



S E R E N I S

FAMILY CAPITAL

Monthly Markets Chronicle

June 2026



1995 - 2025

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The Time of Proof

June 2026 was not only a month of relief for markets. Above all, it was a month of testing. The rebound built since spring assumes that geopolitical risk can recede without calling into question the strength of the cycle. Equities remain supported by artificial intelligence, but investors are beginning to distinguish between essential infrastructure and uncertain promises.

The interim agreement between the United States and Iran reduced the immediate risk of escalation and allowed oil and gold prices to fall sharply. Yet this easing did not erase the underlying fragilities. Energy chains remain disrupted, long-term yields remain demanding, and inflation continues to limit central banks' room for manoeuvre. Markets have regained a degree of calm, without recovering genuine certainty. The rotation towards Europe, Switzerland and Japan reflects a more selective search for exposure.

In this context, the Investment Committee maintained its positioning unchanged. This stability is not a matter of inertia, but of discipline: remaining exposed to performance drivers while keeping in mind that geopolitical easing remains fragile and that monetary policy is once again data-dependent. Within the satellite allocation, the addition of infrastructure exposure to the Strategic Security investment thesis reflects the same objective: favouring assets that strengthen the continuity and resilience of the system.

This is also the context for this month's Thinking Forward, dedicated to the price of certainty. The history of the American railroads reminds us that a technology can transform the world while destroying part of the capital committed too early, too quickly or at too high a price. Artificial intelligence carries a comparable dynamic: massive needs in data centres, semiconductors, power grids, energy and financing, while monetisation remains unevenly proven. This tension between probable transformation and uncertain returns also informs our view of infrastructure: in a cycle where capital rushes towards the most visible promises, the physical layers that make those promises possible may offer a more robust, more tangible exposure, and one less dependent on a perfect scenario. Our reflection draws in particular on Liaquat Ahamed's book 1873; for those looking for a beach read less light than a summer novel, but probably more useful for understanding the excesses of capital, this book is an ideal companion that we recommend.

Finally, June also reminded us that the economics of spectacle sometimes feeds on the most concrete constraints. Between a World Cup held in the heart of summer and a historic heatwave in Europe, particularly in France and Switzerland, hydration breaks first appear as an obvious necessity. But these cooling breaks also say something about modern sport: even the time dedicated to hydration can become a monetisable media space and contribute to record revenues for FIFA and the host countries.



Markets and Investment Committee Positioning

After several months marked by tensions in the Middle East, markets saw in June a reduction in geopolitical risk, without the main uncertainties disappearing. The interim agreement reached between the United States and Iran helped ease immediate fears of a new military escalation and supported a return of risk appetite. Rather than a genuine peace agreement, investors mainly retained the reduction of short-term risk. However, the effective resumption of navigation through the Strait of Hormuz and the restoration of production flows remain to be confirmed, maintaining an uncertainty premium in energy markets.

In this context, central banks remained at the centre of attention. In the United States, non-farm payrolls reached 172,000 in May, compared with a consensus of 88,000, while the unemployment rate remained stable. At the same

time, inflation continued to accelerate, with the consumer price index rising by 4.2% and producer prices by 6.5%. This combination of still-solid activity and persistent inflationary pressures continues to limit the Federal Reserve's room for manoeuvre. The first meeting chaired by Kevin Warsh marked a regime change rather than a simple adjustment in tone. While the decision to keep rates unchanged was widely expected, it was the content of the projections that surprised: nine of the eighteen FOMC members now anticipate at least one rate hike by the end of the year, whereas the majority still expected cuts in March. The statement removed any reference to an accommodative bias, in favour of a strictly data-dependent approach, making the Fed less predictable and markets more sensitive to macroeconomic releases.

In Europe, the European Central Bank raised its rates by 25 basis points in order to contain inflationary risks linked to the energy shock, its first increase since 2023.

Equity Indices	Value	Month	2026
S&P 500 (USA)	7'499	-1.1%	9.6%
Nasdaq 100 (USA)	30'276	-0.2%	19.9%
Euro Stoxx 50 (Europe)	6'328	4.6%	9.3%
SMI (Switzerland)	14'194	4.8%	7.0%
Nikkei 225 (Japan)	70'062	5.6%	39.2%
CSI 300 (China)	4'979	1.8%	7.5%
Currencies	Value	Month	2026
EUR/USD	1.142	-2.0%	-2.8%
USD/CHF	0.808	3.5%	2.0%
EUR/CHF	0.923	1.4%	-0.8%
GBP/USD	1.326	-1.4%	-1.6%
USD/JPY	162.55	2.0%	3.70%
Bond Indices		Month	2026
US Government		0.3%	0.3%
US Corporate IG		0.2%	0.9%
US Corporate HY		0.3%	2.0%
EU Government		0.5%	1.3%
EU Corporate IG		0.5%	1.4%
EU Corporate HY		0.5%	1.9%
Other Asset Classes	Value	Month	2026
Gold	4'008	-11.7%	-7.2%
Oil	73	-20.8%	19.8%
Bitcoin	58'642	-20.3%	-33.1%
Rates / Indicators	Value	Δ Month	Δ 2026
US 10-Year Rate	4.47%	0.03%	0.30%
Germany 10-Year Rate	2.86%	-0.08%	0.01%
US Unemployment	4.30%	0.00%	-0.10%
Volatility Index (VIX)	16.5	1.1	1.5



Equity markets showed a more mixed performance than over the previous two months. After a powerful rebound driven by large US technology stocks, leadership gradually broadened to other regions and sectors. European markets therefore outperformed their US counterparts, with the Euro Stoxx 50 rising by 4.6% over the month, while the Swiss SMI gained 4.8% and Japan's Nikkei advanced by 5.6%. Conversely, the S&P 500 declined by 1.1% and the Nasdaq 100 remained close to flat (-0.2%), mainly reflecting profit-taking in large-cap technology stocks after their strong gains since the beginning of spring.

At the sector level, artificial intelligence remains a major structural theme, but investors have adopted a more selective approach as valuations have become demanding. Flows moved towards more defensive sectors as well as financial stocks, supported by the prospect of a sustainably higher interest rate environment. This rotation notably benefited the Swiss market, whose more defensive profile and the weight of large international companies could continue to be advantages if the strengthening of the dollar were to be confirmed.

In the wake of this geopolitical easing, the first adjustment was observed in the oil market. WTI fell by 20.8% over the month, ending at USD 73 per barrel, as the prospect of a reopening of the Strait of Hormuz became clearer. This correction should nevertheless be put into perspective: production capacity and logistics chains remain disrupted, maintaining a residual fragility in the energy market. Gold also corrected by 11.7%, penalised by the rebound of the dollar and by expectations of a more restrictive monetary policy.

On the bond side, markets remained relatively stable, with the US 10-year Treasury yield ending the month at 4.47%. This stability reflects a lasting shift in expectations: while investors were still anticipating several rate cuts at the beginning of the year, the Fed's abandonment of its accommodative bias and the ECB's rate hike ultimately erased these hopes, in a context where inflation remains above their targets.

In response to this evolution, the committee chose to maintain its positioning unchanged within the *Core* portfolio. While markets welcomed the improvement in the geopolitical backdrop, the uncertainties surrounding the path of inflation, central bank policy and the strength of global growth justify, in the committee's view, maintaining a balanced approach.

Finally, the main convictions within the satellite allocation remain unchanged. Discussions focused mainly on the *Inflation Shield* investment thesis, whose outlook remains supported by a durably more fragmented geopolitical environment. The committee also decided to strengthen the *Strategic Security* investment thesis through an exposure to infrastructure, considered a long-term investment theme benefiting from growing security and energy-transition needs, as well as higher public spending. In addition, discussions continued around the European banking sector, without any allocation decision being taken at this stage.

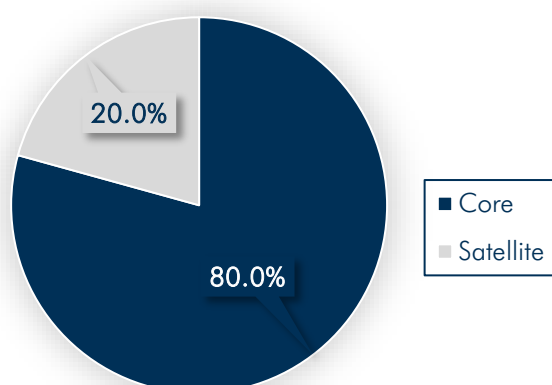


Our Current Positioning

<i>Core</i>	<i>80.0%</i>
Cash	4.8%
US Market Equities	25.7%
European Market Equities	13.4%
Emerging Markets Equities	3.5%
Investment Grade Bonds	14.3%
Sovereign Debt Bonds	10.6%
High Yield Bonds	7.7%

<i>Satellite</i>	<i>20.0%</i>
Inflation Shield	4.7%
<i>Inflation Shield aims to preserve long-term value by positioning the portfolio against inflationary pressures and monetary debasement, through resilient assets adapted to different economic regimes.</i>	
Re-Care-Nation	2.7%
<i>Re-Care-Nation combines exposure to healthcare and biotechnology in order to capture the long-term structural demand driven by demographics, innovation, and rising global health needs.</i>	
Strategic Resources	3.3%
<i>Strategic Resources focuses on energy resources and critical materials, targeting assets essential to energy security, supply chain resilience, and long-term strategic autonomy.</i>	
Strategic Security	4.1%
<i>Strategic Security focuses on defense, security infrastructure, and advanced technologies, benefiting from increased investment in protection and strategic resilience.</i>	
Strategic Partners	2.7%
<i>Strategic Partners offers diversified equity exposure to the main markets aligned with the United States.</i>	
USD Debasement	2.5%
<i>USD Debasement combines currency diversification and generous bond yields outside the dollar bloc, while limiting exposure to the long-term depreciation of the U.S. dollar.</i>	

Core - Satellite Allocation



Thinking Forward: The Price of Certainty

« The only new thing in the world is the history you do not know. »

Harry S. Truman

On May 10, 1869, at Promontory Summit, in the Utah Territory, two railway networks built with great difficulty from opposite directions finally met. A final spike symbolically connected the Central Pacific Railroad to the Union Pacific. The hammer strike was transmitted by telegraph across the United States, summed up in a single word over copper wires: DONE. For contemporaries, this was not merely an engineering achievement in hostile terrain. The North American continent had just changed scale. A journey between the East Coast and the West Coast, which had previously required several months of perilous travel, became possible in less than a week. America entered an integrated economy in which distances shrank, regional markets converged and the country's economic geography was transformed.

This upheaval was part of a much broader transformation. That same year, the Suez Canal opened a direct maritime route between the Mediterranean and the Red Sea, shortening trade routes to Asia. Since the transatlantic cable became operational in 1866, intercontinental communications were no longer measured in weeks, but in minutes. The world was laying the physical foundations of the first industrial globalisation.

Capital flowed from London, Paris and Amsterdam to finance American railway bonds on a massive scale. This investment dynamic appeared perfectly rational. It was not based solely on the railway, but on the convergence of several technological breakthroughs that created the impression that the world was suddenly shrinking. Trade accelerated, markets became connected and a new economic map seemed to be emerging. History would largely validate this intuition. What investors did not yet know, however, was how long this transformation would take, which companies would manage to build a sustainable business model from it and, above all, which actors would actually capture the value created.

The economic crisis that followed this investment cycle was therefore not only American. It represented one of the first major transatlantic financial shocks of industrial capitalism. As early as May 1873, the crash of the Vienna Stock Exchange weakened European markets and exposed the speculative excesses accumulated around real estate, banks and infrastructure. A few months later, on September 18, 1873, the collapse of Jay Cooke & Company, the main financier of the Northern Pacific Railway, triggered the American panic. Credit dried up, railway companies defaulted, the New York Stock Exchange closed for several days and the crisis became one of the major financial shocks of the nineteenth century.

Yet the essential part survived the financial collapse. The weakest companies disappeared, initial shareholders were often ruined, creditors absorbed considerable losses, but the infrastructure remained. The rails stayed in place. Restructured, recapitalised and sometimes acquired at a fraction of its initial cost, the railway network would become the backbone of American industrial power. The crisis did not destroy the technological transformation itself;

it corrected the excessive, impatient and often poorly structured way in which that transformation had been financed.

For more than a century and a half, this mechanism has reappeared with every major industrial rupture. Electrification, the automobile, telecommunications, the Internet and the cloud have all been accompanied by an exceptional mobilisation of capital, financial innovations designed to support the investment effort, a phase of overbuilding and then an often brutal normalisation. With hindsight, these revolutions appear almost inevitable. At the moment when they are being financed, however, their pace, their beneficiaries and their profitability remain deeply uncertain. The future sometimes ends up confirming the direction taken, but rarely the price paid by the first investors.

More than a century and a half after the railway euphoria, the global economy appears to be engaged in a comparable dynamic. The four main American hyperscalers — Amazon, Microsoft, Alphabet and Meta Platforms — have already raised their capital expenditure to unprecedented levels for companies of such profitability. After allocating more than USD 240 billion to capex in 2024, they raised their 2025 budgets several times, mainly for data centres, semiconductors, power grids and computing infrastructure required for the development of artificial intelligence. These amounts come in addition to investments by energy producers, foundries, equipment manufacturers, network operators and governments, bringing the overall effort far beyond the budgets of the technology giants alone.

Seen from this angle, artificial intelligence looks less like the launch of a new generation of software than a new phase of heavy infrastructure construction. As with the great revolutions that preceded it, the construction of the tool largely precedes the uses that may eventually justify it. This anticipation is indispensable: no transformation of such magnitude can emerge without massive prior investment. But it is precisely this necessity that creates the conditions for excess, sometimes pushing markets to confuse the cost of building infrastructure with the certainty of its future monetisation.

Great technological revolutions never transform only the economy; they also transform the way capital circulates. When financing needs change scale, financial mechanisms evolve with them. Railways accelerated the rise of international bond markets and major investment banks. Today, artificial intelligence is mobilising private credit, infrastructure debt, partnerships between hyperscalers, very long-term energy contracts and new forms of co-financing for data centres. According to the International Monetary Fund, the global private credit market reached around USD 2.1 trillion in 2023, including assets and undrawn commitments. This development is neither an automatic signal of excess nor a guarantee of solidity. It simply recalls a historical constant: when industrial ambition exceeds the capacity of traditional financing channels, finance invents to make possible what would otherwise no longer have been possible.

Capital is not the only thing that adapts. When certain infrastructures become essential to the functioning of an economy, they gradually cease to be simple private assets and become instruments of power. The development of American railways was largely supported by



federal land grants; the Suez Canal quickly became a strategic issue for European powers; undersea telegraph networks were protected as vital communication infrastructure. Semiconductors, data centres and power grids are now following a comparable trajectory. Industrial policies, export restrictions and subsidies — such as the semiconductor component of the CHIPS and Science Act, endowed with USD 52.7 billion — reflect a shift in which the search for efficiency is gradually giving way to the search for resilience. Some capacities may appear excessive from a strictly financial perspective while remaining rational in light of sovereignty imperatives.

Finally, all major revolutions are based on a vision of the future whose strength eventually exceeds the markets' ability to measure its economic consequences objectively. The railway promised to abolish distance. Electricity was expected to transform industry. The Internet announced a connected economy. Artificial intelligence suggests the automation of a growing share of intellectual work. These visions are not necessarily wrong; they gradually become the framework through which the present is interpreted and the future is valued. As this collective conviction takes hold, the risk of being left out often appears greater than the risk of investing too early. FOMO then no longer affects investors alone. It spreads to companies, which accelerate spending so as not to fall behind, and then to governments, which fear the strategic cost of inaction. At this stage, the narrative no longer merely accompanies the allocation of capital: it contributes directly to steering investment decisions, sometimes well before the real economy has confirmed the assumptions that underpin them.

This is where the current cycle becomes more demanding than previous ones. The energy infrastructure required for artificial intelligence takes years, sometimes more than a decade, to be planned, built, connected and fully operational. A significant share of the computing equipment it is meant to power follows, by contrast, a much shorter technological cycle. The first generations of processors could therefore approach economic obsolescence before the energy infrastructure designed to support them has even reached full capacity.

History has taught us that infrastructure can survive the destruction of the capital that financed it. The current cycle could be even more demanding. Markets are no longer financing only the construction of infrastructure; they are simultaneously financing its permanent renewal. A significant share of the capital invested today will probably need to be replaced several times before the energy networks, electrical connections and industrial capacities that support it have completed their own development cycle.

This dynamic profoundly changes the economic equation. Investments will no longer merely need to generate sufficient returns to amortise existing assets; they will also need to produce the cash flows required to finance the next generations of equipment, while continuing the expansion of energy infrastructure, power grids and industrial capacity. The total amount of capital to be mobilised will therefore probably not be the figure announced today, but the one required by the convergence of these two cycles: a long cycle of physical construction and a short cycle of technological renewal. As long as the energy system has not reached cruising speed and computing equipment continues to be replaced at a sustained pace, demand for capital could remain structurally high, well beyond the current investment phase.



This is probably where the deepest break with previous great industrial revolutions lies. Railways, canals and power grids were certainly costly, but their useful lives were measured in decades, sometimes in centuries. A significant share of artificial intelligence infrastructure, by contrast, will require continuous reinvestment before it has even fully demonstrated its ability to generate the returns that justified its construction. The central question is therefore not only whether artificial intelligence will transform the economy, but whether this transformation will create enough value, fast enough, to sustain a cycle in which capital must simultaneously finance the construction, operation and renewal of an infrastructure whose components age faster than the ecosystem required to make them profitable.

The normalisation of the current cycle, when it comes, will probably not say whether artificial intelligence, as we know it today, was a revolution. That answer still belongs to the future. It will reveal, however, which expectations were justified, which business models were truly capable of remunerating the capital committed and which valuations merely incorporated certainties that the real economy was not yet ready to produce. One reality is already observable: the more investment budgets increase, the higher the level of revenues, margins and return on capital required to justify them becomes. As needs for computing, energy, networks and technological renewal accumulate, the value-creation threshold required by markets itself becomes more difficult to reach.

No revolution generates returns on capital before it has found its business model, its commercially viable uses and its true beneficiaries. To pay the price for it as if its promises were already secured, already present and already profitable is to turn a historical possibility into a financial certainty. Illusions of certainty have always been among the most costly investments in economic history.

With artificial intelligence, this cost could reach levels that market history has never yet known.

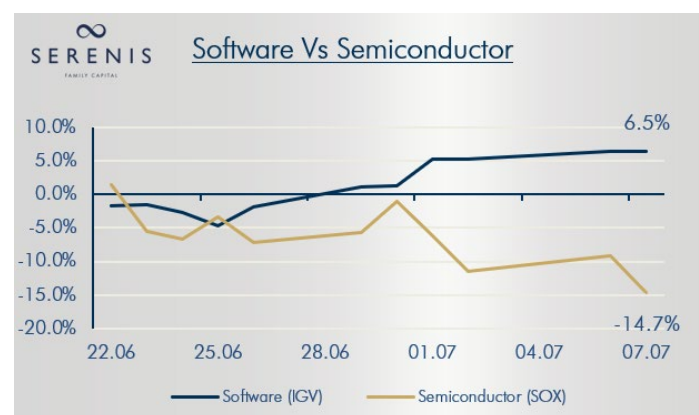
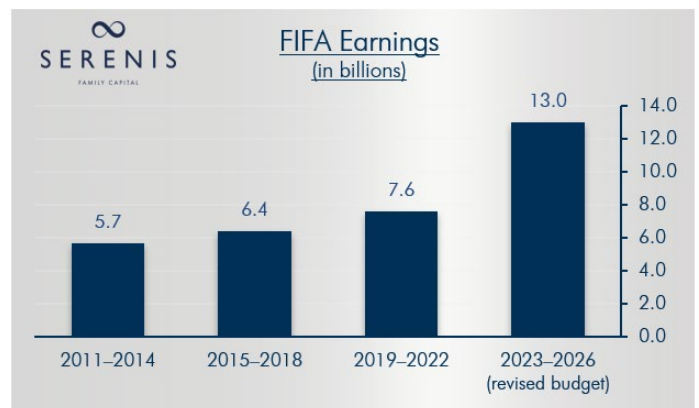
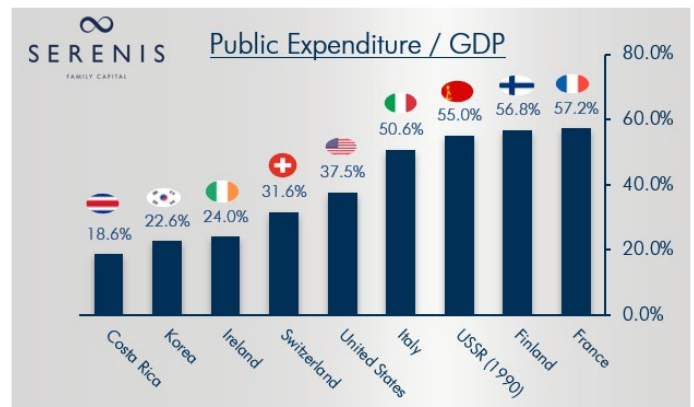


Three Charts

According to OECD data, French public spending stands at 57.2% of GDP, a level higher than the estimated peak of the USSR in 1990, at around 55%, just before the collapse of the regime. At the other end of the spectrum, Costa Rica, South Korea and Ireland show the lowest ratios in the chart. The comparison does not equate the models, but highlights the exceptional weight of the French state in the contemporary economy.

FIFA's financial trajectory reflects an underlying trend: rare assets capable of capturing a global audience are seeing their value appreciate exponentially. After more than a decade of steady growth, the federation has reached a new threshold by fully leveraging the power of its franchise. In just three years, its revenues are expected to almost double, confirming that the World Cup is no longer only the largest sporting event on the planet, but also one of the most powerful economic franchises in the world.

The artificial intelligence boom has crowned one clear winner: semiconductors, which are up 88% in 2026. On the other side, enterprise software has fallen sharply, down 11% since the beginning of the year. The market's message is clear: investors fear that AI could, over time, weaken or even replace part of the business model of software publishers. But in recent days, this certainty has begun to crack. A simple rebound or a genuine turning point? For now, earnings tell another story: that of a sector far from being condemned.





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

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