SERENIS

FAMILY CAPITAL

Monthly Markets Chronicle

July 2025

30 | 1995 - 2025

Three decades of trust, expertise, and serenity.

Beneath the noise, a silent examination

For Serenis, investing is a subtle art of balancing anticipation and adaptation. Even when certain developments appear inevitable—such as the prospect of significantly higher customs tariffs in Switzerland—reality can still surprise. For weeks, analysts anticipated a substantial increase but remained divided: some expected the status quo or a compromise, others a marked tightening. In the end, Donald Trump opted for a spectacular reversal, raising the tariff to 39%, a level exceeding all forecasts. Assuming he would not move forward would have been a misjudgment; reacting hastily by selling would have been just as costly, as demonstrated by the sharp rebound that followed on April 7.

This summer, despite a torrent of news, markets remained surprisingly calm and broadly positive. In this chronicle, we present our current positioning: cautious overall, but selectively ambitious where we identify undervalued or overlooked opportunities. Our philosophy favors a long-term approach, both to avoid overreacting to market noise and to capture, early on, trends that we believe are emerging or not yet fully recognized.

Such positioning requires patience and discipline: when successful, it opens remarkable prospects, but it also carries the risk of arriving too early or misidentifying a trajectory. To address this, we engage in a constant exercise of objective self-assessment – a silent review that enable us to validate, adjust or redirect our convictions with serenity yet without ever relenting.

In this edition, the Thinking Forward section illustrates this work: what we identified over the past twelve months, how those ideas have evolved, the successes achieved, and the adjustments made. This exercise provides an overall view, revealing how individual initiatives come together to form a strategic trajectory. True to our conviction, we know that it is through the consistency of fundamental choices—just as much as through the clarity to re-examine them—that we most effectively navigate periods of extreme uncertainty.

Comments of the month of July

In July, risk assets continued to rise, seemingly ignoring tensions related to the imminent implementation of new tariffs.

This renewed optimism led to new all-time highs across several markets. The Nasdaq, which had started 2025 on a hesitant note, emerged as the standout index of the month with a 2.4% gain, bringing its YTD performance to +10.5%. It thus outperformed the major European markets, which have also been on a positive trajectory since the start of the year (+8.7%).

The fears that had shaken markets on “Liberation Day” now seem distant. Since April 7, the Nasdaq has surged 38%, once again illustrating the relevance of the “buy the dip” strategy embraced by more opportunistic investors.

Equity Indexes	Value	MTD	2025
S&P 500 (USA)	6 339	2.2%	7.8%
Nasdaq 100 (USA)	23 218	2.4%	10.5%
Euro Stoxx 50 (Europe)	5 320	0.3%	8.7%
SMI (Switzerland)	11 836	-0.7%	2.0%
Nikkei 225 (Japan)	41 070	1.4%	2.9%
CSI 300 (China)	4 076	3.5%	3.6%
Currencies	**Value**	**MTD**	**2025**
EUR/USD	1.142	-3.2%	10.2%
USD/CHF	0.812	2.4%	-10.5%
EUR/CHF	0.927	-0.8%	-1.4%
GBP/USD	1.321	-3.8%	5.5%
USD/JPY	150.750	4.7%	-4.1%
Bond Indexes		**MTD**	**2025**
Government USA		-0.4%	3.4%
US Corporate IG		0.1%	4.2%
US Corporate HY		0.5%	5.0%
Government EU		-0.4%	-0.1%
EU Corporate IG		0.4%	1.9%
EU Corporate HY		1.1%	3.5%
Other Asset Classes	**Value**	**MTD**	**2025**
Gold	3 290	-0.4%	25.4%
Brent Crude	73	7.3%	-2.8%
Bitcoin	116 491	8.3%	24.3%
Rates / Indicators	**Value**	**∆ MTD**	**∆ 2025**
US 10 years rate	4.37	0.15%	-0.20%
GER 10 years rate	2.70	0.09%	0.33%
US Unemployment	4.1%	-0.1%	-0.1%
Volatility Index (VIX)	16.7	0.0	-0.6

Across the Atlantic, caution prevailed until the announcement of a trade agreement between the European Union and the United States, setting new tariffs at 15%. Although perceived as strict by several European officials, this compromise nevertheless averted a more adverse scenario, while reigniting debates over the conduct of transatlantic relations. In this climate, stock market performances remained modest: the Euro Stoxx 50 gained 0.3%, while the SMI declined 0.7%.

In the foreign exchange market, the dollar posted its first monthly rebound of the year, supported by expectations of a more measured monetary policy from the Federal Reserve and greater clarity on the U.S. trade strategy. It gained 3.2% against the euro, while the Swiss franc fell 2.4% and the yen dropped 4.7%.

Finally, cryptocurrencies enjoyed renewed interest, driven by the momentum of “Crypto Week” and the adoption of the GENIUS Act, the first U.S. federal framework for stablecoins. In this context, Bitcoin rose 8.3%, but it was the altcoins that stood out — notably Ethereum, with a spectacular 48.7% surge.

Our current positioning

July unfolded in a mixed environment, combining the resilience of risk assets with rising uncertainty over the global economic trajectory. In the United States, second-quarter growth exceeded expectations but masked weakening domestic demand and a slowdown in the labor market. The entry into force in early August of new tariffs — bringing the effective average rate to around 18% — sustains the risk of stagflation, which could weigh on purchasing power and corporate margins. In the euro area, growth remains sluggish, held back by weak foreign trade and incomplete tariff negotiations, while in China, the slowdown continues against a backdrop of deflationary pressures and fragile confidence.

On the monetary front, the Fed could begin its first rate cuts in the fall, even as inflation is expected to rebound temporarily due to tariff measures. The ECB maintains a firm stance but could gain additional room for maneuver after the summer. Outside developed markets, monetary policies remain broadly restrictive, with the notable exception of China. This neutral policy mix limits the capacity to support economic activity in the second half of the year.

Despite a tense geopolitical environment and mounting trade uncertainties, markets remained cautiously optimistic, supported by the prospect of monetary easing and the absence of a sharp deterioration in macroeconomic indicators. Equities continued to advance, led by U.S. technology, while Europe and emerging markets delivered more uneven performances. This resilience reflects an ongoing appetite for risk—now more selective and sensitive to short-term economic data. In currencies, this hesitancy translated into a stronger dollar, supported by its safe-haven status and still favorable interest rate differentials.

At its July 29 meeting, the Investment Committee noted an ambivalent environment: on one hand, market momentum remains positive in certain segments, supported by strong corporate earnings and the prospect of monetary easing; on the other, rising risk factors—persistent trade tensions, diverging monetary policies, slowing demand in several regions, and excessive valuations—are limiting the long-term potential of equities. This backdrop calls for vigilance and flexibility in portfolio construction.

As a result, the “Core” portfolio’s exposure remains neutral across all asset classes, pending clearer signals. The latest committee meeting also highlighted differing views on the appropriate stance, underscoring current market opacity. In Europe, the relative strength of sectors such as finance and utilities offers both a cushion in the event of a correction and the opportunity to capture upside if the bullish cycle continues. In emerging markets, dollar weakness supports capital flows into certain economies, but structural and geopolitical risks demand a selective approach, favoring markets with solid fundamentals and governance.

Within the strategic allocation, Bitcoin’s inclusion in the “Inflation Shield” theme was approved, with a limited allocation funded by a slight reduction in gold. July’s performance was mixed: strong gains in defense and silver, offset by notable declines in platinum and uranium. These movements reflect both increased market selectivity and the aim of maintaining thematic diversification capable of capturing opportunities in a more uncertain environment. The "American Momentum" strategy posted modest gains but has yet to recover its year-to-date underperformance. The committee is also exploring new themes, including Quantum Computing—identified as a potential long-term growth driver given its applications in cybersecurity, artificial intelligence, and industrial optimization—making it a natural candidate for future inclusion in the "Strategic Security" theme, subject to majority approval by the committee.

In this environment, where momentum support is tempered by reduced visibility, management remains active and opportunistic, ensuring rapid capital reallocation in response to macroeconomic signals and market conditions.

« 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	5.00%	29.12.2023
- Silver	0.50%	28.02.2025
- Platinum	0.50%	30.05.2025
- Bitcoin	0.25%	31.07.2025
Energy Abundance		
- Uranium	2.00%	29.12.2023
Strategic Security		
- Defense	2.50%	30.04.2024
American Momentum		
- MidCap US Momentum	2.50%	30.11.2024

Balanced USD Portfolio

Thinking Forward: In the rearview mirror

In September 1519, Ferdinand Magellan departed Seville with five ships, seeking a route to the Indies by sailing around South America. Two years later, only one vessel returned, laden with spices, having completed the first circumnavigation of the globe. Magellan himself never came back. His expedition did not follow its initial course: it faced mutinies, changed routes, and adapted to unforeseen realities. Yet it proved that an ambitious goal, if constantly reassessed and adjusted, can yield lasting results—even when the final outcome differs from the original intent.

Magellan's story reminds us of a timeless truth: in any strategic journey—whether maritime, industrial, or financial—it is not enough to set a course. One must observe, reassess, and sometimes change pace to turn an intuition into enduring success. This discipline of adjustment lies at the heart of our investment philosophy: anticipate with prudence, then confront convictions with the test of reality. Revisiting our Thinking Forward twelve months later is a way to measure the accuracy of the course we set: some lines have strengthened, others have shifted, and a few have grown far beyond what we initially envisioned. It is also the moment when seemingly isolated themes reveal their deeper connections—together outlining the map of forces that will shape the future.

Metals, Code, and Influence

When we first highlighted the idea that gold could reclaim a central role in a reshaped monetary system, it was not out of nostalgia but a strategic reading of emerging signals. From the outset, gold was among our strongest long-term positions—not only one of the first assets we selected, but also the largest in portfolio weight. This positioning has fully played its role: gold benefited both from sovereign purchases on an unprecedented scale—exceeding 1,000 tons annually—and from a backdrop in which the weakening of major currencies and low bond yields enhanced its appeal, turning this initial conviction into tangible performance.

« Gold stands as a symbol of security and stability, its intrinsic value and tangible nature preserving wealth without reliance on the solvency or promises of a third party. »

(Gold – October 2024)

Over the past twelve months, we have refined this position by adding complementary tangible assets. Silver—discreet yet essential to the energy transition and advanced electronics—is experiencing rising demand in a structurally constrained market. Beyond these fundamentals lies an additional potential driver: growing retail investor interest in the strategic metals theme, which could further amplify capital flows. Platinum, for its part, benefits from a rare combination: persistent fragility in South African production, sustained Chinese demand, and increasing investor recognition of its role—akin to gold—as a diversification tool within portfolios. Together, these dynamics confirm that industrial value and strategic significance can reinforce each other.

« This precious metal also embodies a unique resilience to geopolitical disruptions. »

(A Long-Term Strategic Vision – December 2024)

What was initially observed for gold now applies to a broader circle: gold, silver, and platinum form a tangible backbone of economic power, where materiality and scarcity combine to offer lasting protection in an unstable environment.

But strategic mastery is no longer confined to the realm of physical assets. It now extends to the digital sphere, where other forms of scarcity—crafted not by nature but by code—are playing an increasingly important role in global financial balances.

Bitcoin falls squarely within this logic. Its recent trajectory should not be seen merely as a market phenomenon, but as the progressive integration of a digital asset into a national monetary strategy. The current U.S. administration is not seeking to pit Bitcoin against the dollar; it views them as complementary, underpinned by the ambition to extend the influence of the American financial system into digital infrastructures. The build-up of public reserves, the inclusion of cryptocurrencies in retirement savings plans, and the growing weight of ETFs are not isolated developments, but rather parts of a single framework: to anchor Bitcoin and certain stablecoins firmly within the U.S. sphere of financial influence.

« In an increasingly multipolar global economy, the historical preeminence of the dollar as the reserve currency will be challenged by the emergence of alternatives.»

(The Future of a Masterless Chessboard – February 2025)

This shift does not spell the end of the dollar's dominance, but broadens its instruments. Just as gold serves as a strategic scarcity in the tangible world, Bitcoin does so in the digital realm—now openly embraced as a lever of influence. In a context where U.S. debt continues its upward trajectory and geopolitical balances are being redrawn, we remain committed to the core of our convictions. The dynamics we identified have materialized—some more forcefully than expected. Integrating them can strengthen both the stability and the long-term growth potential of wealth.

Sovereignty is forged in steel and energy

Two other pillars have confirmed their central role in our strategic positioning: industrial power and energy independence. Their point of convergence lies in a sector that permeates both: defense. It is the keystone of these two dimensions, as the security of every state depends as much on its ability to protect itself as on its capacity to produce, innovate, and supply its infrastructure. In Europe, this reality has brought reindustrialization back to the level of a strategic imperative.

As early as November 2024, we wrote:

« We believe we are only at the beginning of this renaissance and ignoring it would be a considerable risk. »

(European Defense – November 2024)

Less than a year later, events have borne out this assessment. Defense budgets are expanding, strategic supply chains are being reconfigured, and our "Strategic Security" pocket has emerged as the top performer in the 2025 portfolio. At the NATO summit in June, its 32 members committed to raising military spending to 5% of GDP by 2035 — an objective that, far beyond its symbolism, firmly embeds defense at the core of the real economy.

This industrial and military build-up cannot, however, be separated from a solid energy base. The accelerated electrification of economies—driven by AI and critical digital infrastructure—demands secure and constant access to energy. Two resources stand out: uranium and liquefied natural gas (LNG). The former ensures stable, low-carbon electricity generation; the latter provides the flexibility needed to absorb demand fluctuations and secure networks.

« Uranium stands out as the guarantor of a reliable and constant power supply, essential to technological and economic progress»

(Uranium: Foundation of Stability, Progress, and Global Energy Security – July 2024)

Reality has validated this projection: the extension and construction of reactors in France, Canada, and Poland; the deployment of small modular reactors; and increased supply tensions following the downward revision of production forecasts by Kazatomprom. In parallel, LNG has confirmed its strategic role, enabling Europe to avoid major shortages while diversifying its sources since the 2022 gas crisis.

« The increased reliance on liquefied natural gas […] has enabled Europe to avoid severe shortages. »

(Thinking Forward – March 2025)

While Qatar consolidates its position at the center of global flows with the expansion of the North Field project, Europe is strengthening its ties with the United States, whose LNG now accounts for nearly half of its imports. This choice secures short-term supply but comes with increased dependency—and potentially a firmer alignment with the U.S.—in an increasingly polarized world.

The uranium–LNG tandem will soon form the very core of energy sovereignty: more than a guarantee of security, it is the essential condition for a power capable of sustaining its industrial and strategic ambitions over the long term.

« Without these two pillars, energy security would no longer be assured, and economic growth would, for many, remain little more than an incantation. »

(Thinking Forward – March 2025)

Reinvesting in these foundational sectors is therefore a deliberate choice for the long term. Reindustrialization, defense, and energy security are not three separate battles, but three facets of the same struggle: resilience.

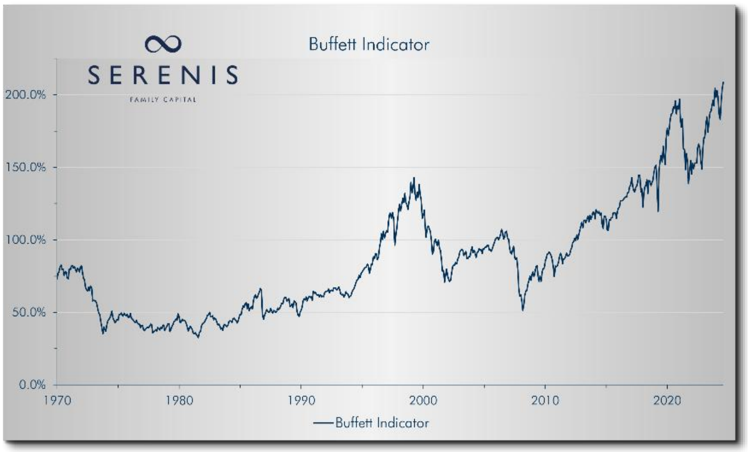
Identifying an emerging trend before it becomes mainstream is a demanding exercise, requiring a combination of rigorous analysis, patient observation, and the ability to connect weak signals from sometimes distant domains. It is not only a matter of spotting an opportunity but of understanding the context in which it might flourish—or, conversely, encounter structural barriers. Investing in these nascent lines of force is even harder: one must face the inherent uncertainty of markets, resist dominant narratives that draw attention elsewhere, and accept that their trajectory is often long, irregular, and punctuated by tactical adjustments and periods when conviction is tested.

This, however, is at the heart of our investment philosophy: identifying inflection points before they become obvious, building strong positions, holding them over time, and engaging in constant self-assessment to remain aligned with an ever-changing reality. This discipline involves questioning what once seemed certain, refining theses as new data emerges, and, at times, adjusting the course without losing sight of the original objective.

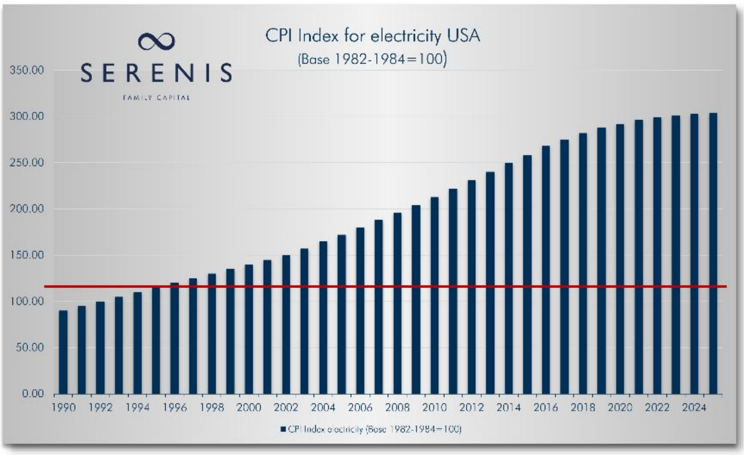
When a well-constructed thesis proves correct, the benefits can be considerable: measured first in sustainable capital growth, but often accompanied—almost as a natural byproduct—by alignment with the deep transformations reshaping the economy and the future balance of power. This dual outcome—durable performance and exposure to structural transformations—is, in our view, what distinguishes chasing a passing trend from methodically building a portfolio designed to weather cycles and generate long-term growth.

Three charts

The Warren Buffett indicator is an equity market valuation tool that compares the total U.S. stock market capitalization to GDP. Looking at the chart, an exceptionally large historical overvaluation emerges. Are we on the verge of a potential market correction, or are we witnessing the emergence of a new paradigm in which finance continues to decouple from the real economy?



The steady and sustained rise in the U.S. electricity Consumer Price Index (CPI) reflects increasing production costs, necessary investments in grid infrastructure, and growing demand from both consumers and industries. The rapid emergence of artificial intelligence (AI) further amplifies this demand, confirming that energy is becoming a central, strategic, and unavoidable issue in today's digital transition.



Overly restrictive tax regimes have always produced the same effect: a mass exodus of the wealthiest taxpayers. After Norway in 2023, it is now the United Kingdom's turn to feel the impact. In 2025, more than 16,500 millionaires are expected to leave the country — a record — relocating mainly to the Middle East, Switzerland, and also Italy, whose new attractive tax regime should result in a net positive inflow of 3,600 millionaires this year.

One last thing

At Serenis, each new arrival marks a milestone in the story we are building together. We attach as much importance to ideas as to results, as it is this combination that shapes our uniqueness. Bringing in new talent broadens our perspective and strengthens our ability to support our clients with precision and ambition.

It is in this spirit that we welcome Cédric Özazman, who joins Serenis as Chief Investment Officer and Head of Asset Management. A well-known figure in Geneva's financial community, he brings over twenty years of experience in asset management and in designing differentiated investment strategies. Guided by a clear vision, he aims to strengthen Serenis' position as a reference in independent advisory, combining operational excellence with strategic innovation.

A graduate with a Master's degree in Business Management from HEC Geneva, Cédric earned the Chartered Financial Analyst (CFA) designation in 2007, followed by the CWMA certification. He began his career in 2002 at KBL Swiss Private Banking, before joining Reyl in 2010 as Deputy CIO, subsequently leading the investment strategy from 2015. Over more than a decade, he built a reputation as a strategist, combining analytical depth with the ability to mobilize teams.

In 2022, he became Head of Investments at the Mirabaud Group, overseeing all investment solutions for private clients and chairing the investment committee.

His arrival at Serenis embodies an entrepreneurial project: to build an ambitious investment house, free in its thinking, selective in its choices, and structured to last. His approach is distinguished by a strategic reading of markets, a taste for innovative allocation, and the ability to transform strong convictions into solid, understandable architectures.

The son of an entrepreneur and a teacher, he grew up in an environment where ambition was paired with high standards and a spirit of transmission. These values naturally draw him to Serenis, a family-owned and independent firm with over 30 years of experience, where he finds the same entrepreneurial philosophy and the vision of advisory as a legacy to be carried forward.

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

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