



S E R E N I S

FAMILY CAPITAL

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The silent winter

June 2025 perfectly illustrates one of the permanent challenges of investing: while geopolitical tensions in the Middle East monopolized attention, every statement by Jerome Powell was dissected, and markets braced for new tariffs, a far more fundamental transformation continued to unfold. Market history is filled with examples of investors, fixated on immediate events, missing the real revolutions underway—overlooking the rise of the Internet in the 1990s or China’s emergence in the 2000s, distracted by now-forgotten cyclical concerns. These disconnects regularly create exceptional opportunities for those able to identify structural shifts behind the noise of the news cycle.

Today, a transformation of historic magnitude is taking place before our eyes. It does not make headlines in economic newspapers, does not cause intraday volatility, and occupies only a marginal place in strategists’ presentations. Yet its implications for global economic balances, geopolitical power dynamics, and long-term investment opportunities far outweigh most of the issues currently capturing market attention. Its low profile does not imply a lack of gravity but rather reflects the insidious nature of a phenomenon that unfolds over decades, not quarters, that eludes electoral cycles and only reveals its consequences once the process becomes irreversible.

*This transformation strikes at the very foundations of our economies: the ability of nations to renew their youth. A historic demographic crisis is silently redrawing the world map. China is set to lose 200 million workers by 2050, Europe is seeing entire regions depopulate, while sub-Saharan Africa is on track to triple its population. Unlike Rachel Carson’s *Silent Spring* (1962)—and no birds sing—this *Demographic Winter* is grounded in the relentless arithmetic of birth rates, which do not lie. These upheavals are already sketching the contours of a world where scarcity will take new forms, where new geographies of value will emerge, and where currently overlooked sectors will become central to public policy.*

In this context of persistent uncertainty and growing volatility, understanding these long-term shifts may offer one of the few truly reliable compasses for navigating the future with clarity. For while markets will continue reacting to geopolitical shocks and monetary decisions, it is this silent demographic transformation that will ultimately determine the real winners and losers of the decades to come.



Comments of the month of June

June was marked by renewed geopolitical tensions in the Middle East. A series of strikes between Iran and Israel — supported logistically by the United States — reignited fears of a regional escalation. Oil markets reacted swiftly: Brent crude surged over 20 % amid Iranian threats to block the Strait of Hormuz, a key passage for nearly a fifth of global oil flows. Yet the spike proved short-lived.

An informal ceasefire and no actual disruption to supply quickly reversed the trend: within 48 hours, prices fell 14 % back to around \$68 per barrel — a moderate level that helps ease global inflationary pressures. Equity markets showed diverging paths. In the U.S., indices continued to climb, driven by the semiconductor sector and resilient macroeconomic data. The S&P 500 rose by +5.0 % and the Nasdaq by +6.3 %, both returning to all-time highs by month-end.

Equity Indexes	Value	MTD	2025
S&P 500 (USA)	6 205	5.0%	5.5%
Nasdaq 100 (USA)	22 679	6.3%	7.9%
Euro Stoxx 50 (Europe)	5 303	-1.2%	8.3%
SMI (Switzerland)	11 921	-2.5%	2.8%
Nikkei 225 (Japan)	40 487	6.6%	1.5%
CSI 300 (China)	3 936	2.5%	0.0%
Currencies	Value	MTD	2025
EUR/USD	1.179	3.9%	13.8%
USD/CHF	0.793	-3.6%	-12.6%
EUR/CHF	0.935	0.2%	-0.6%
GBP/USD	1.373	2.0%	9.7%
USD/JPY	144.030	0.0%	-8.4%
Bond Indexes		MTD	2025
Government USA		1.3%	3.8%
US Corporate IG		1.9%	4.2%
US Corporate HY		1.8%	4.6%
Government UE		-0.2%	0.3%
UE Corporate IG		0.2%	1.5%
UE Corporate HY		0.2%	2.3%
Other Asset Classes	Value	MTD	2025
Gold	3 303	0.4%	25.9%
Brent Crude	68	5.8%	-9.4%
Bitcoin	107 607	2.9%	14.8%
Rates / Indicators	Value	Δ MTD	Δ 2025
US 10 years rate	4.23	-0.17%	-0.34%
GER 10 years rate	2.61	0.11%	0.24%
US Unemployment	4.2%	0.0%	0.0%
Volatility Index (VIX)	16.7	-1.8	-0.6

In contrast, European momentum stalled. The EuroStoxx 50 declined by -1.2 %, amid lingering trade uncertainty as the July 9 deadline approaches — when the White House is expected to decide on new tariffs. This decision will be key in shaping investor sentiment for the second half of the year across the Old Continent.

On the currency front, the U.S. dollar continued its decline. Its benchmark index is now down more than 10 % year-to-date — its worst first-half performance since 1973, when the Bretton Woods system ended.

As gold posts a second consecutive month of consolidation, attention has shifted to other metals. Silver gained +9.4 % in June, but platinum stood out with a sharp +26.5 % rally, supported by constrained supply and attractive relative valuation.



Our current positioning

The month of June was once again marked by a series of major political and economic developments, as well as numerous publications on the health of the U.S. economy. To this were added the widely anticipated decisions of the two main central banks, which continue to diverge: another rate cut from the ECB, and a status quo from the Fed, despite increasing political pressure from the White House on Jerome Powell. In parallel, the targeted U.S. military strikes on Iranian nuclear facilities raised concerns about a possible geopolitical escalation that could unsettle global markets. Finally, the upcoming July 9 deadline, set by President Trump before new tariffs come into effect for countries that have yet to sign a deal, is adding a further layer of uncertainty.

Despite all this, markets have once again demonstrated remarkable resilience. Neither the tense geopolitical environment, nor monetary uncertainty, nor protectionist rhetoric have significantly dampened investor sentiment or risk appetite. Only the continued weakness of the U.S. dollar against most currencies remains a question mark. While this downward trend, which began earlier this year, could continue, we believe an inflection point is likely not far off.

During our monthly committee meeting on June 25, the in-depth discussions among members revealed a high level of uncertainty, particularly regarding the outlook for the United States. On one hand, macroeconomic indicators and market dynamics suggest a continuation of the upward trend. On the other hand, federal debt levels — among other structural imbalances — raise longer-term concerns. That said, we believe investors may have overreacted negatively to the implications of Trump's policies, leaving room for potentially positive "surprises" in the coming months.

In our Core portfolio, we are making a single adjustment this month: a shift back to a neutral stance on U.S. equities. The levels reached by major indices, combined with solid momentum, technical signals, and the upcoming earnings season, no longer justify an underweight position. Accordingly, we are reducing our cash allocation by 2.5% to fund this reallocation.

In Europe, we are maintaining a neutral stance as well, while anticipating a more moderate advance after a particularly strong start to the year. The potential remains intact, notably in the banking sector, which represents nearly 25% of the EuroStoxx. Moreover, due to the more defensive structure of European indices and capital flows coming from the U.S., it would be unwise to stay sidelined and risk missing out on additional outperformance.

The picture is more mixed for emerging markets. The weaker dollar clearly plays in their favor, as does a degree of investor rotation away from U.S. assets. However, uncertainties linked to the reshaping of the global order, ongoing trade tensions, and bilateral agreements still in negotiation could weigh significantly on their outlook. As such, we remain cautious and maintain a neutral position.



On the fixed income side, no changes were made this month. We continue to hold a neutral allocation across all sub-segments, with yields roughly in line with historical averages. At this stage, we see neither compelling opportunities nor major risks in this asset class.

Turning to our strategic investments, we are pleased with the strong performance recorded in June. Platinum (+26.50%) and uranium (+15.82%) stood out in particular. Silver also delivered a robust return, gaining +9.4% in June and nearly +25% year-to-date in 2025. Since the beginning of the year, all our thematic strategies have posted very nice returns, ranging from +8.45% for uranium to +51.6% for the defense sector.

The only underperformer remains our US MidCap Momentum strategy (+4.13% YTD), though the current environment may favor a swift rebound. The topic remains open within the committee, which has decided to maintain the position for now and reassess it at the next meeting.

Finally, the Bitcoin theme once again sparked intense debate within the committee. Due to the lack of clear consensus, it is not currently included in our strategic pocket. That said, several members view it as a long-term opportunity, and we will continue to evaluate its relevance over the course of future meetings.

« Core » Portfolio

	% SAA		%TAA
Cash	5%	=	5.0%
Fixed Income	45%	=	45.0%
Investment Grade	20%	=	20.0%
Sovereign Debt	15%	=	15.0%
High Yield	10%	=	10.0%
Equities	50%	=	50.0%
US markets	30%	=	30.0%
European markets	15%	=	15.0%
Emerging markets	5%	=	5.0%

« Strategic focus » investments

Themes	%	Since
Inflation shield		
- Gold	5.0%	29.12.2023
- Silver	0.5%	28.02.2025
- Platinum	0.5%	28.05.2025
Energy abundance		
- Uranium	2.0%	29.12.2023
Defense	2.5%	30.04.2024
MidCap US Momentum	2.5%	30.11.2024

Balanced USD Portfolio



Thinking forward: Born again

“It is impossible for a state to prosper if the number of its citizens declines, because depopulation leads to the ruin of the arts, manufacturing, and agriculture.”

Jean Bodin, The Six Book of the Republic, 1576

In the 15th century, Venice embodied the pinnacle of civilization. Its 180,000 inhabitants — a colossal metropolis for the time — ruled over a commercial empire stretching from London to Constantinople. The Ca’ Foscari, the Palazzo Grimani, and a hundred other patrician palaces bore witness to unmatched wealth; their marble façades reflected the glory of a republic that believed itself eternal. The *Libro d’Oro*, the golden register of Venetian nobility, listed more than two thousand patrician families, each vying for magnificence and commercial daring.

And yet, a strange malaise had already begun silently eroding the foundations of the Serenissima. The same patricians who had built its grandeur started to delay marriages, obsessed with preserving their fortunes intact. Younger sons entered religious orders en masse to avoid the division of estates. Daughters, though endowed with extravagant dowries, struggled to find suitors. Celibacy became an economic strategy — and then a social norm. By 1581, the Senate raised the alarm: only 14% of nobles of reproductive age were married. A century later, the *Libro d’Oro* recorded just 1,700 families. In 1797, when Bonaparte abolished the millennial Republic, only 1,090 noble lineages remained — a depleted aristocracy reigning over a city emptied of its youth.

For a long time, Venice’s decline was attributed to the rise of oceanic trade routes or the expansion of the Ottoman Empire. But archival evidence tells a more unsettling story: long before the galleys abandoned the Arsenal, and before the Levant trading posts closed their doors, Venice was already in decline — not for lack of ducats or cannons, but for lack of children.

This Venetian parable now echoes with disturbing clarity. For centuries, humanity feared the Malthusian specter of an overpopulated Earth. Yet today, the opposite threat looms: a world that is emptying out, with societies crumbling under the weight of their own demographic decline. For investors, understanding this transformation is far more than an academic exercise — it means grasping the fundamental dynamic that will redefine markets, economies, and geopolitical balances in the decades to come.

We are only beginning to comprehend the magnitude and depth of this crisis. It is not merely a matter of aging societies, but a true shortage of youth. The world is growing older, and young people are becoming scarce — a reality confirmed relentlessly by data: 80% of the demographic shift stems from collapsing birth rates, and only 20% from increased longevity. This distinction fundamentally reshapes the nature of the solutions available. Raising retirement ages or improving senior health will never make up for the absence of an entire generation.



What is at stake is a nation's concrete ability to renew its vital forces: to produce, transmit, and protect. The central issue is not aging per se, but the insufficiency of births to sustain subsequent generations. A shrinking youth cohort contracts the productive base, strains public finances, weakens innovation, and reduces flexibility across all critical sectors. Demographics is not only an economic issue — it is also a matter of national security. Without a large, available generation, even the most technologically advanced armies face diminishing operational margins. In a world of mounting strategic tensions, a population too small to sustain the collective effort becomes a structural vulnerability.

Demographers now identify three distinct waves in this global transformation. The first, already underway, is hitting advanced economies and China, where the share of the working-age population will fall from 67% to 59% by 2050. The second will strike Latin America, India, and emerging Asia in the 2030s. Only Sub-Saharan Africa, driven by the third wave, will continue to experience workforce growth until around 2080. Countries in the second wave have a window of 10 to 20 years to become rich before becoming old — a challenge two-thirds of them are projected to fail, based on current trends.

China illustrates the consequences of this first demographic wave in dramatic fashion. What once seemed like the linear rise of an economic giant is now built on increasingly fragile foundations. Independent research, including that of Professor Yi Fuxian, suggests that official demographic data has been significantly overstated, concealing a far more worrying reality: plummeting birth rates (6.77 per 1,000 people in 2024, below Japan's level) and a potential halving of the population by 2100. This contraction is hitting northeastern provinces hardest, as young people flee and aging accelerates. Efforts to reverse the trend — three-child policies, tax breaks, and housing subsidies — face structural headwinds: high living costs, persistent gender inequality in the workplace, middle-class precarity, and a profound cultural shift in attitudes toward family. The Chinese model, once powered by abundant labor and intense rural-to-urban migration, is entering a phase of sustained demographic scarcity with major economic, social, and strategic implications.

This demographic implosion is already generating significant macroeconomic effects. By 2050, China will have lost 200 million workers. Expecting this to curb labor costs or revive a devastated real estate market is a dangerous illusion.

Europe and developed Asia are following similar trajectories. South Korea's fertility rate stands at just 0.6 to 0.7 children per woman — one hundred grandparents are replaced by only eleven grandchildren. In Japan, births are falling by 5% per year. In Germany and Italy, entire regions are depopulating. These transformations are driven by a complex interplay of economic, cultural, and technological forces: sky-high housing prices, digital isolation, and growing political divides between young men and women.

The second demographic wave approaching Latin America and emerging Asia presents its own challenges. Brazil exemplifies the middle-income trap: with a GDP per capita at 73% of the threshold for developed countries, it has just 16 years before its support ratio reaches a critical level. Indonesia, with 35 years ahead but a GDP per capita at just 35% of the benchmark, would need to triple its productivity. If these countries fail to grow richer quickly, they will face aging without the means available to advanced economies.



India, now the most populous nation on Earth, is seeing its demographic dividend diminish fast: from contributing 0.7 percentage points annually to per capita GDP growth over the last 25 years, it will add only 0.2 points by 2050. The challenge is to create productive jobs for hundreds of millions of young people before the demographic window closes for good.

Sub-Saharan Africa is the notable exception — the only region where fertility remains high (4.4 children per woman), and where the population is set to triple by 2100, from 1.3 to 3.5 billion. This growth could be either a historic opportunity or a humanitarian disaster. If African nations manage to create productive employment, they could become the world's next industrial engine. But without massive investment in education, infrastructure, and governance, this demographic explosion may fuel political instability and mass migration.

Certain demographic outliers' merit close attention. Countries like Israel maintain high fertility rates thanks to effective public policies and a culture that values family. These alternative models offer promising investment opportunities in economies that partly escape the demographic trap — with a young, dynamic workforce in a world of growing scarcity. More importantly, they may serve as templates for the policies other nations will eventually be forced to adopt.

Traditional government responses are proving insufficient in the face of this demographic crisis. The repeated failure of natalist policies is telling: no country whose fertility rate has fallen below 1.9 has managed to return to replacement level, suggesting the existence of a "low-fertility trap" — a cultural point of no return. Immigration, while politically contentious, also cannot mathematically compensate for the birth deficit. And even if countries magically returned to replacement fertility tomorrow, demographic inertia would weigh on growth for two more decades. This impasse will inevitably force governments to devise unprecedented policies to boost native birth rates — large-scale support plans coupled with profound social reforms that will reshape our economies. This pressing necessity, still entirely ignored by financial markets, will unlock significant investment opportunities in currently overlooked sectors. For investors, the key lies in identifying early the sectors likely to benefit from these policies before they are fully rolled out. Those who anticipate these tectonic shifts will be strategically positioned in what is now a niche theme — but one destined to become central to public policy for decades to come.

The Venetian chronicle reminds us that civilizations do not always fall to enemy fire — they may simply wither away from lack of births. This is the path now facing most nations: a slow demographic erosion that is reshaping growth, power, and social cohesion. In this emerging world, the decisive scarcity is no longer capital — or even energy — but youth itself. Venice did not perish for lack of wealth. It ossified for lack of demographic momentum — and eventually gave way to a new geography of power and value.



Food for thoughts

Golden Cross: A Bullish Signal Worth Watching

In recent days, two major indices – the S&P 500 and the Nasdaq – have triggered a well-known technical signal among analysts: the Golden Cross. This phenomenon, often interpreted as a precursor to a sustained upward movement, deserves close attention.

The Golden Cross occurs when the short-term moving average (typically the 50-day) crosses above the long-term moving average (usually the 200-day). This crossover reflects a shift in market regime: recent momentum becomes strong enough to reverse the slower and more stable trend of the past few months. Historically, this technical signal has often emerged at the start of prolonged bull cycles. For example, the Golden Cross observed in June 2020 (following the COVID crash) or in July 2016 (post-Brexit) preceded significant rallies. While nothing is ever guaranteed in the markets, these technical setups tend to catch the attention of institutional investors and trading algorithms, amplifying their impact.

What makes the current configuration particularly noteworthy is that it comes at a time of macroeconomic transition: moderating inflation, expectations of Fed rate cuts, resilient U.S. growth, and upward earnings revisions for H2 2025. In other words, the conditions are in place for this technical signal to be taken seriously — and potentially confirmed.

The two charts below clearly illustrate this recent phenomenon on both the S&P 500 and the Nasdaq. In each case, the 50-day moving average has just crossed above the 200-day moving average, validating the Golden Cross.

That said, this signal should not be interpreted in isolation. It is one element among many in market analysis. But as a long-term momentum indicator, it represents a constructive signal for equity investors.



Three charts :

The first half of the year was dominated by exceptional performances in metals and Bitcoin. Leading the pack was platinum, with a return of +42.24%, followed by gold (+23.19%) and closely trailed by silver (+22.61%). This renewed interest in tangible assets reflects a search for safety amid the prevailing uncertainty perceived by certain investors.




We've seen a textbook case on the S&P 500 since March, and this chart also illustrates the concept of the "Law of Large Losses" discussed in our previous month's column. The index has recovered exactly what it had lost since March, following what is commonly referred to as a "V-shape" rebound. After a -21% decline, it took a +28% rise to return to the exact same level.



When a figure as charismatic as Warren Buffett announces his retirement, fears—often justified—can materialize into market losses. Since the announcement on May 3rd, the stock has lost no less than 11%. It is also worth noting that the 200-day moving average is acting as a major support level. Should the stock close below this average, a sharper decline would likely follow.





*“Markets can only be
understood backwards,
but they must be invested
thinking forwards”*

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