SERENIS

FAMILY CAPITAL

Monthly Markets Chronicle

July 2026

1995 - 2025

Three decades of trust, expertise, and serenity.

Beneath the Flow, the Foundations

Investing often means looking beyond what immediately captures attention. Over the past twelve months, markets have been dominated by powerful narratives: the return of trade tensions, the energy shock, Sino-American rivalry, the acceleration of artificial intelligence, and renewed questions around certain monetary equilibria. Taken in isolation, these events appear to belong to different worlds. Together, however, they tell the same story: beneath an economy that is increasingly digital, fast and interconnected remain very tangible constraints. These include energy, minerals, infrastructure and industrial capacity, now joined by control over technology and the depth of capital.

This is precisely the role we assign to our Thinking Forward section: not to predict every event, but to identify early enough the forces likely to reshape the investment environment over the long term. Some of our reflections strengthened over the course of the year; others had to be refined as the facts evolved. From American resilience to Europe's energy vulnerabilities, from chokepoints to critical minerals, from the extension of the dollar onto the blockchain to the rising cost of the AI revolution, one common thread gradually emerged: power no longer lies only in what one owns, but in what one can secure, finance and mobilise over time.

This reading nevertheless requires discipline. A sound thesis can be mispriced, premature or temporarily contradicted by markets. Conversely, strong performance is never enough to validate a conviction. Our work therefore consists in distinguishing noise from signal, volatility from invalidation, and regularly returning to the fundamental assumptions underpinning each investment. Thinking long term does not mean clinging to certainties; it means knowing which ones withstand the test of reality. This is precisely the discipline highlighted in the 2026 retrospective: confronting convictions with reality without allowing market movements alone to dictate the course.

In this edition, we revisit the eleven Thinking Forward pieces published over the past year. Read together, these reflections trace a more coherent path than might first appear in a world where access is becoming more strategic and interdependencies more visible, value is gradually shifting towards those who make continuity possible. This retrospective is not intended to celebrate what was anticipated, but to assess what remains relevant, what must be adjusted and what still deserves deeper examination. Only on that basis can we continue to invest with conviction, humility and serenity.

Markets and Investment Committee Positioning

July 2026 ended in a phase of consolidation for global markets. While the MSCI World index finished slightly higher, up 0.5% in US dollars, this apparent stability concealed deep divergences beneath the surface.

Equity Indices	Value	Month	2026
S&P 500 (USA)	7'490	-0.1%	9.4%
Nasdaq 100 (USA)	28'274	-6.6%	12.0%
Euro Stoxx 50 (Europe)	6'358	0.5%	9.8%
SMI (Switzerland)	14'346	1.1%	8.1%
Nikkei 225 (Japan)	64'362	-8.1%	27.9%
CSI 300 (China)	4'588	-7.9%	-0.9%
Currencies	**Value**	**Month**	**2026**
EUR/USD	1.153	0.9%	-1.9%
USD/CHF	0.808	-0.1%	1.9%
EUR/CHF	0.930	0.8%	0.0%
GBP/USD	1.348	1.7%	0.1%
USD/JPY	157.400	-3.2%	0.4%
Bond Indices		**Month**	**2026**
US Government		-1.1%	-0.8%
US Corporate IG		-1.7%	-0.8%
US Corporate HY		-0.2%	1.7%
EU Government		-1.6%	-0.2%
EU Corporate IG		-0.9%	0.5%
EU Corporate HY		-0.2%	1.6%
Other Asset Classes	**Value**	**Month**	**2026**
Gold	4'046	1.0%	-6.3%
Oil	90	23.6%	48.1%
Bitcoin	68'999	7.3%	-28.2%
Rates / Indicators	**Value**	**Δ Month**	**Δ 2026**
US 10-Year Rate	4.73%	0.27%	0.57%
Germany 10-Year Rate	3.21%	0.35%	0.35%
US Unemployment	4.2%	-0.1%	-0.2%
Volatility Index (VIX)	16.0	-0.5	1.0

After a first half dominated by the surge in semiconductors and the spectacular acceleration of investment in artificial intelligence, July marked a clear change of regime. Investors rotated towards undervalued and defensive sectors, at the expense of growth stocks and technology leaders. At the same time, renewed tensions in the Middle East and ambiguous messages from the Federal Reserve sustained persistent nervousness across bond and commodity markets.

The month's main macroeconomic event came from the US Federal Reserve. The decision itself brought no surprise, with the Fed keeping its policy rate unchanged in a range of 3.50% to 3.75%. The tone of the statement, however, and above all the voting split, proved markedly firmer than expected.

The committee appeared deeply divided: the decision was approved by 9 votes to 3, with Beth Hammack, Neel Kashkari and Lorie Logan calling for an immediate 25-basis-point increase. A clearly *hawkish* signal, reflecting inflation concerns that remain firmly entrenched.

Underlying inflation indicators did show some signs of easing in June, with Core PCE rising by only 0.1% month on month. However, the rebound in crude oil prices, fuelled by tensions surrounding the Strait of Hormuz and Iran, is reviving the risk of second-round effects on consumer prices.

The US economy, meanwhile, continues to display remarkable resilience. S&P Global's Composite PMI reached 53.6 in July, its highest level in eight months, confirming that activity remains firmly in expansion territory.

In bond markets, the combination of an unyielding Fed, high sovereign funding needs and persistent inflation concerns put renewed upward pressure across the yield curve, weighing on global government bonds and dragging corporate credit lower, particularly US Investment Grade (-1.7%).

At the microeconomic level, the second-quarter 2026 earnings season began on robust fundamentals, with S&P 500 earnings expected to rise 22% year on year. Yet investors now demand rapid evidence of returns on the enormous sums committed to artificial intelligence, triggering profit-taking among the strongest performers of the first half.

The SOX semiconductor index consequently fell 20% over the month, its steepest monthly decline since 2008, although it still remains up nearly 60% since January. The Nasdaq 100 ended the month down 6.6%, while Asian markets were not spared: the Nikkei and Kospi lost 8% and 22%, respectively.

July therefore confirmed a more demanding and selective market. Artificial intelligence was seriously put to the test, reminding investors that despite considerable long-term prospects, investing in its expected beneficiaries remains far from risk-free. The potential remains, but the path will be anything but linear.

In this environment, the Investment Committee continues to allocate around 20% of the portfolio to satellite theses designed to generate sources of alpha beyond passive market exposure. Inflation Shield, Strategic Resources and Strategic Partners outperformed traditional markets.

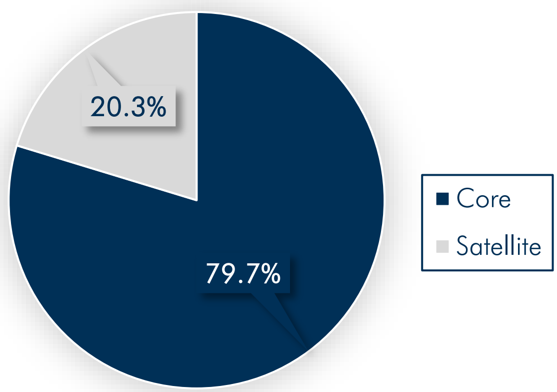
Finally, the Committee maintained a neutral stance within the Core portfolio. Equities remain caught between solid earnings prospects and valuations above historical averages. Bonds offer attractive yields, but remain vulnerable to further rate increases. In this fragile balance, discipline, diversification and selectivity remain essential.

Our Current Positioning

Core	*79.7%*
Cash	5.0%
US Market Equities	25.8%
European Market Equities	13.4%
Emerging Markets Equities	3.3%
Investment Grade Bonds	14.0%
Sovereign Debt Bonds	10.5%
High Yield Bonds	7.7%

Satellite	*20.3%*
Inflation Shield	4.9%
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.	
Re-Care-Nation	2.7%
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.	
Strategic Resources	3.4%
Strategic Resources focuses on energy resources and critical materials, targeting assets essential to energy security, supply chain resilience, and long-term strategic autonomy.	
Strategic Security	4.0%
Strategic Security focuses on defence, security infrastructure, and advanced technologies, benefiting from increased investment in protection and strategic resilience.	
Strategic Partners	2.8%
Strategic Partners offers diversified equity exposure to the main markets aligned with the United States.	
USD Debasement	2.5%
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.	

Allocation Core - Satellite



Thinking Forward: In the Rear-View Mirror 2026

On 15 August 1914, as Europe had just plunged into war, the *SS Ancon* officially transited the Panama Canal. The waterway shortened the route between the Atlantic and Pacific coasts of the United States by several thousand kilometres. It marked a triumph of engineering over distance, yet at the same time revealed a less comfortable truth: by concentrating trade through a narrow passage, efficiency created its own dependency. The canal had abolished neither geography nor power relations; it had shifted their centre of gravity towards those able to guarantee, administer or interrupt circulation.

The eleven *Thinking Forward* pieces published between August 2025 and June 2026 examined this tension through seemingly distant subjects: artificial intelligence, American resilience, digital money, investment doctrines, neo-mercantilism, Chinese power, copper, luxury, European energy and chokepoints. Read together, they do not form a series of comments on current events. They mark out a single line of inquiry: understanding which conditions still make power, prosperity and value creation possible when access can no longer be taken for granted.

A *Thinking Forward* is neither a forecast to be judged by the next market move nor a manifesto intended to remain unchanged. It is a visible, dated working hypothesis, a marker in a line of thought that must continue to evolve. It begins with an event or a historical analogy, extracts a mechanism from it, then tests that mechanism against contemporary constraints and their implications for capital. Its aim is not to eliminate uncertainty, but to organise it better: to distinguish signal from the dominant narrative, a structural trend from its timing, and the economic importance of a theme from its investment quality. Its value lies as much in what it allows us to see early as in its ability to evolve when reality shifts the lines. In that sense, it belongs less to communication than to a research architecture: it formulates the questions that should guide analysis before their answers become consensus.

"In an environment of rupture, this dual reading is essential: analogy provides the reflexes; First Principles provide the compass."

— *First Principles*, November 2025.

This sentence summarises the method followed over the year. History helps us recognise familiar mechanisms, but it becomes dangerous when it excuses us from checking what is physically possible, energetically sustainable, institutionally protected and financially profitable. A useful doctrine should help us decide, not become flexible enough to explain everything. The rear-view mirror is therefore not there to celebrate the coherence of the corpus, but to test what has held up, what has been qualified and what the Serenis framework must now integrate more effectively.

The clearest convergence is the rematerialisation of the economy. Globalisation and digitalisation have not eliminated matter; they merely concealed its importance while access remained fluid. Artificial intelligence depends on electricity, copper, transformers, cooling and land. Luxury depends on workshops, materials, routes and international mobility. European sovereignty requires power plants, grids and industrial depth. Even the digital dollar requires liquid reserves, a credible legal framework and a settlement architecture capable of absorbing shocks.

"In a complex system, value lies not only in what circulates, but in what guarantees that circulation."
— *Lessons from Ugarit for Our Copper Age*, February 2026.

This formulation best connects the eleven pieces. A sophisticated economy depends not only on the amount of goods, data or capital it produces, but on the guarantees that allow those flows to endure: available energy, maintained infrastructure, substitutable suppliers, enforceable rules, recognised means of payment and institutions capable of absorbing disruption. When these guarantees work, their cost disappears into the background. When they weaken, they once again become a central variable in allocation.

Copper made this constraint tangible. The issue is not simply the geological presence of the metal, but the time required to turn a project into available supply. Power grids, electrification and digital infrastructure are advancing faster than some extraction and refining capacity. The estimate of a potential supply gap close to 25% of projected demand by 2035 remains significant, without implying a certain shortage. Prices, recycling, substitution and new projects are already changing the balance. The success was to identify the time constraint; the adjustment is to track the forces seeking to reduce it.

Europe offers a comparable nuance. Its energy dependence remains high and constrains its industrial ambition. Yet gas diversification and infrastructure adaptation have reduced the risk of an immediate disruption. This adaptation is not the same as autonomy. It shows that between dependence and sovereignty lies an intermediate space made of redundancy, diversification and time gained. The corpus correctly identified the physical cost of sovereignty; the facts remind us that systems do not passively submit to their constraints.

Luxury confirmed the broader relevance of this reading. Its value appears to come from image, desire and organised scarcity. Yet it cannot be sustained without an order capable of securing materials, know-how, production and customer mobility. The merit of the piece was not to predict weakness in the sector, but to show that even the most narrative asset rests on material and political conditions.

The second common thread concerns power. Possessing a resource, a technology, a currency or a network of alliances is not enough. An advantage becomes strategic when it can be mobilised, protected, financed and maintained long enough to alter the behaviour of others.

"Its power rests not only on what it possesses, but on what it chooses to do with it."
— *The Seven Pillars of American Resilience*, September 2025.

This reading has held up well. American resilience rests less on any single attribute than on the combination of geography, energy, the domestic market, innovation, the dollar, deep capital markets and alliances capable of extending its power. Its weaknesses — debt, polarisation, ageing infrastructure and mineral dependencies — are real. Yet they coexist with a capability that is difficult to replicate: turning a political priority into capital, and then that capital into industrial capacity.

China has a different architecture, built on manufacturing density, refining capacity and certain inputs that are difficult to replace quickly. Europe retains significant regulatory and commercial weight, but struggles more to convert it into material autonomy. *Potemkin*

Miraflores added a useful distinction between narrative power and execution power: contracts, diplomatic influence or trade dependency become guarantees only if they can be converted into protection, coercion or effective control over access.

> *"A chokepoint is not merely a logistical bottleneck; it is a passage whose control can turn an economic asymmetry into an instrument of political coercion."*
>
> — *Chokepoints*, May 2026.

Not every scarcity is therefore a chokepoint, and not every dependency can be activated. The passage must be indispensable, difficult to substitute, controllable and exploitable before those who depend on it can bypass it. Restrictions on semiconductors and controls applied to certain minerals illustrate the same shift: trade is not disappearing, but access to it is becoming administered, negotiated and political. Neo-mercantilism does not mark the end of trade; it reflects its growing subordination to industrial and security objectives.

This is where the rear-view mirror provides a useful correction. The more a chokepoint is activated, the more it changes the calculations of those exposed to it. Mines, inventories, recycling or alternative supply chains that were previously considered too expensive become rational once security of supply enters the equation. Coercion can create an immediate advantage while accelerating the financing of its circumvention. Value can therefore migrate towards whoever opens another route, reduces the need for passage or turns scarcity into a substitutable capacity.

Behind these material foundations lies an additional infrastructure: capital. A mine, a semiconductor plant, an LNG terminal or a power grid requires strong balance sheets, patient financing and sufficient political visibility. The depth of US capital markets is not merely a financial advantage; it makes it possible to convert strategic ambition into tangible capacity more quickly.

> *"If the Internet was the protocol of information, stablecoins may be on their way to becoming the protocol of the dollar."*
>
> — *The Invisible Empire: When the Dollar Colonises the Blockchain*, October 2025.

This intuition was one of the most original of the period. Stablecoins can extend the use of the dollar beyond the traditional banking system, increase demand for short-term US securities and anchor the standards of programmable money within the American sphere. Their regulatory integration has reinforced this trajectory. Their weight nevertheless remains limited relative to the depth of the Treasury market, while issuer concentration and their dependence on confidence in US public finances warrant attention. The right judgement is to recognise an emerging infrastructure early without prematurely assigning it systemic importance.

Artificial intelligence closes the loop between narrative, matter, power and capital. *The Euphoria of Bubbles: From Beyond Meat to AI* was right to distinguish market time from economic time and to reject the overly simple opposition between revolution and bubble. It also identified energy, data and capital intensity as central constraints. The analysis was then refined: saying that infrastructure endures is not enough. A power grid, an interconnection or a well-located site can retain its usefulness for decades; a generation of specialised hardware can become obsolete before anticipated demand has reached maturity. At the same time, accelerating investment continually raises the level of revenue and return on capital required to justify it.

"No revolution generates returns on capital before it has found its business model, its commercially viable uses and its true beneficiaries."

— *The Price of Certainty*, June 2026.

This conclusion extends beyond AI. A resource can be strategic without being an attractive investment. Infrastructure can be indispensable yet too expensive. A sovereignty policy can secure demand while eroding returns on capital. A brand can preserve its desirability without protecting all of its margins. Perhaps the main progress across the corpus has been to separate three concepts that markets often conflate: importance, scarcity and profitability.

The main successes therefore lie less in isolated forecasts than in identifying a regime change: the return of energy, the conditionality of trade, American resilience, the digital extension of the dollar, the materiality of AI and the politicisation of dependencies. The points to refine concern primarily magnitude, timing and the system's response. Some constraints were at times perceived as more permanent than they actually are; adaptation has begun. Europe proved more responsive in some areas than a static reading suggested. Strategic importance was sometimes translated too directly into an investment opportunity. These nuances do not weaken the method; they prevent it from becoming the dogma it was designed to challenge.

The next step is to complete the question we have been asking for a year. It is no longer enough to identify where the constraint lies, who controls it and how it can be activated. We must determine who can resolve it, within what timeframe, with how much capital and at what return. Chokepoints are not merely rent-generating positions; they are also powerful incentives for innovation, substitution and the reorganisation of flows.

The Panama Canal was built to accelerate the world. Its strategic value emerged when its continuity ceased to appear automatic. The last eleven *Thinking Forward* pieces have described the same evolution: behind what circulates lie foundations that markets rediscover when they begin to become scarce. The rear-view mirror confirms their importance, but imposes one final discipline. In the next cycle, value will not accrue only to those who control unavoidable passages. It will also accrue to those who can widen them, bypass them or make them less necessary before markets have paid too high a price for their permanence.

Reviewing past publications is neither an exercise in celebration nor a simple inventory of ideas that proved right or wrong. It restores something that time tends to erase: the actual state of information, convictions and uncertainty at the moment a thesis was formulated. With hindsight, developments that materialised often appear predictable, while abandoned hypotheses gradually disappear from memory. A dated text prevents this retrospective reconstruction. It makes it possible to distinguish what had genuinely been identified, what was still intuition and what could not reasonably have been known.
The rear-view mirror therefore offers a more demanding framework than comparing a publication with the subsequent performance of an asset. It requires us to revisit the entire chain of reasoning: did the mechanism initially identified actually materialise? Did the facts confirm, weaken or shift it? Was the timing realistic? Were the beneficiaries correctly identified? Did the valuation and instruments selected make it possible to capture the thesis

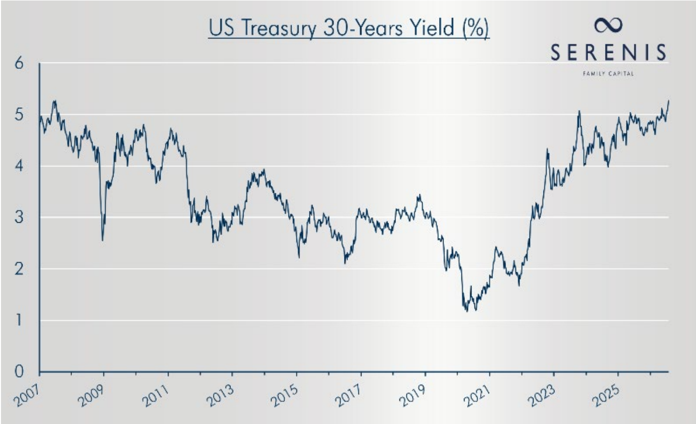
without paying in advance for its full expected success? A conviction can be right in direction and disappointing in its financial expression; it can also generate favourable performance for reasons different from those that originally motivated the investment. Reviewing it allows us to separate the quality of the reasoning from the market's temporary outcome.

This exercise protects against two opposite errors. The first is to abandon a structural thesis because a period of volatility appears to contradict it. The second is to defend an idea that has become fragile simply because it was intellectually coherent when first published. Recalibrating therefore does not necessarily mean changing course. It may involve adjusting the expected magnitude, the timing, the beneficiaries, the acceptable price or the conditions that would genuinely invalidate the thesis. A conviction does not deserve to be retained because it was once formulated; it deserves to be retained only for as long as its fundamental assumptions withstand the facts.

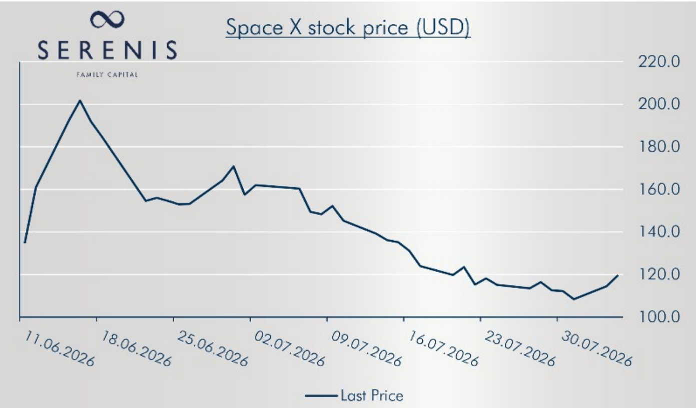
Lastly, the retrospective view makes it possible to assess not only the theses, but also the method that produces them. If several analyses overestimate the permanence of constraints, underestimate the system's ability to adapt or move too quickly from strategic importance to investment opportunity, the issue no longer lies with a single publication: it reveals a recurring bias in the analytical framework. This is where the exercise becomes genuinely useful. Errors are not erased; they are converted into more demanding criteria for future decisions. The publications then cease to be isolated archives and become cumulative research, in which each hypothesis enriches, corrects or refines those that preceded it.

Three Charts

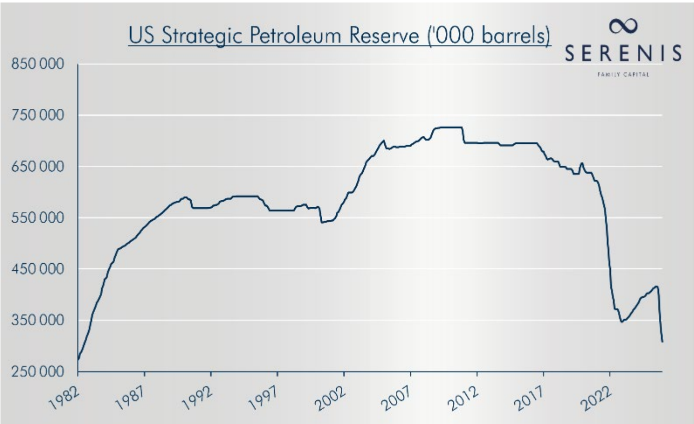
The yield on the 30-year US Treasury has crossed 5.20%, a level not seen since 2007. The renewed conflict between the United States and Iran is reviving the prospect of further tensions in the oil market and renewed inflationary pressure. At the same time, the Fed's latest meeting failed to dispel market doubts over Warsh's ability to fight inflation with sufficient firmness. As a result, investors are now demanding a higher premium to hold long-dated US government debt.



Listed at USD 135, SpaceX shares surged by nearly 65% in just three trading sessions, briefly reaching USD 225 intraday. The initial enthusiasm quickly faded, however, sending the shares back towards USD 100 — a decline of around 55% from the peak and 25% from the IPO price. The trajectory is a reminder that chasing a highly publicised IPO is rarely a prudent investment strategy.



Created in the wake of the oil shocks of the 1970s, US strategic petroleum reserves peaked at more than 700 million barrels before entering a structural decline. Following the massive drawdowns of 2022, replenishment was only partial before a new release linked to the conflict with Iran brought inventories back to their lowest level since 1983. While these releases can temporarily cushion the rise in oil prices, they also reduce the United States' room for manoeuvre in the face of a future energy crisis.



One last thing

At Serenis, each new arrival enriches the skills, perspectives and experience that shape the way we support our clients. We place as much importance on the quality of ideas as on their execution, convinced that this combination is essential to supporting our clients with sound judgement, independence and high standards. It is in this spirit that we welcome Daniel, whose international background and banking experience further strengthen our team.

Born in Lausanne to South American parents, Daniel grew up and studied in the Lake Geneva region. Bilingual in French and Spanish and fluent in English, he benefits from a bicultural background that enables him to work naturally with an international clientele.

He began his career at UBS in 2005 with a banking apprenticeship before moving into various Front Office roles, notably as an Account Manager and later as a Relationship Manager. Over more than twenty years with leading institutions including UBS, Deutsche Bank and Julius Baer, Daniel developed strong expertise in managing complex relationships, investment advisory, wealth analysis and the implementation of financial solutions and bespoke financing. Committed to continuously developing his skills, he also completed executive education programmes at HEC Lausanne and IMD.

Daniel chose to join Serenis Family Capital in order to work in a more independent and flexible environment, fully focused on clients' interests. As Head of Front Support, he supports the Front teams and contributes to coordinating activities, improving process efficiency and maintaining the quality of service delivered to clients.

Married and a father of two, Daniel places great importance on time with his family and his dog, Sky. Running and Brazilian jiu-jitsu also provide him with balance, energy and a strong sense of personal challenge.

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

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