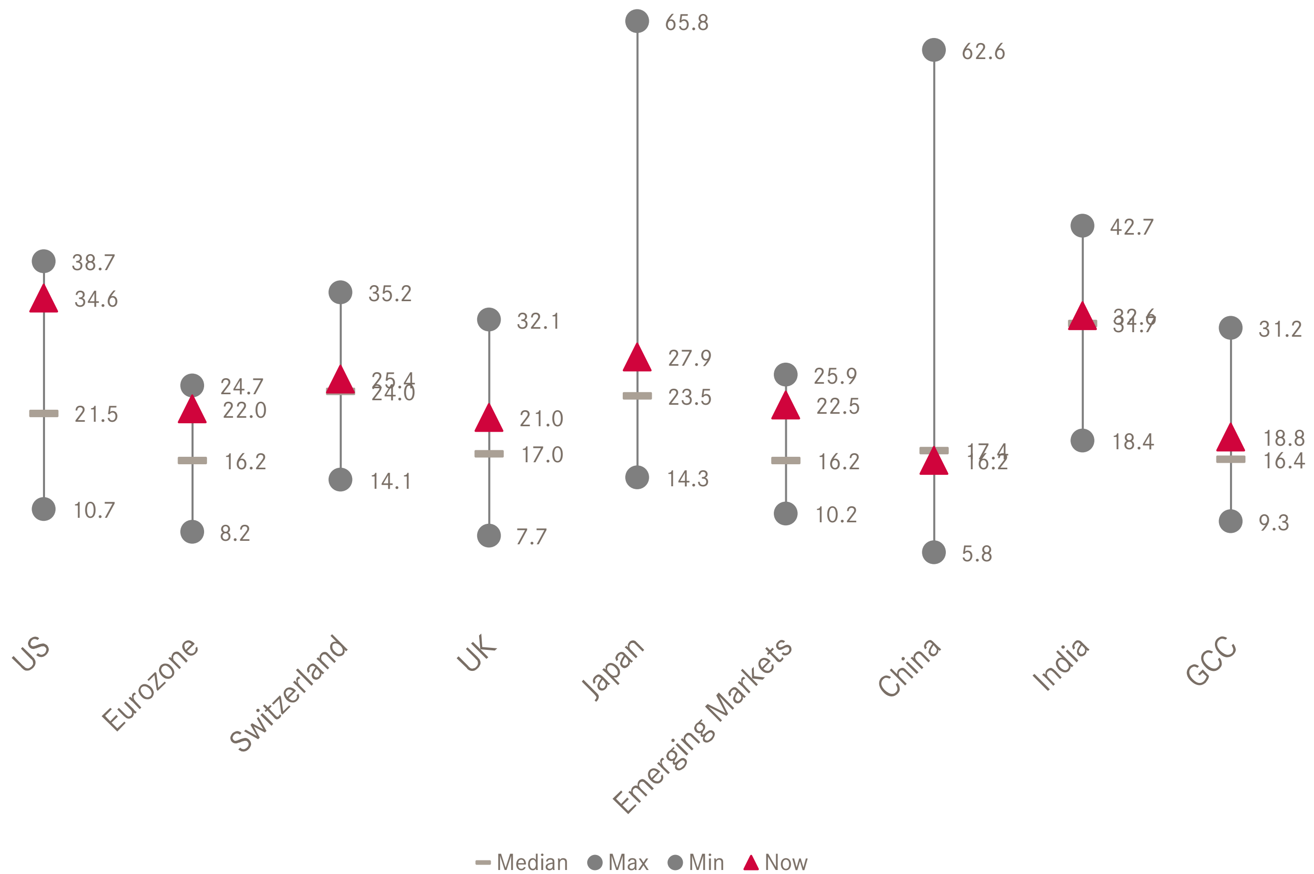
Price/Earnings Ratios across the NPB Universe

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.

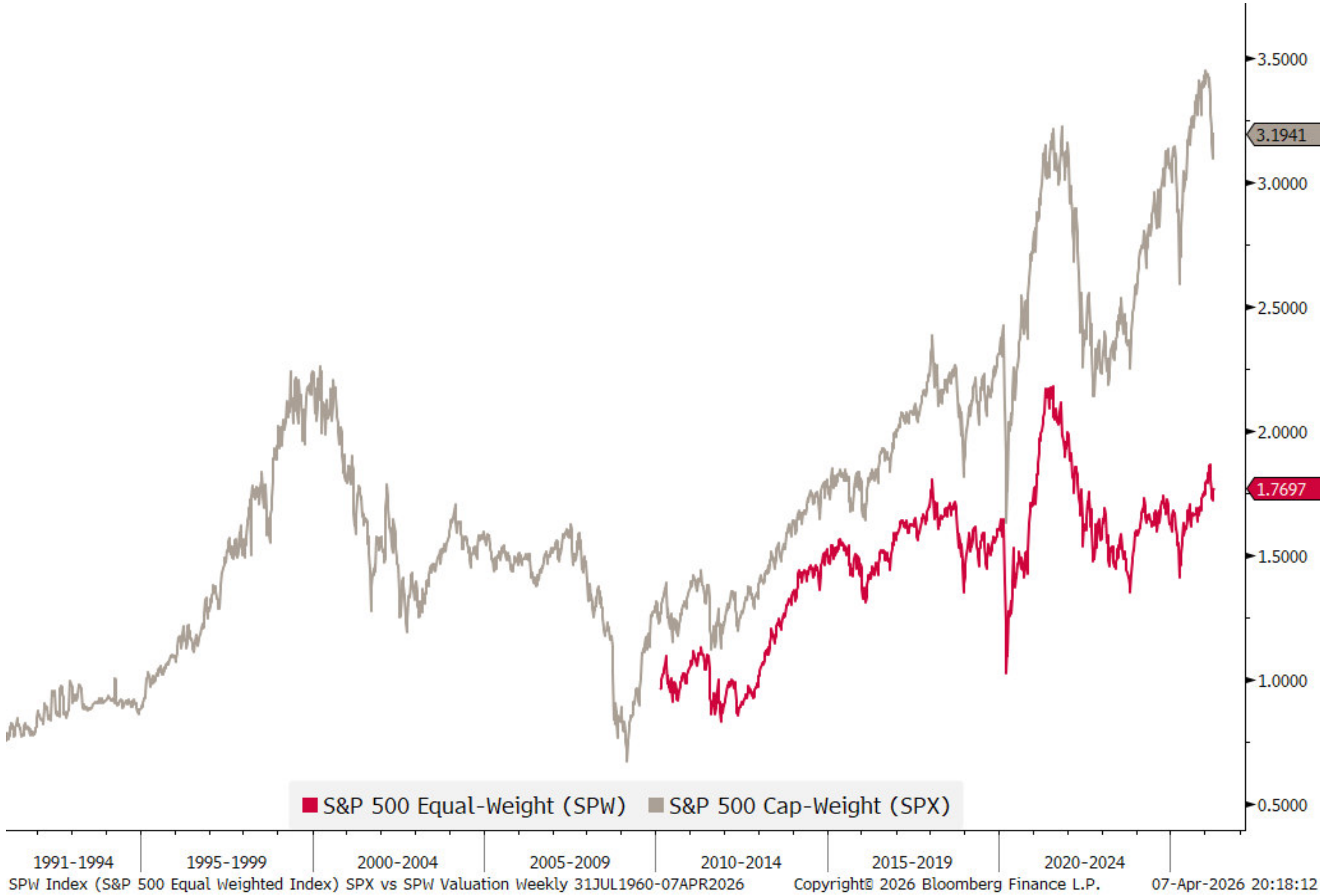


Source: Bloomberg, NPB calculations, NPB Research Hub

US Equity Valuation

S&P 500 Price-to-Sales Ratio

The difference between the market-cap weight (grey)and the equal-weight version of the Price-to-Sales ratio continues to highlight the ‘problems’ with passive investing.

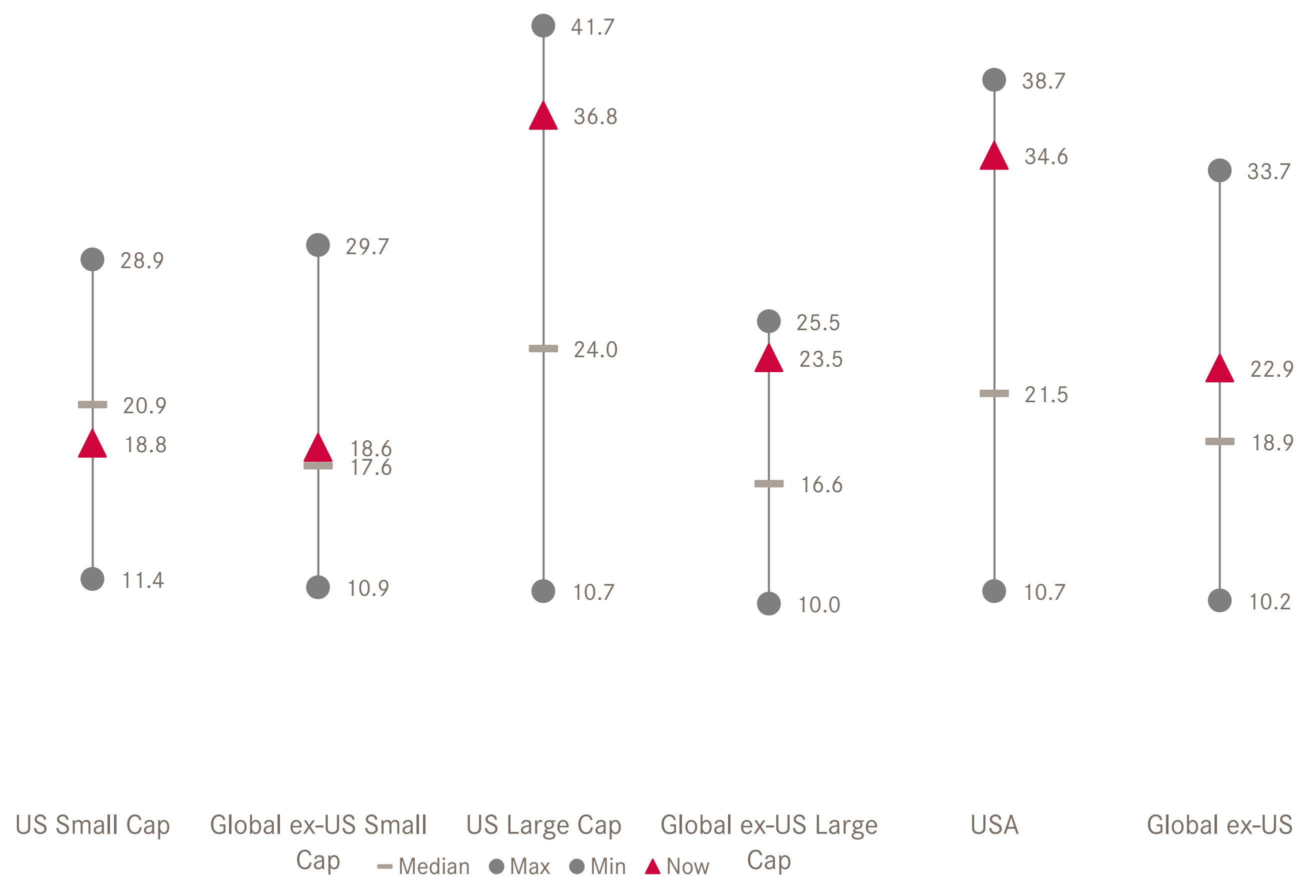


Source: Bloomberg, NPB calculations (G363a)

Valuations

Pockets of Opportunity

Global small cap stocks continue to offer the highest "margin of safety", but maybe also exposed to a global growth scare.



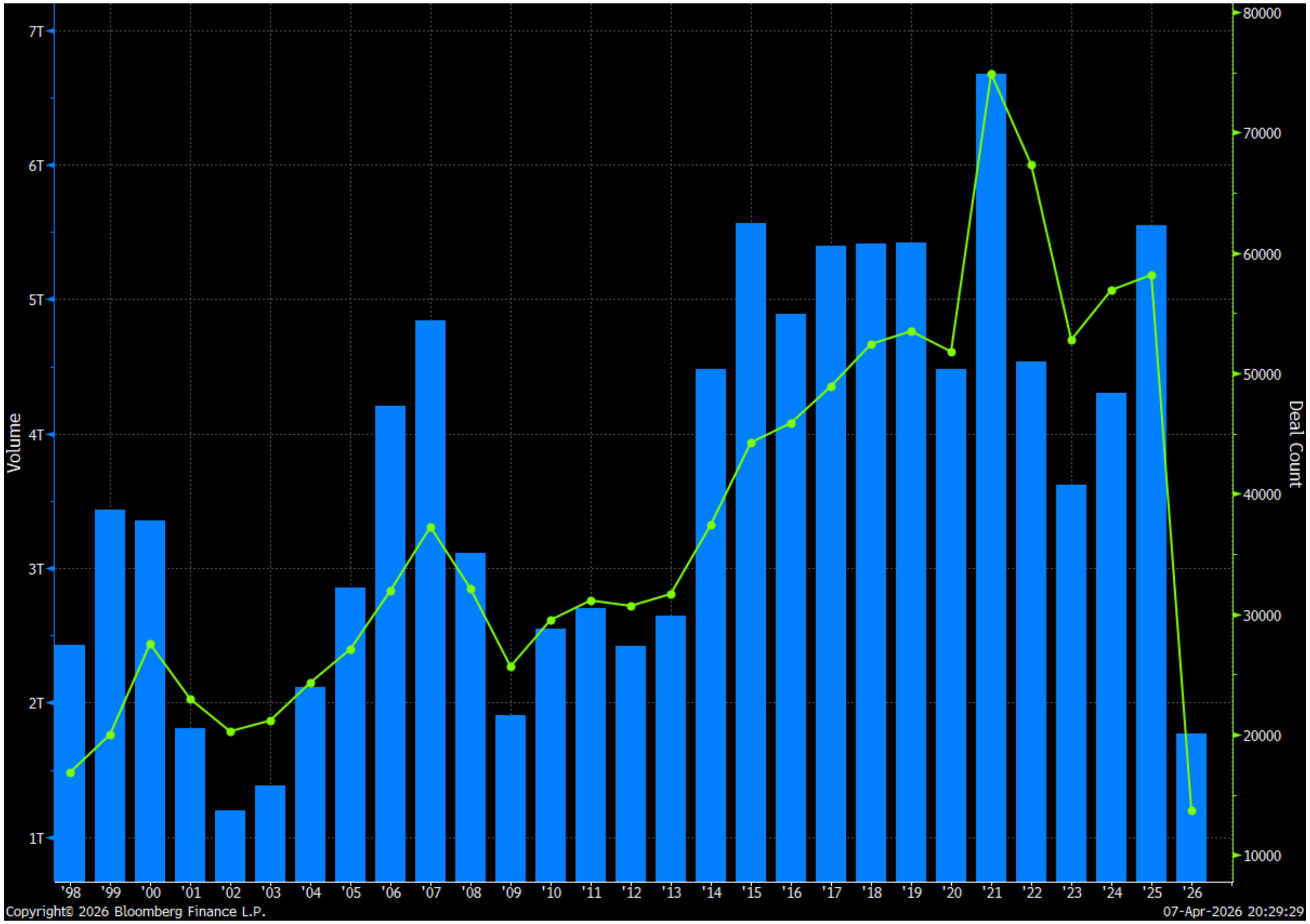
Source: Bloomberg, NPB calculations, NPB Research Hub

M&A Activity

M&A is back!

As we highlighted in our previous report, 2025 turned out to be a great year for investment banks active in the M&A realm.

Are companies selling out at elevated equity prices?



Source: Bloomberg

IPOs

Companies coming out to sell themselves

Similarly, as seen on the previous slide, large IPOs are also planned for this year.

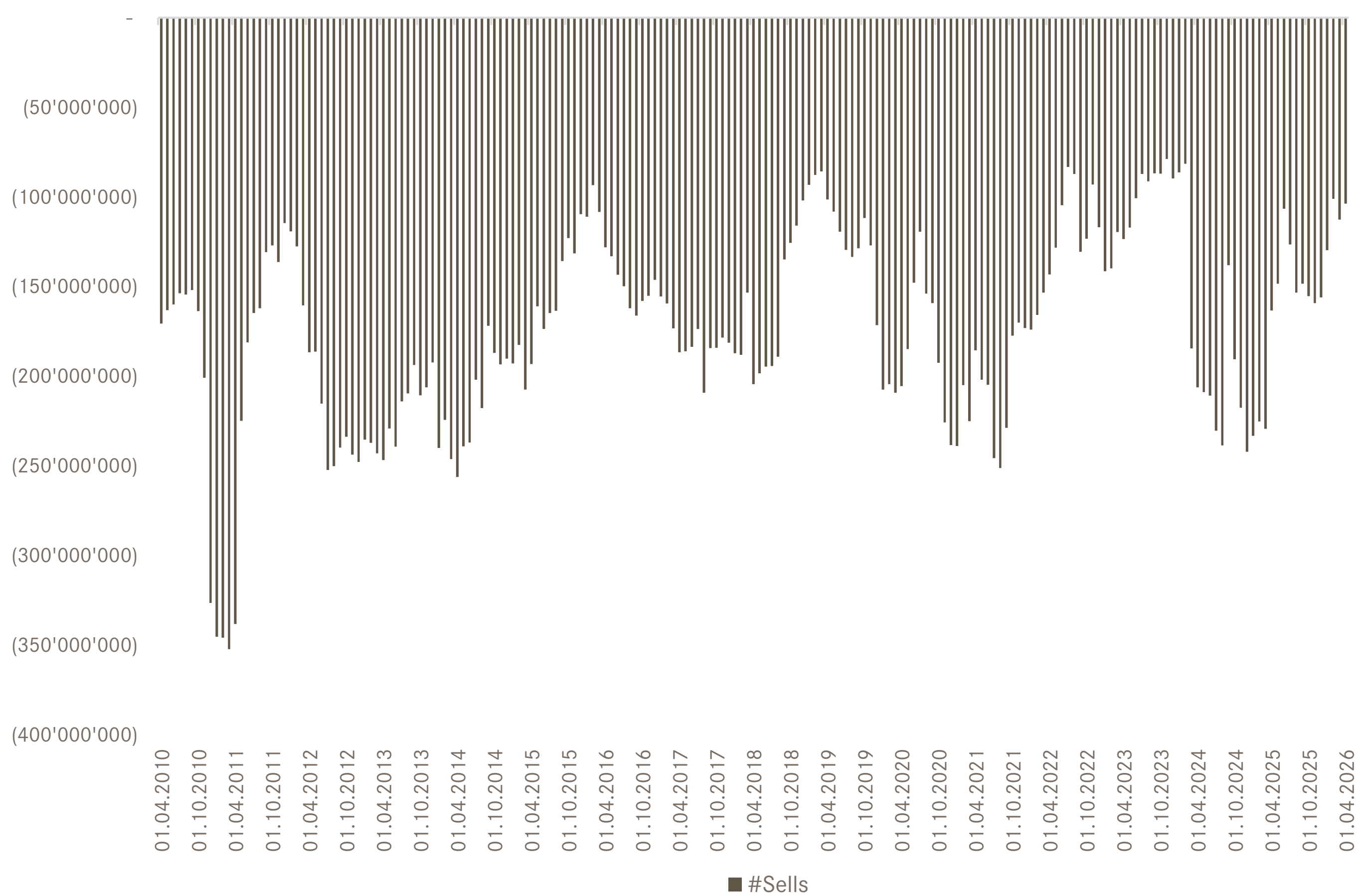
Typically, big, fat equity selling in IPOs happen closer to market tops rather than to market bottoms …

SPACEX
ANTHROPIC
SHEIN
OpenAI
Canva
stripe
kraken
ByteDance
Revolut

Insider Trading Activity

S&P500 Members numbers of shares sold

Looking at the Insider Trading Activity, no unusual signs are detected, but with the newest IPOs expected in 2026 this might look different in future outlooks.



Source: Bloomberg, NPB Research Hub

Global Markets

MSCI World (in local currency)

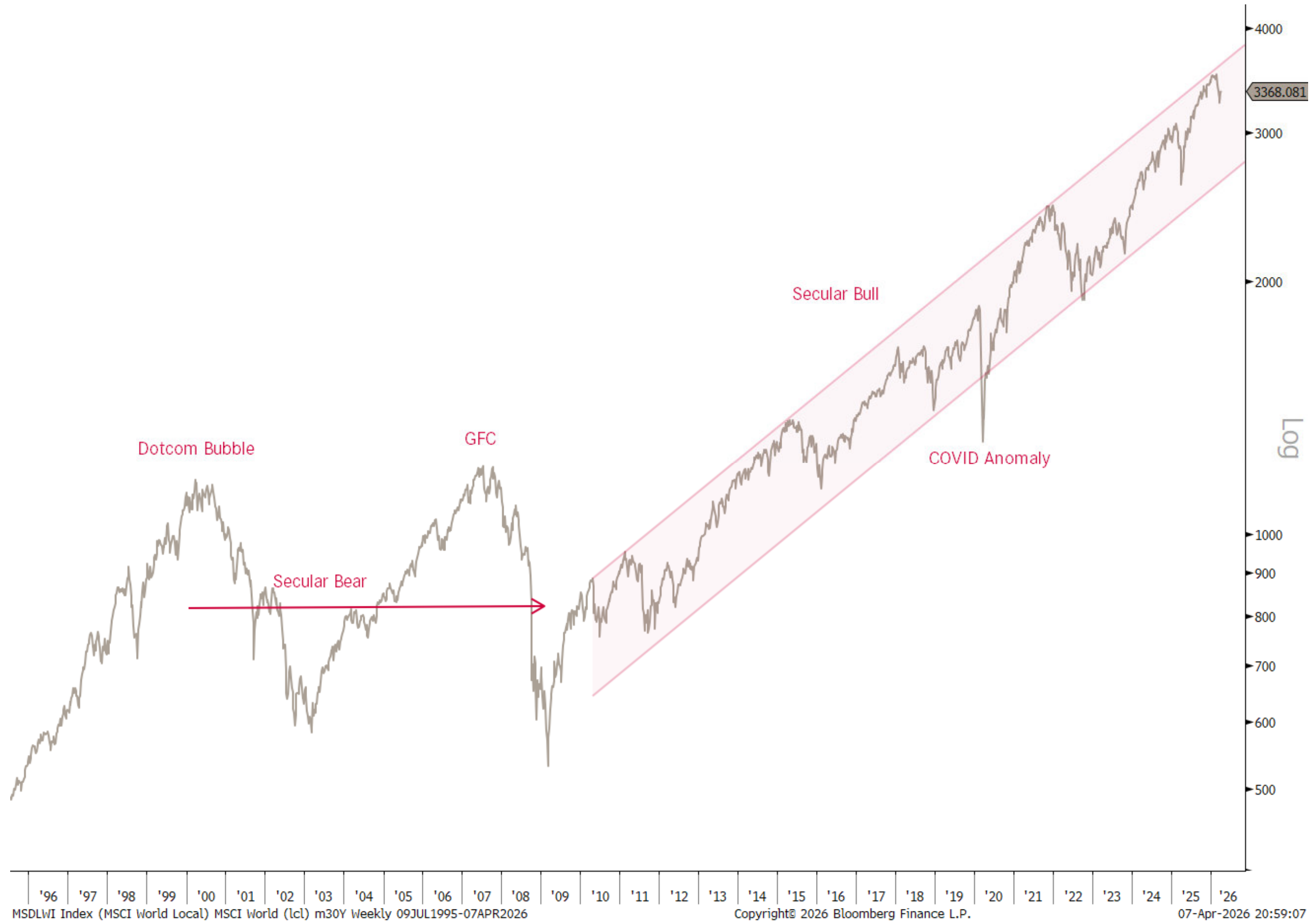
Global stocks continue to move within their well-established uptrend channel intact since the last cyclical bear ended in late 2022.

Source: Bloomberg, NPB calculations (G366a)

Global Markets

MSCI World (in local currency)

The longer-term version of the same chart reveals the secular uptrend starting post-GFC is also still in full force.



Source: Bloomberg, NPB calculations (G367a)

Global Equities

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

After all of us (non-US) investors got excited in Q2 of last year that, finally, finally, the underperformance of global stocks to US stocks is ending, it all turned out to be just a big, fat Ooops ☹

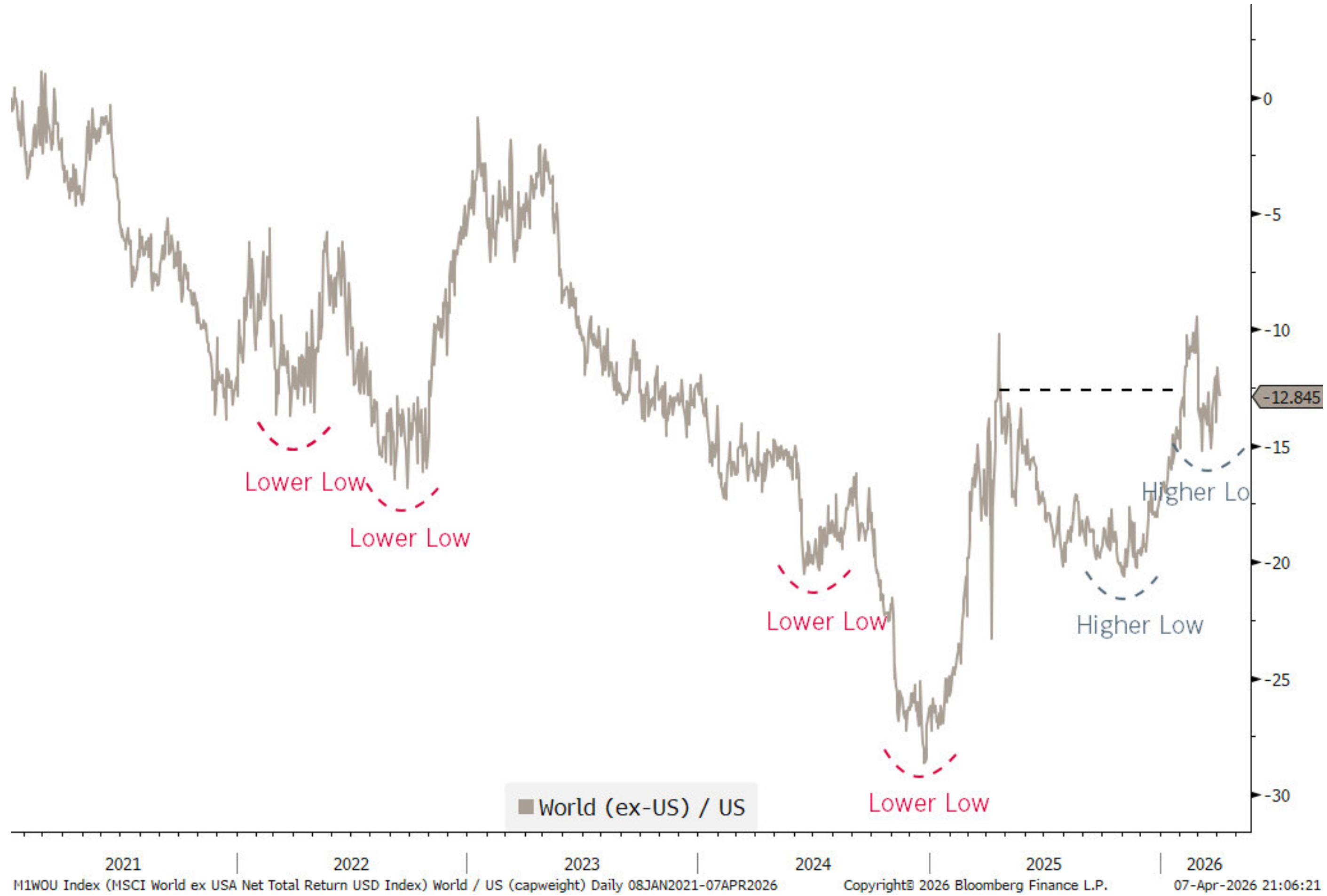
However, …

Source: Bloomberg, NPB calculations (G344)

Global Equities

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

... when zooming on the same chart we see that a) non-US stocks have recently started a new outperformance attempt and b) the pattern of lower lows has for now been interrupted. A new higher high would be a very bullish signal.



Source: Bloomberg, NPB calculations (G559)

US Equities

S&P 500

A lot of damage has not yet been done and the wider uptrend channel would allow for stocks to fall more than 10% without violating that uptrend.

However, with stocks trading now below the 200-day moving average, we do not exclude a deeper correction, especially given the supply chain shock.

Source: Bloomberg, NPB calculations (G449a)

US Equities

S&P 500 Earnings

With respect to earnings forecasts, we are not sure if analysts have stuck heir heads a bit to deep in the sand.

No downside revisions with a major supply chain shock heading our way? That seems even for Wall Street a bit too optimistic.

Or, in other words, when observing the chart carefully to the right, when markets zig and analysts zag, it is usually the market that turns out to be right.

Source: Bloomberg, NPB calculations (G236a)

US Equities

Full Steam Ahead

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For now, all three cap segments continue to trade above their ex-resistance, now turned anchor point support.

However, in the case of mid- and small-cap stocks the air is starting to get thinner.

Source: Bloomberg, NPB calculations (G256a)

US Stocks

Dow Theory

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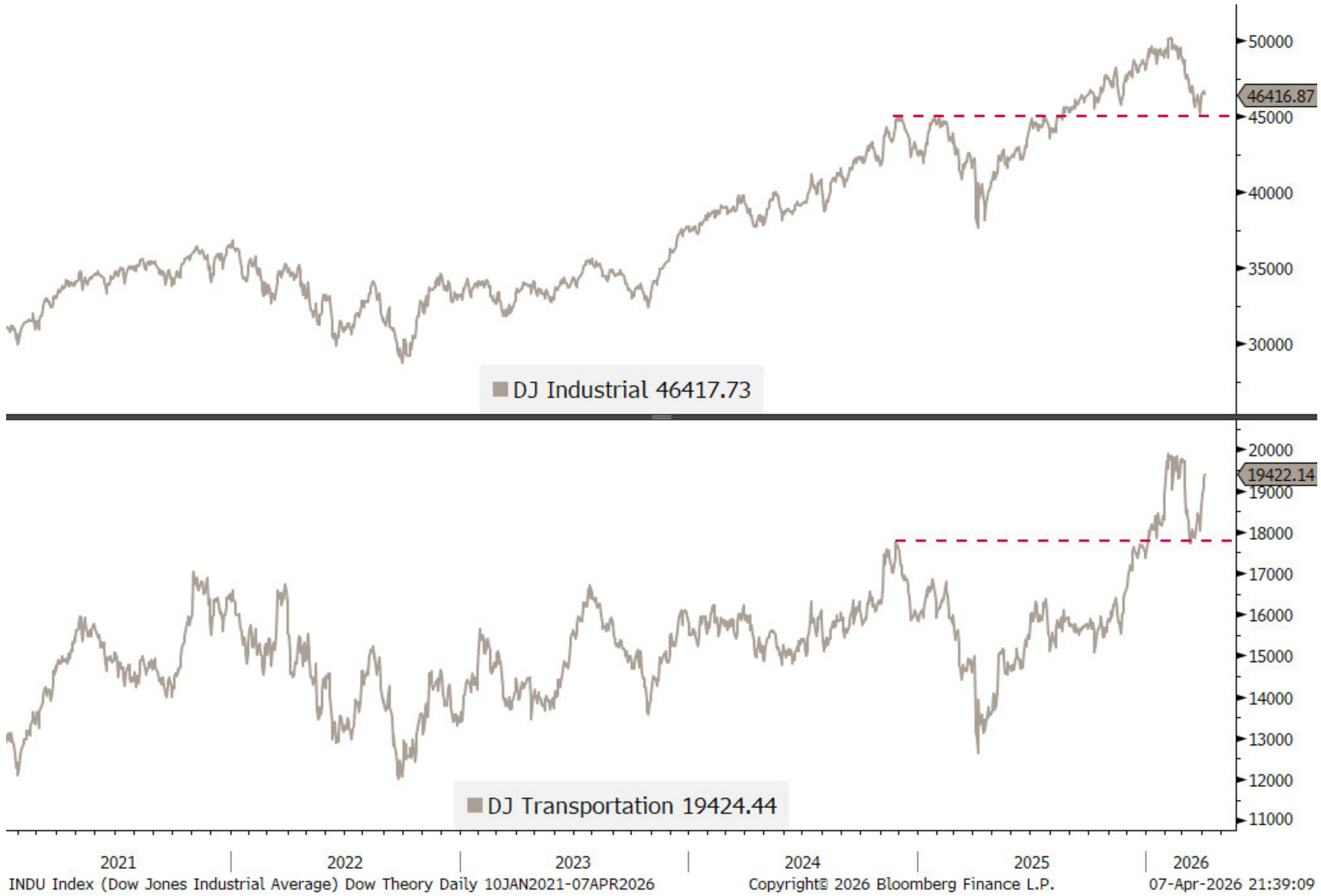
In our last report, we highlighted the Dow Theory buy signal just triggered in early January.

According to the rules-book, that buy signal is still valid.

The key pivot points are marked by the red dashed lines.



Source: Bloomberg, NPB calculations (G564a)

US Stocks

Leading Indicators?

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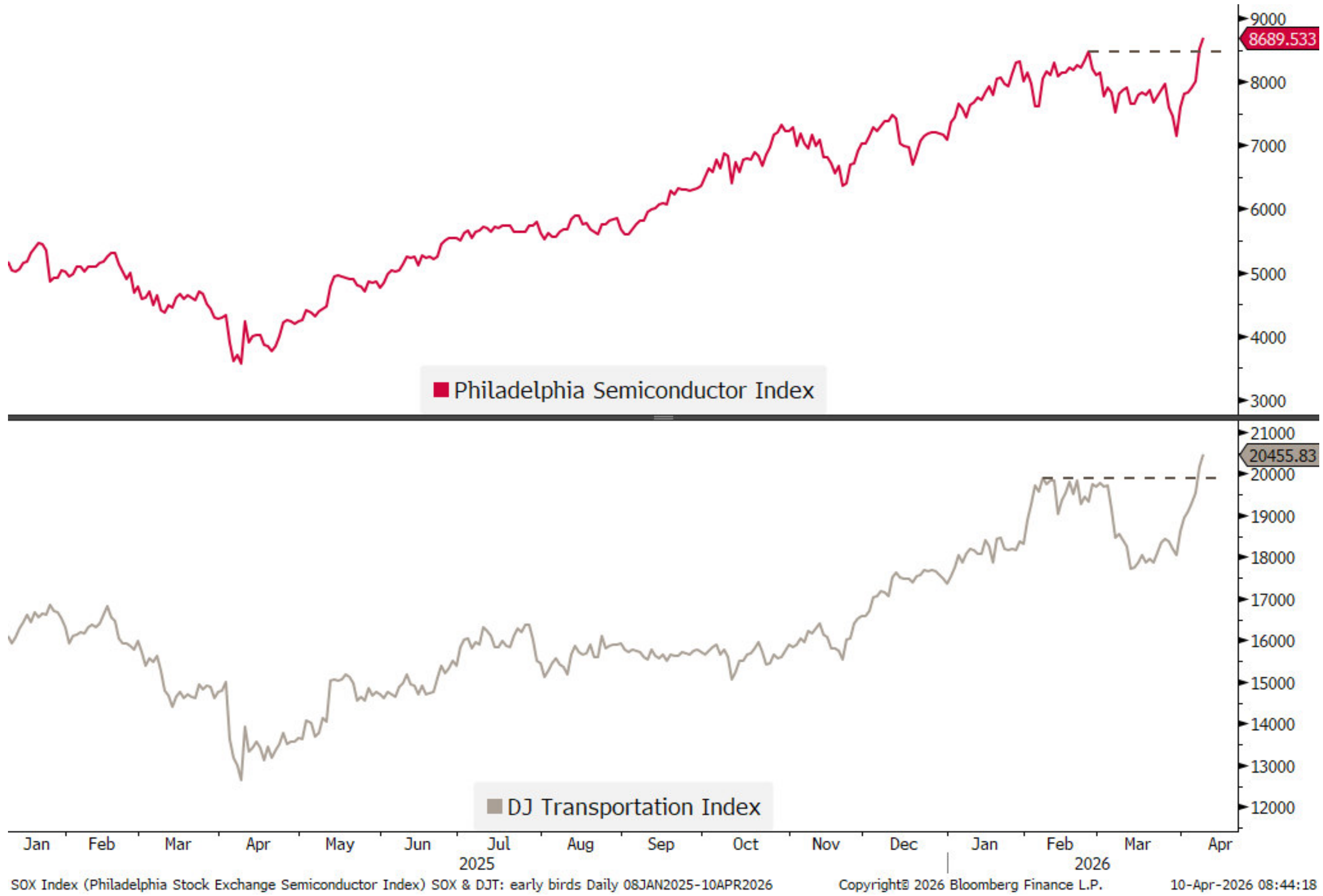
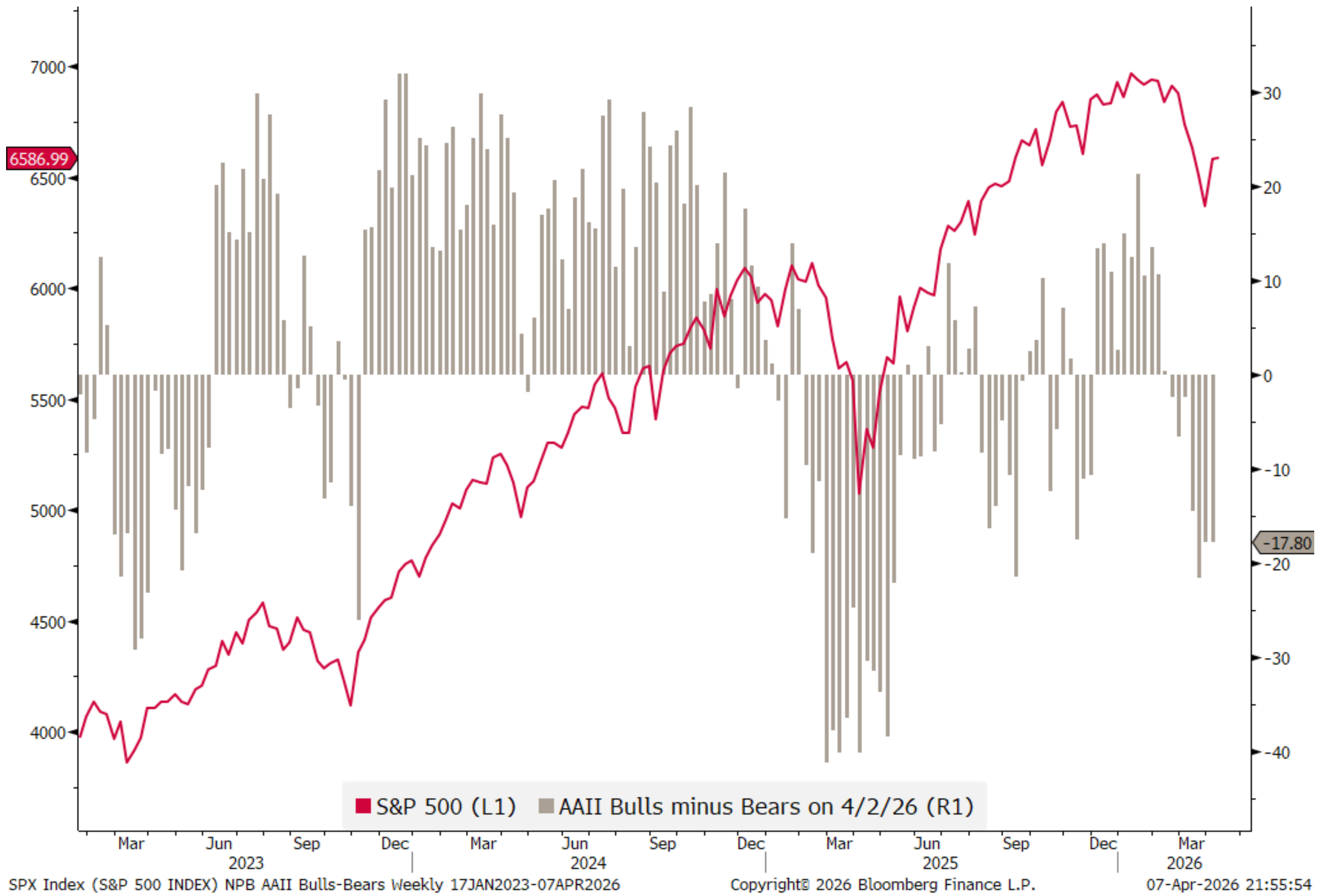
Confirming our bullish short-term outlook that the major indices will reach new all-time highs (ATH) soon, are two possible early bird indicators: The DJ Transportation Index and the Philadelphia Semiconductor Index. Both have reached new ATHs already!



Sentiment

AAII Survey of Bulls & Bears

Investors' mood has turned sour (i.e. more bearish) with the conflict in the Middle East dragging on. However, we are still far from the levels seen during liberation day last year, which is necessary for a contrarian buy signal to trigger.

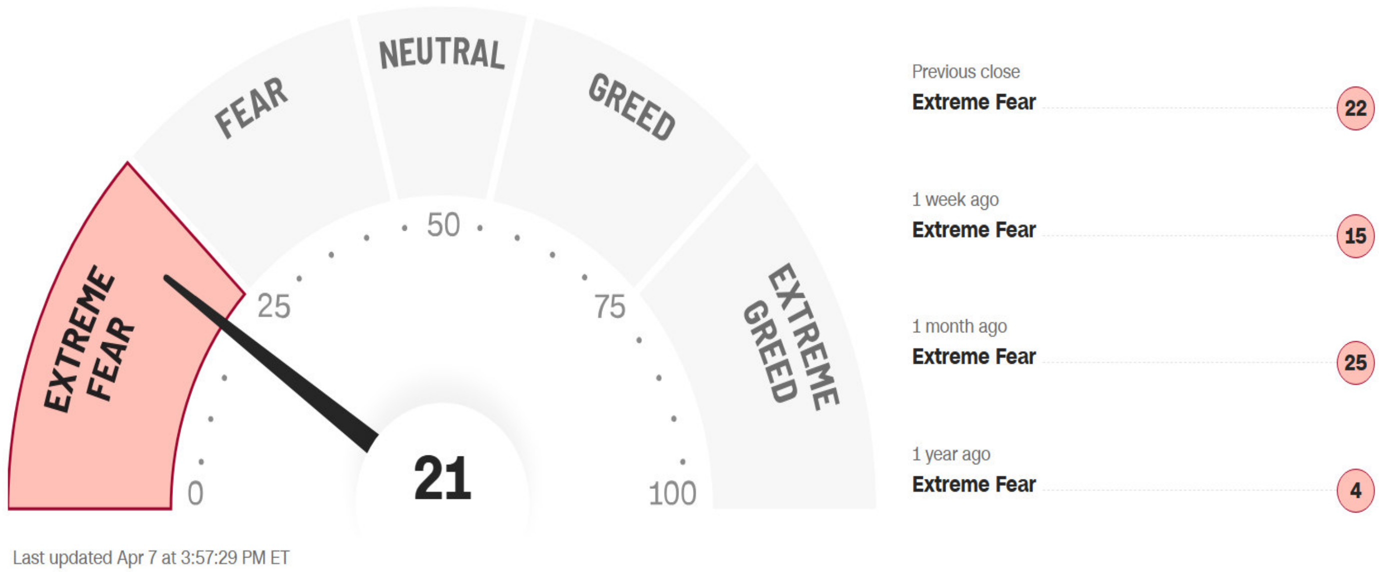


Source: Bloomberg, NPB calculations (G255a)

Sentiment

CNN Fear and Greed Indicator

CNN's Fear and Greed Indicator has fallen into the extreme fear zone, but also here, the reading a year ago during the Liberation Day moments was lower than it is today. Max pain has not been reached yet …



Source: CNN

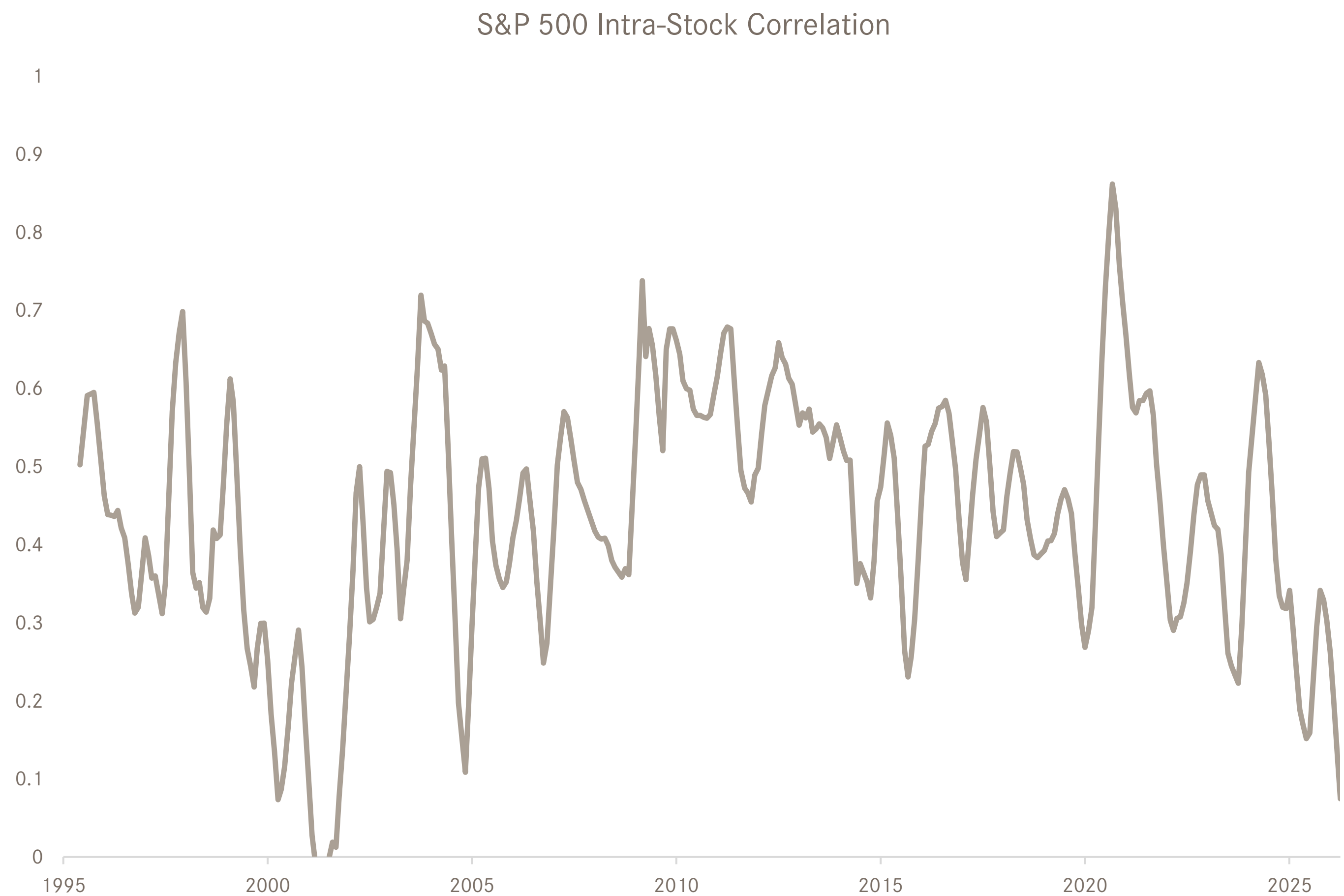
S&P 500 Intra-Stock Correlation

Dispersion Galore!

Intra-stock correlations are as low as they get, meaning that stocks are moving more at their own pace and less in tandem.

This should make it a stock picker's paradise (or hell), depending on his acumen.

Typically, correlations will move closer to 1 during times of crisis.



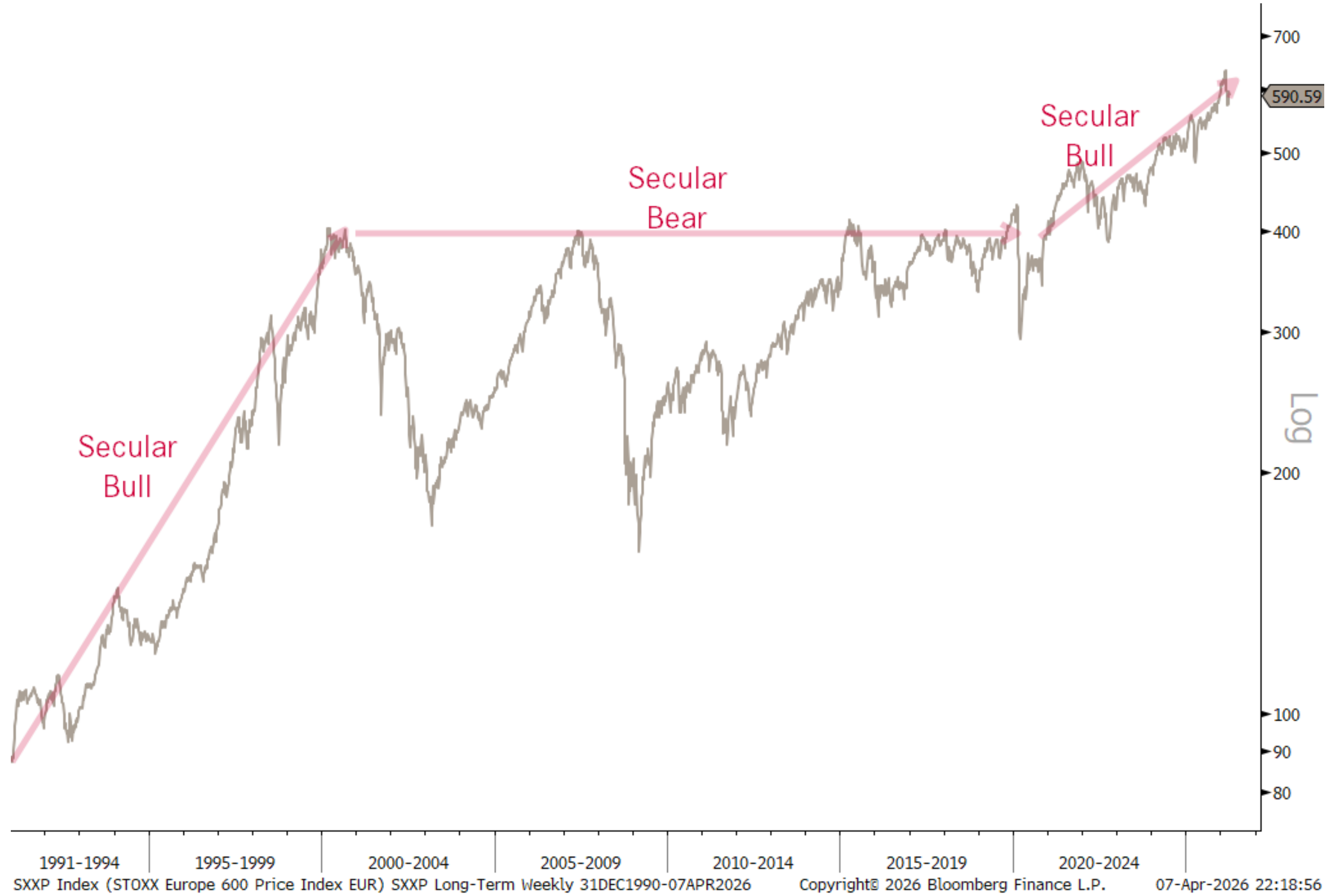
Source: Bloomberg, NPB calculations (Research Hub)

Europe Equities

STOXX 600 Europe – Long-Term View

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 four years young.

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



Source: Bloomberg, NPB calculations (G562a)

Europe Equities

STOXX 600 Europe

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Last quarter we wrote:

"On the more tactical chart, the SXXP continues to stair-step higher, but is currently somewhat stretched.

A pull-back would offer a buy/add opportunity. "

Et, voila!

Source: Bloomberg, NPB calculations (G563a)

Europe Equities

Large-, mid- and small-cap indices

European small-, mid- and large cap stocks have all pulled-back to previous breakout levels but held up at those levels. This would be a great level to restart an upside attempt.

Source: Bloomberg, NPB calculations (G177a)

Swiss Equities

Swiss Market Index (SMI)

Switzerland's SMI has been heavily castigated during the Middle East conflict, not list due to the index's exposure to construction stocks (Sika, Geberit, Amrize).

The rebound post the ceasefire announcement will be a tell sign…

Source: Bloomberg, NPB calculations (G565a)

UK Equities

FTSE-100

The FTSE-100, after breaking the 10k milestone on the second day of the new year and nearly reaching 11,000 by the end of February, saw a violent drop below that first-mentioned hallmark. However, ist quick recovery above that important psychological mark is constructive and speaks in favour of further gains to come.

Source: Bloomberg, NPB calculations (G566a)

Japan Equities

Nikkei

The Japanese equity market saw a violent, thirteen percent sell-off during March, but with the swift recovery happening now, it seems that sell-off was more related to quick profit taking on one of the top performing markets, rather than genuine concern about the country's dependency on cheap oil.

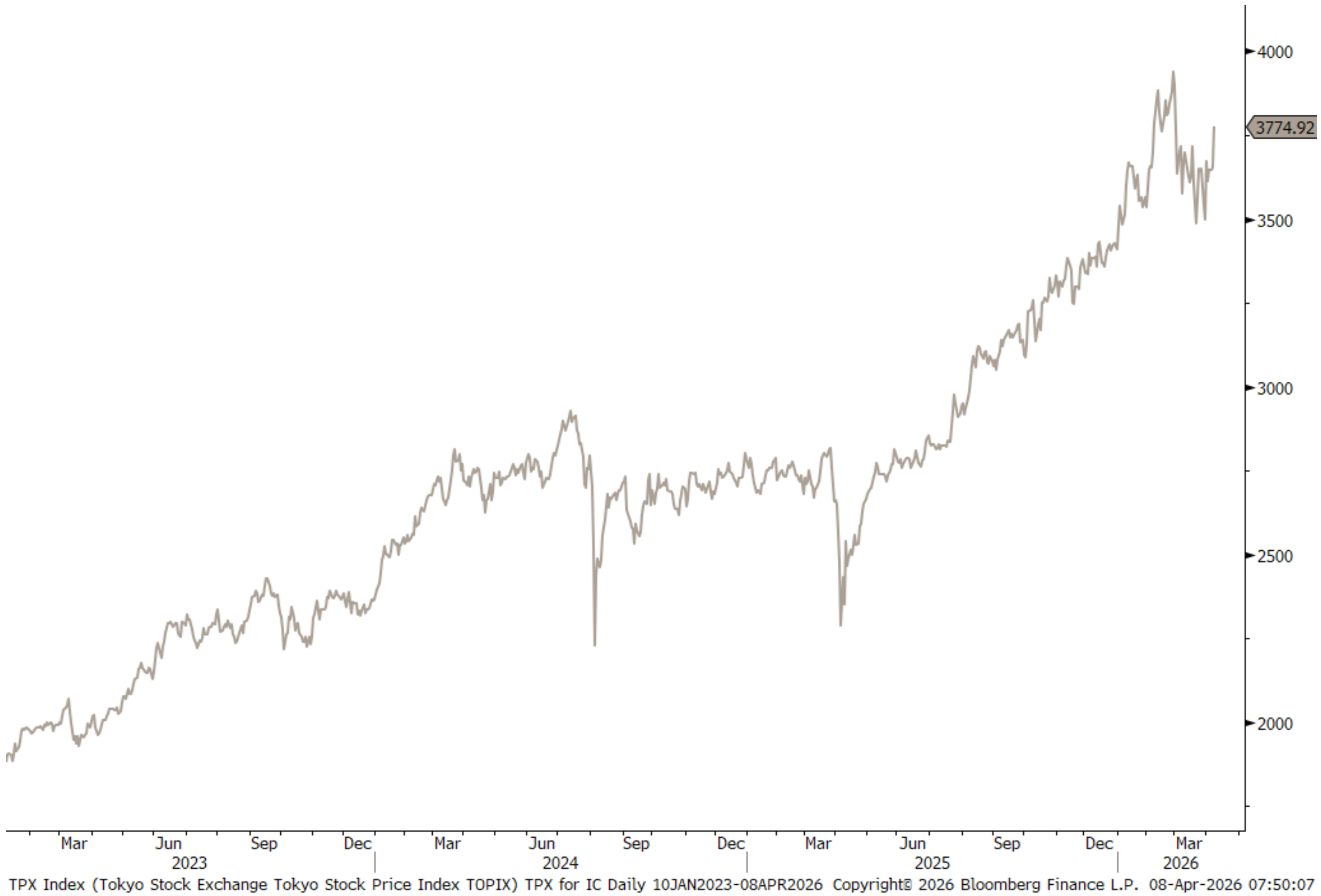
Source: Bloomberg, NPB calculations (G567a)

Japan Equities

Topix

Japan's economy seems to be firing on all cylinders, despite its sensitivity to energy prices.

PM Takaichi has a lot of political good-will and power to follow through with business-friendly Abenomics. Corporate reforms are also helping the stock market.



Source: Bloomberg, NPB calculations (G568a)

Emerging Markets

The Good, the Bad and the Ugly

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Last Quarter we suggest to wait for a pull-back in Emerging Market stocks rather than chasing the rally, with stocks being overbought on all three time horizons (short-, medium, and long-term).

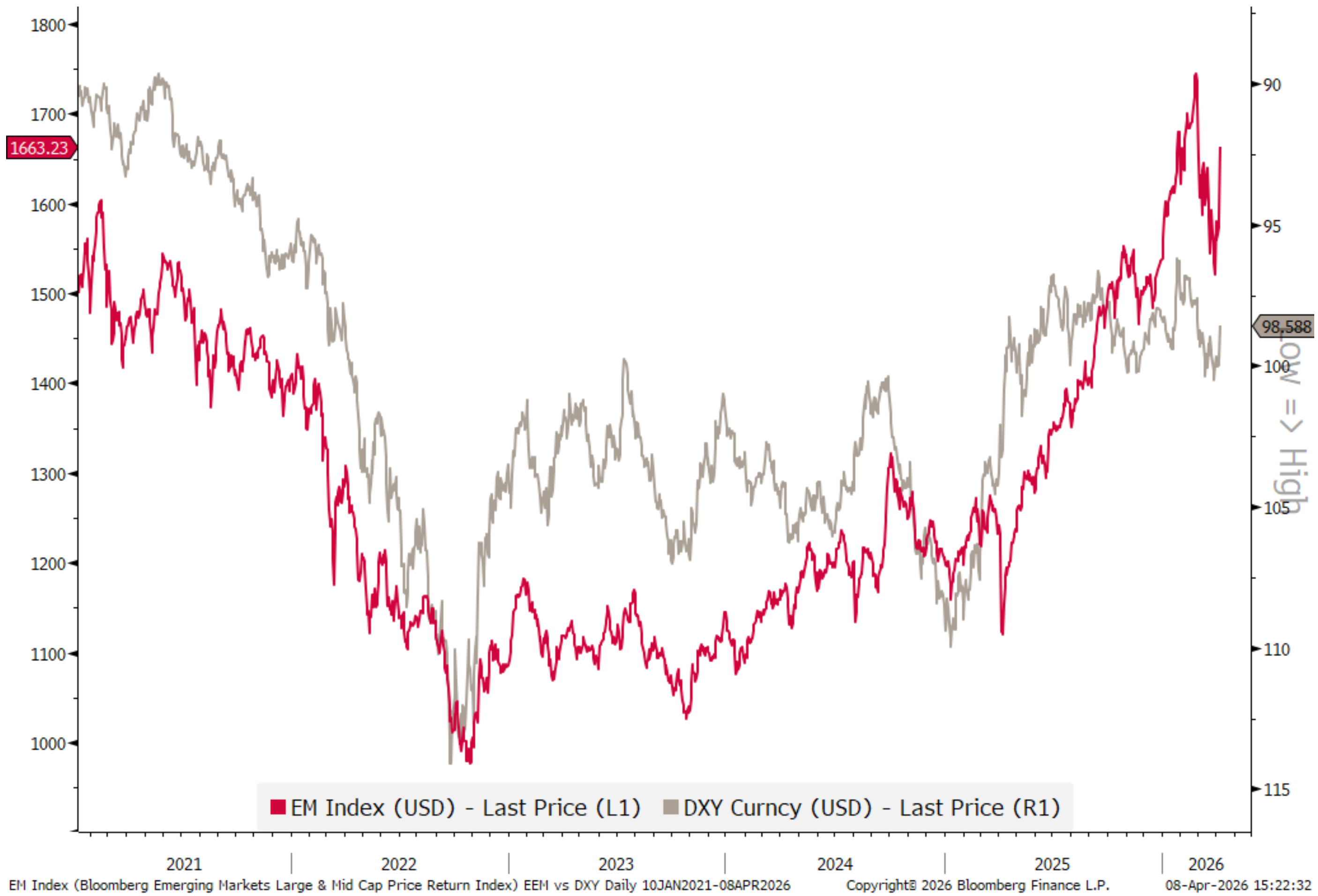
Source: Bloomberg, NPB calculations (G570a)

Emerging Market Equities

Tailwinds from a weaker USD reinstating

With a US-Iran ceasefire in place and a seemed willingness by both sides not to continue the conflict, the US Dollar (grey, inverted) could start weakening again from here.

This would be largely beneficial for EM equity markets (red line), which are already reacting strongly to such a scenario.



Source: Bloomberg, NPB calculations (G244a)

Emerging Markets

EM / DM

Amazingly enough have EM equity markets reacted only muted to the whole Middle East conflict and were actually able to gain some ground versus developed markets.

Source: Bloomberg, NPB calculations (G102a)

India Equities

Nifty 50

India was NOT one of those EM countries seeing their equity market outperform. Quite to the contrary, it was one of the weakest of the lot but are now also rebounding accordingly.

This seems like a tactical trading opportunity to us.

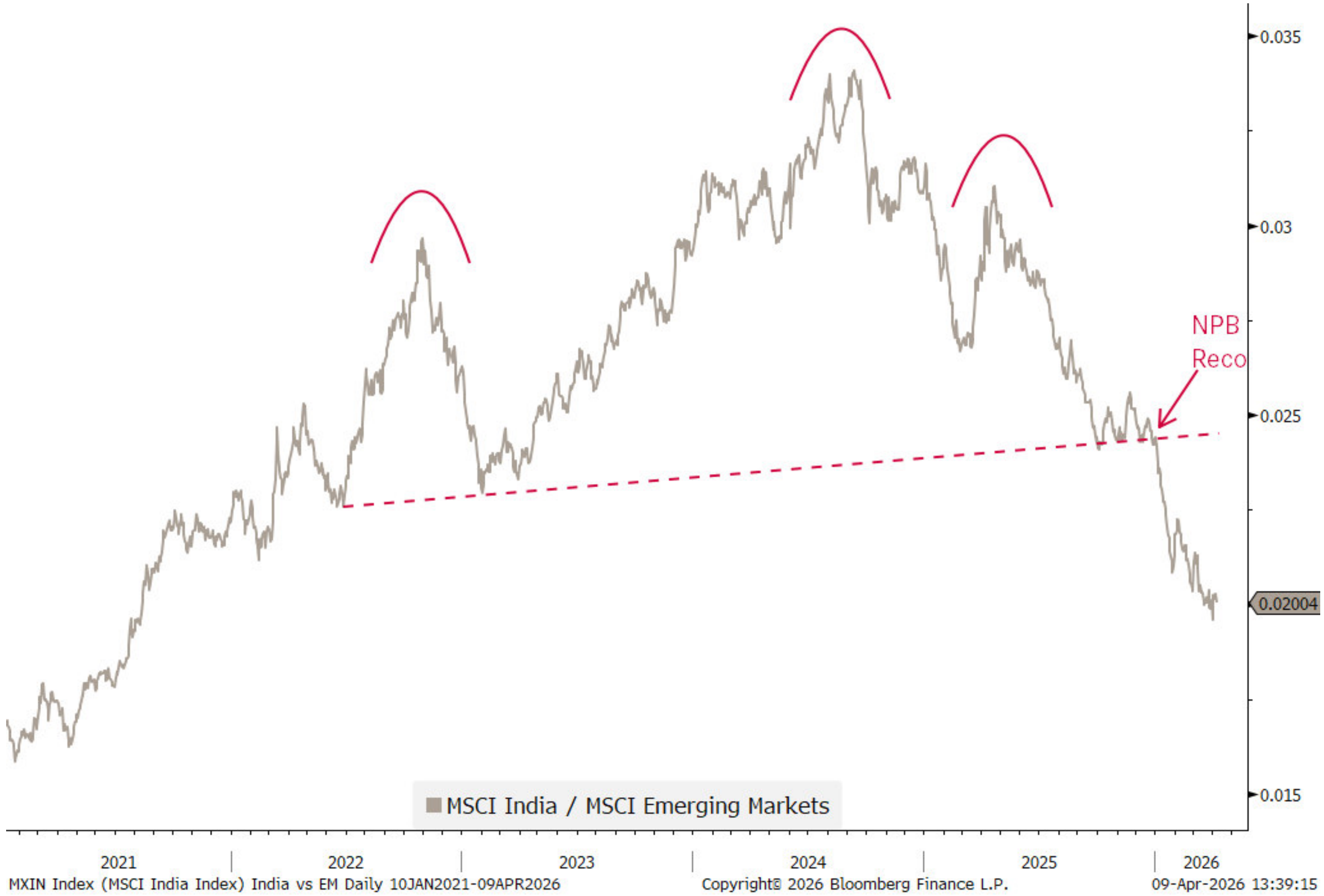
Source: Bloomberg, NPB calculations (G571a)

India Equities

MSCI India / MSCI EM

From a relative point of view, it was a great idea to underweight the Indian market a few months back.

Regarding the possible tactical rebound, it is so far happening equal to the bounce in emerging markets in general.

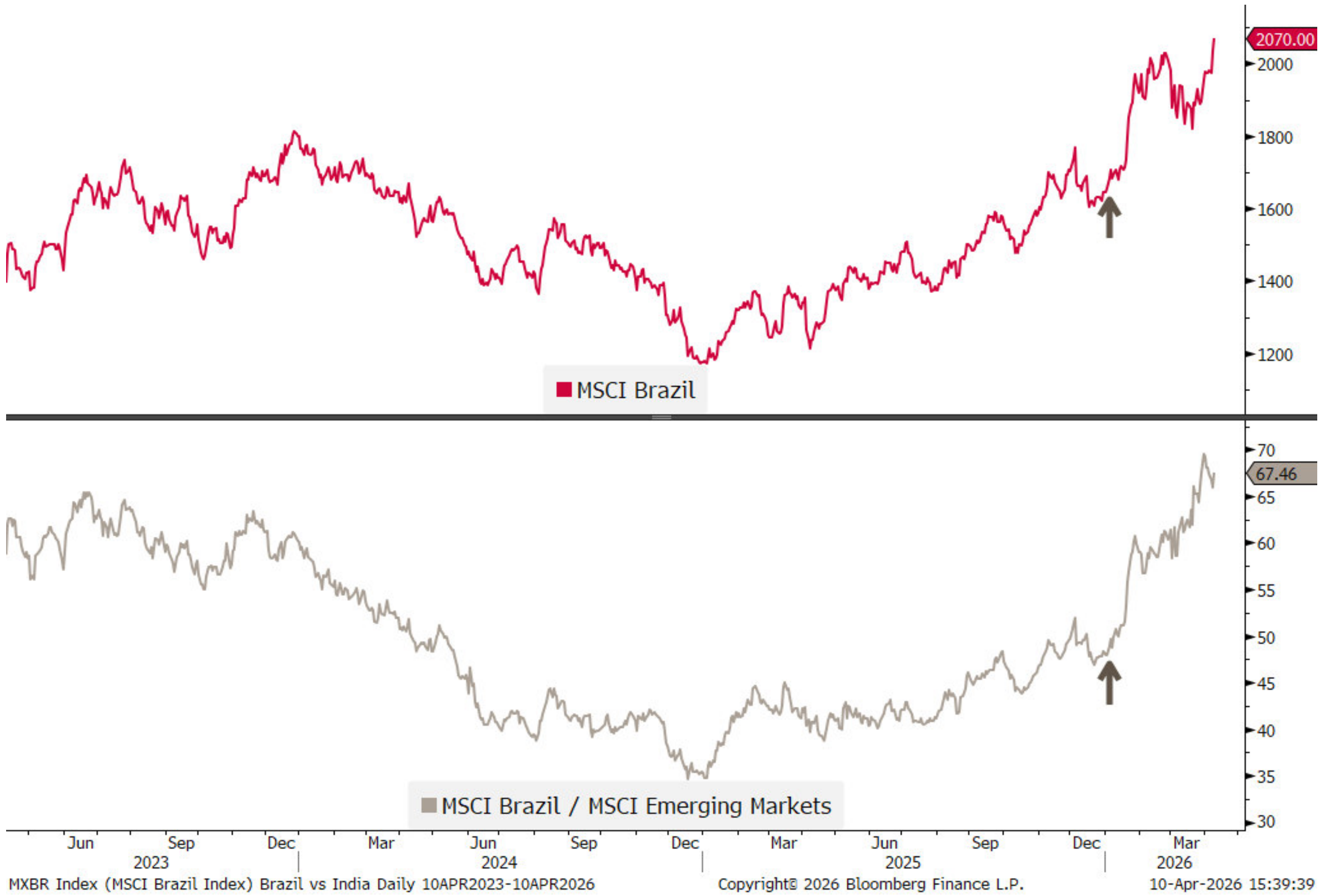


Source: Bloomberg, NPB calculations (G435a)

Brazilian Equities

Brazil & Brazil vs. India

When we “ditched” India, we decided to re-deploy the proceeds into the Brazilian equity market, which seems to have been a good idea as much from an absolute (top clip) as also from a relative (bottom clip) point of view.



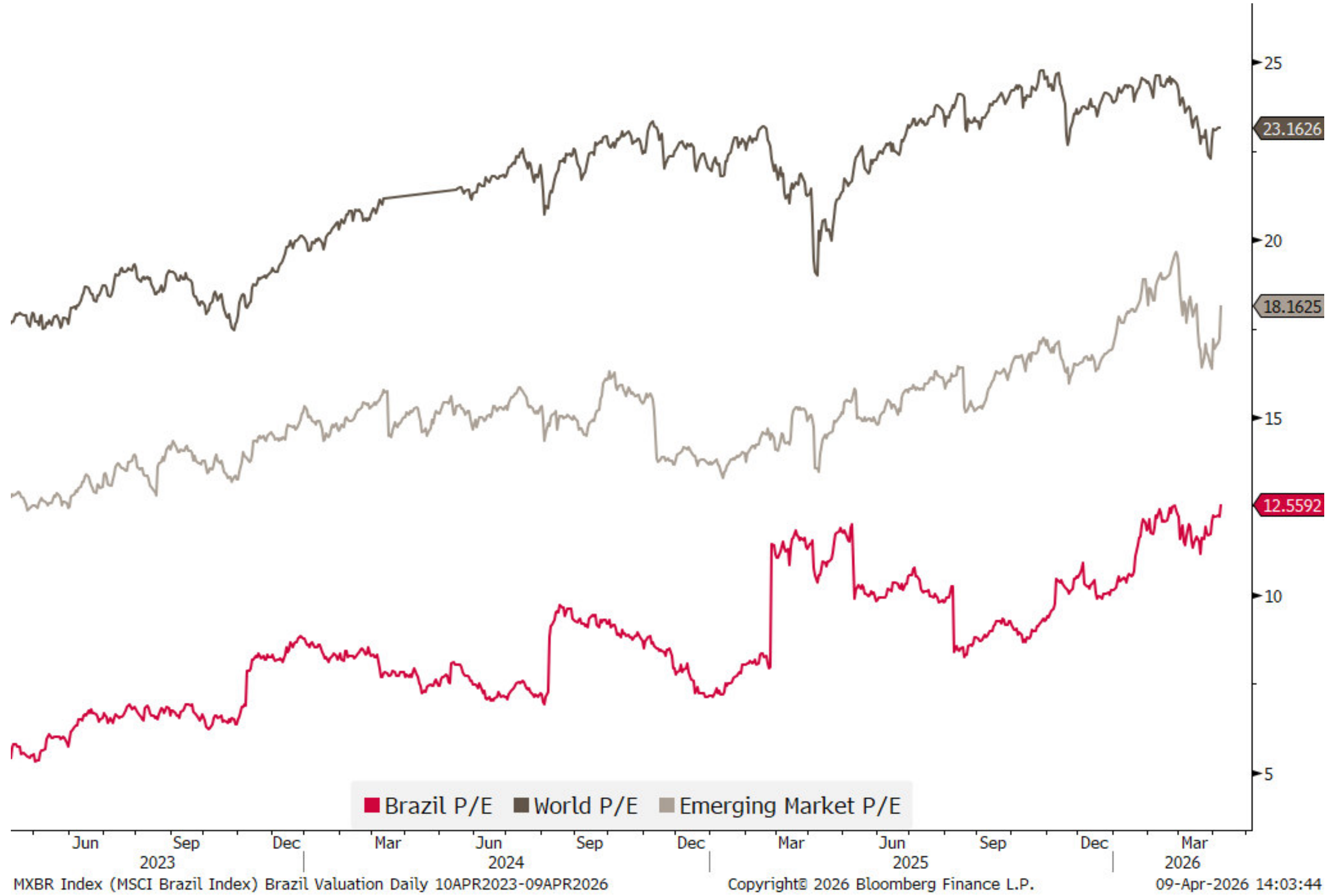
Source: Bloomberg, NPB calculations (G626a)

Brazilian Equities

Valuation (P/E)

The beauty about the Brazilian (equity) investment story is that even after a 70% rally since the early 2025 trough, it remains one of the cheapest markets out there.

Whilst many things can go wrong in Brazil, that is still a nice “margin of safety”.



Source: Bloomberg, NPB calculations (G731a)

Middle East

Saudi Arabia – Tadawul All Share Index

Last quarter we wrote (paraphrased):

"Fortuna audaces iuvat". The brave would buy the Tadawul index here, but of course, with a safety net (aka stop loss).

Fortune did indeed favour the brave and despite a major war, directly affecting Saudi Arabia, the market rebounded and has performed very well given the circumstances.

Now, a move above 12k is needed for additional momentum.

Source: Bloomberg, NPB calculations (G455a)

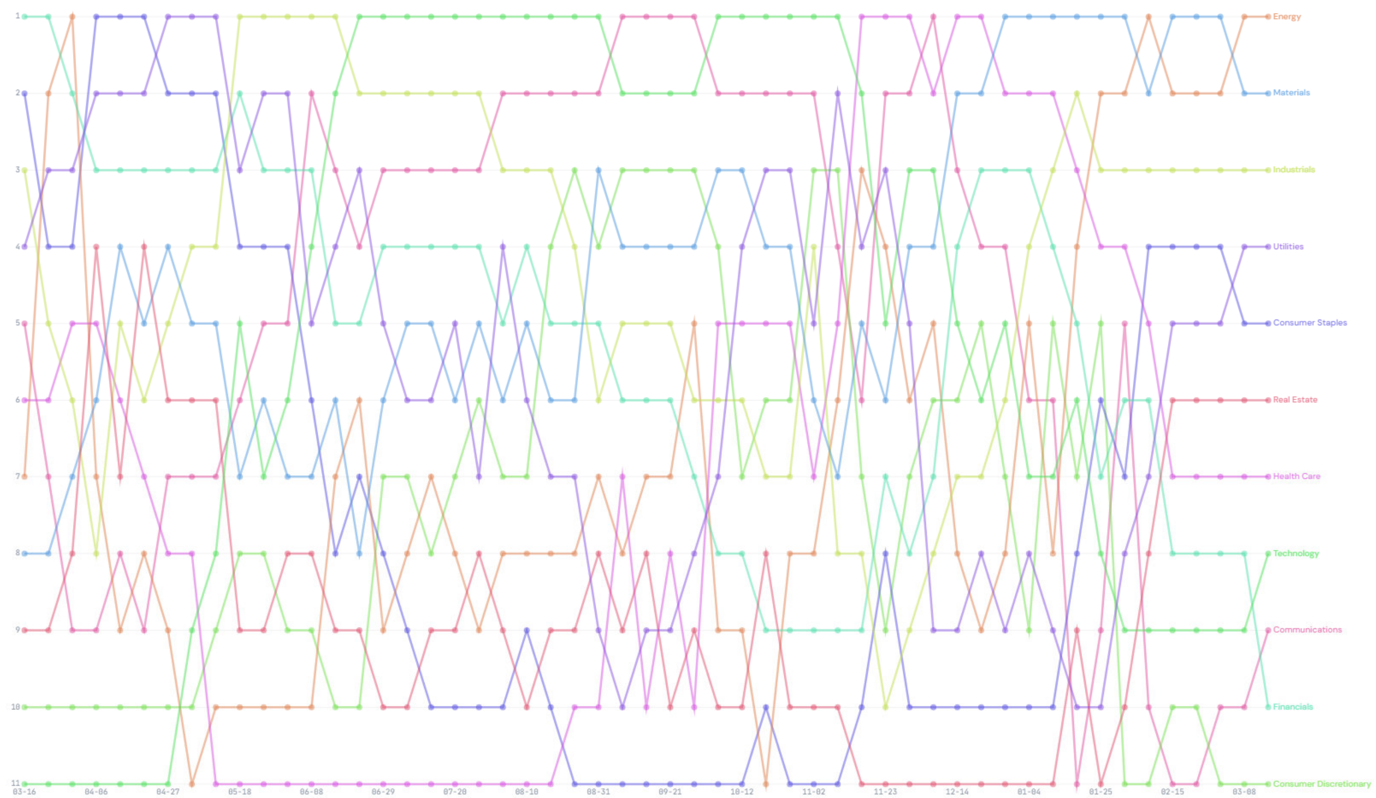
Sector Analysis

Proprietary aReS™ Model

In our capital heavy over capital light investment thesis outlined in the chart of the quarter (page #4), we construct the capital heavy index with four sectors:

- Energy
- Materials
- Industrials
- Utilities

Now go and check the four top ranked positions in our proprietary aReS™ model to the right.



Source: Bloomberg, aReS™, NPB calculations

Sector Focus

Energy vs. World (MSCI)

Energy stocks (MSCI World Energy Sector Index in the chart to the right) have been on a tear, not only since the on-set of the Middle East war, but quite some few month ahead of that.

Arguably, the rally seems very stretched here.

However ...

Source: Bloomberg, NPB calculations (G740a)

Sector Focus

Energy

… checking in on the same sector but in relation to the rest of the stock market, a new trend may just be getting started …

Source: Bloomberg, NPB calculations (G739a)

Sector Focus

Energy

... especially when considering that the entire energy sectors is still less than 4% of the S&P 500's market cap, but more than double that of total revenue!

Source: Bloomberg, NPB calculations (G741a)

Sector Focus

Metals & Mining

On of our last quarter sector Age of Empires “plays” was the Metals & Mining sector. This sector is obviously next to energy and others also an excellent play on the cap heavy over cap light companies (aka you can’t print molecules) story!

Especially, …

Source: Bloomberg, NPB calculations (G579a)

Sector Focus

Metals & Mining vs. Global Stocks

… given that in relative terms the uptrend still has tonnes and tonnes (pun intended) of upside!

Source: Bloomberg, NPB calculations (G578a)

Fixed Income

Chartbook Q2 2026

> “There are only two tragedies in life: one is not getting what one wants, and the other is getting it.”
>
> – Oscar Wilde

Reservoir Dogs

Trump, Bessent, Warsh, Powell

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Trump, Bessent, Warsh, Powell, that sounds like a very interesting set-up for a story to unravel over the coming months.

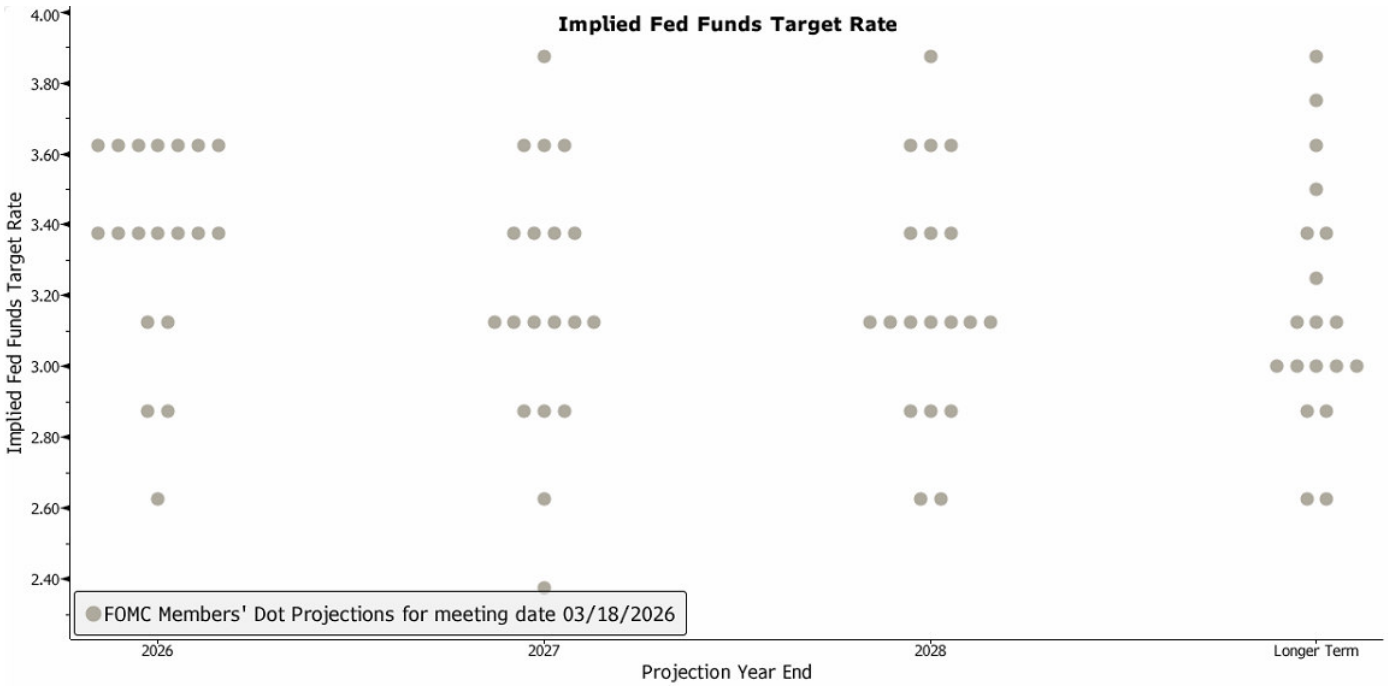
Is the Fed Chair Nominee WINNER maybe the biggest LOSER.

Coming to a Cinema near you soon ...

Federal Open Market Committee

Dot Plot

For starters, the Dot Plot already shows wide disagreement on where the Fed Fund rate (currently 3.625%) should be.



Source: Bloomberg, NPB calculation (DOTS)

US Monetary Policy

Fed Fund Futures

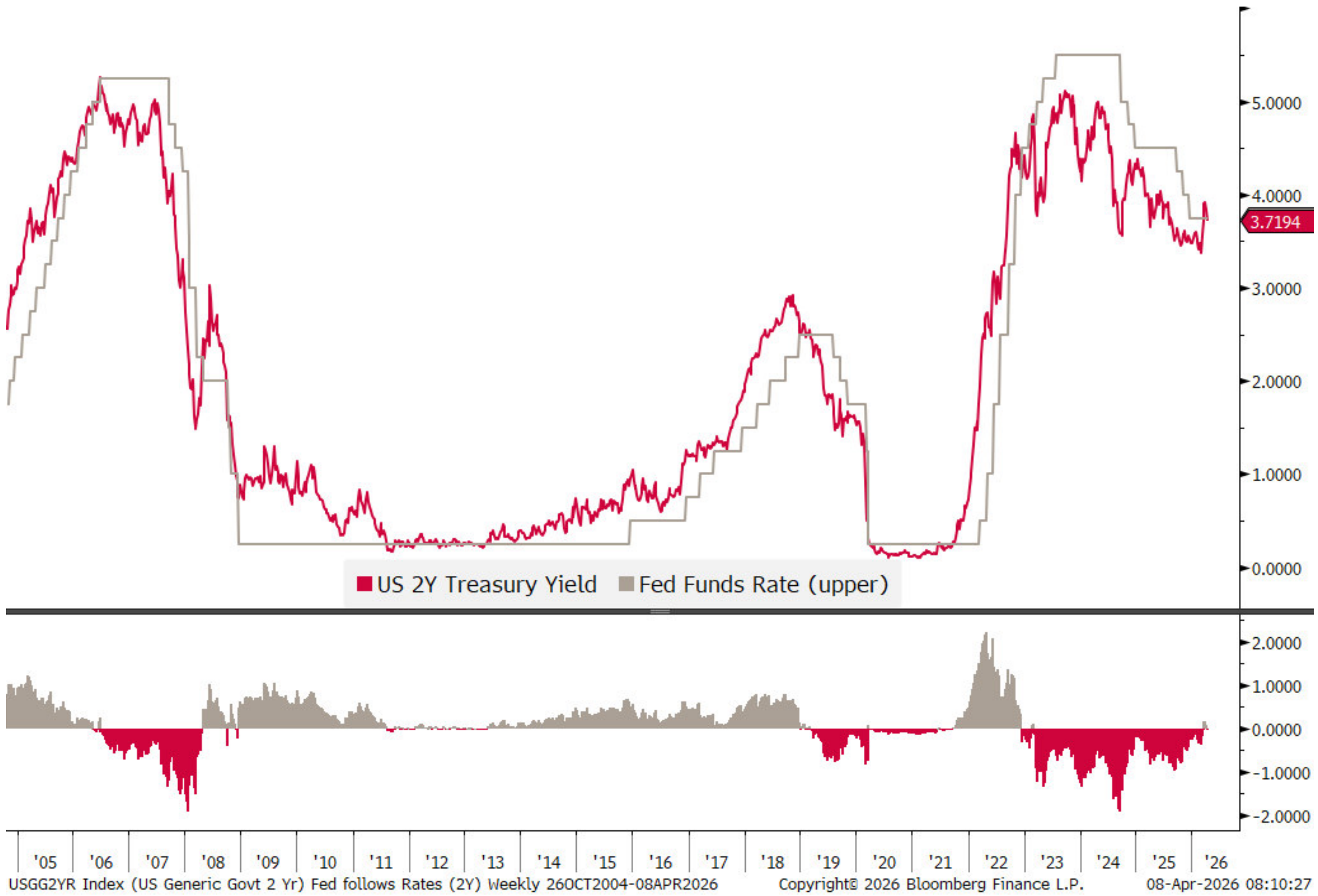
Whilst the market implied rate via Fed Fund futures has been all over the place lately.

Source: Bloomberg, NPB calculations (G531a)

US Monetary Policy

2-year Treasury Yield vs Fed Fund Rate

And this confusion at one of the few points in time where the shortest end of the Treasury curve (2-year) agrees with the current Fed Fund rate.



Source: Bloomberg, NPB calculations (G182a)

US Breakevens

5- and 10-Years

Market implied inflation expectations via Breakevens had already started moving higher in early January (did they know something?) and since the outbreak of the war have obviously shot higher. The recent ceasefire announcement has started the normalizing process on the 2-year version of the Breakevens.

Source: Bloomberg, NPB calculations (G180a)

US 10-year Yields

Consolidation

US 10-year yields continue to be in a wide consolidation range, and we do not see it falling below 3.90ish for now.

In Technical Analysis (aka Voodoo), there is a rule that a symmetric triangle (red lines) is usually not resolved until the last third in the apex (right black dashed line).

This would give us an ever-narrower trading range until at least Q2 of next year, when yields should resolve out of the triangle (direction unknown).

Source: Bloomberg, NPB calculations (G558a)

US 10-year Yields

Consolidation

Our prediction that 3.90 will hold (see previous slide) and that rates will not move out of the triangle both held up…

A breakout either side, according to 'our' triangle theory should now come this or next quarter.

Given the current unpredictability of the US administration would we only with a gun pointing at our head predict a break to the upside.

Source: Bloomberg, NPB calculations (G558a)

US Yield Curve

10s minus 2s

The yield curve has flattened somewhat, as rates at the short-end rose even faster than that on the long end.

This is also called a "bear flattener".

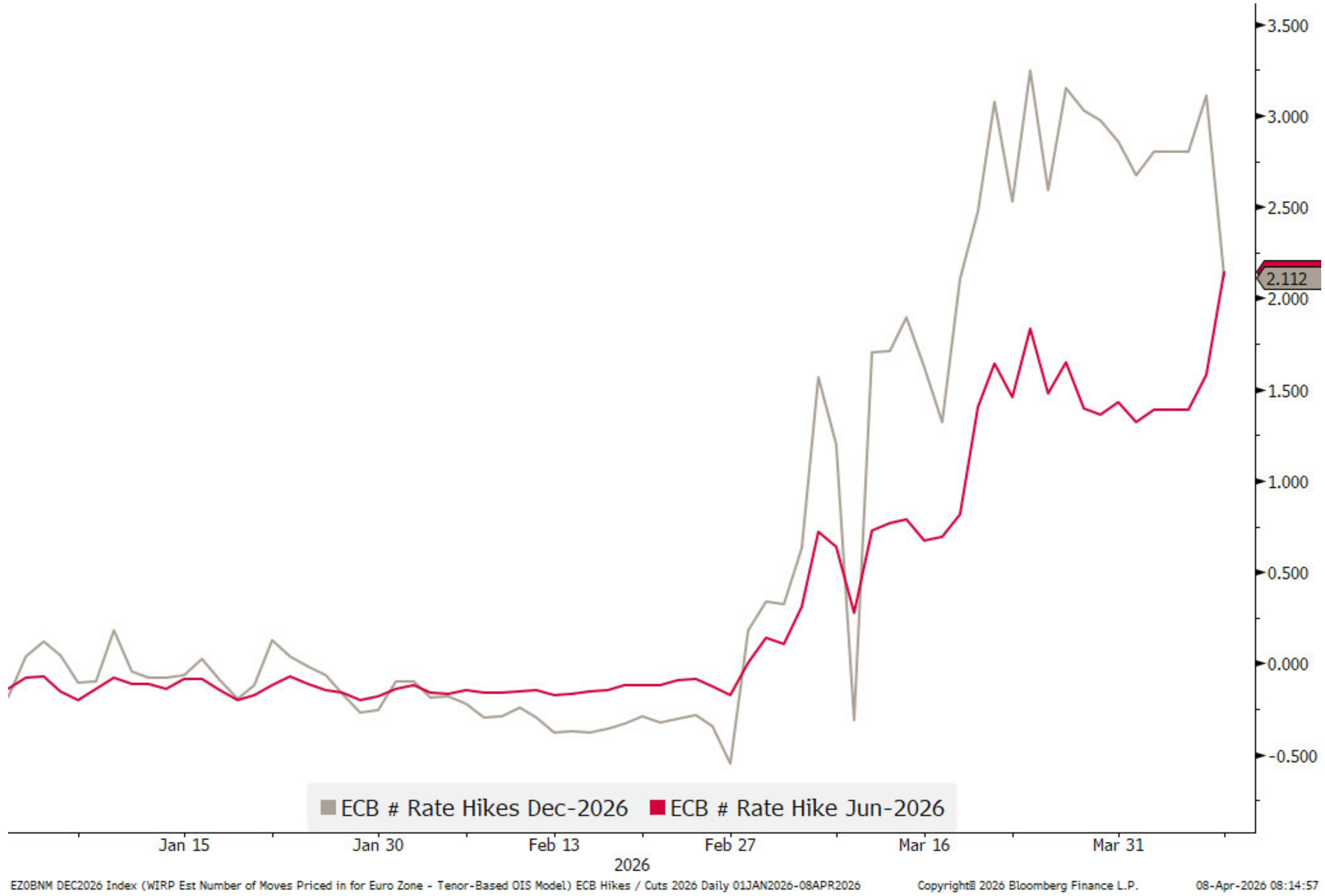
Source: Bloomberg, NPB calculations (G459a)

Eurozone

Expected rate cuts

The chart of confusion is that of number of rate hikes/cuts priced into the current forward curve in the Eurozone. Rate now, the chart should be interpreted as agreement that the ECB will hike twice by June and then be done.

But given the recent volatility of this "indicator", caveat emptor!

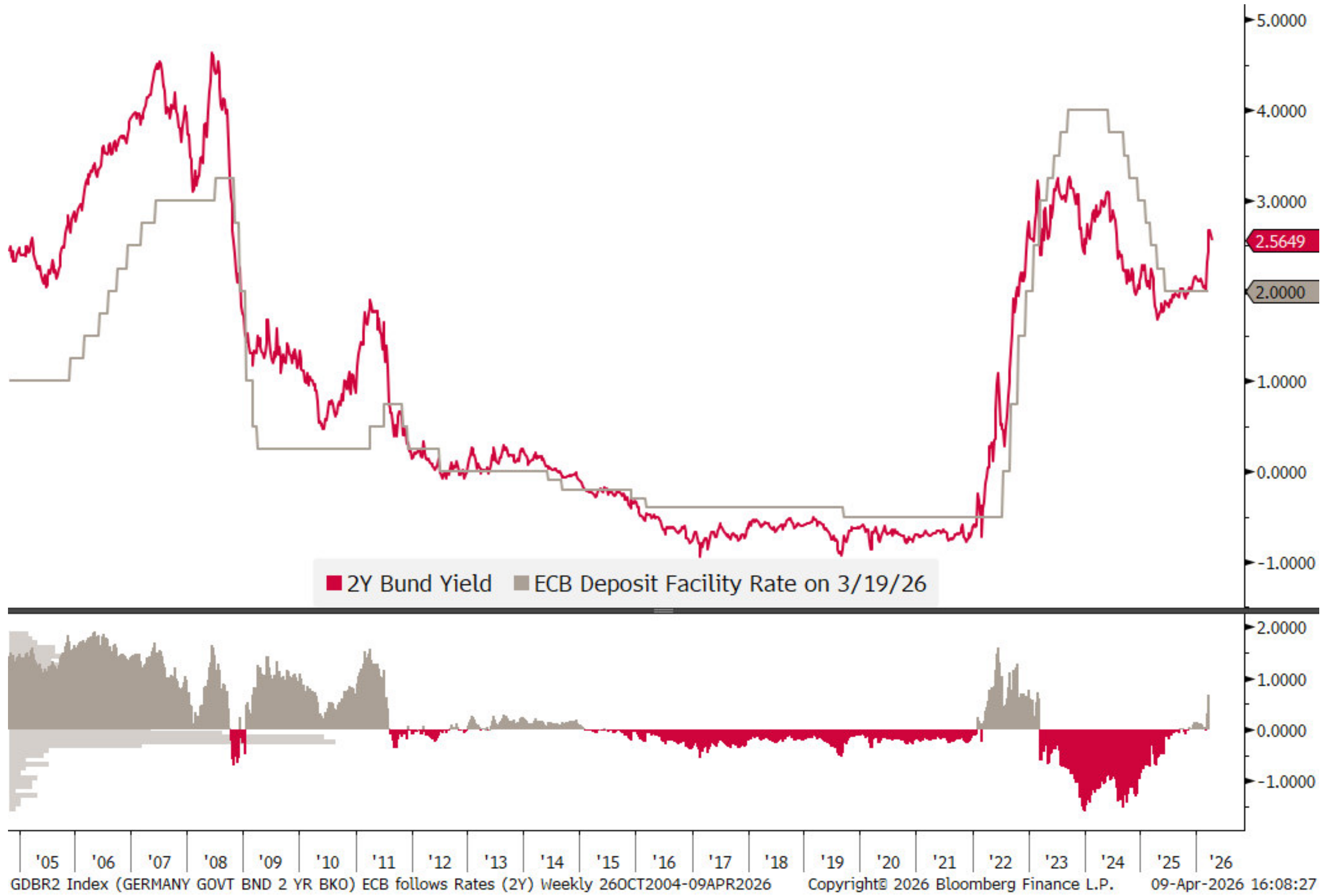


Source: Bloomberg, NPB calculations (G307a)

ECB Monetary Policy

2-year Bund Yield vs ECB Facility Rate

As a matter of fact, the 2-year yields are in agreement with the two suggest rate hikes on the previous slide, with a difference of about 50 basis points.



Source: Bloomberg, NPB calculations (G370a)

ECB & The Oil Price

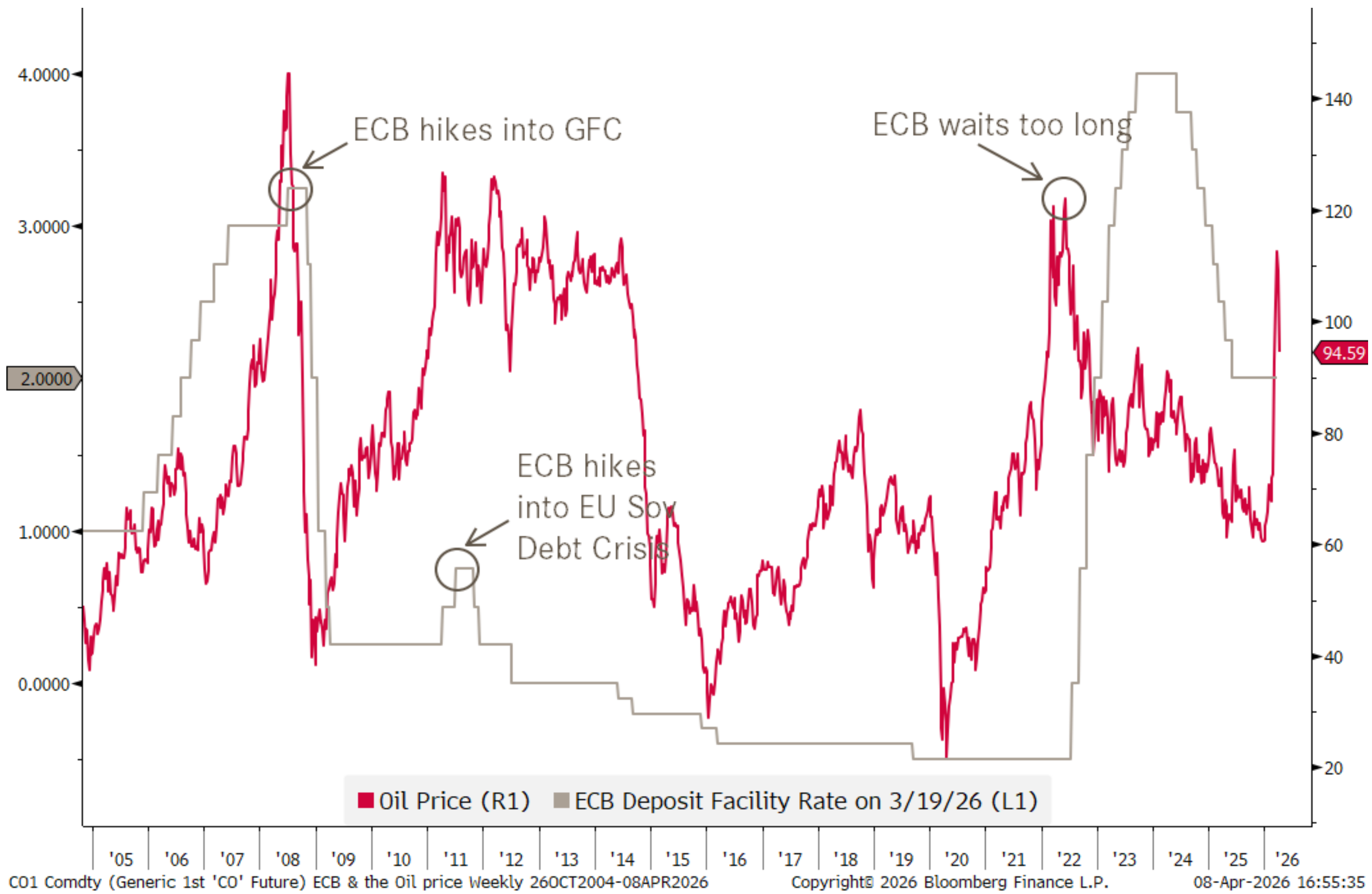
Mediocre Track Record

The ECB's reaction track record to higher oil prices is mediocre at best, with three out of three wrong.

First, the hiked rates in Summer 2008, about half-an-hour (sarcastically put) before the GFC broke out.

Then, the hiked again right into the Sovereign Debt crisis as oil rose again.

And finally, the did nothing in 2022 as inflation from the oil/war shock was transitory only ...



Source: Bloomberg, NPB calculations (G716a)

European Yield Curve

Proxied via German 10-Year minus 2-Year Bunds

An end to the ECB easing cycle also neatly fits with the steepness of the curve, which has reached the peak levels of the previous cycle.

Source: Bloomberg, NPB calculations (G461a)

Market Implied Inflation Expectations

EUR 5y5y Inflation Swap

Last quarter we sarcastically suggested that now everything was in equilibrium with European inflation expectations.

Oh, well, in the category "Famous last words" the Oscar goes to …

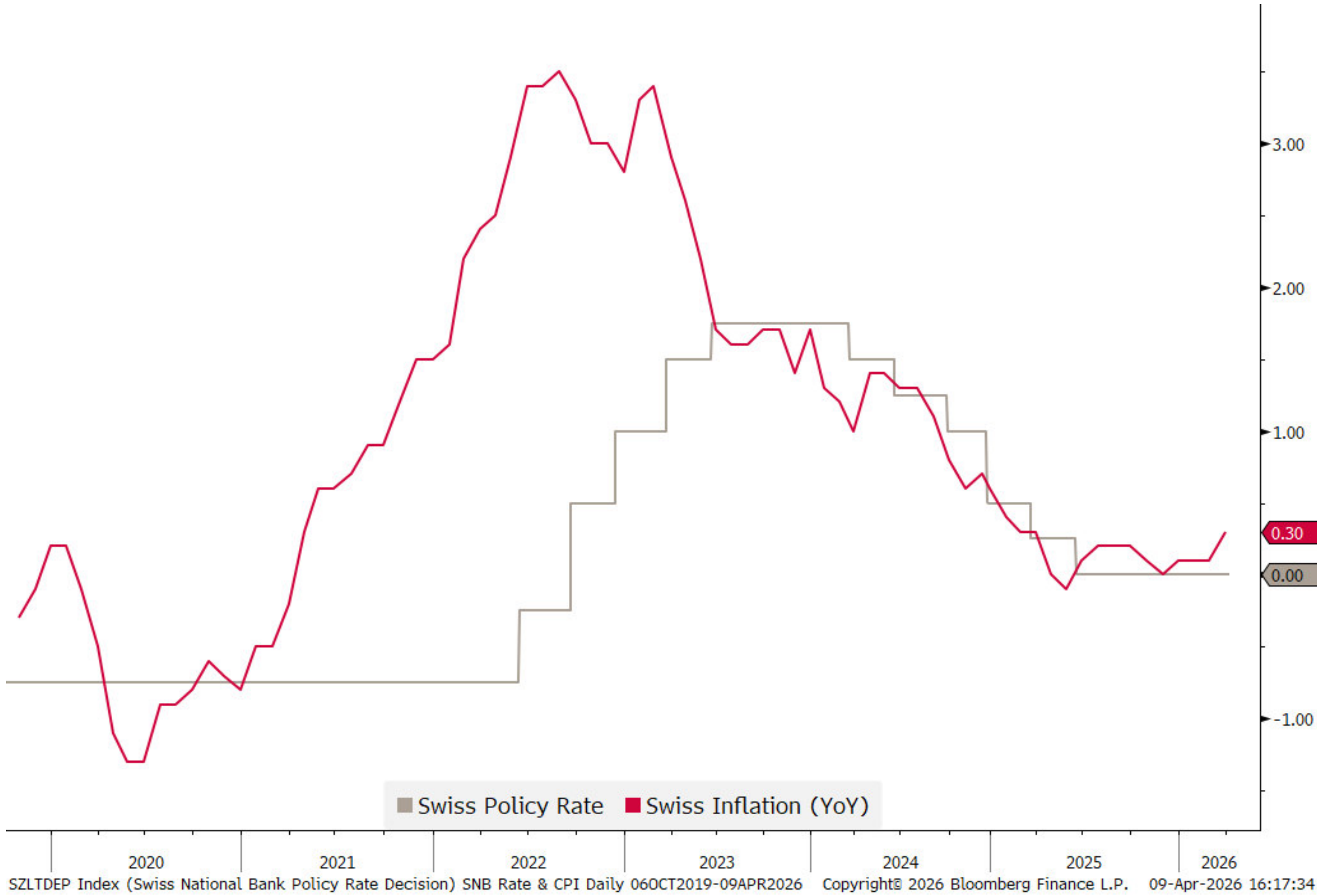
Source: Bloomberg, NPB calculations (G106a)

Switzerland

SNB Policy Rate & Inflation

Imagine that! Inflation expectations (red) have been picking up even in Switzerland.

We suspect, not enough for the SNB to hike rates just quite yet …



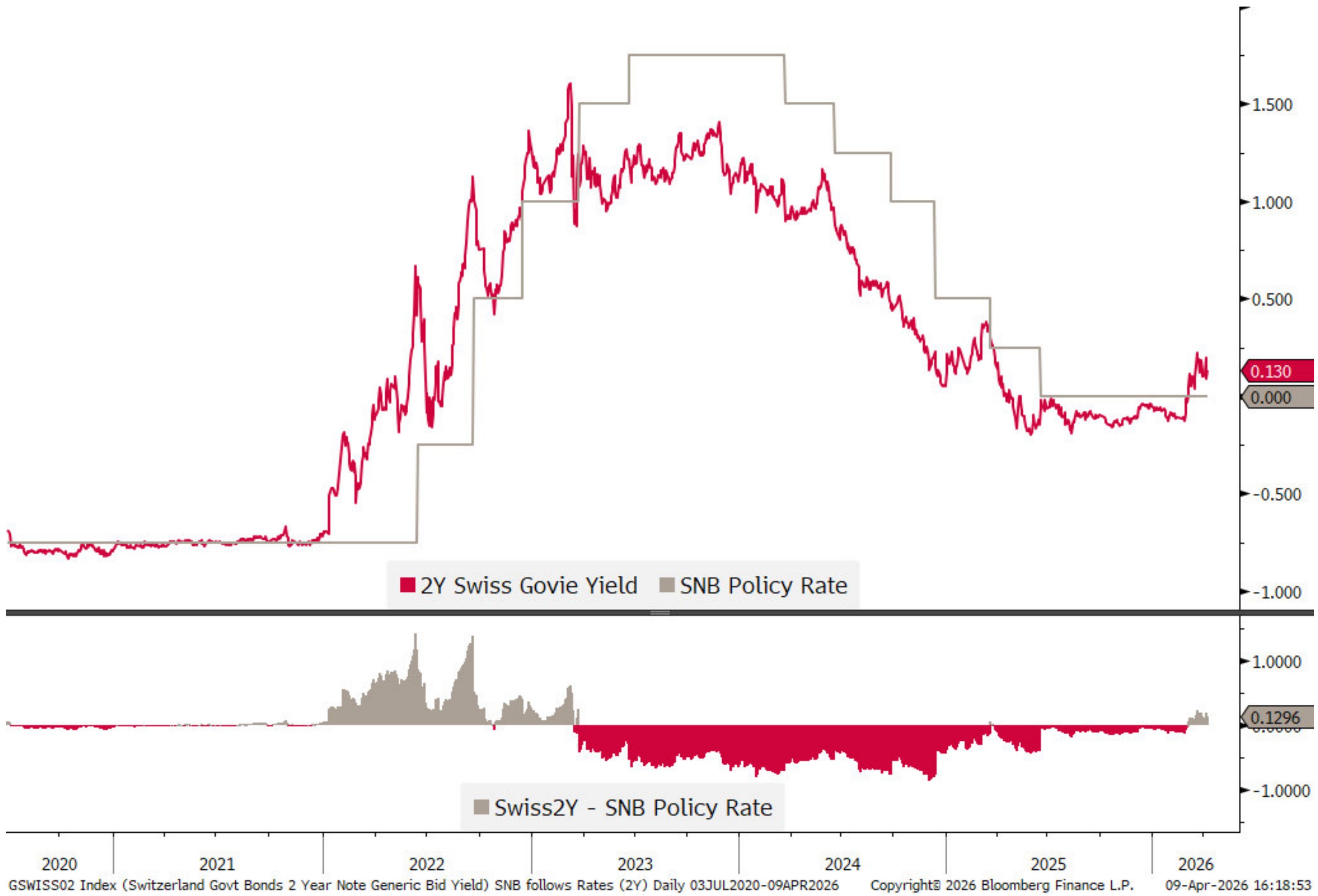
Source: Bloomberg, NPB calculations (G260a)

SNB Monetary Policy

NPB Neue Privat Bank 25 YEARS

SNB Policy Rate & 2-Year Swiss Government Bond Yields

But, who knows, maybe, just maybe, if that uptrend in 2-year yields continues …



Source: Bloomberg, NPB calculations (G37 1a)

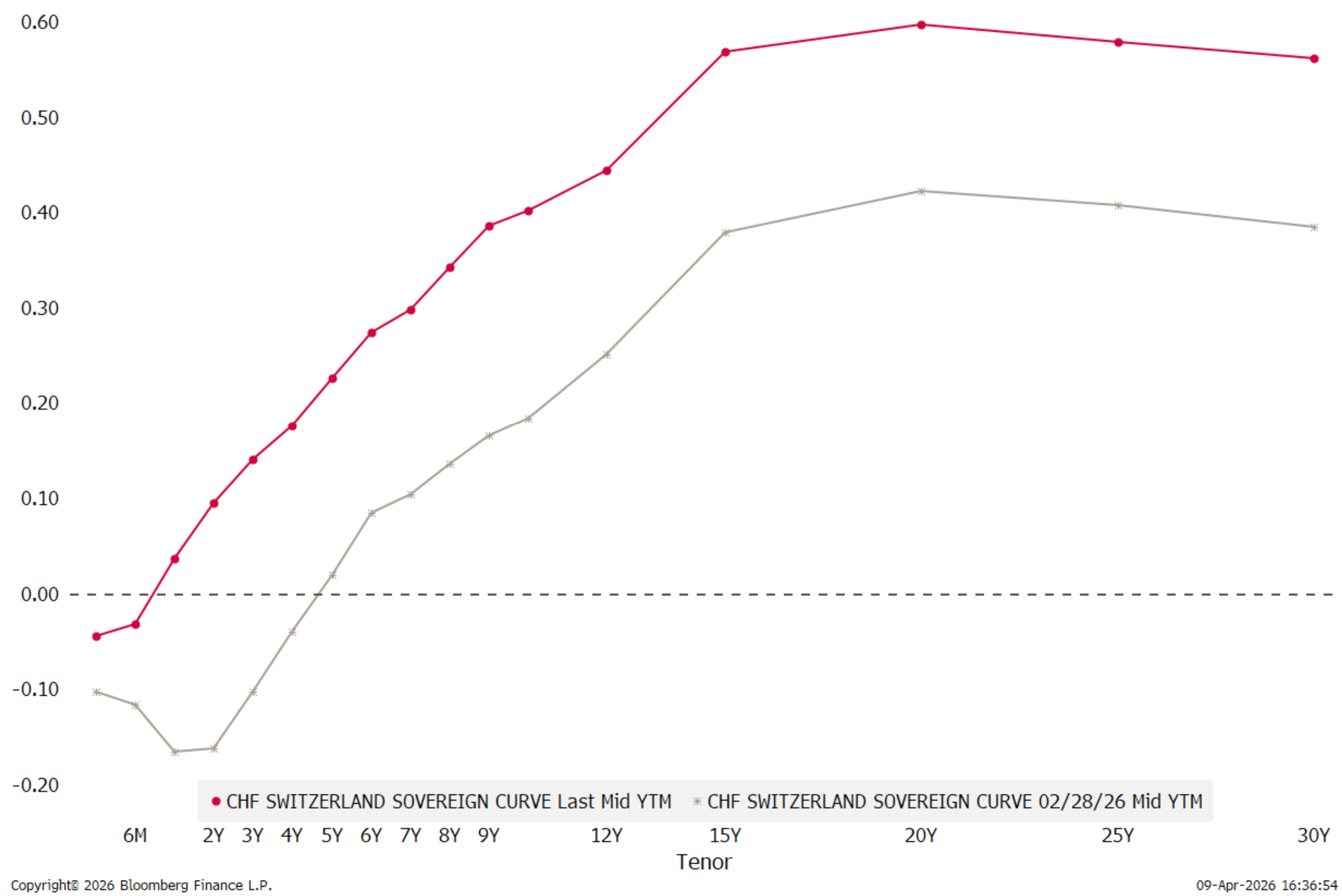
Switzerland

Swiss Yield Curve

Here's some good news, or, well, at least, some new news for Swiss investors:

The entire yield curve 1-year onward is now in positive territory.

(If it not were for fees and inflation it could become a nearly net positive investment…)

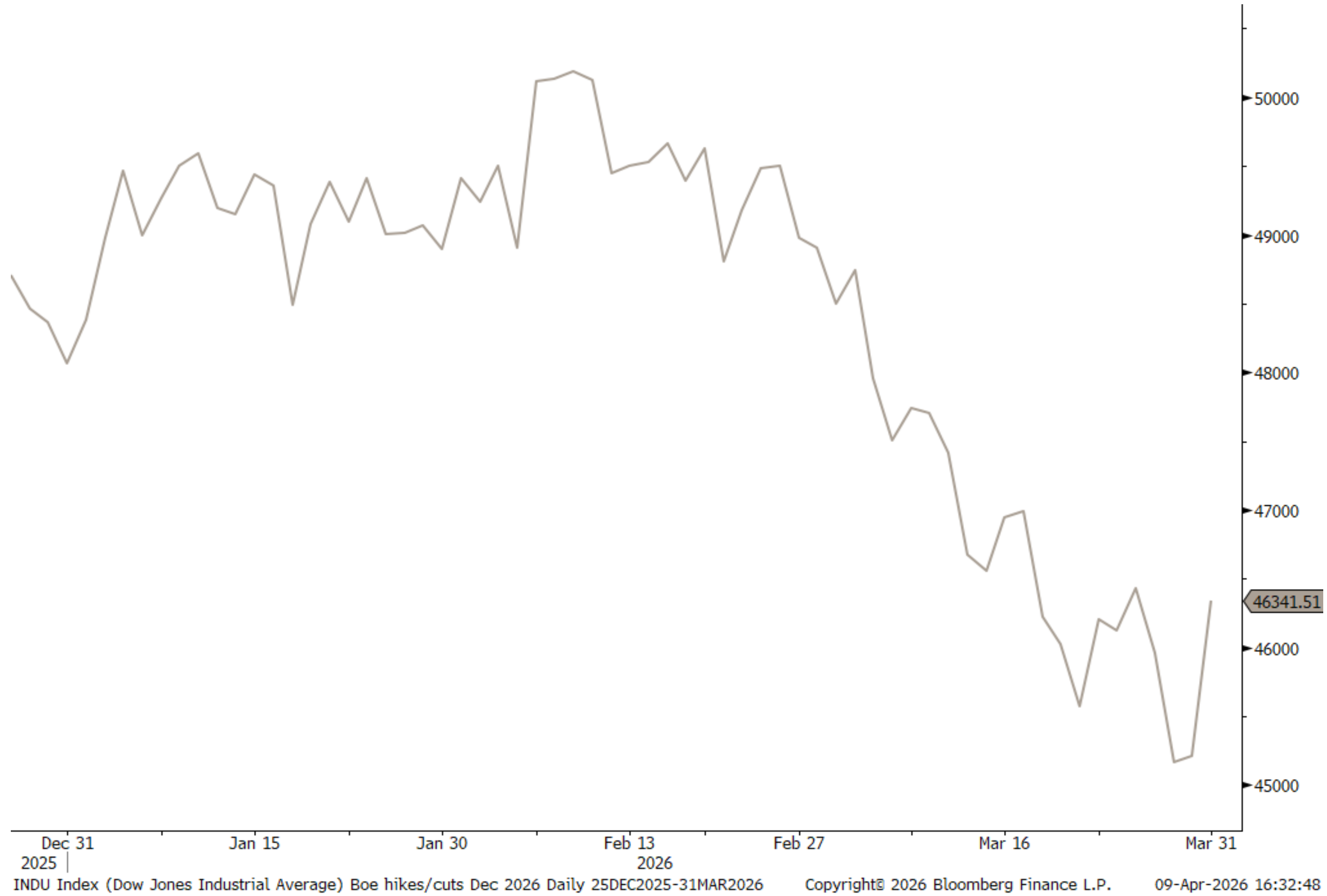


Source: Bloomberg, NPB calculations (G743)

Bank of England Monetary Policy

Market Implied BoE Policy Rate Moves

Policy rate expectations have moved from two BoE cuts at the end of February to two hikes only a month later.

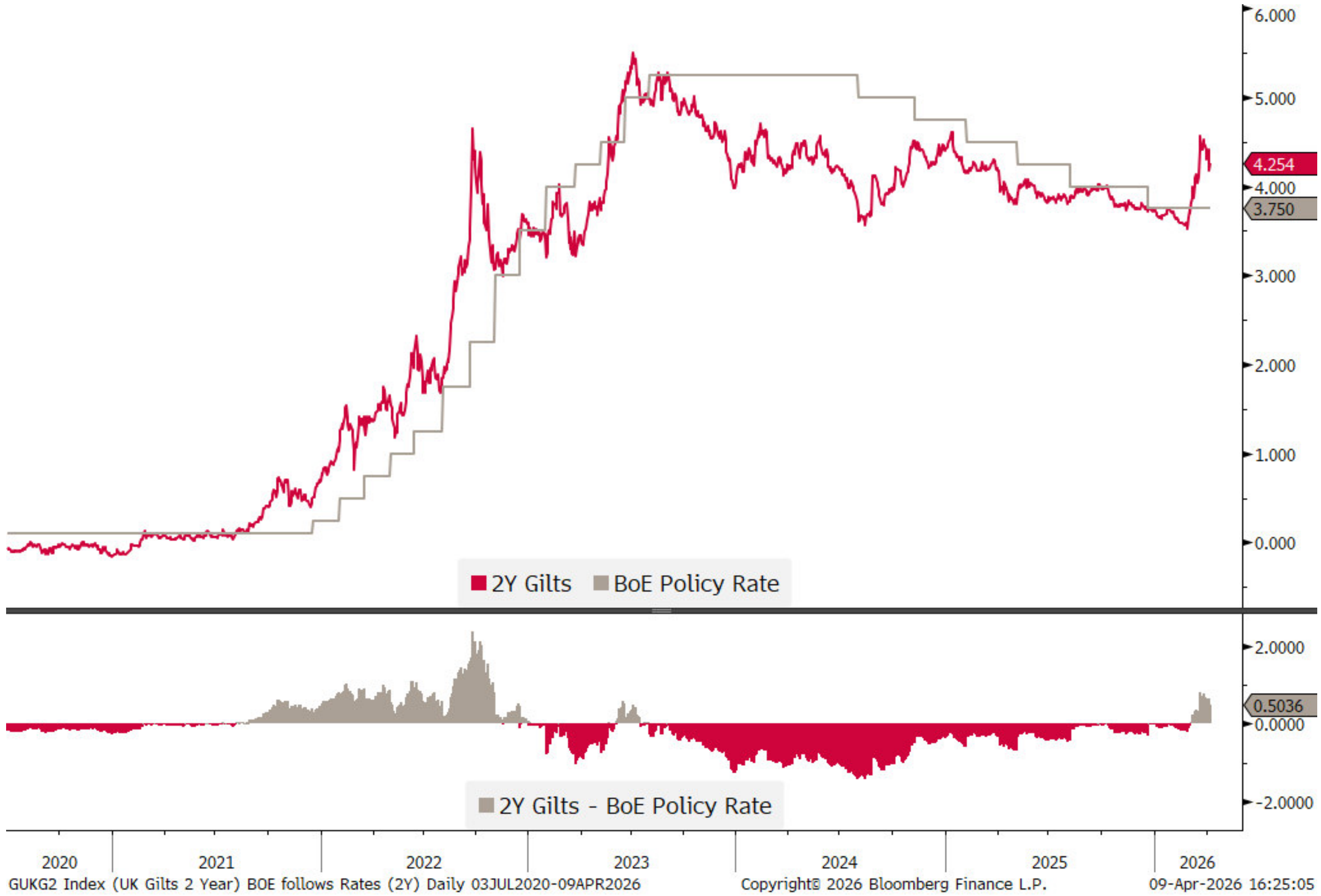


Source: Bloomberg, NPB calculations (G373a)

Bank of England Monetary Policy

BoE Policy Rate & 2Y Gilt Yield

And the two-year Gilt yield agrees!



Source: Bloomberg, NPB calculations (G373a)

Bank of England Monetary Policy

10-Year UK Gilt Yield

Last quarter we highlighted how the 10-year UK Gilt may be on the verge of breaking out of its triangle – at the lower edge (circle)!

Only took a small war in the Middle East, where the UK explicitly does not participate, to send those yields to the upper end again.

Source: Bloomberg, NPB calculations (G464a)

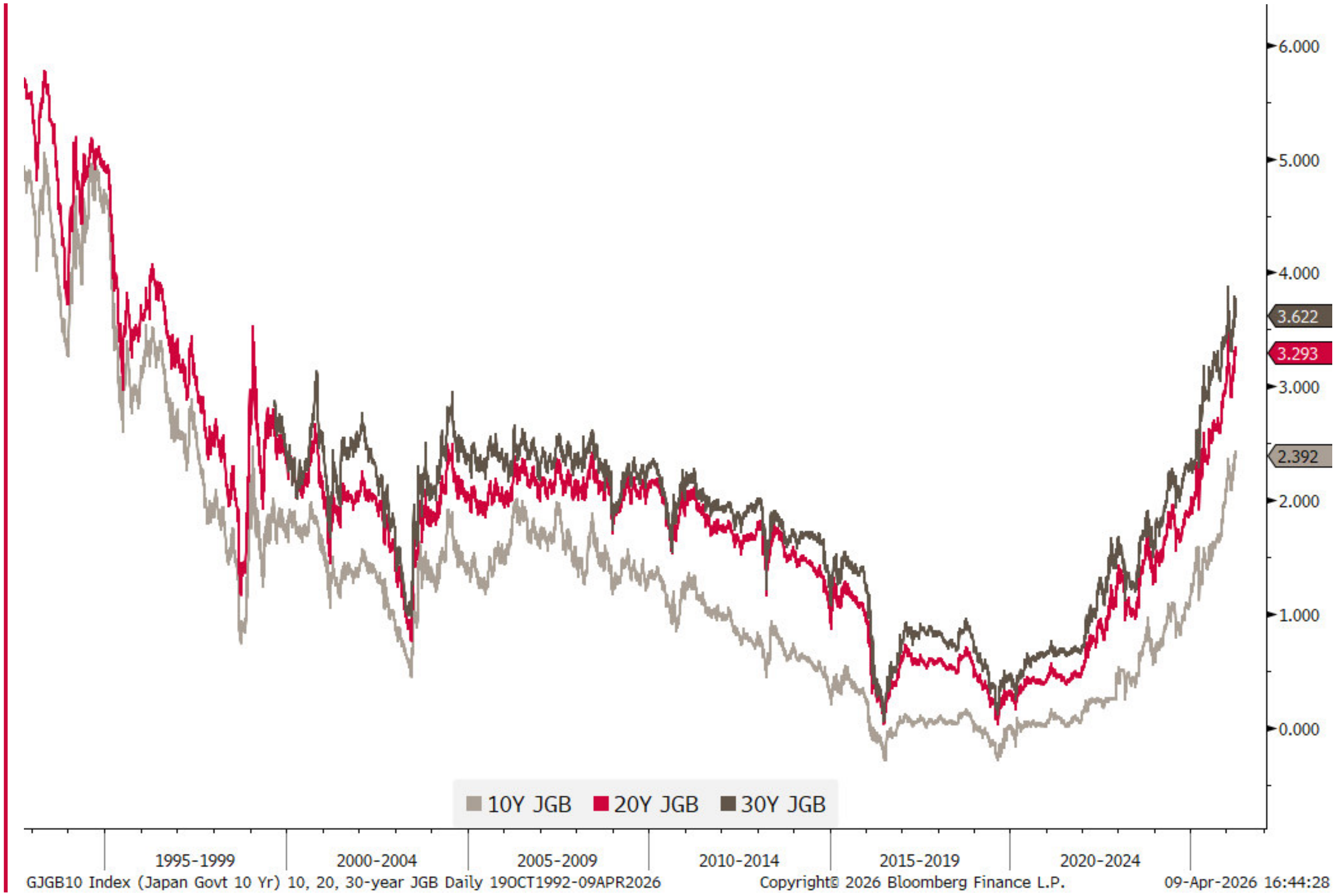
Japanese Bond Yields

10-, 20- and 30-Year JGBs

Given the excitement about the kinetic conflict in the Middle East, Japanese yields have moved a bit out of investors' attention.

But all three observed time horizons on the chart to the right, are some good 30 to 40 basis points higher than three months ago.

Do not tune away!



Source: Bloomberg, NPB calculations (G519a)

Emerging Markets

EM Yield – DM Yield Spread

As we wrote last quarter, despite being at record lows, the EM over DM spread might compress further in a world starved for yield. And indeed, this is what happened.

Can it continue to compress? Probably.

Source: Bloomberg, NPB calculations (G375a)

Credit Spreads (1 of 3)

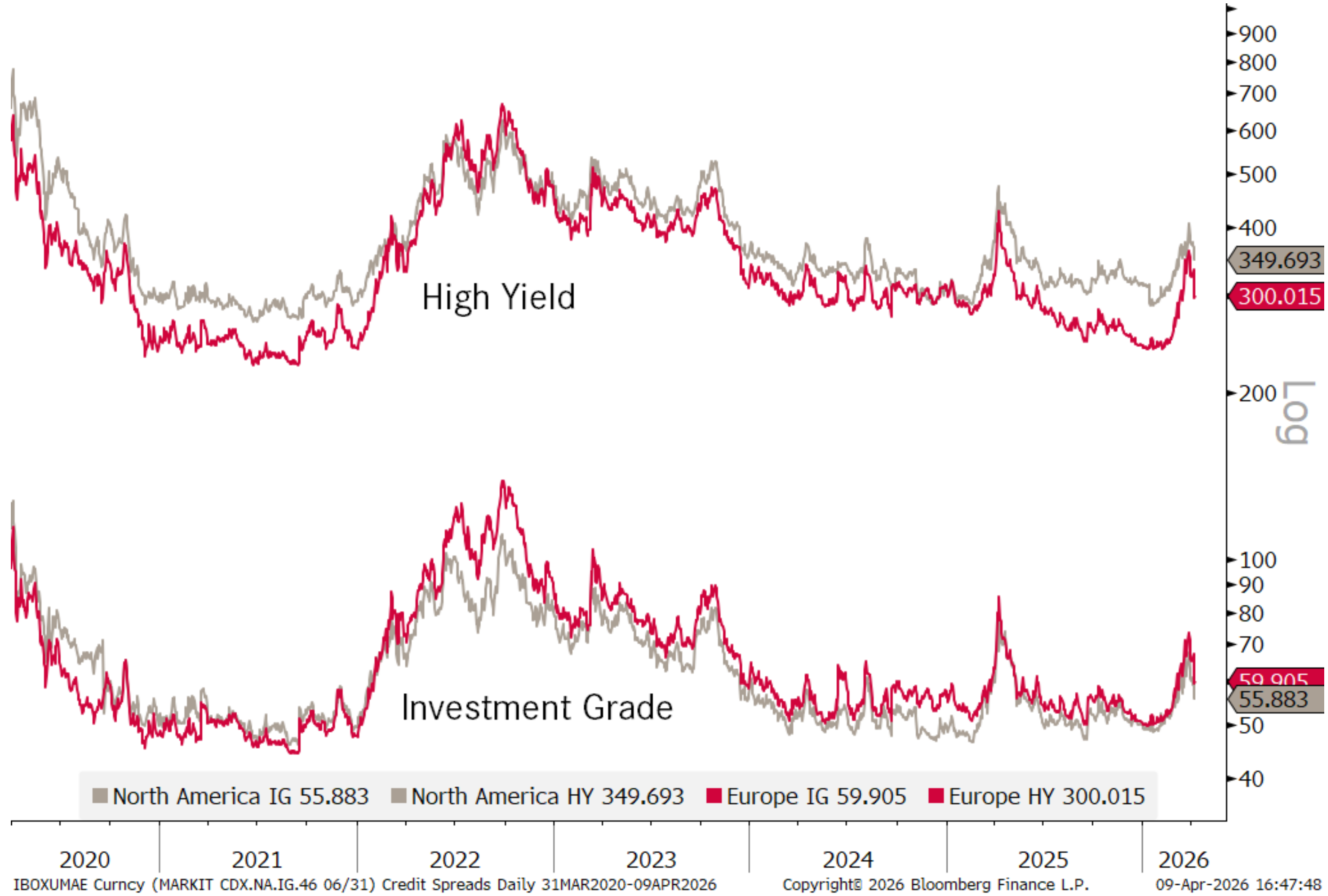
US & European IG/HY

NPB | Neue Privat Bank 25 YEARS

Was that it for the "blow out" in credit spreads?

Perhaps. Perhaps not. Perhaps both.

Let us explain … if a risk-on rally can ensue here on the back of the ceasefire, spreads could compress further. But we have a certain degree of confidence that the private credit story is not quite over yet and will return to haunt investors.

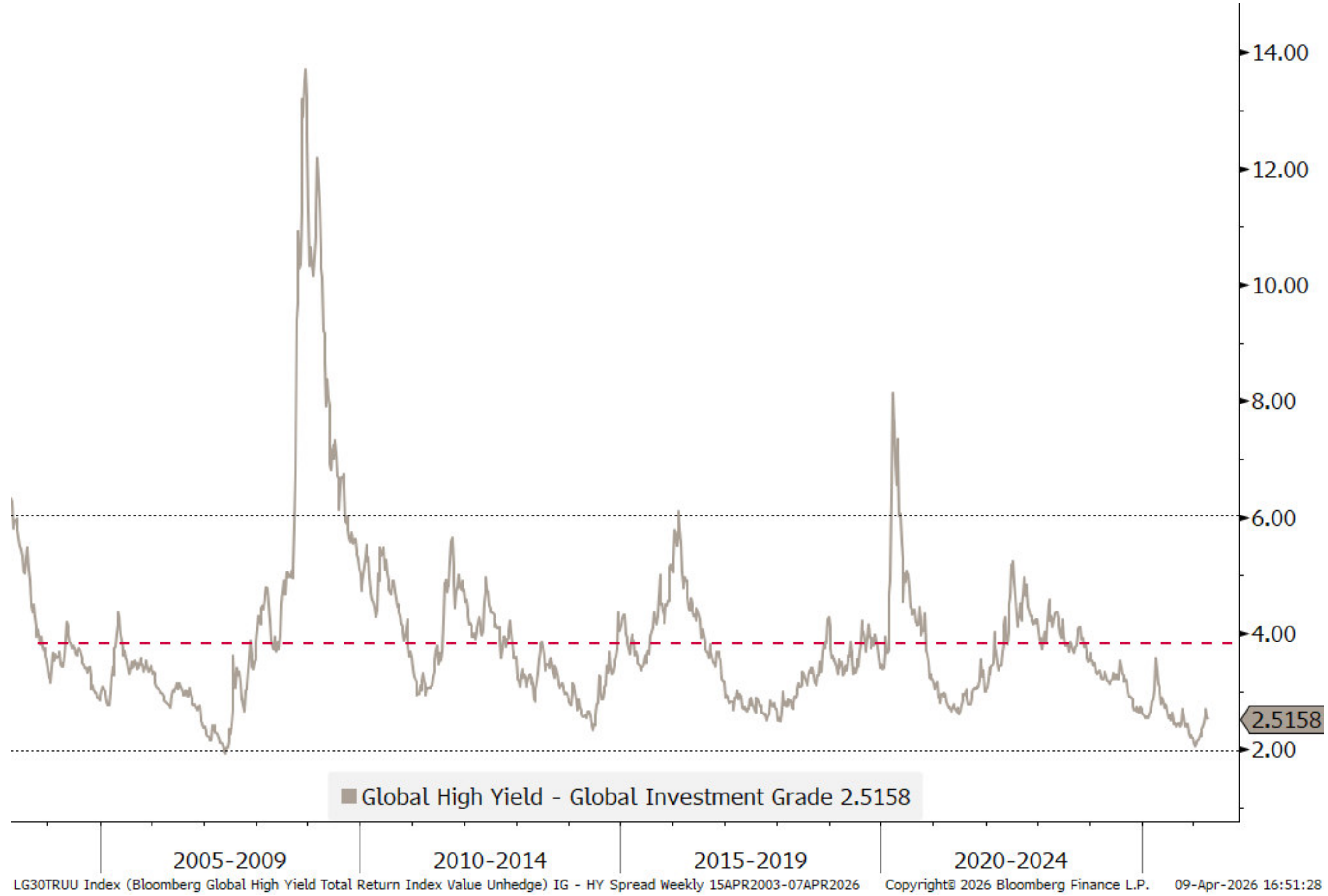


Source: Bloomberg, NPB calculations (G37a)

Credit Spreads (2 of 3)

HY – IG Spread

Not much "juice" in picking high yield over investment grade bonds, so why bother?

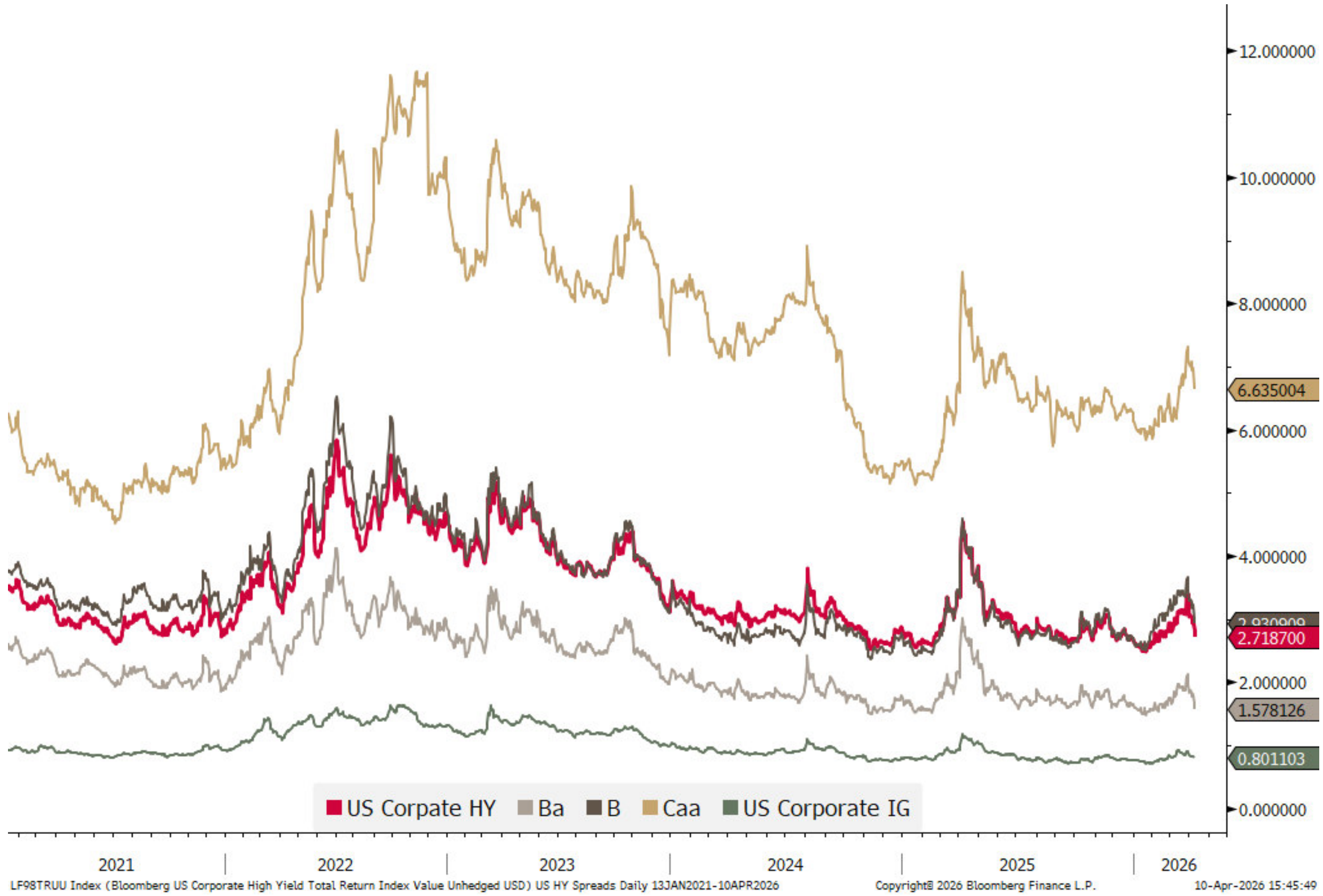


Source: Bloomberg, NPB calculations (G120a)

Credit Spreads (3 of 3)

IG vs. different HY segments

Unless you want to move into the most speculative, near-default realm. Good luck!



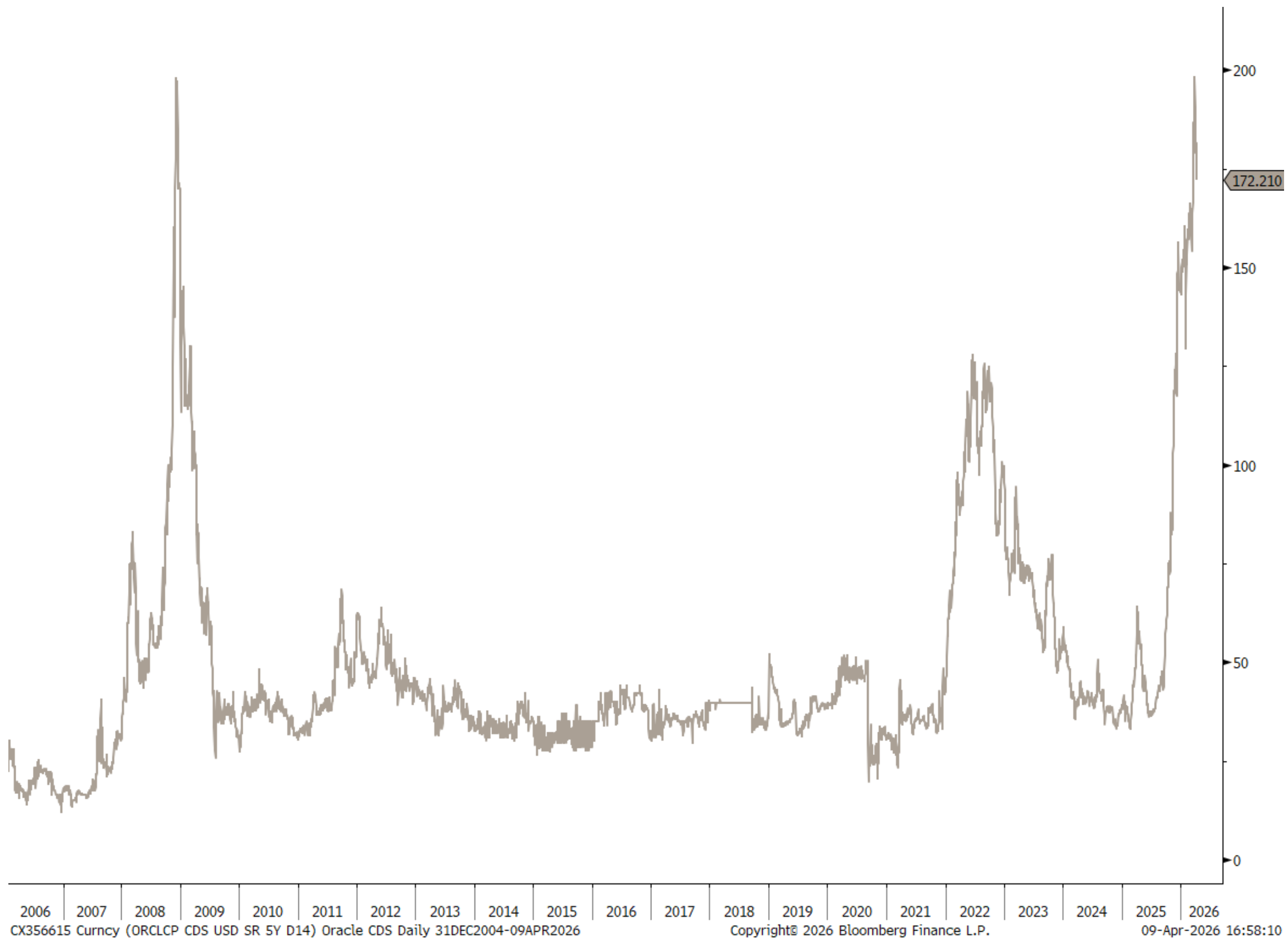
Source: Bloomberg, NPB calculations (G319a)

Oracle CDS

Technology at its peak

NPB | Neue Privat Bank 25 YEARS

Are the Credit Default Swap rates for Oracle the “canary in the coal mine” and the synonym for AI overspending?



Source: Bloomberg, NPB calculations (G735a)

Blue Owl

Who shot that bird?

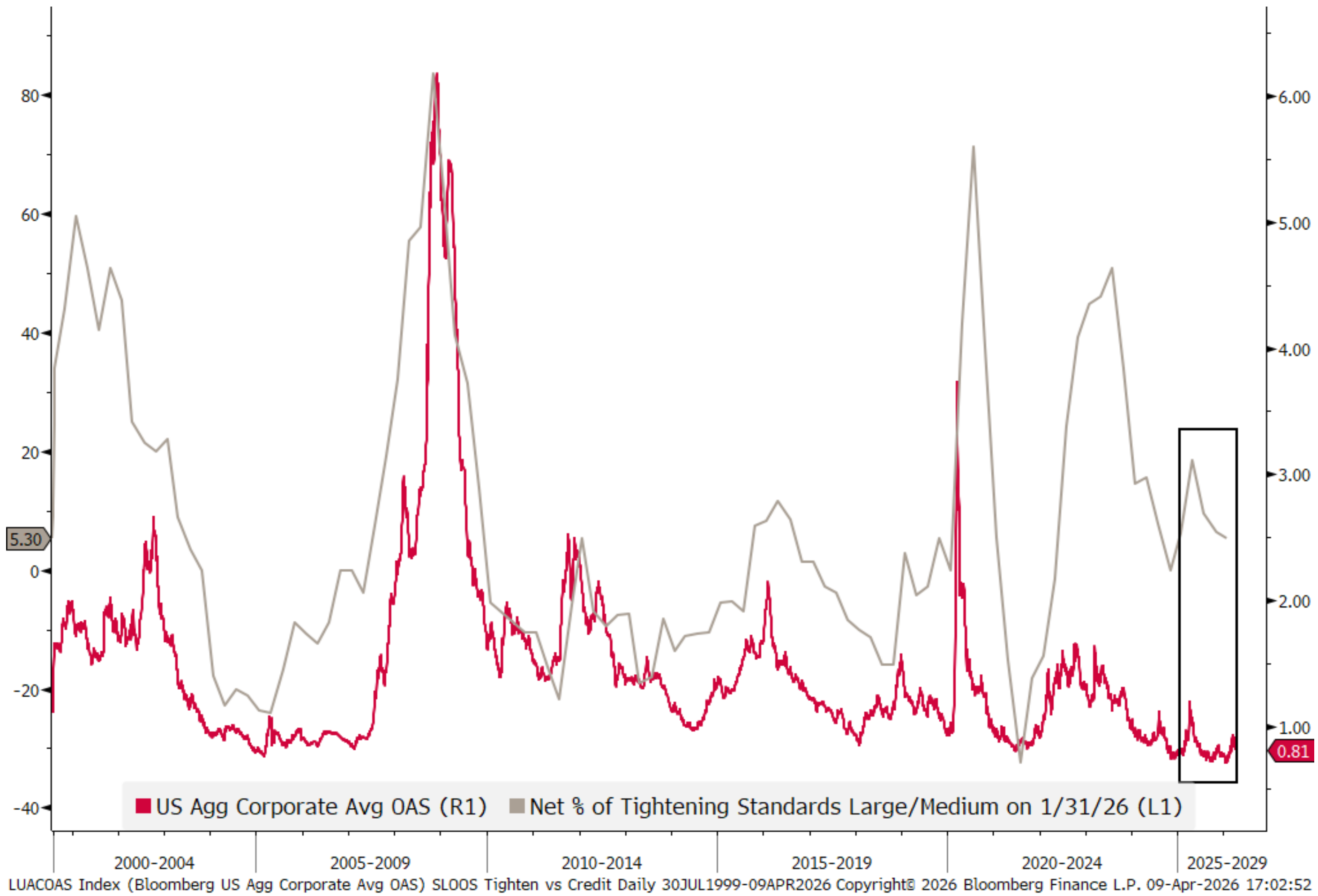
And do the shares of Blue Owl have that same function (i.e. canary in the coal mine) for the private credit story?

Source: Bloomberg, NPB calculations (G735a)

Senior Lending Officers Opinion Survey (SLOOS)

No warning signs here

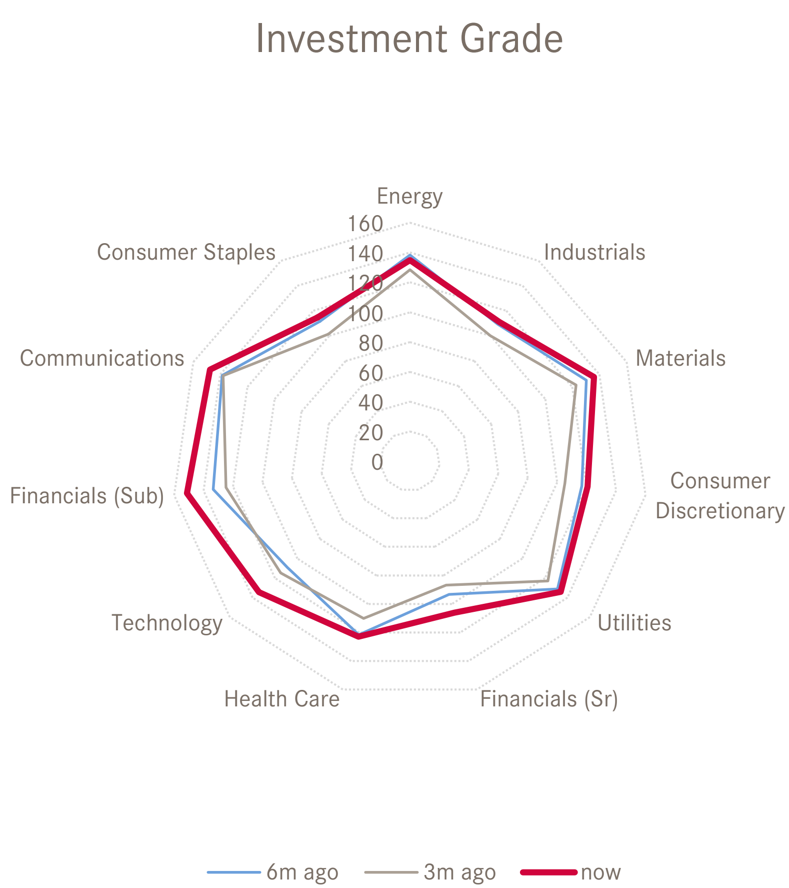
The SLOOS survey shows that credit officers are not tightening standards and hence are not giving a “canary in the coal mine” warning.

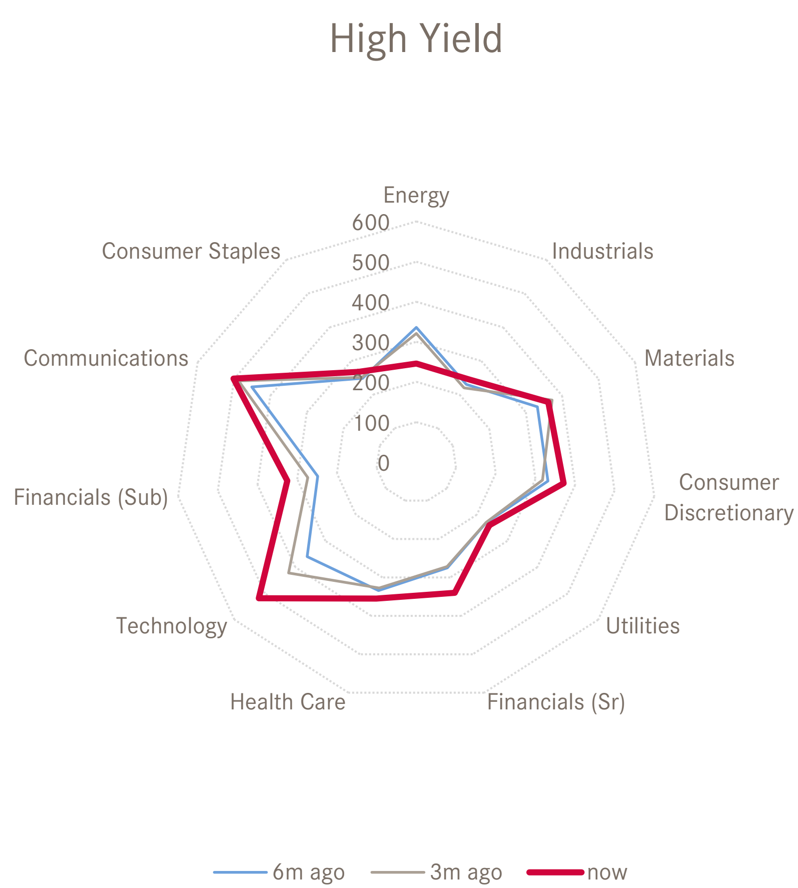


Source: Bloomberg, NPB calculations (G126a)

Credit Spreads – Sectors (1 of 2)

US Dollar IG & HY



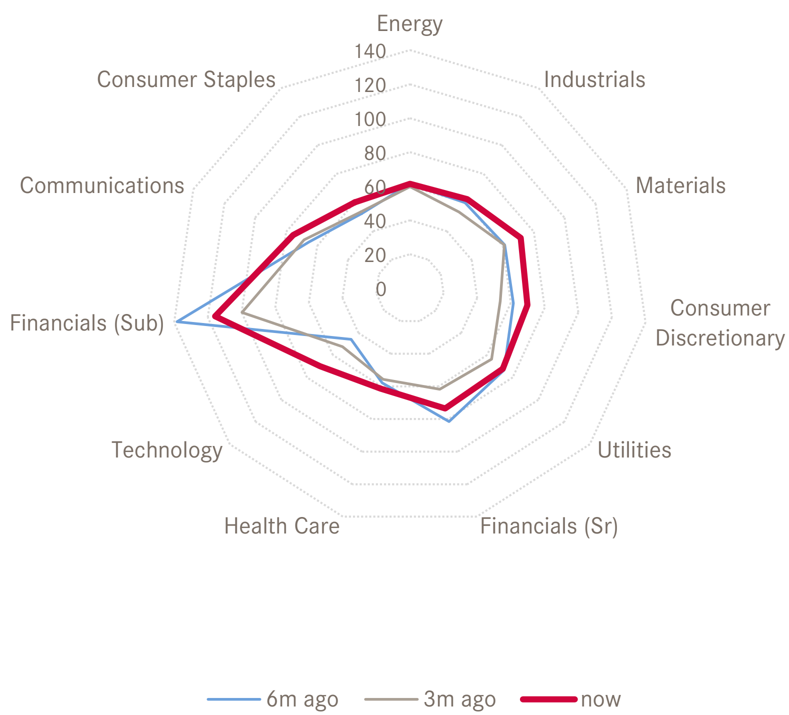


Source: Bloomberg, NPB calculations, NPB Research Hub

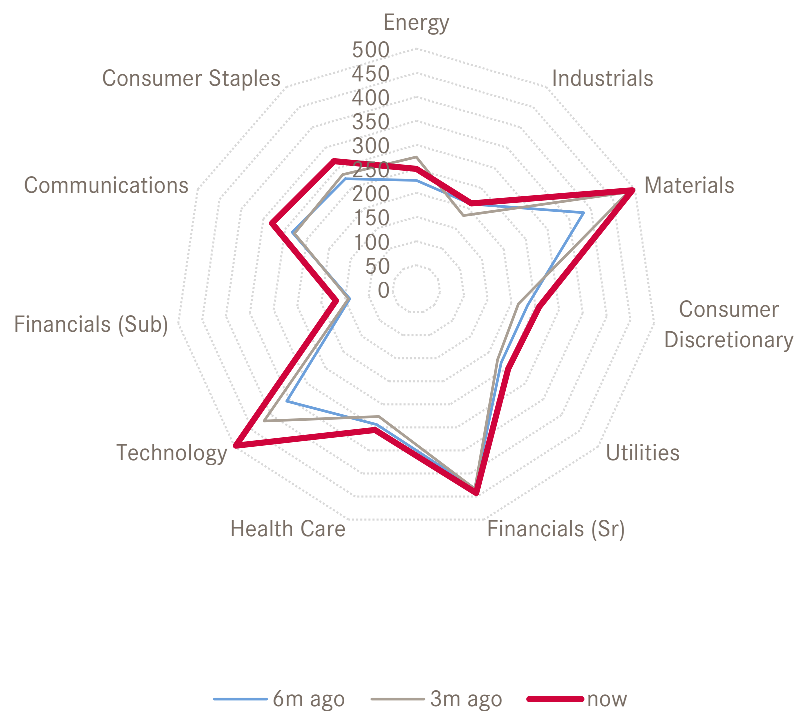
Credit Spreads – Sectors (2 of 2)

Euro IG & HY

Investment Grade



High Yield



Source: Bloomberg, NPB calculations, NPB Research Hub

FX

Chartbook Q2 2026

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

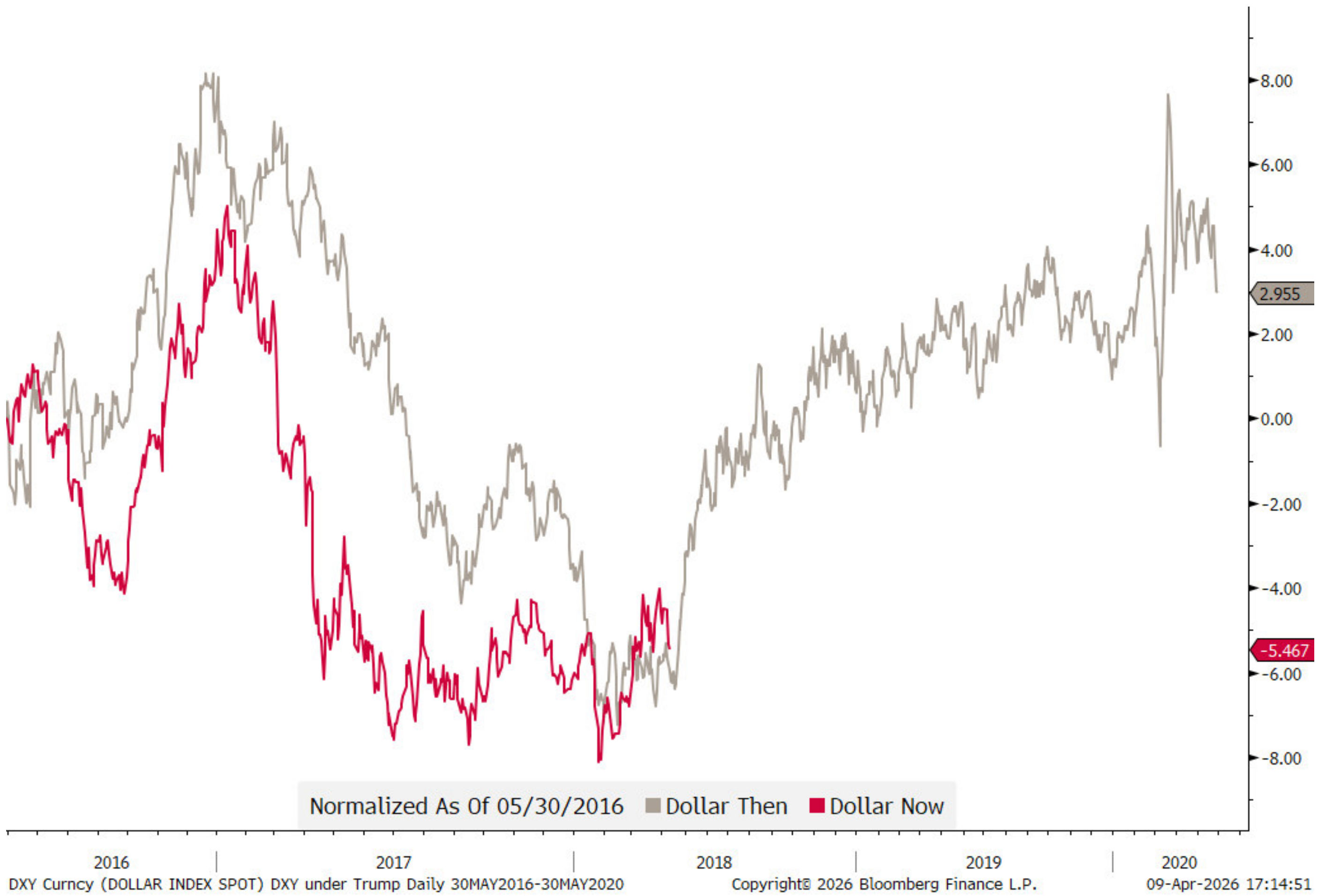
Currency Chart of The Quarter

Dollar Parallelum

We are getting a sneaking suspicion that Trump knows about this chart which compares his two presidencies and hence decided to attack Iran to bolster the Greenback just in time!

Just kidding, or so we hope…

If this is to hold up, then either Iran is not over yet or there is yet another wildcard coming our way.



Source: Bloomberg, NPB calculations (G264a)

FX Forecasts

Economists' Forecasts

Here are the currency forecast from a bunch of strategists, economists and other seers. FWIW.

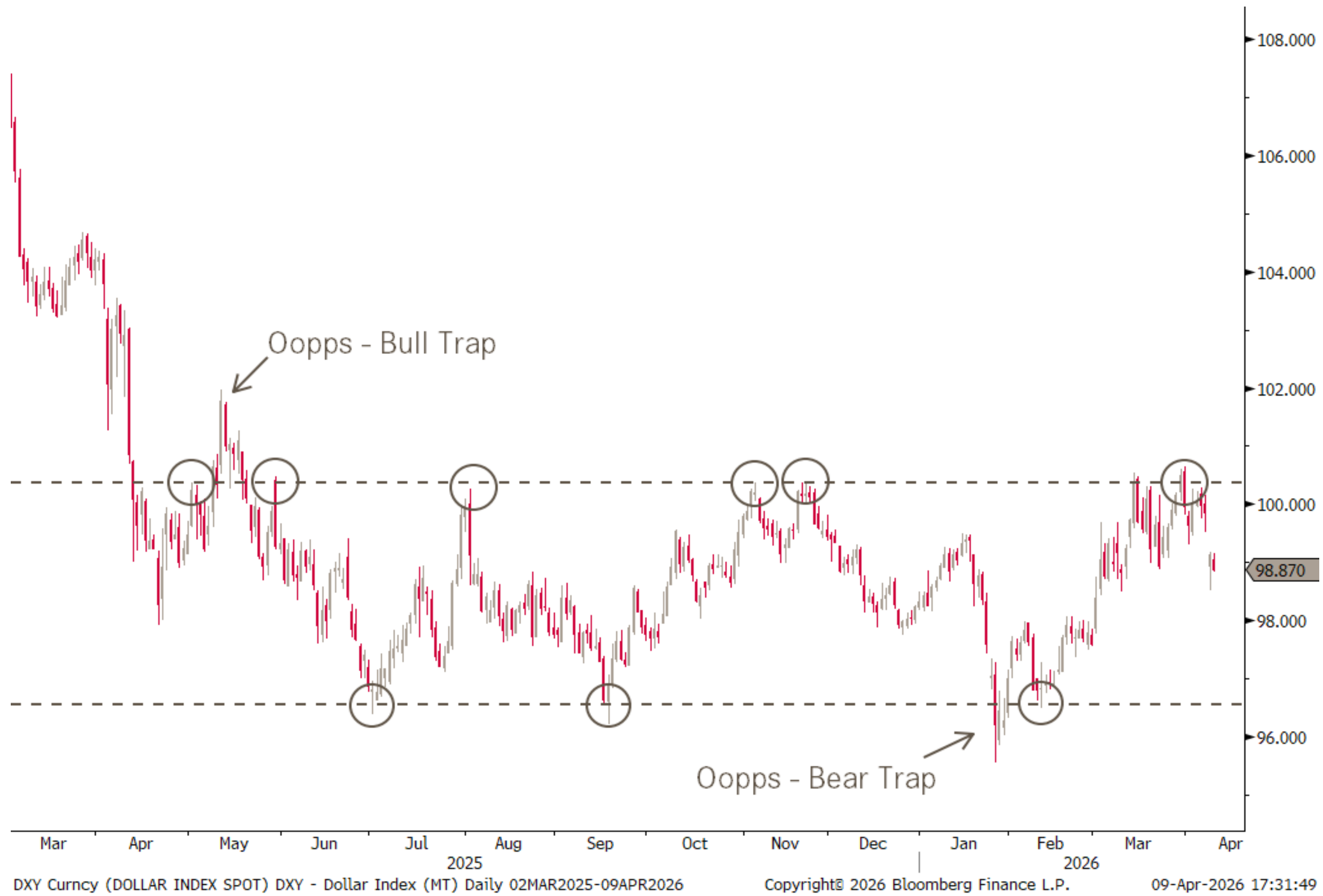
	FX Forecasts								
	30-09-25	Q2-2026	Q3-2026	Q4-2026	Q1-2027	12-2027	12-2028	12-2029	12-2030
EUR/USD	1.1553	1.17	1.18	1.2	1.2	1.2	1.2	1.23	1.21
USD/CHF	0.7995	0.79	0.78	0.78	0.78	0.78	0.84	0.87	0.89
EUR/CHF	0.9237	0.91	0.92	0.93	0.93	0.94	0.99	0.96	0.95
GBP/USD	1.3227	1.34	1.35	1.36	1.36	1.38	1.34	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.

Source: Bloomberg, NPB calculations, NPB Research Hub

US Dollar

Disappointing Wartime Performance

The Dollar has shown a disappointing performance upon the outbreak of the war. Whilst it did move higher as a function of its safe haven status, it was not a major move and weakness has ensued on the first signs of a ceasefire.



Source: Bloomberg, NPB calculations (G469a)

US Dollar

Breakdown Pending

The US Dollar Index (DXY) is on the verge of breaking its secular uptrend.

Source: Bloomberg, NPB calculations (G469a)

EUR/USD

Trend remains up

The long-term, secular downtrend of the Euro versus the US Dollar ended already back in early 2025 when the cross moved above the dotted black line.

The uptrend should reaccelerate as the rate moves above 1.1900 … and …

Source: Bloomberg, NPB calculations (G470a)

EUR/USD

Trend remains up

… the price target will be around 1.40!

Source: Bloomberg, NPB calculations (G470a)

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

Guess What

Guess what the next will be from here.

Unless Trump finds another Dollar-supporting war to fight somewhere, the SNB will have a lot of work to do to keep the CHF down.

Source: Bloomberg, NPB calculations (G471a)

EUR/CHF

Fake out?

As we suggest last quarter, the EUR/CHF was due to for a resolve out of the triangle.

This indeed happened, but with the "help" of the Middle East conflict, the EUR made ground versus the CHF (a question of interest rate differential) and moved back into that triangle.

What next? We are not sure, let's observe for now.

Source: Bloomberg, NPB calculations (G472a)

Commodities

Chartbook Q2 2026

> “An army marches on its stomach.”
>
> — Napoleon Bonaparte

Commodity Chart of the Quarter

Commodities versus Equities

Think you have missed the secular uptrend in commodities?

Think again!

Source: Bloomberg, NPB calculations (G198a)

Commodities

Bloomberg Commodity Index (BCOM)

The BCOM index broke out of its 2-year plus base formation in Q4 of last year. This, despite that the crude oil exposure of the index, roughly 15%, is still not helping to add to momentum.

Source: Bloomberg, NPB calculations (G588a)

Commodities

Bloomberg Commodity Index (BCOM)

The missing element (pun intended) joined the party!

The oil rally was so substantial it was not only to offset the drop in some of the (precious) metals, but lifted the general commodity some 25%

Source: Bloomberg, NPB calculations (G588a)

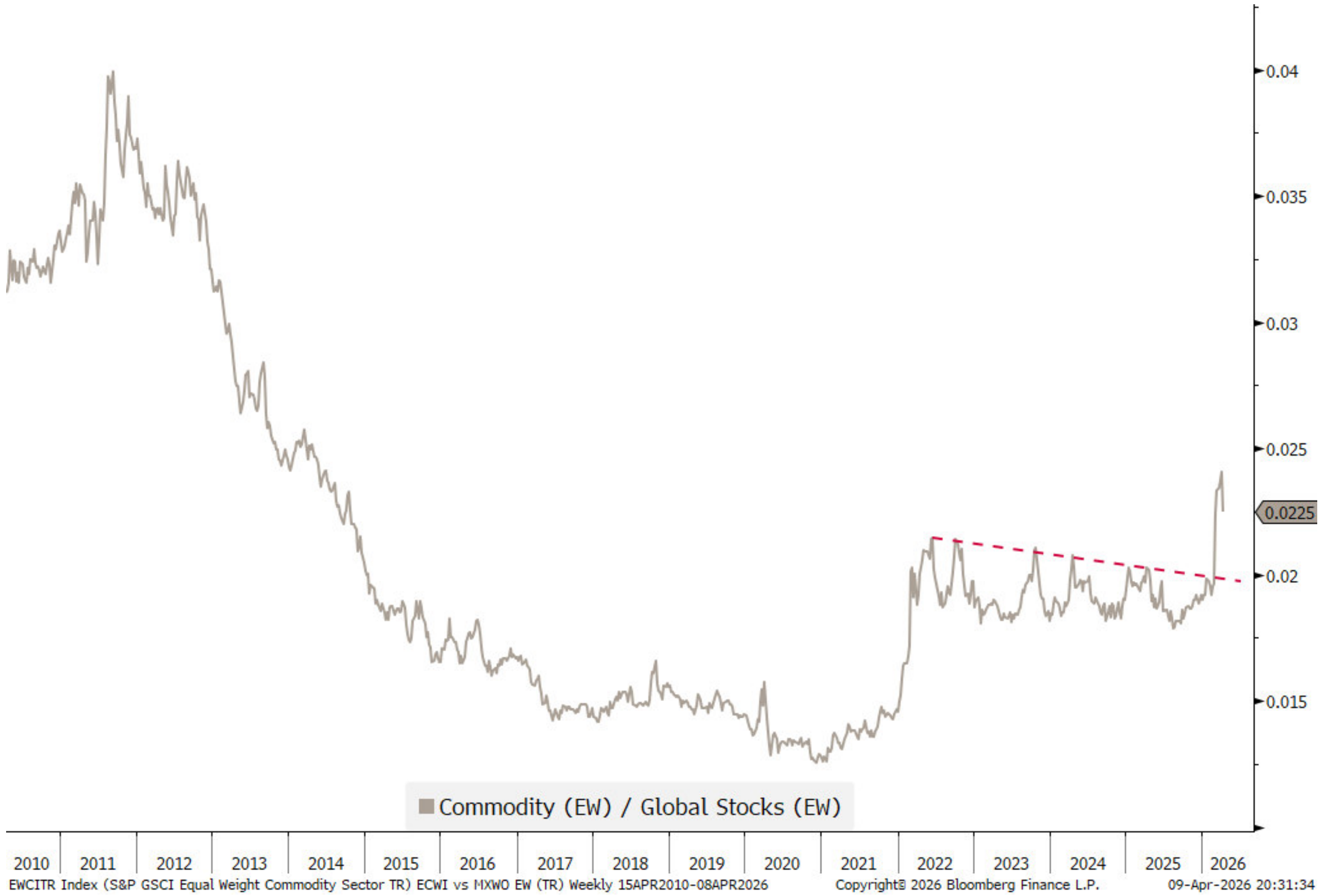
Commodities vs. Stocks

Equal-Weight

NPB Neue Privat Bank 25 YEARS

The possible breakout we had written about on the commodities versus equities equal-weight chart also happened.

We expect the uptrend to continue after a short- to medium-term consolidation period.

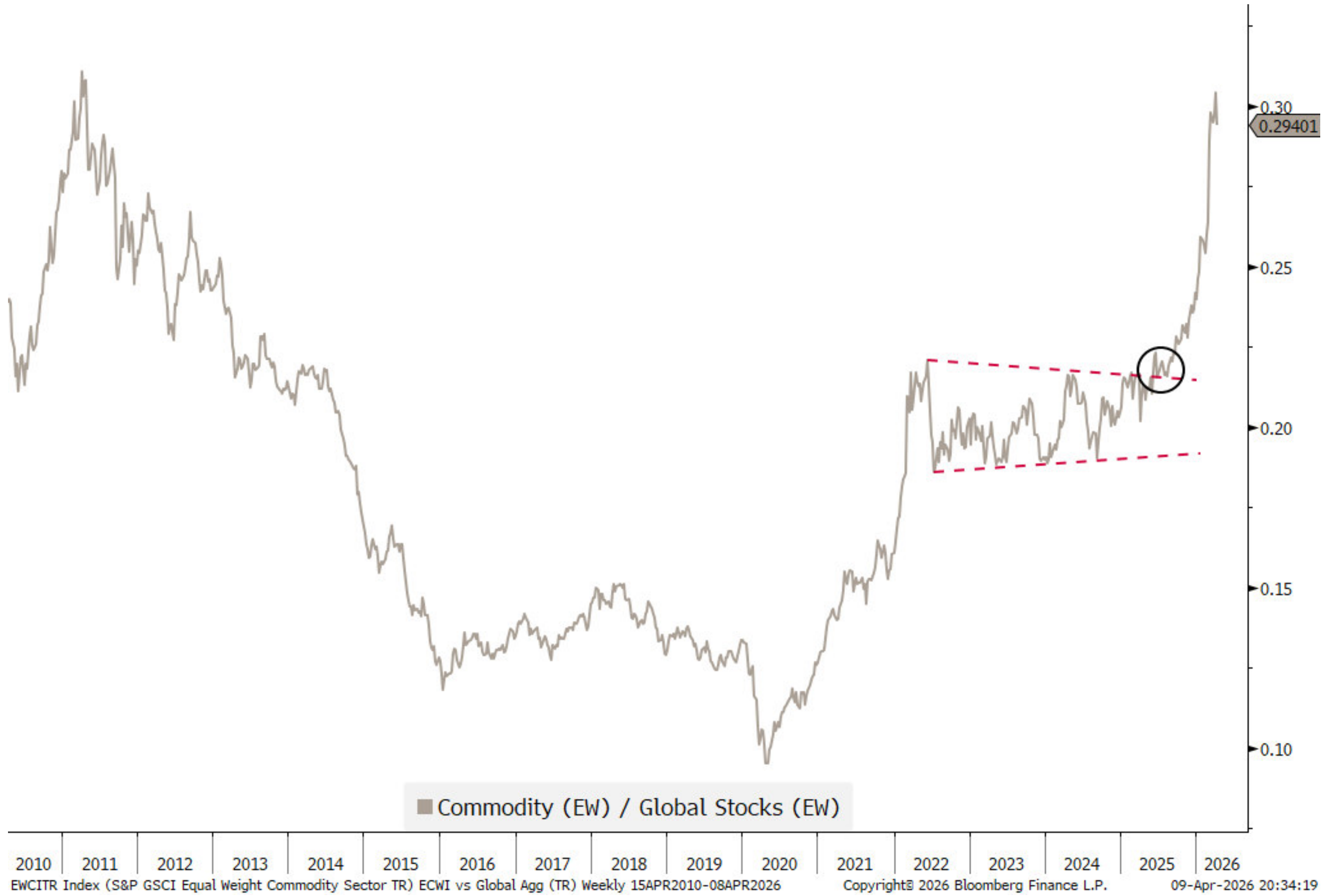


Source: Bloomberg, NPB calculations (G590a)

Commodities vs. Bonds

Commodity EW vs. Global Aggregate Bonds (USD Hedged)

This chart further bolsters our dislike (distaste?) for bonds, especially at the longer end of term structure.

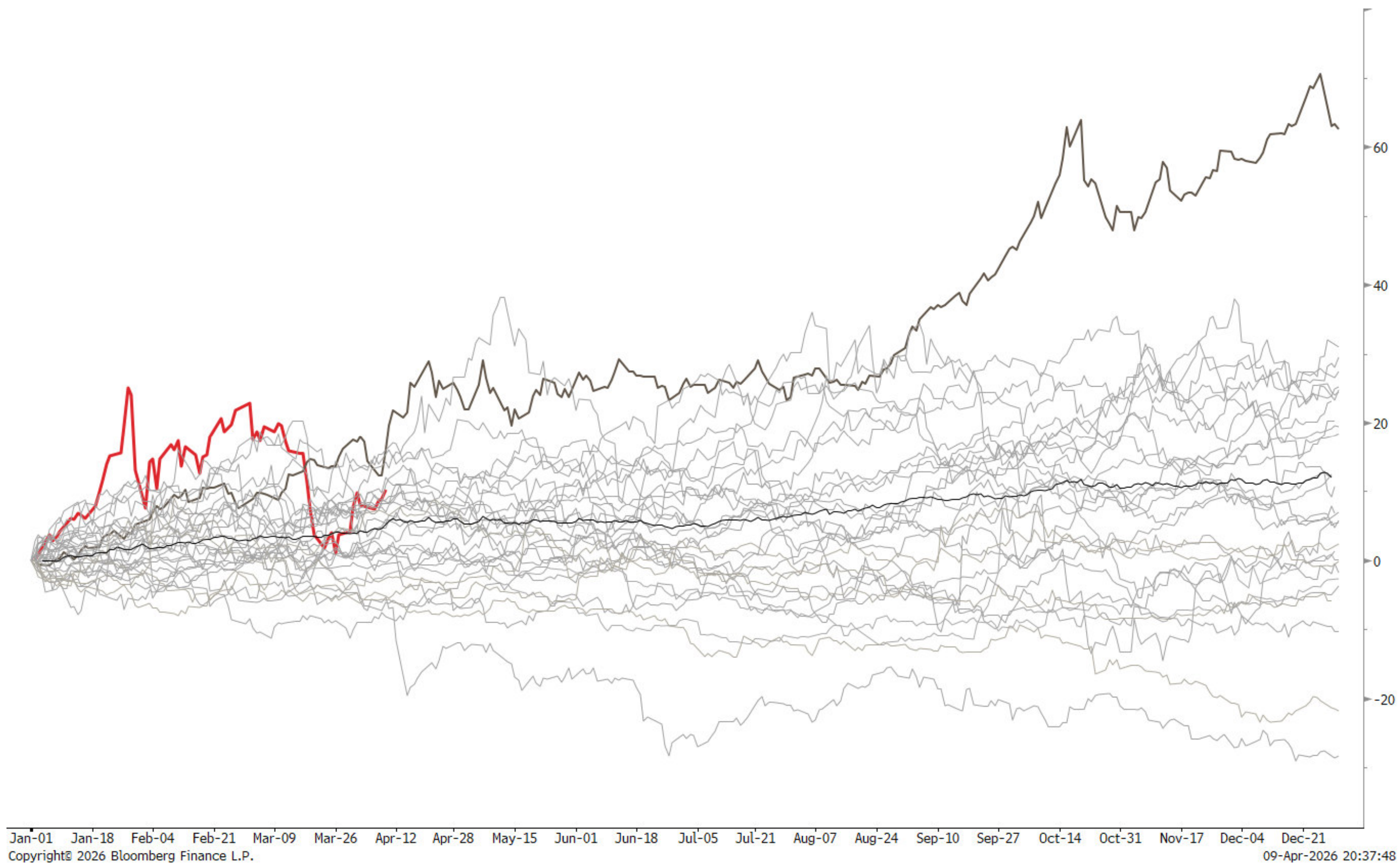


Source: Bloomberg, NPB calculations (G591a)

Gold

2026 so far

This year (red line) turns out to be a bit more difficult for Gold than last year (dark grey), but all truth being told, it is still an above-average return year so far.

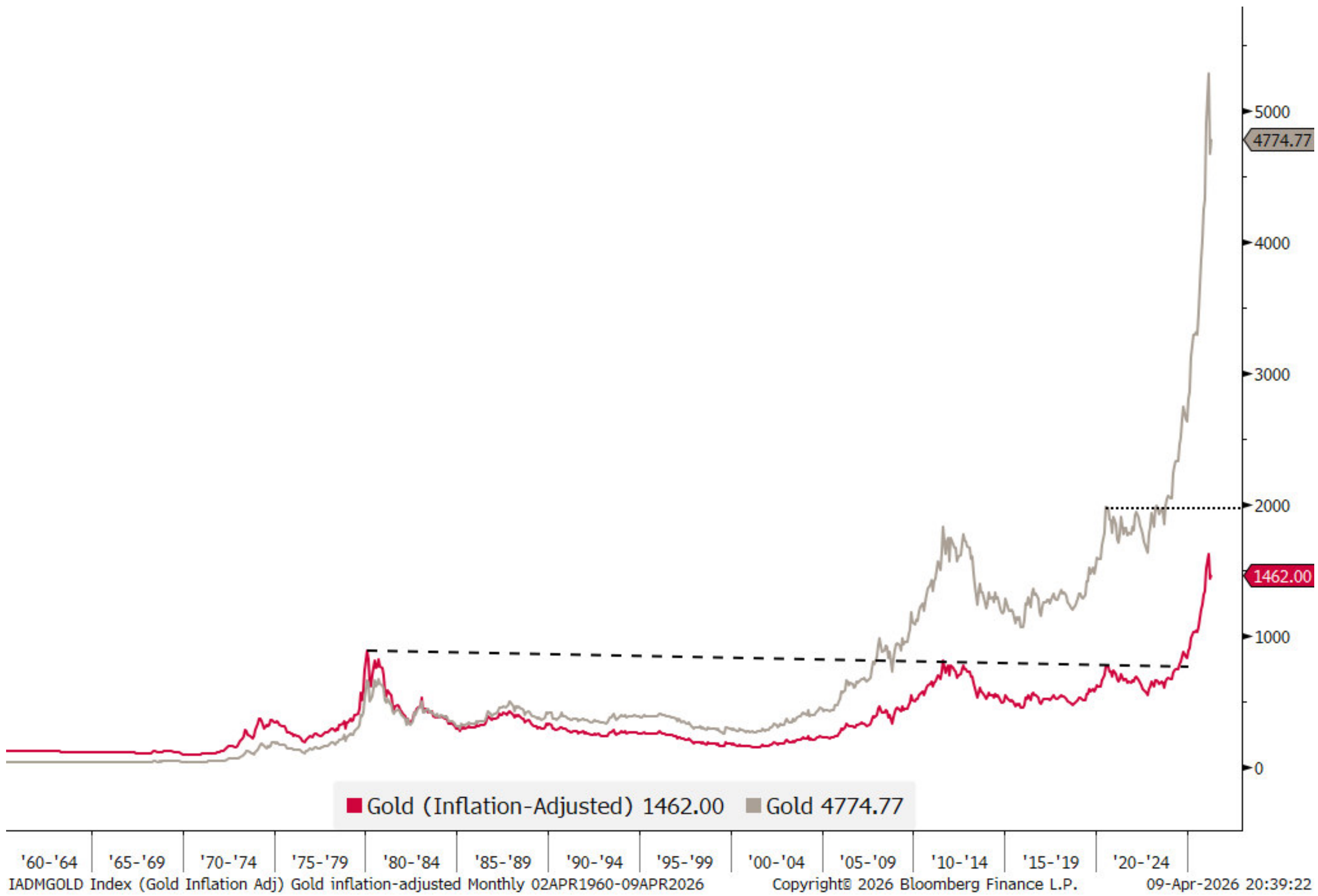


Source: Bloomberg, NPB calculations (G446a)

Gold

Inflation-Adjusted

An Update.



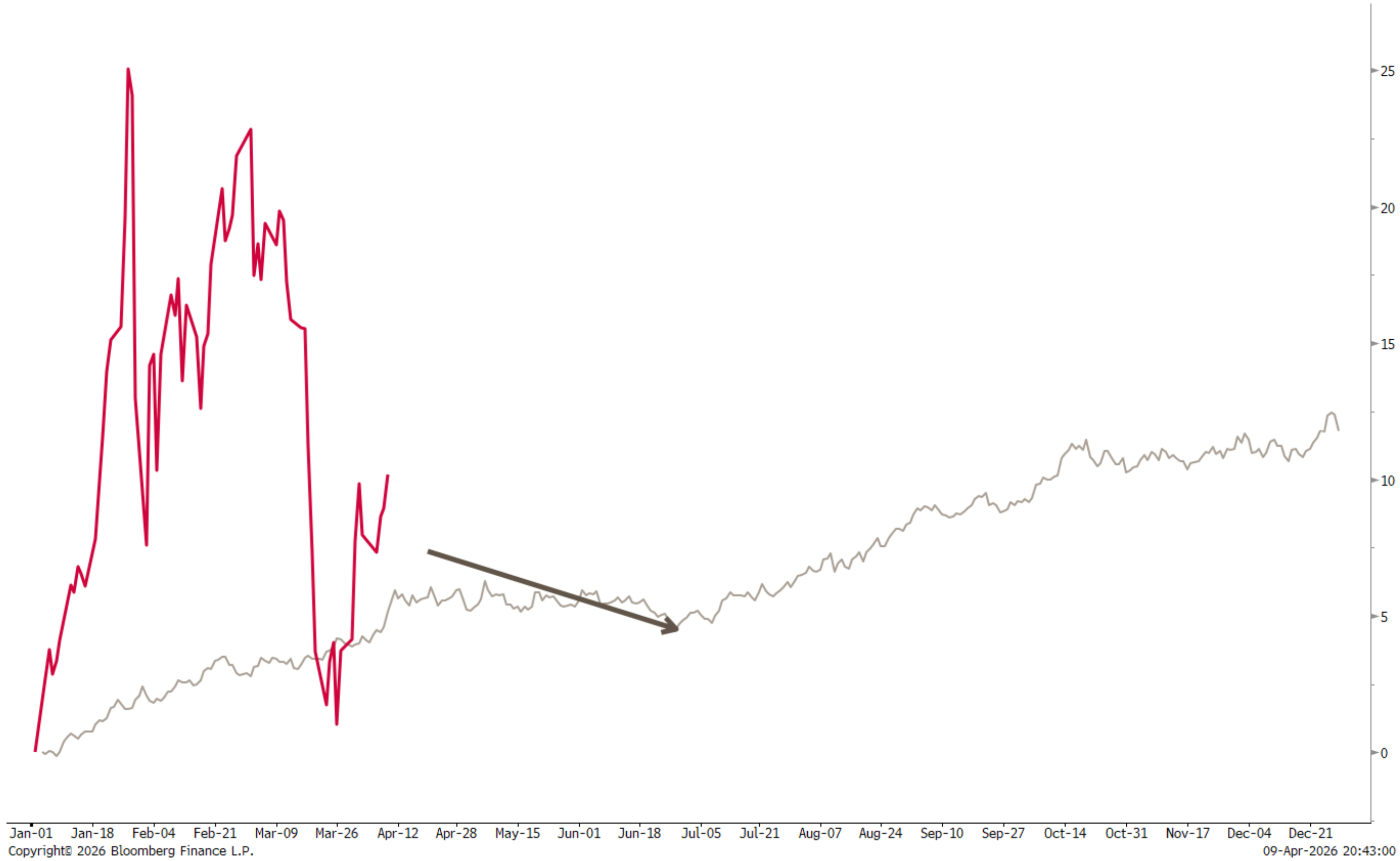
Source: Bloomberg, NPB calculations (G30a)

Gold

Seasonality

The seasonal weakness for Gold (and Silver) should actually be starting now.

Hence the question is whether more downside is coming or if the March sell-off was just early.



Source: Bloomberg, NPB calculations (G585a)

Gold

Further Upside?

Assuming seasonal came early this year (see previous slide), Gold could have more upside to above 5,000 again.

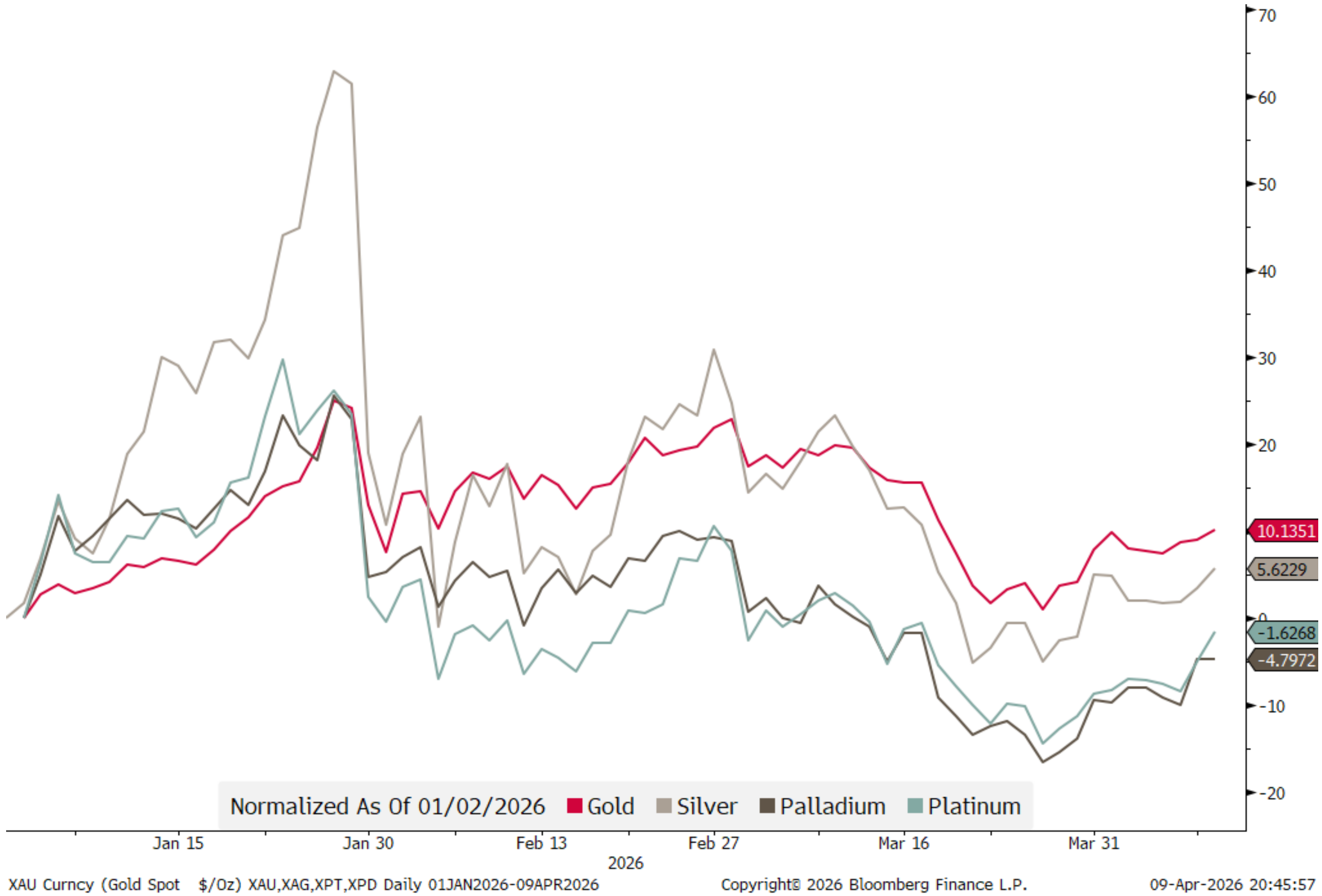
All bets off below 4,350

Source: Bloomberg, NPB calculations (G585a)

Precious Metals

Know what you own

Whilst Gold was the worst performing precious metal last year, this year it's more defensive nature … well… shines!



Source: Bloomberg, NPB calculations (G339a)

Crude Oil

Brent

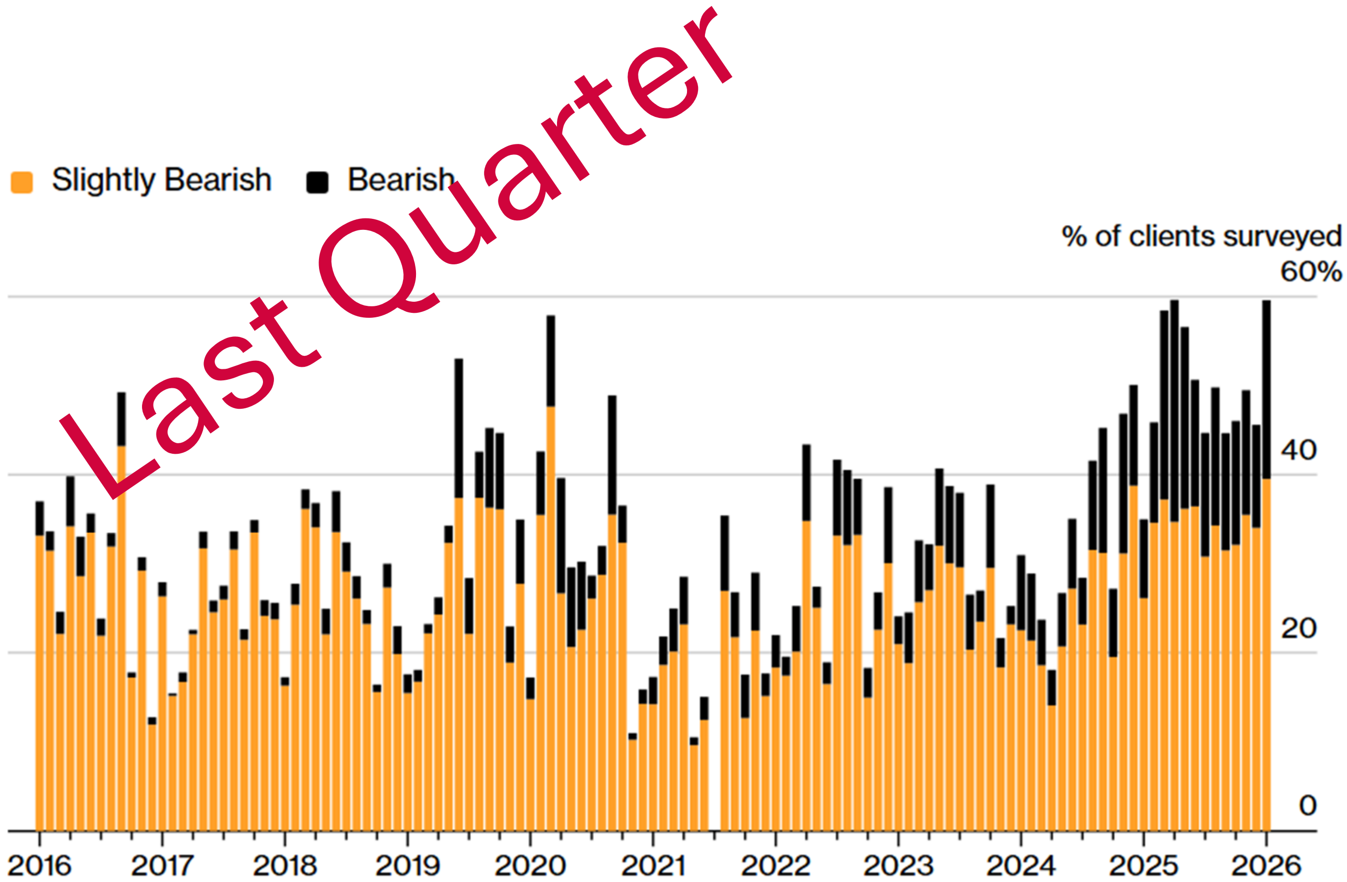
Crude continues to hover in a wide, downward slanting trend. We continue to think that the downside is limited from here. Not least to a record, negative sentiment (see next slide).

Source: Bloomberg, NPB calculations (G476a)

Crude Oil

Sentiment via GS Survey

A Goldman Sachs survey of 1,100 of their clients shows that this cohort is the most bearish on oil it ever has been over the past ten years a few days ago (next slide, red arrow).



Source: Golman Sachs Marquee Market View

Crude Oil

Brent

We carefully suggest that negative may have been cleaned up now …

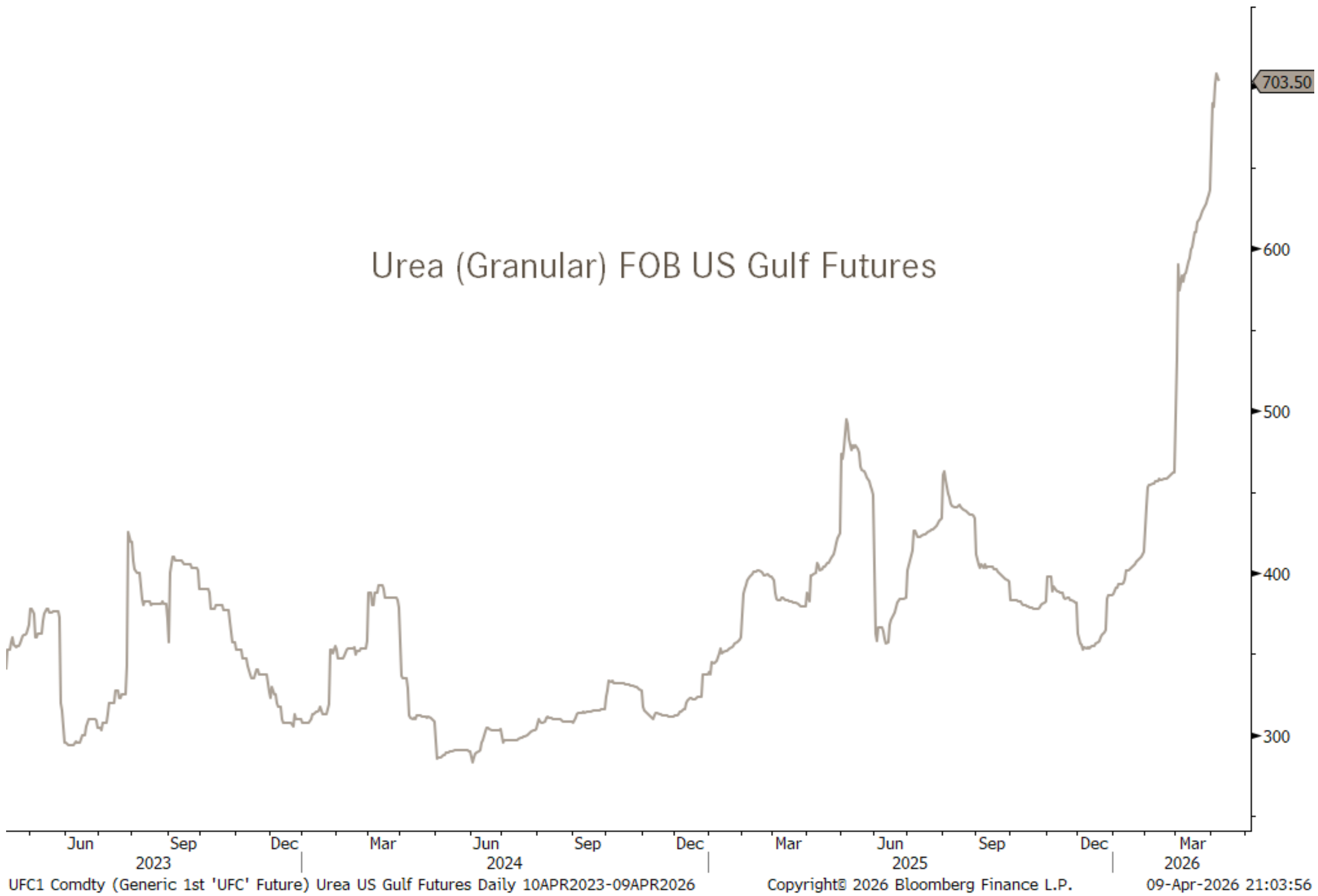
Source: Bloomberg, NPB calculations (G476a)

Fertilizers

Hunger Games

Oil is not the only commodity that has gone up. Fertilizer prices have doubled over the month and are remaining elevated, despite the ceasefire.

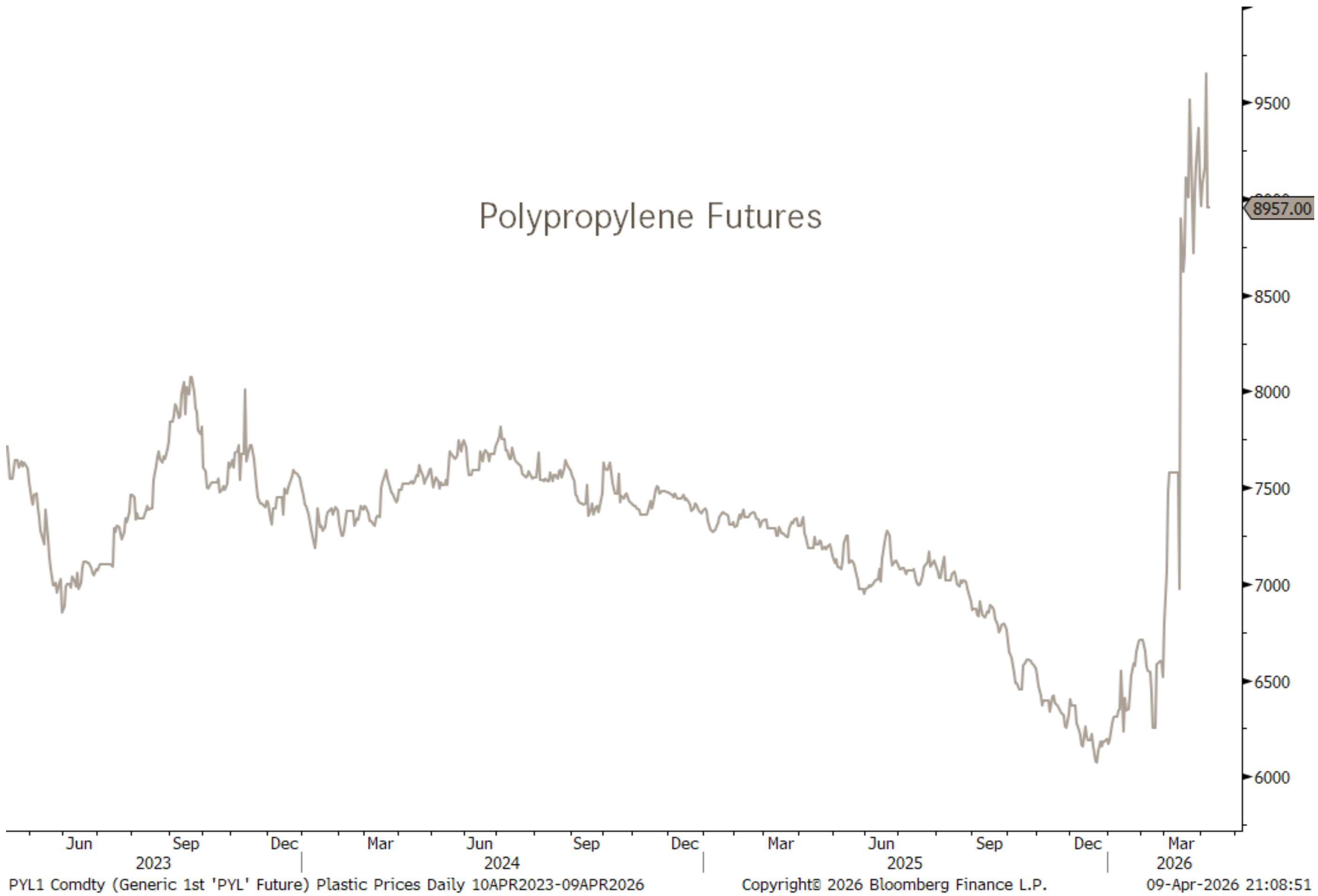
Remember, that Strait still has to open and then it will take time to get to full capacity again.



Plastics

Where's my Lego?

Ditto for Plastic



Macroeconomics

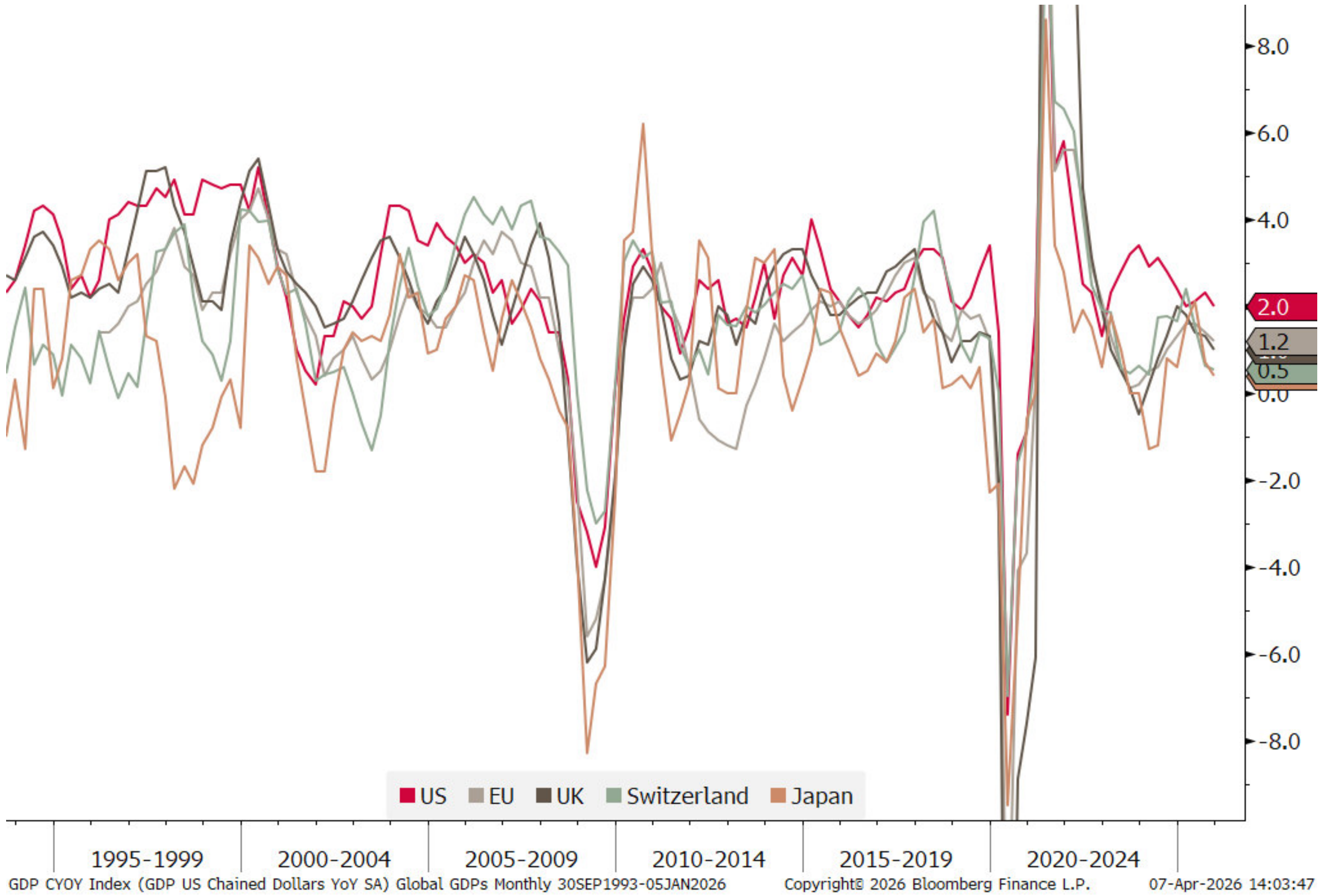
GROWTH

Chartbook Q2 2026

Global GDPs

Selected Developed Countries

Despite a growth slowdown observed towards the end of last year, we still expected a economic re-acceleration in 2026 – at last right until the US (and Israel) decided to start a war in the Middle East in early March.



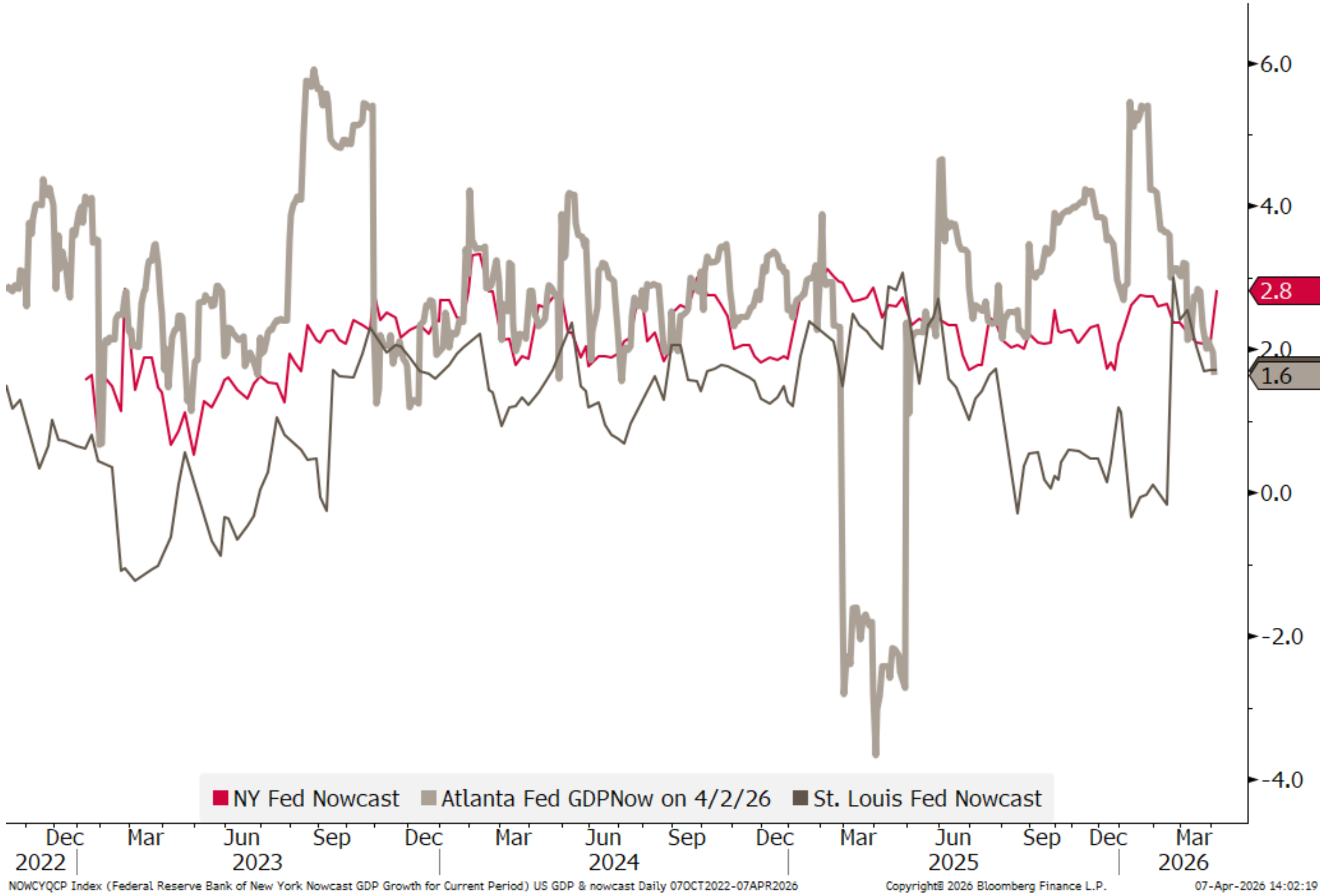
Source: Bloomberg, NPB calculations (G17a)

GDP Nowcasts

US

NPB | Neue Privat Bank

The Atlanta Fed's GDPNow model (grey, fat line) for forecasting GDP growth in real-time has the most accurate track record. To note is that this model forecasted, as did we, stronger-than-reported economic growth right up to the outbreak of the war, where it collapsed from above five to below two percent.



Source: Bloomberg, NPB calculations (G170a)

Global GDPs

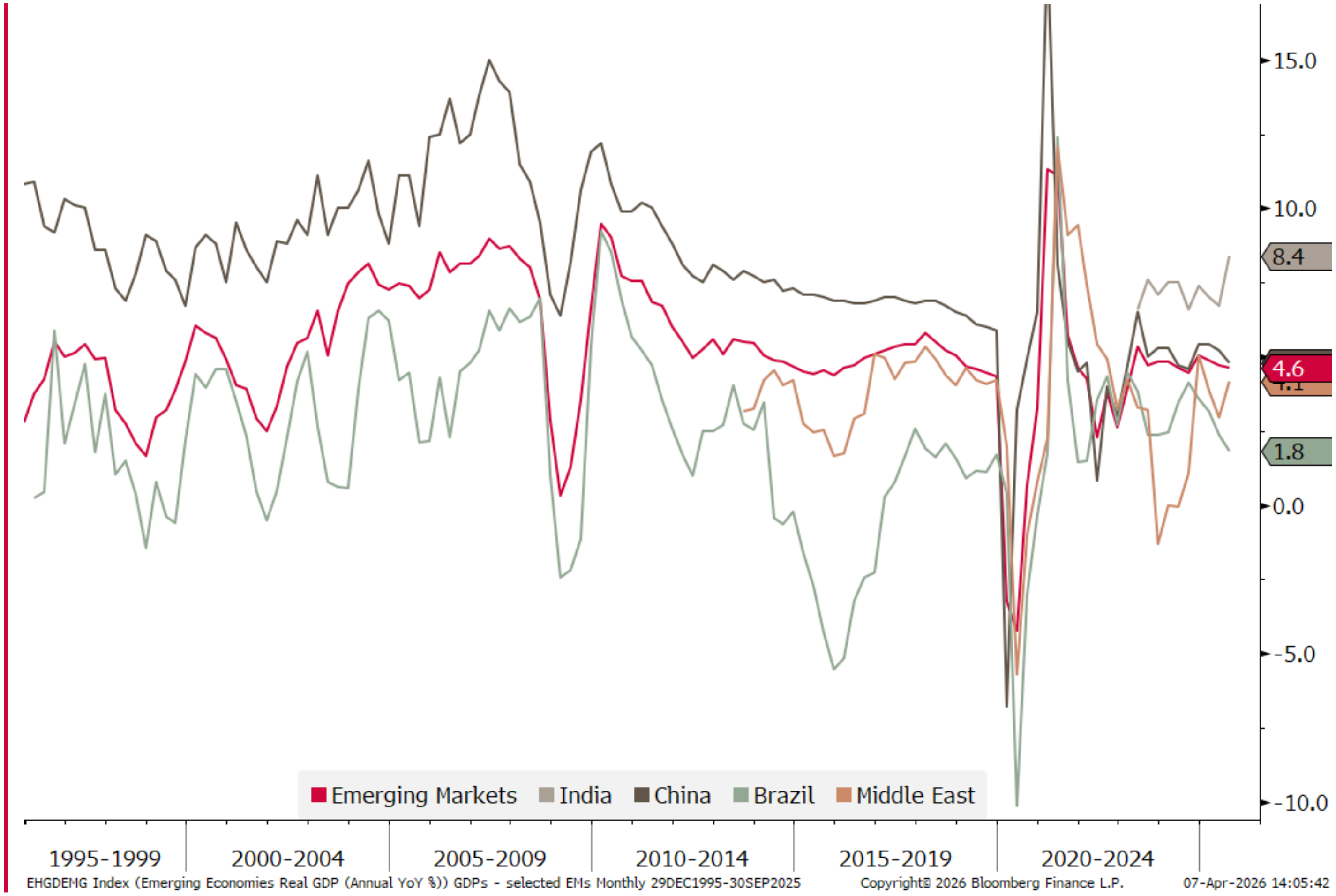
Selected Emerging Countries

NPB | Neue Privat Bank 25 YEARS

Growth has accelerated for most of emerging markets selected in the chart to the right.

BUT, caveat emptor!

All GDPs are reported for Q4/2025 and do NOT include impact from the war and the higher energy prices. Especially for India we expect GDP growth to be hitting a wall right now.



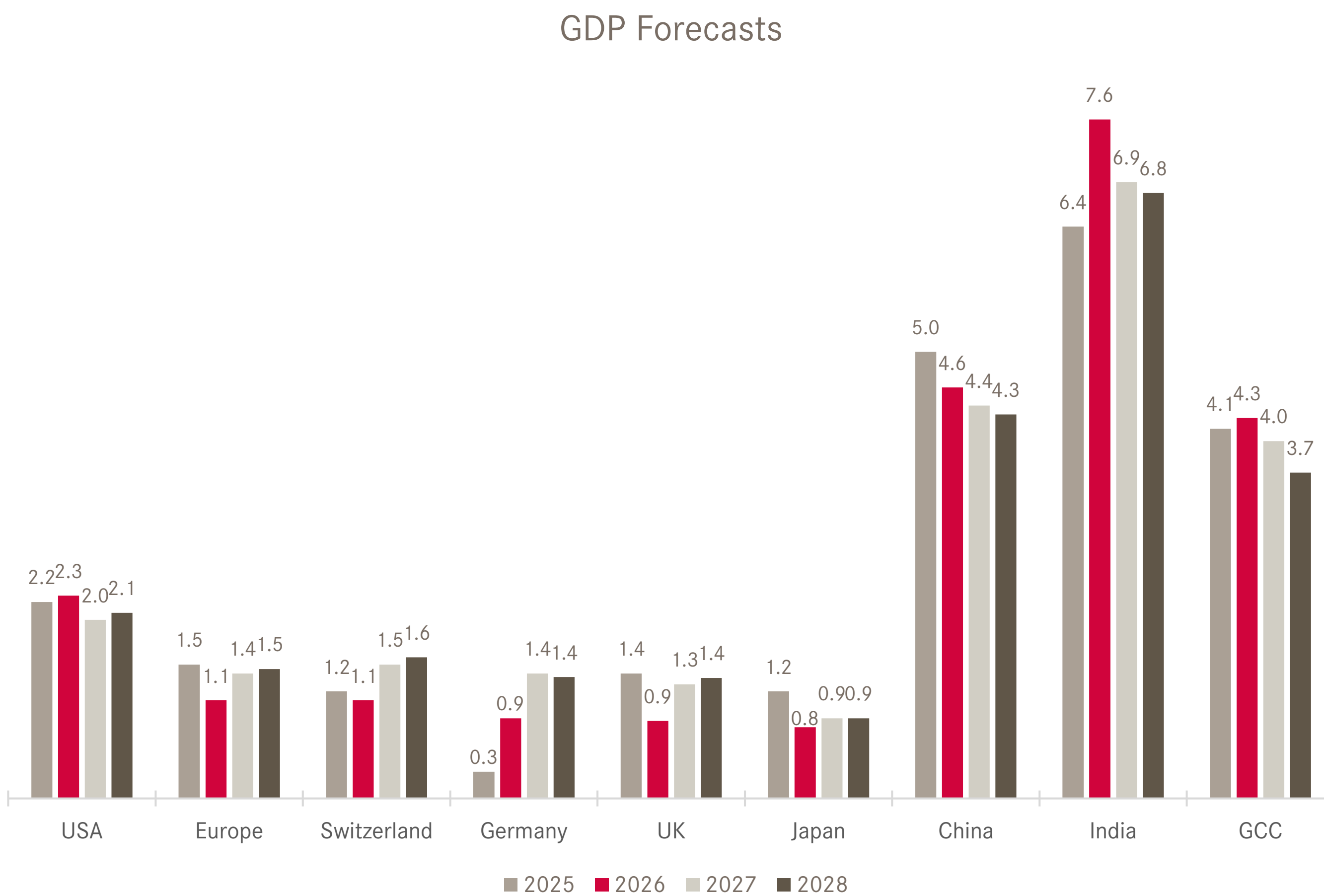
Source: Bloomberg, NPB calculations (G16a)

Global GDP Forecasts

NPB Universe

Within the context of the war that now has lasted not a few days but six full weeks, it seems economist may still be a tad to optimistic regarding little impact from the conflict on global growth. The war would have to end this afternoon with every trading route immediately again, i.e. no more interruptions.

In other words, if one could trade economists' forecasts, we'd probably be shorting here.

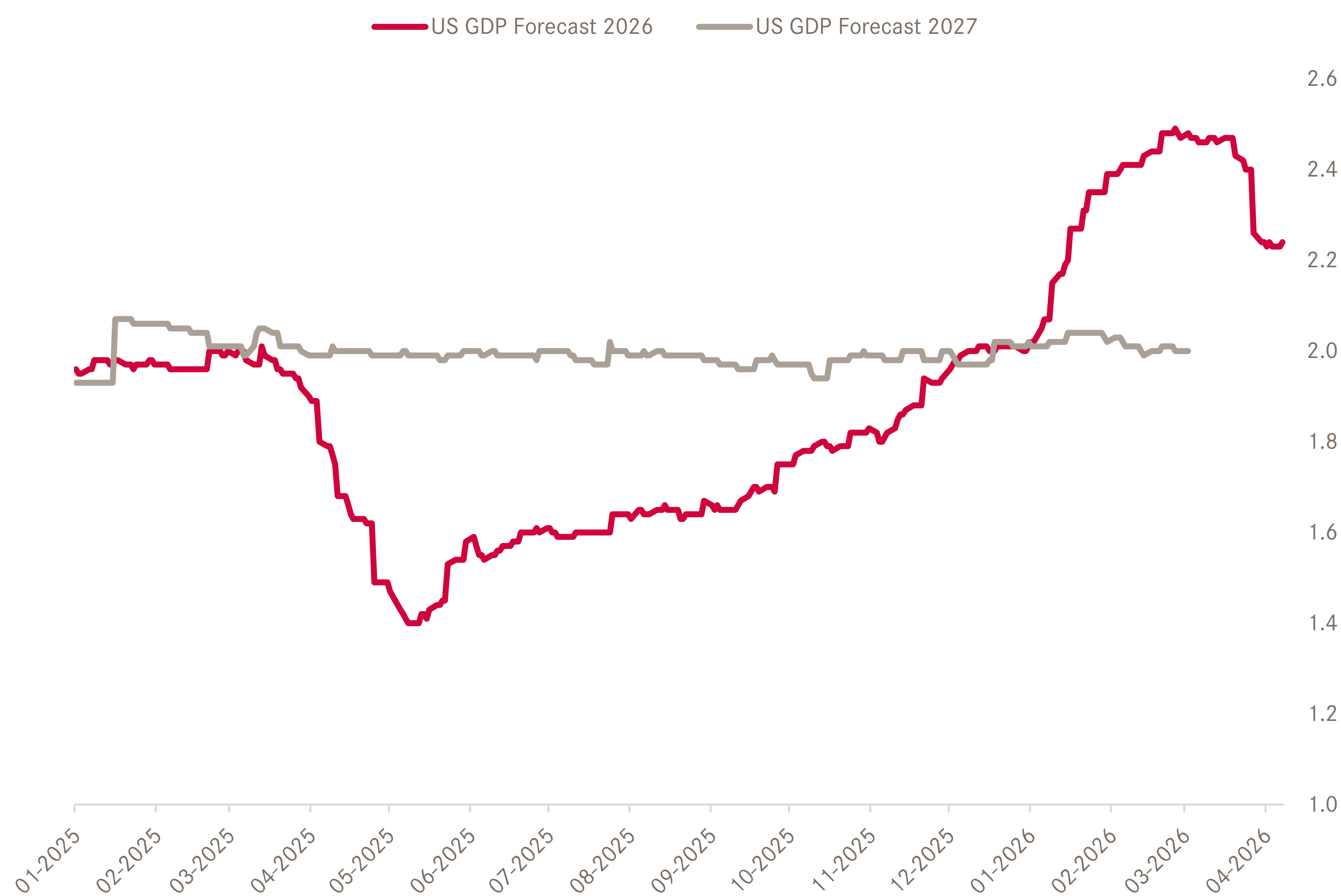


Source: Bloomberg, NPB calculations

US GDP Forecasts

2026 & 2027

With the fog of war still heavy, it is of course difficult at best for economic forecasters to forecast anything. But a constant growth rate for 2027 seems a bit too ‘boring’ given the current set-up.

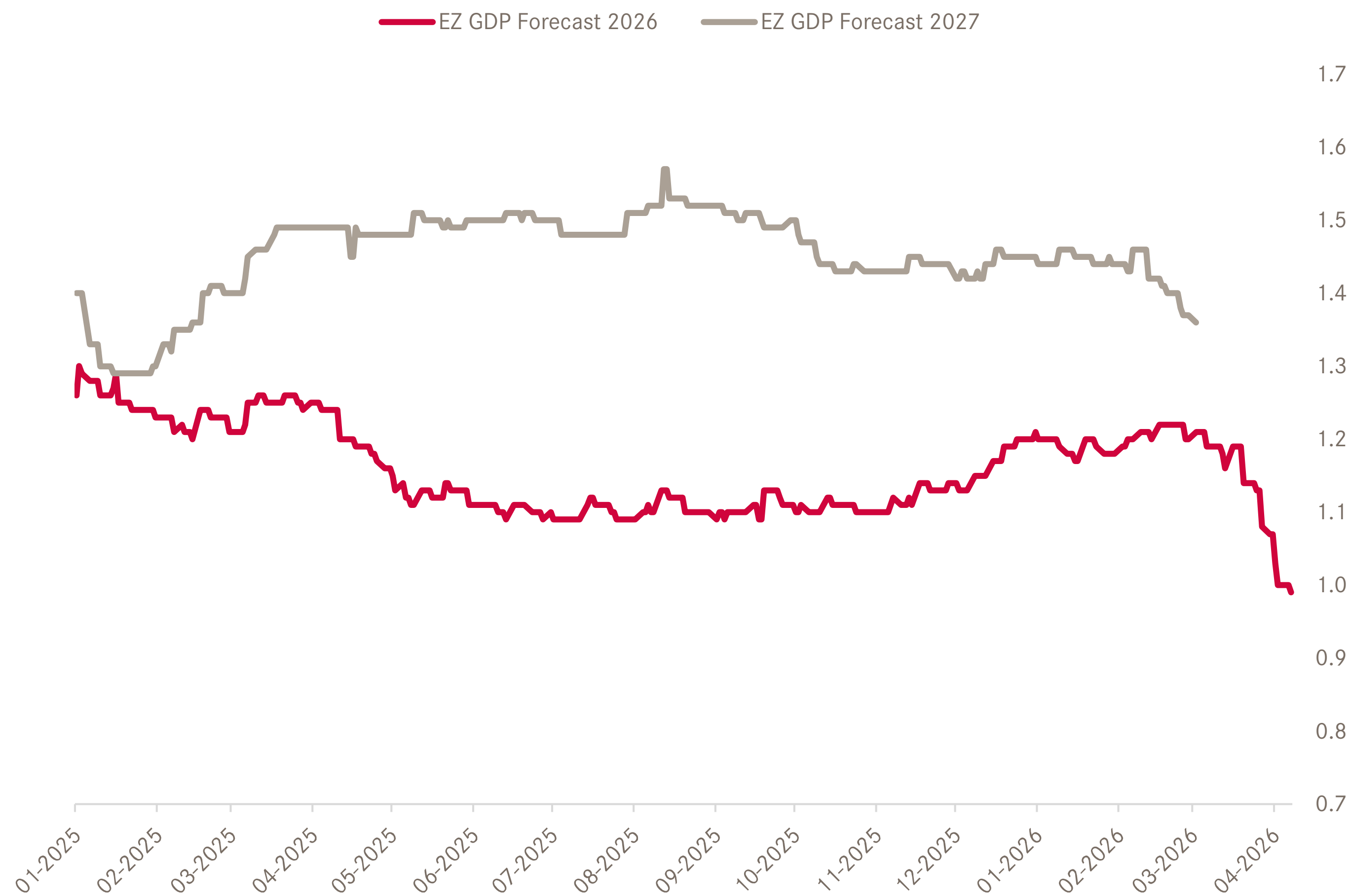


Source: Bloomberg, NPB calculations

Eurozone GDP Forecasts

2026 & 2027

Given Europe's dependency on foreign energy sources, with the Strait of Hormuz still closed and the Russia/Ukraine conflict also still ongoing, a 0.2% downward revision to growth for this year may be a too conservative.

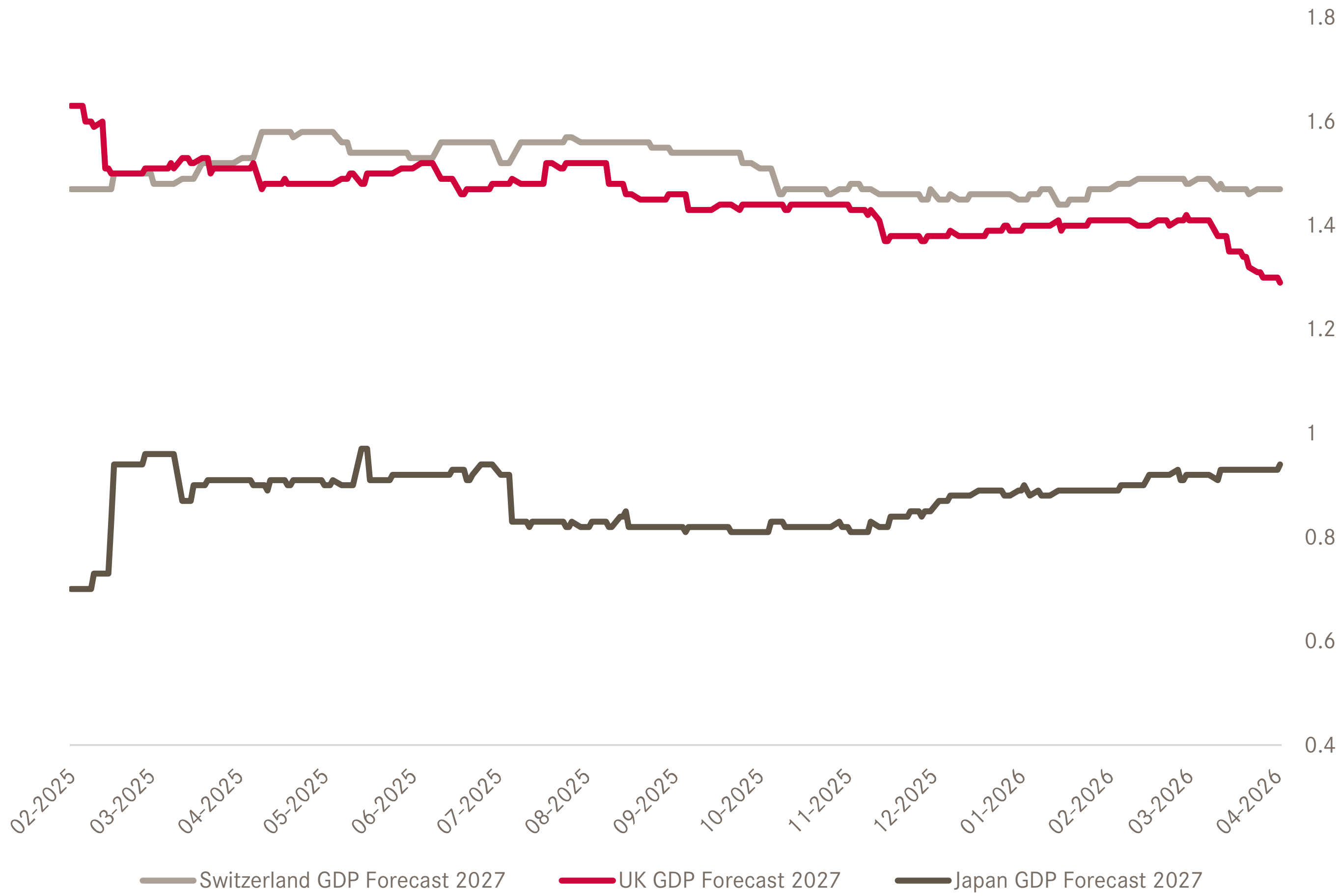


Source: Bloomberg, NPB calculations

Other DM GDP Forecasts

2027

UK's GDP forecast has been further downgraded, whilst Japan's continues to tick along. But given the land of the rising sun is also heavily dependent on oil imports, a further downgrade is maybe warranted, despite PM Takaichi's undisputed political mandate.

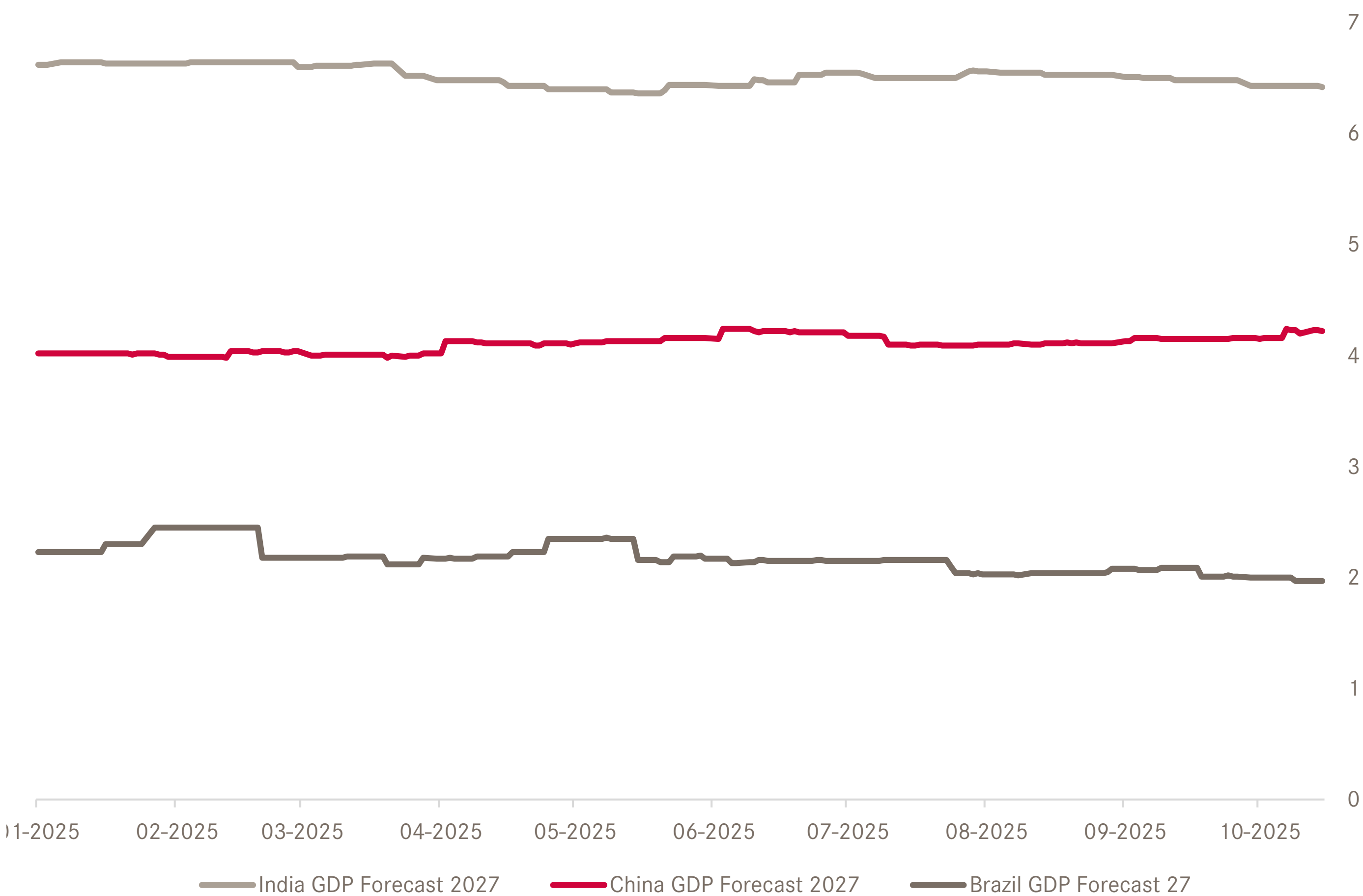


Source: Bloomberg, NPB calculations

EM GDP Forecasts

2027

Except the recent upgrade to the Indian growth outlook, nothing to write home about.

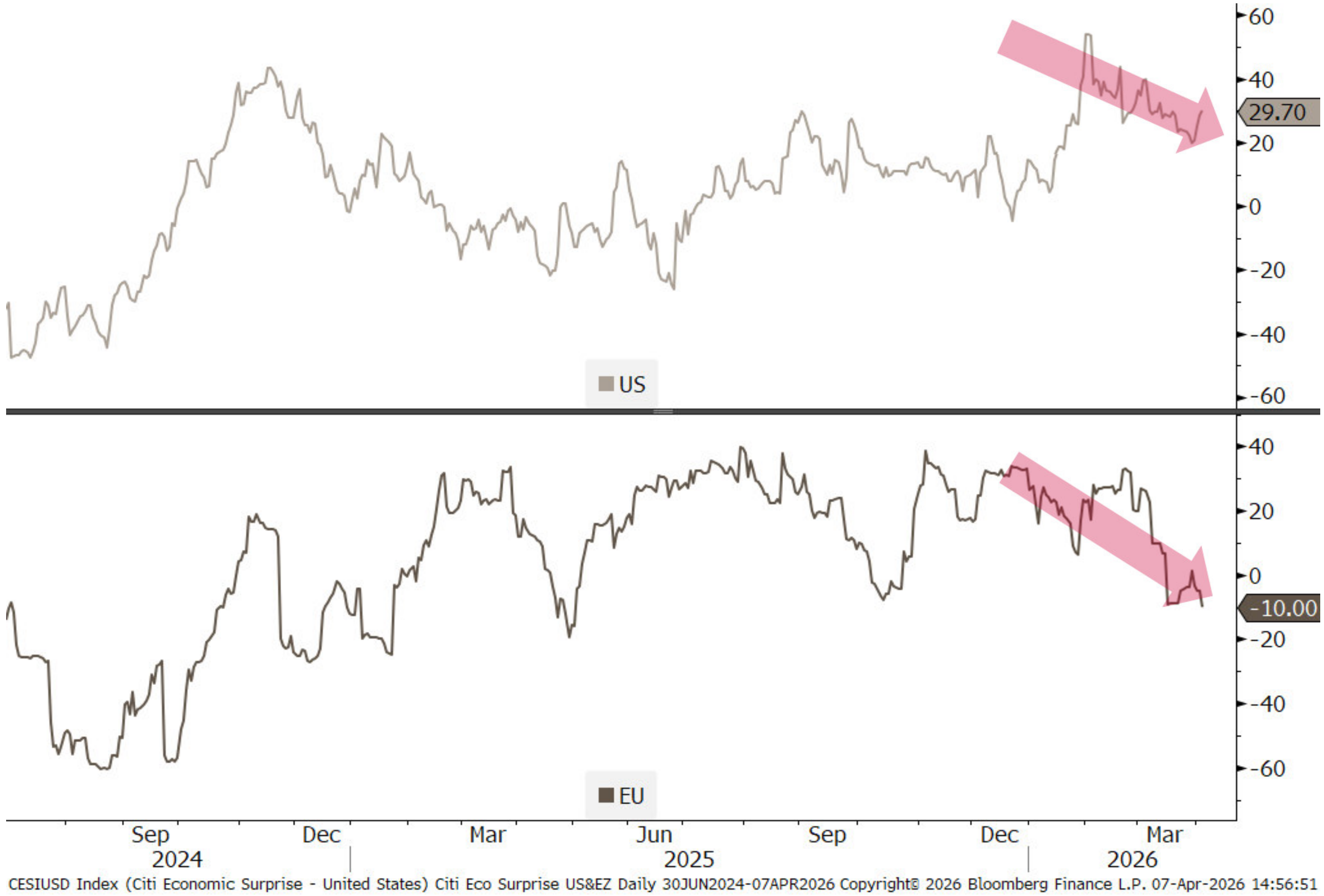


Source: Bloomberg, NPB calculations

Citi Economic Surprise Indices

US & Eurozone

Not surprisingly, have economic growth surprises (probably soft data, i.e. survey data mostly) to the downside, since the war broke out in early March.



Source: Bloomberg, NPB calculations (G447a)

Macroeconomics

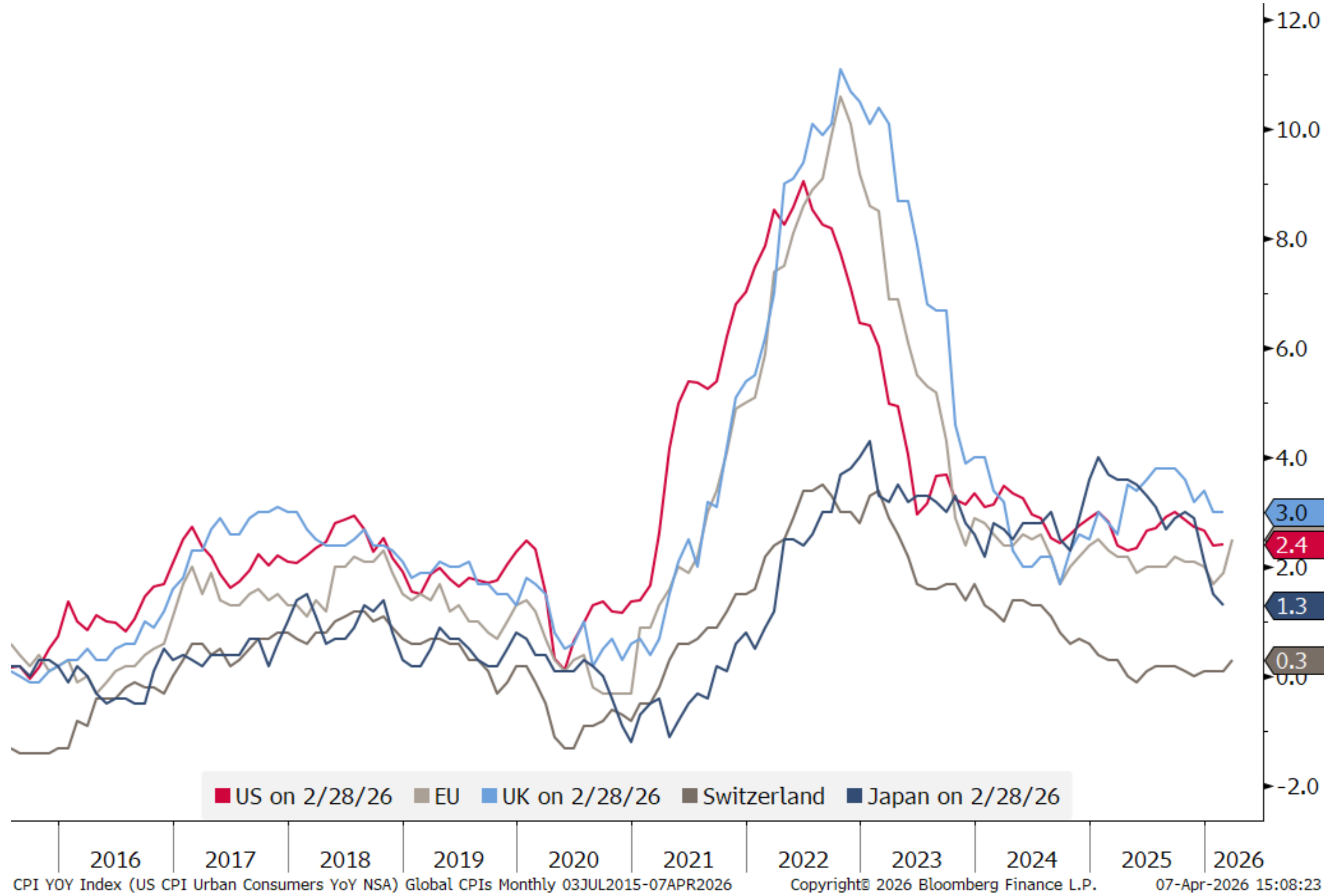
INFLATION

Chartbook Q2 2026

Global Inflation Rates

Selected Developed Countries

Inflation has been reported lower of the first two months of the year. But give the numbers' strong lag and the Middle East conflict not happening until March, I would expect this figure to go up next – never mind how deflationary an oil shock is.

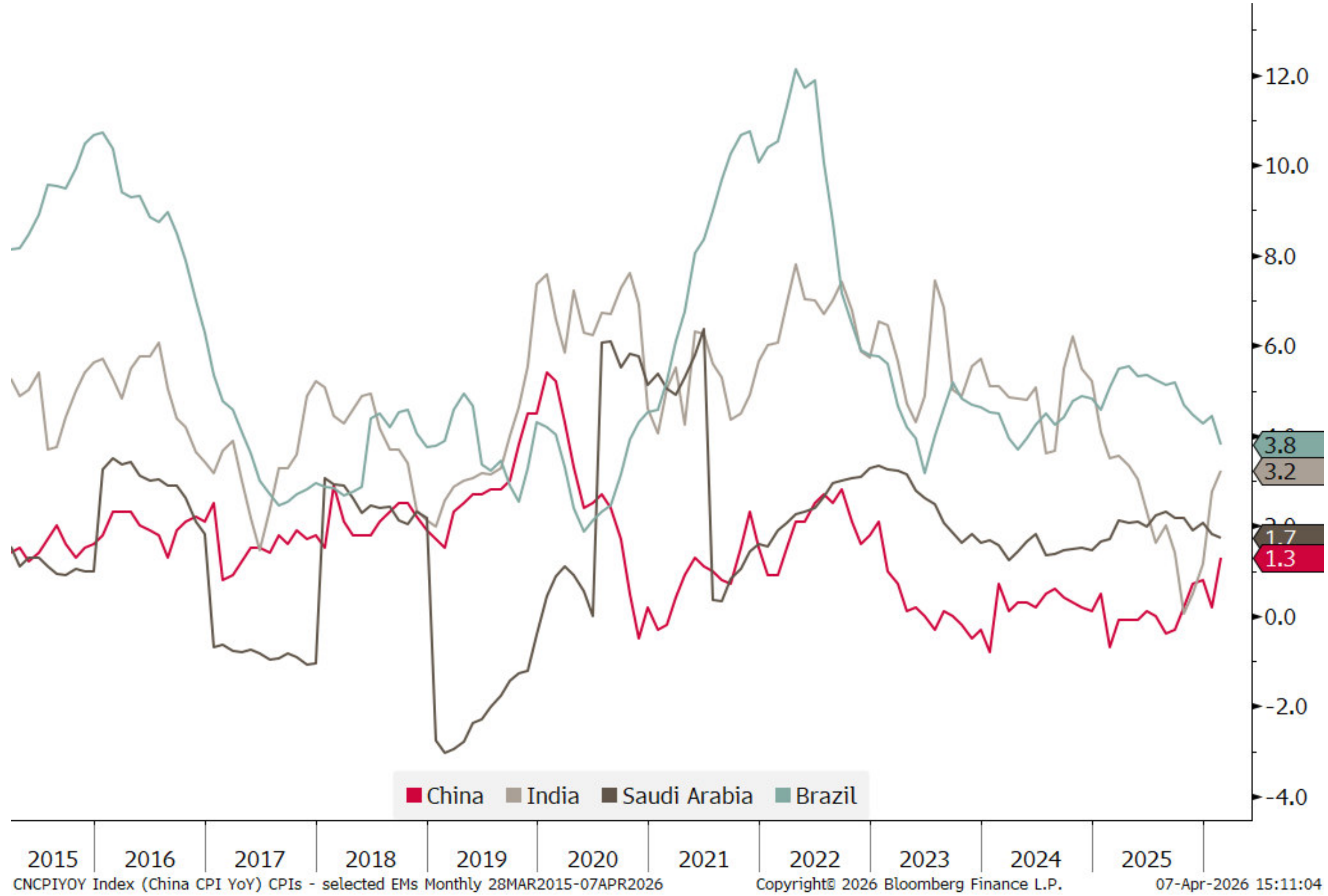


Source: Bloomberg, NPB calculations (G107a)

Global Inflation Rates

Selected Emerging Countries

The Indian economy seems to be feeling already some inflationary heat, whilst Brazil's CPI should be picking up soon again too – not least due to strong demand for the country's resources rich economy.

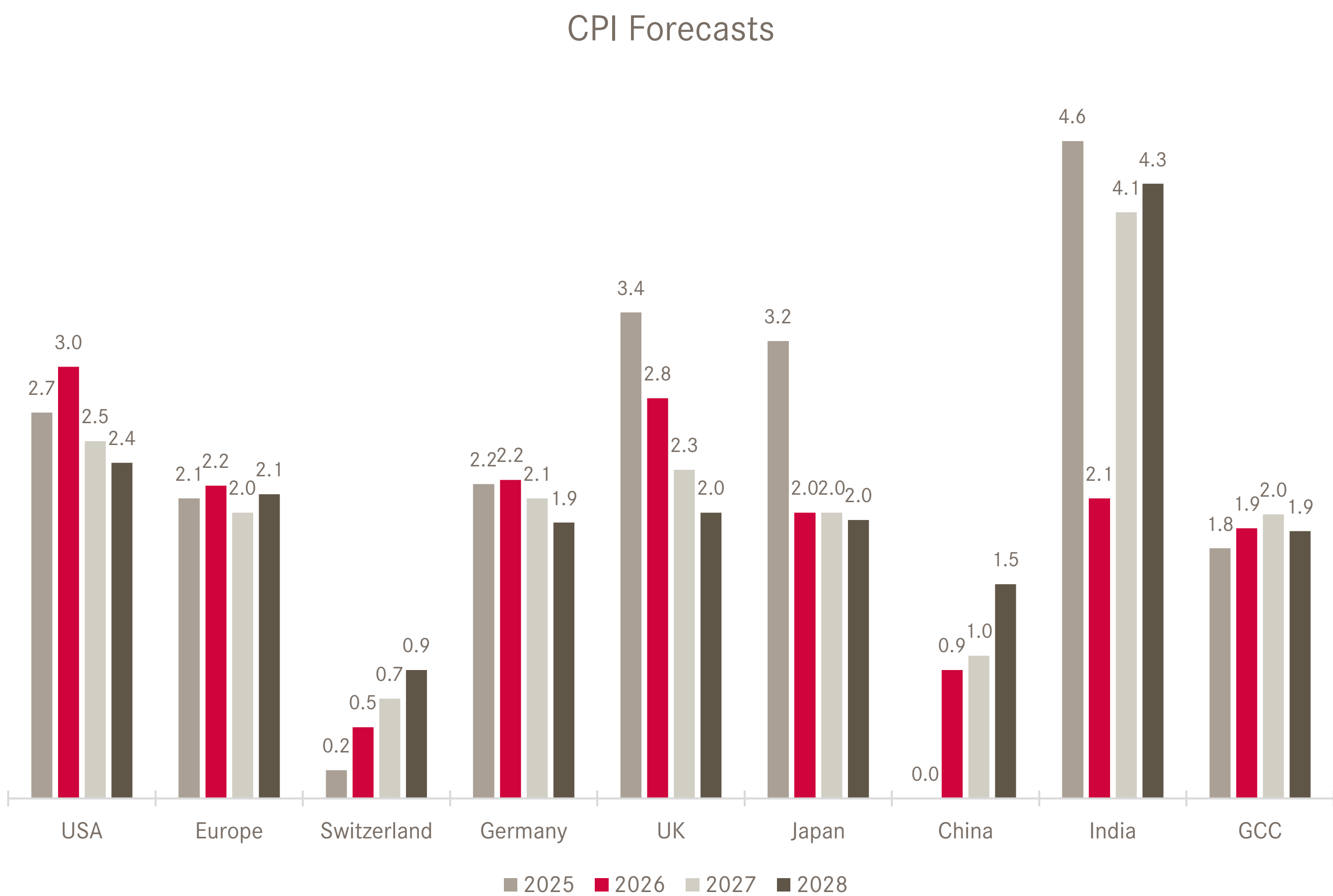


Source: Bloomberg, NPB calculations (G108a)

Global Inflation Forecasts

NPB Universe

Of course, is the best cure for high price higher prices and of course is an oil shock <u>eventually</u> disinflationary (as global growth slumps into recession), but the inflationary pressure from not only higher energy but also food and goods prices still have to show in the numbers first.



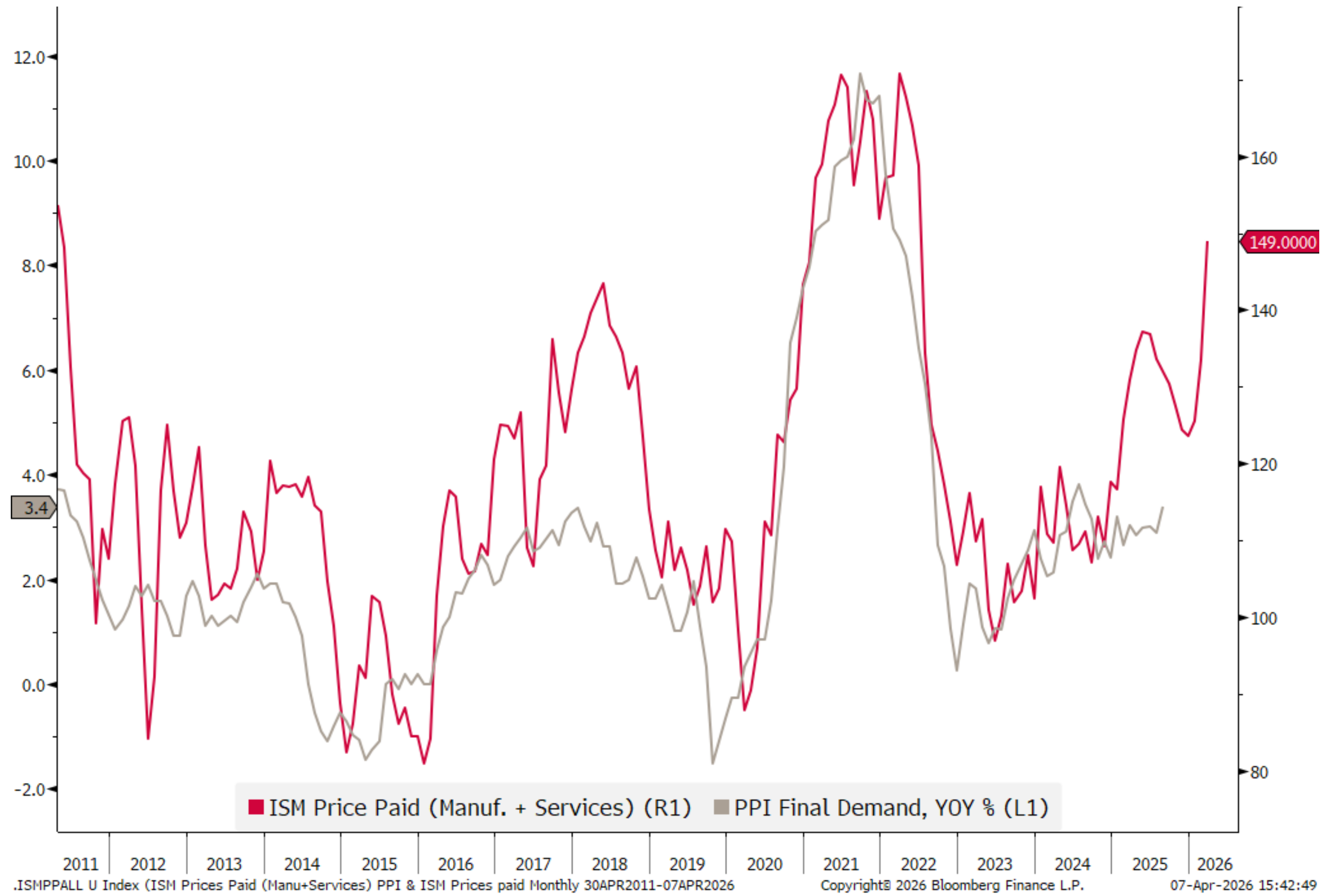
Source: Bloomberg, NPB calculations, NPB Research Hub

Producer Prices

Higher Inflation Coming not only for Businesses …

The chart to the right shows the combined numbers from manufacturing and services ISM “Prices Paid” (red line). Pushing those numbers six months out in the future shows a more-than-decent correlation with the Producer Price Inflation number (grey line).

It would hence suggest that inflation is indeed coming back.

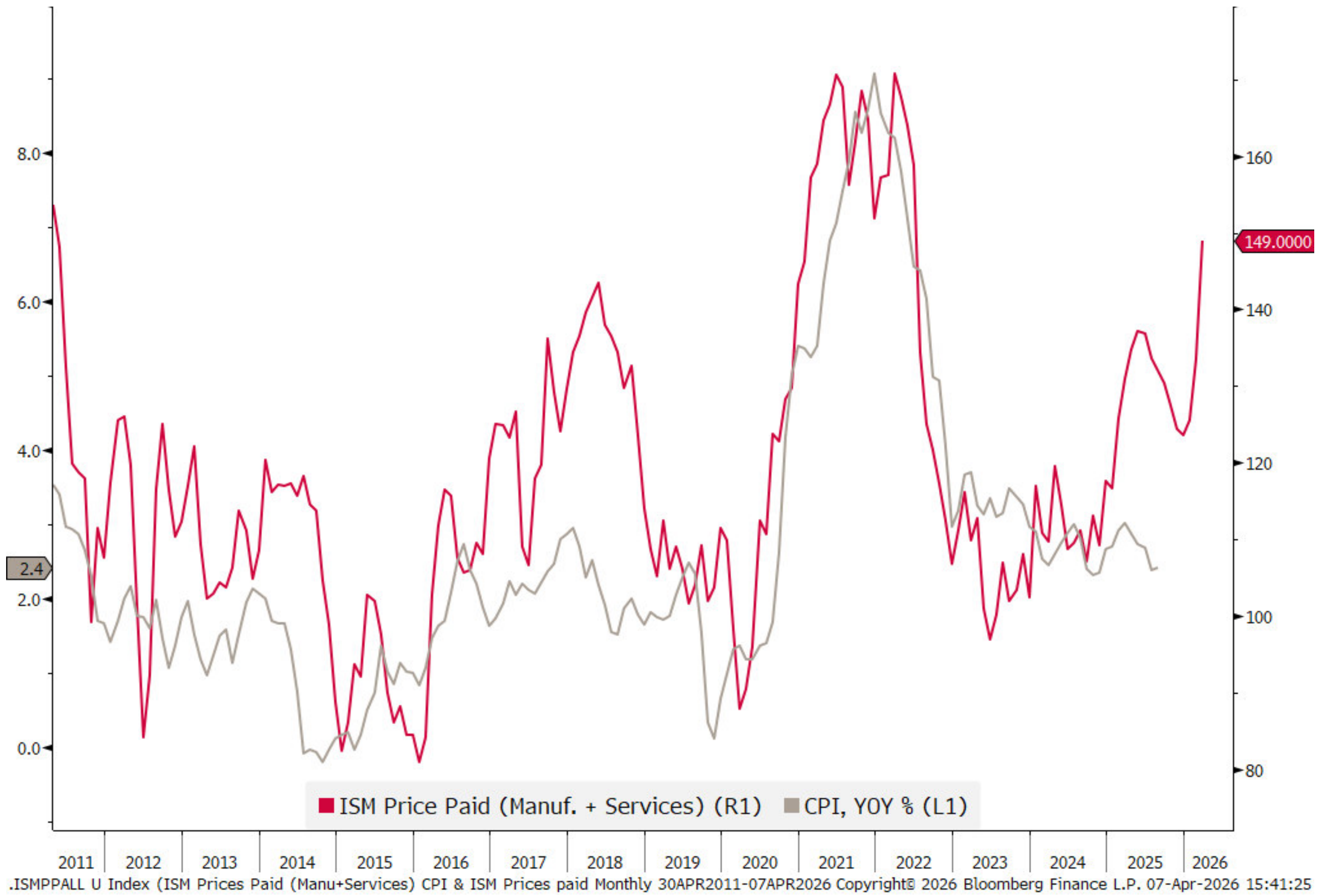


Source: Bloomberg, NPB calculations (G730a)

Consumer Price Inflation

… But also, for the Consumer

Same concept as on the previous slide, but here producer price inflations is swapped for consumer price inflation (CPI).

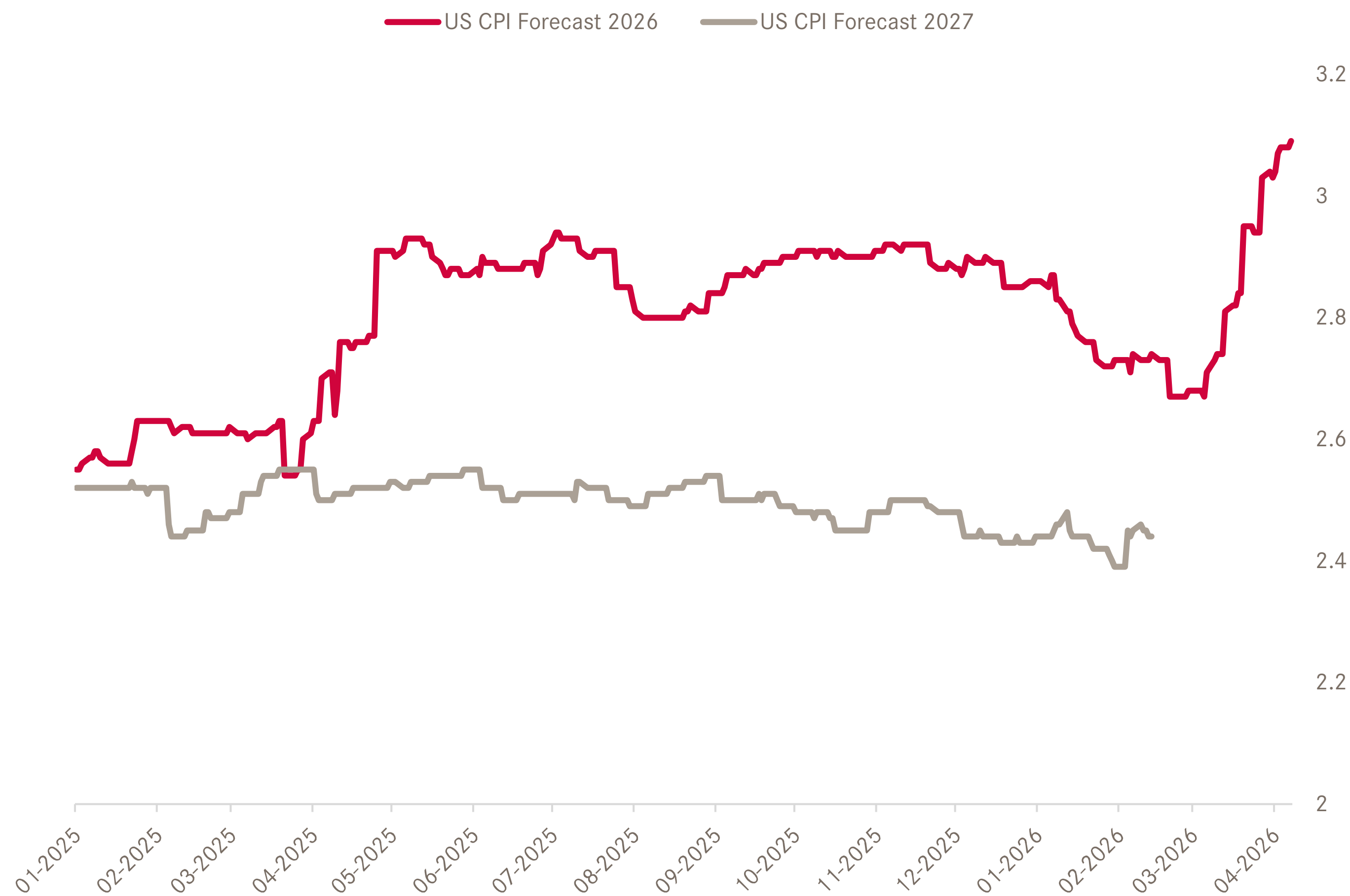


Source: Bloomberg, NPB calculations (G731a)

US CPI Forecasts

2026 & 2027

Here, economists also see this pick up in headline inflation...



Source: Bloomberg, NPB calculations, NPB Research Hub

US – Market Implied Inflation Expectations

Breakeven Yields (Treasury minus TIPS)

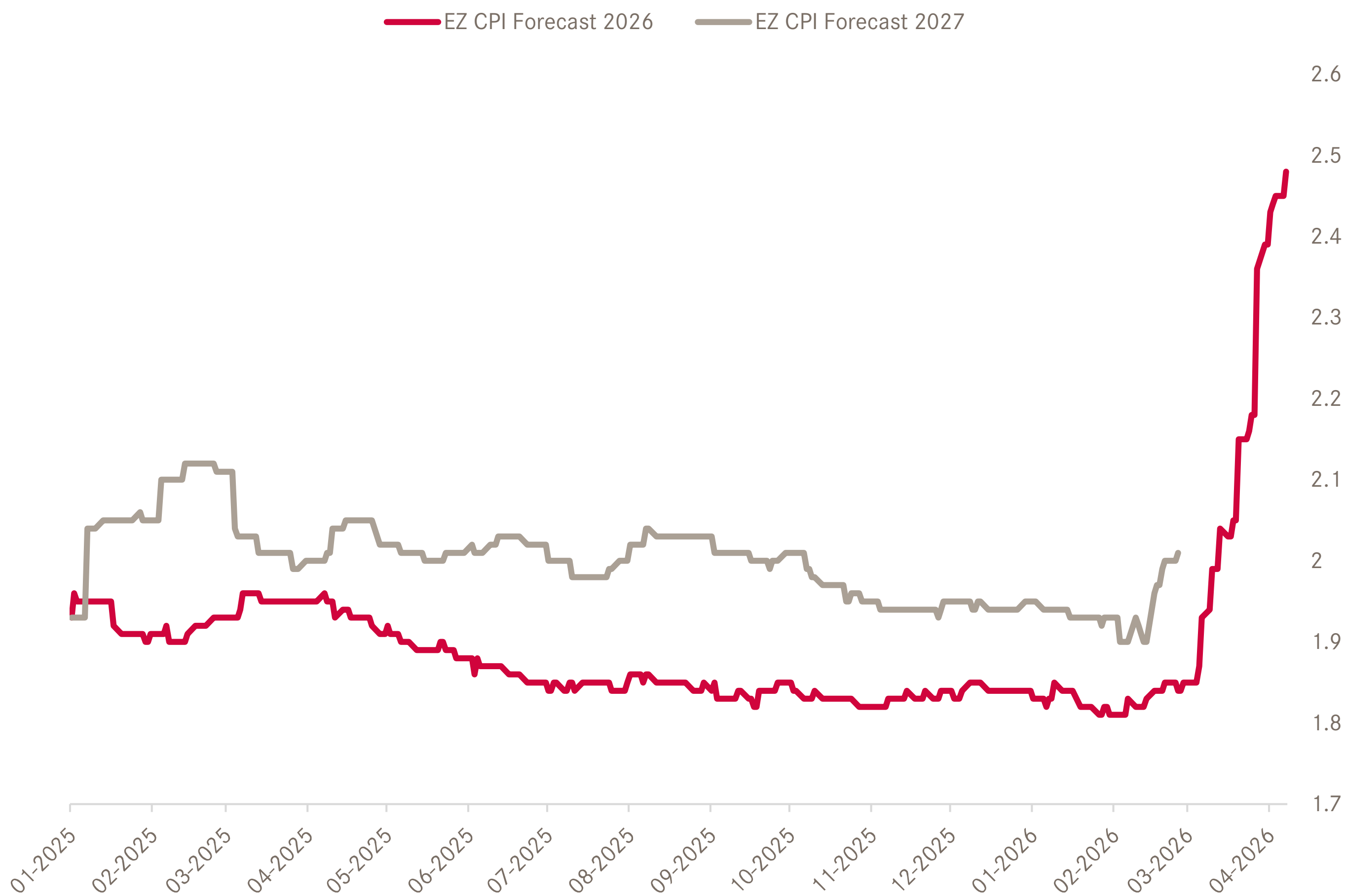
… and the market agrees, at least for the next few years out.

Source: Bloomberg, NPB calculations (G180a)

Eurozone CPI Forecasts

2025 & 2026

Economists also have ‘upgraded’ their inflation expectations for the Eurozone, which is obviously a heavy energy-price dependent economy.



Source: Bloomberg, NPB calculations, NPB Research Hub

Eurozone – Market Implied Inflation Expectations

NPB | Neue Privat Bank 25 YEARS

EUR 5-year, 5-year Inflation Swap Rate

Market implied inflation expectations have resolved out of their smaller and smaller range and are also moving higher now.

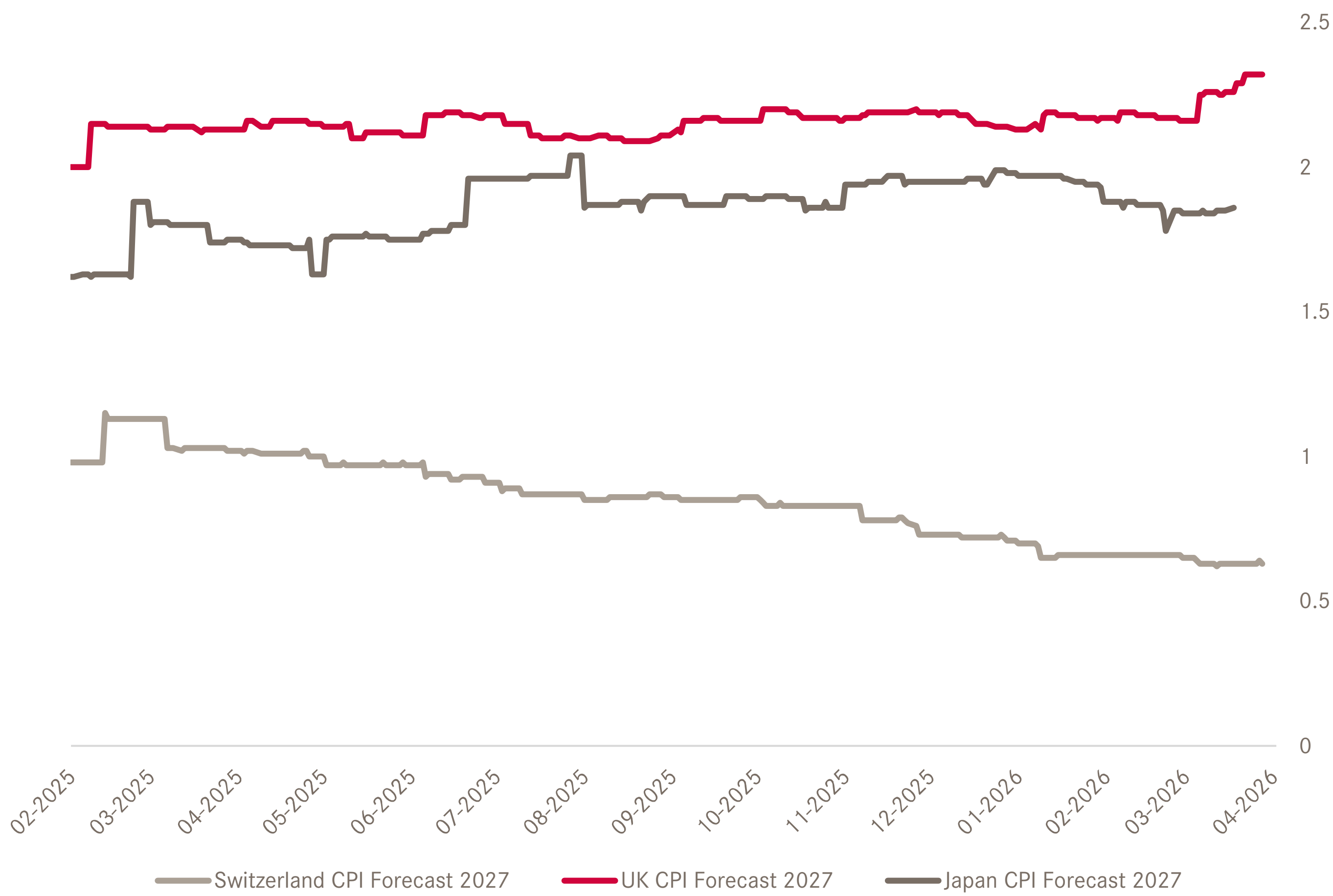
Should we expect inflation volatility a la 2022/2023 again?

Source: Bloomberg, NPB calculations (G106a)

Other Selected DM CPI Forecasts

2027

Rock-solid, low inflation expectations for Switzerland. We doubt that those will not be revised higher very soon.

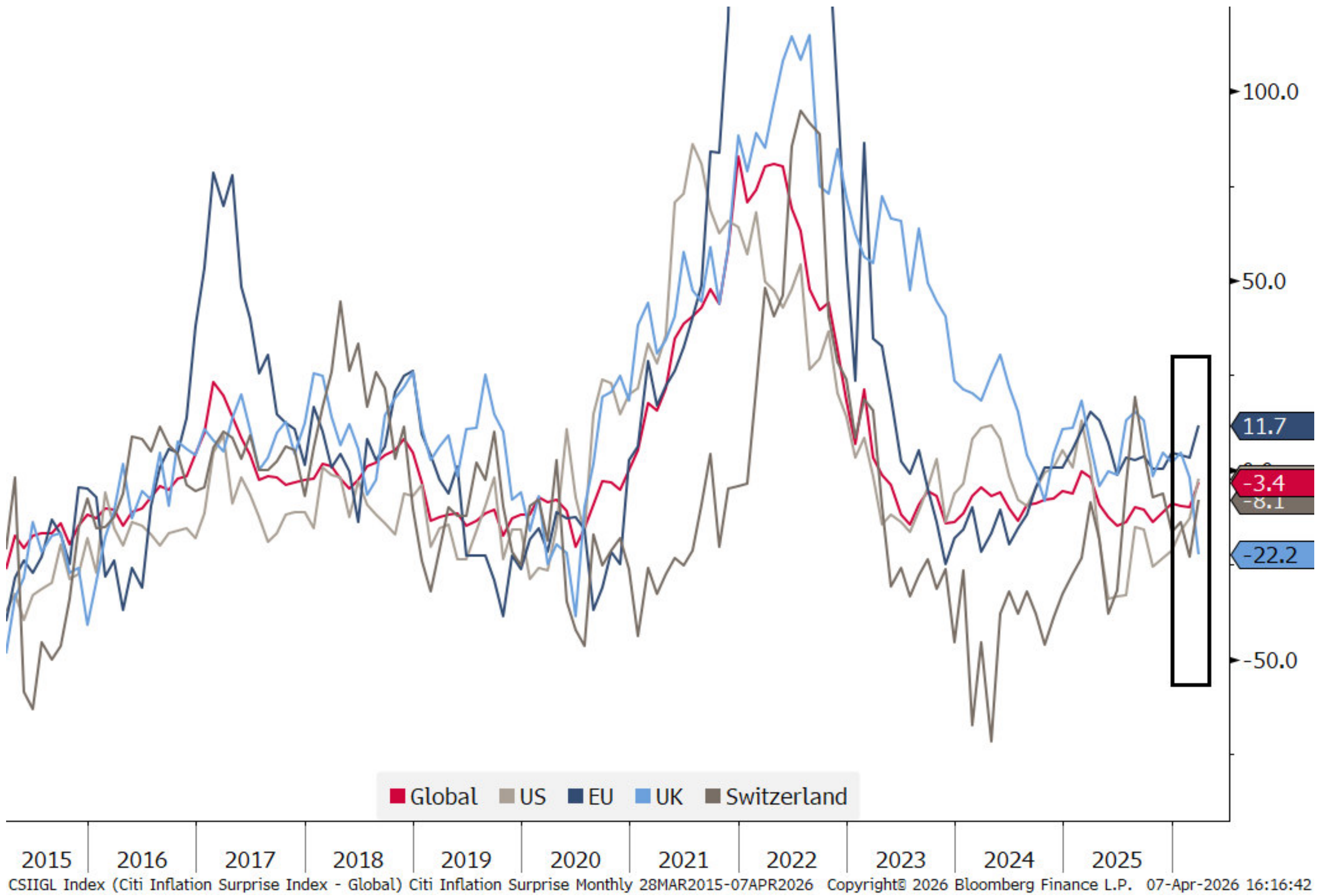


Source: Bloomberg, NPB calculations, NPB Research Hub

Citi Inflation Surprise Indices

Selected Developed Countries

Inflation surprises have happened (ex-UK) to the upside over the past weeks. We would expect these lines (including UK) to move still higher over the coming weeks to months.



Source: Bloomberg, NPB calculations (G111a)

NPB | Neue Privat Bank 25 YEARS

Macroeconomics

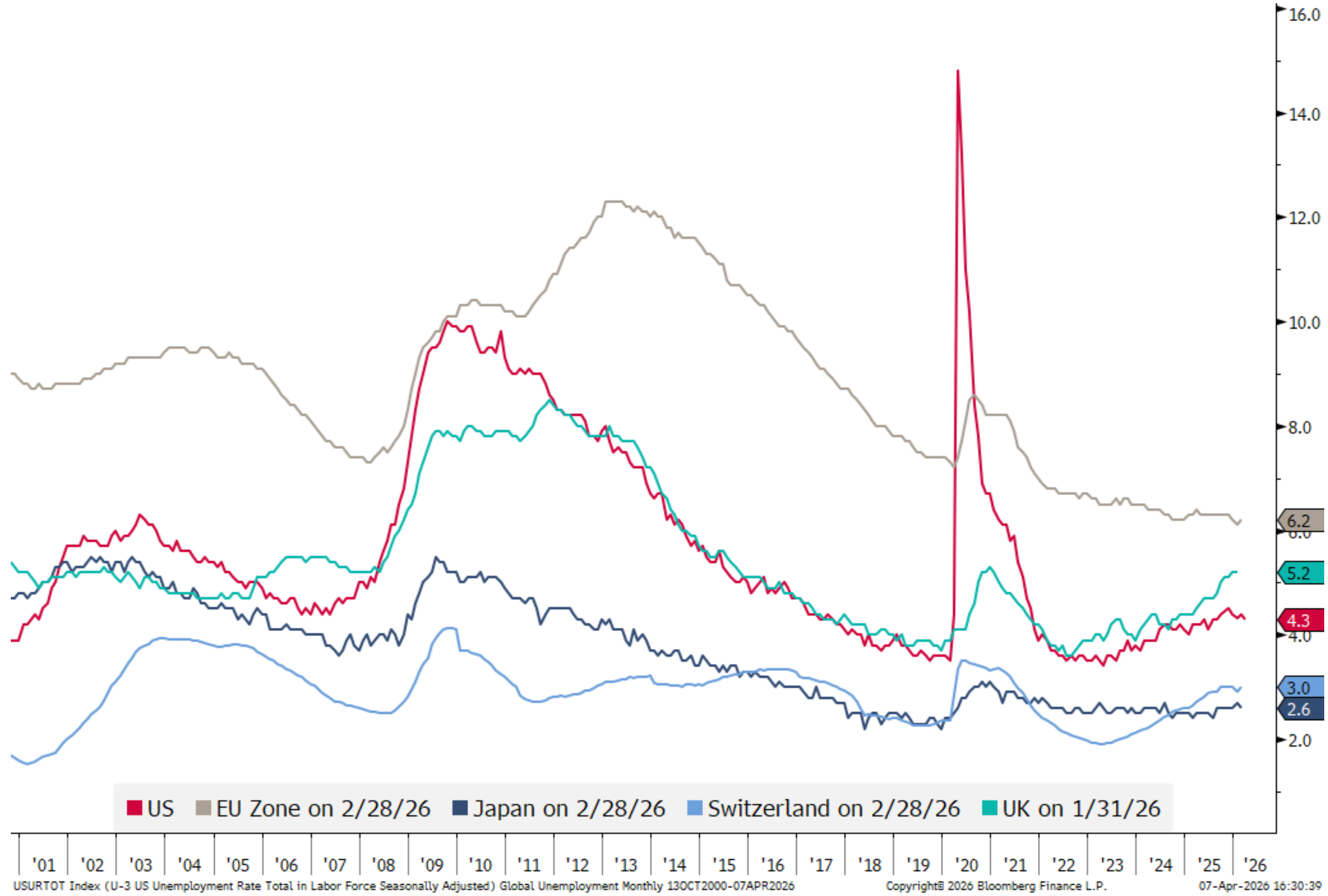
OTHER

Chartbook Q2 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.



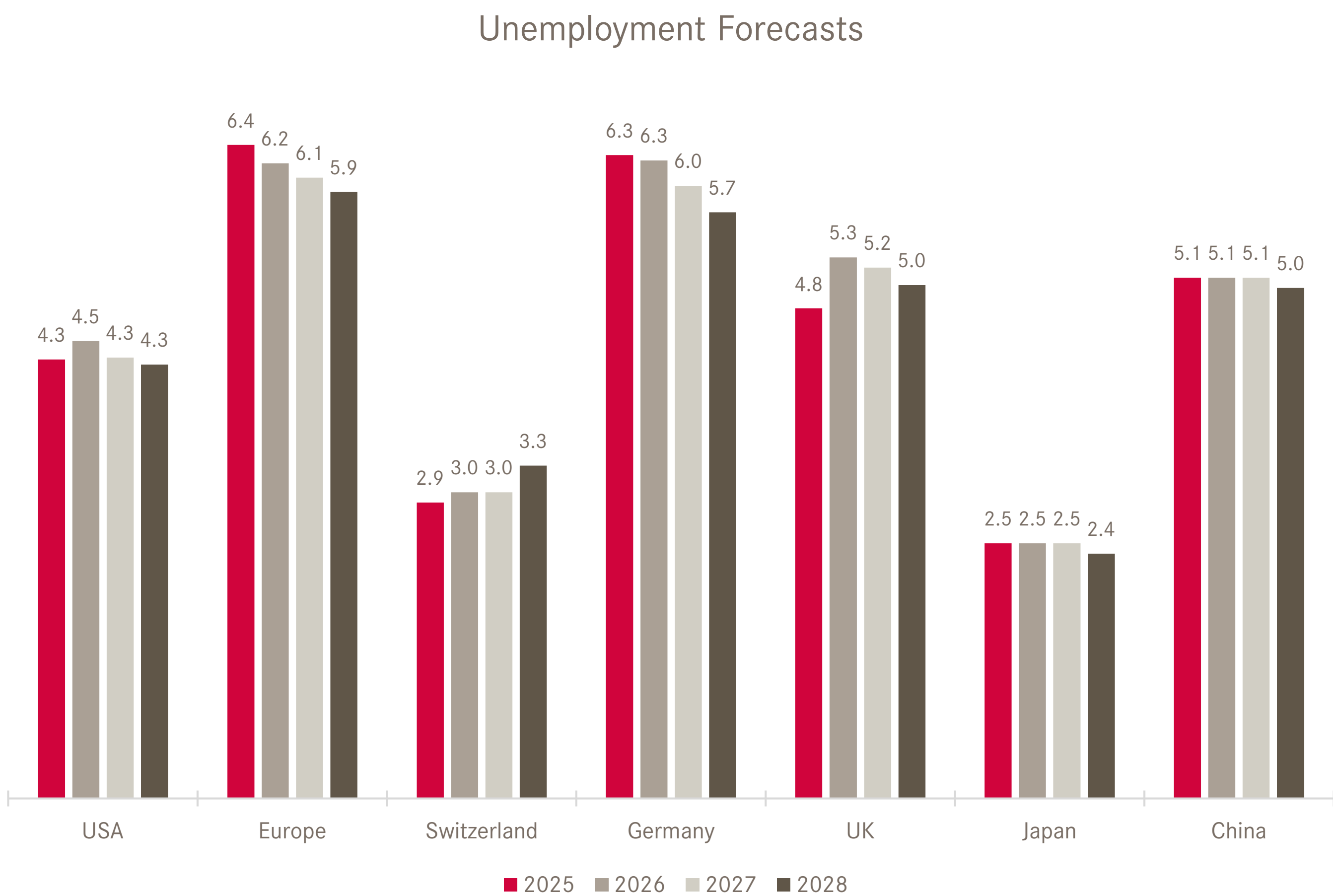
Source: Bloomberg, NPB calculations (G110a)

Unemployment Forecast

NPB Universe

Watching a glacier ebb and flow is more exciting than waiting for economists to adapt their views on employment outlook.

But fret not, they will frantically adapt ex-post.

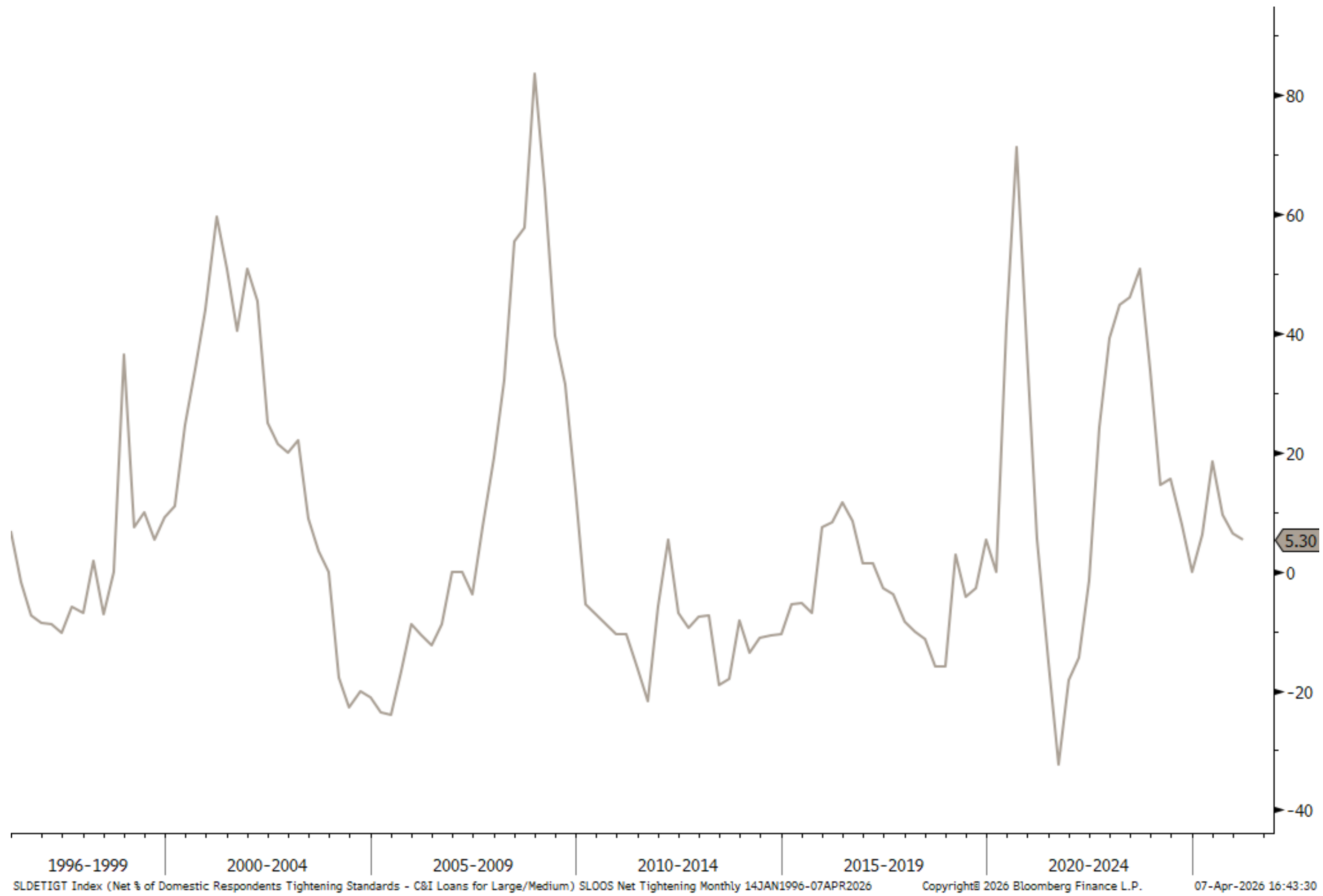


Source: Bloomberg, NPB calculations, NPB Research Hub

SLOOS

Net % of Respondents Tightening Standards

The number of credit officers tightening their lending standards has been falling for the last three quarters, confirming (at least in the US) numbers from the previous slide.

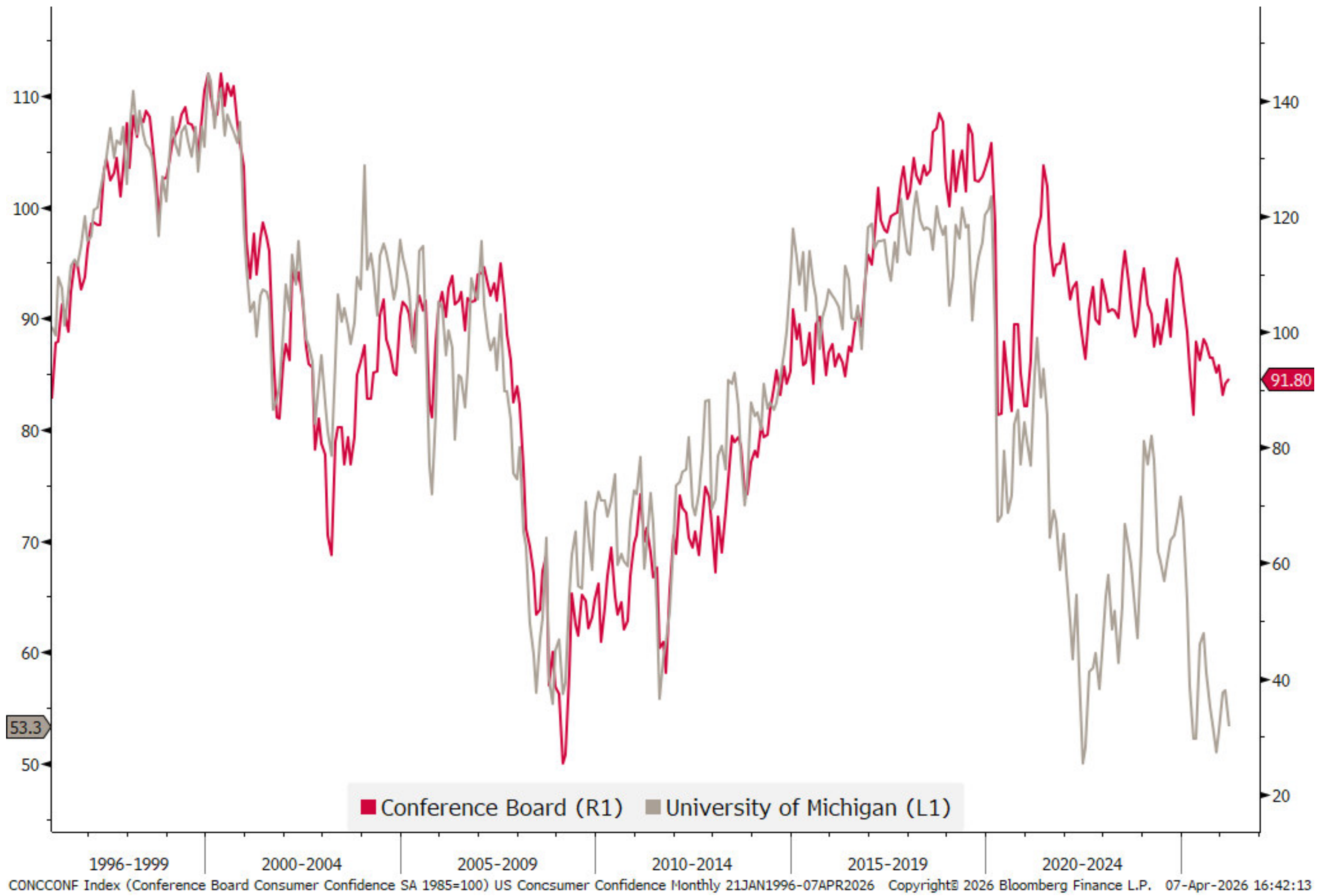


Source: Bloomberg, NPB calculations (G555a)

US Consumer Confidence

Low

Consumer confidence is at historical lows in the University of Michigan (grey) survey and at cycle lows in the Conference Board survey (red).



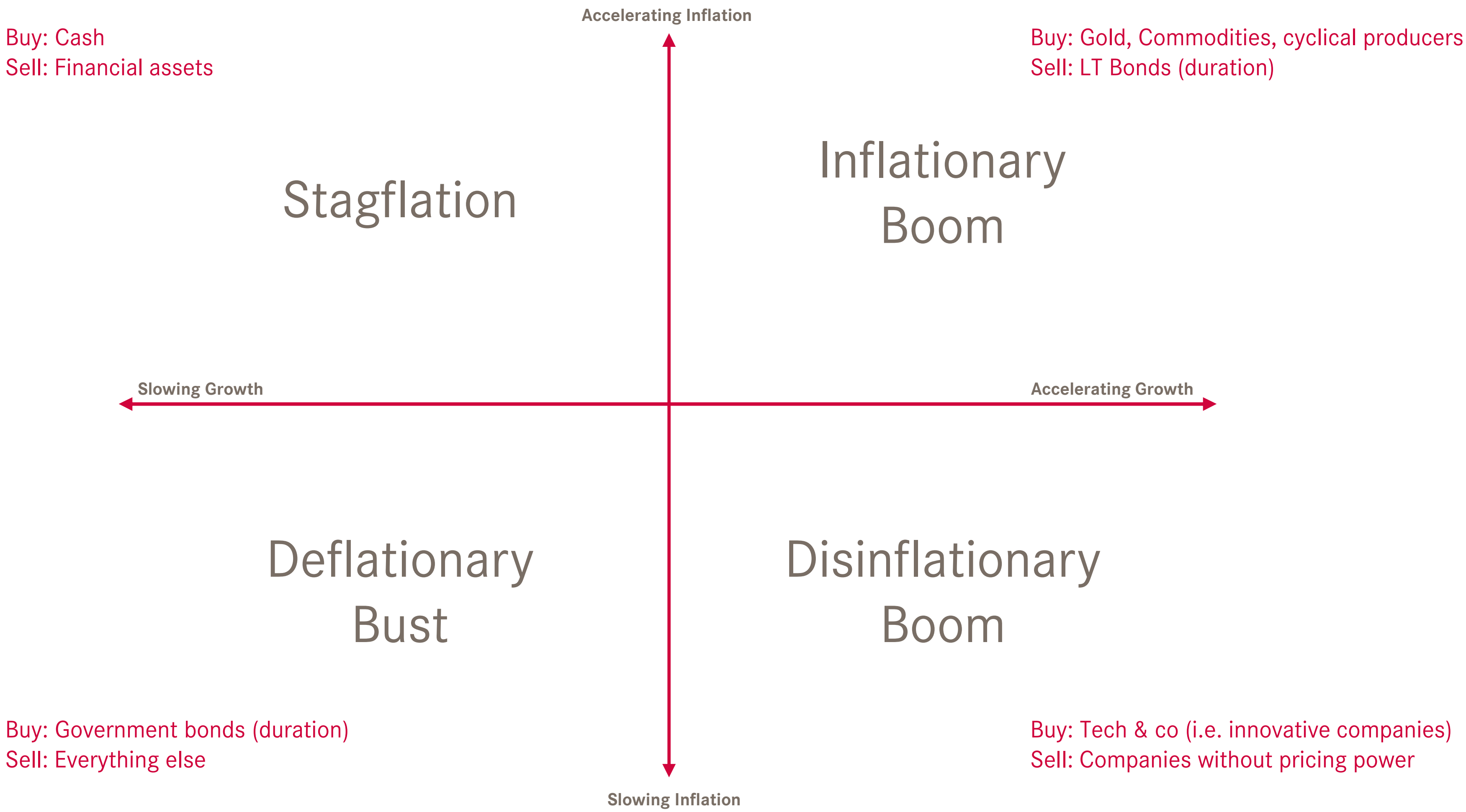
Source: Bloomberg, NPB calculations (G597a)

Appendix

Chartbook Q2 2026

NPB Market Cycle Framework

Quadrant Analysis



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

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).

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