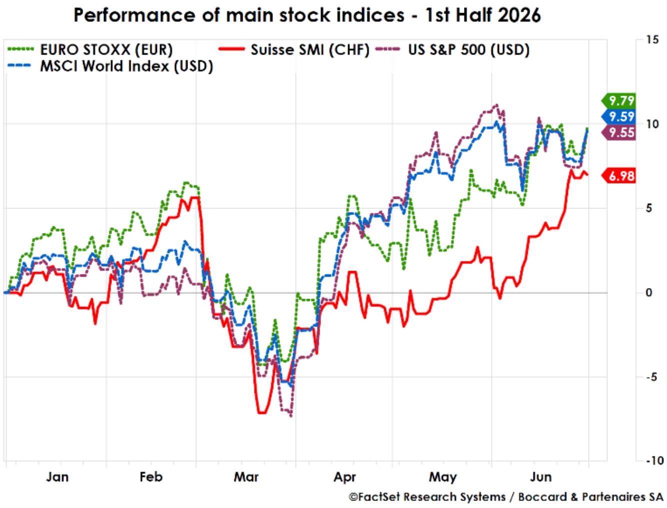
BOCCARD & PARTENAIRES SA
GESTION DE PATRIMOINE – FAMILY OFFICE

Truce and rebound: relief, without complacency

The quarter as a mirror image

The second quarter of 2026 was the mirror image of the first. Where March had been dominated by the war around Iran, surging oil prices and the return of inflation fears, spring was a season of easing. The truce announced on 8 April held, the geopolitical risk premium gradually deflated, and markets did what they do best when fear recedes: they looked ahead once again. As a result, most of the first quarter's losses were erased, then largely surpassed.

Equities: a powerful rebound, with Switzerland catching up

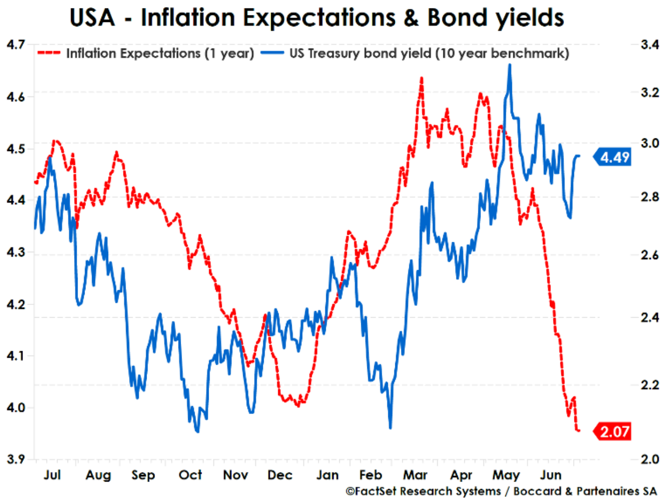


From their mid-March lows, the major indices rebounded vigorously. As of 30 June, year-to-date performance stands at around +9.8% for the EURO STOXX, +9.6% for the "world equities" index and the US S&P 500, and +7.0% for the Swiss SMI. In other words, the past quarter alone produced gains of roughly 11 to 15% depending on the market – a magnitude that reminds us how ***costly it is to exit the markets at the height of a crisis***.

The Swiss market long seemed to lag this rebound, before a marked catch-up in June. Our large defensive blue chips – Nestlé, Roche and Novartis – neglected when risk appetite is running high, returned to investors' favour: comfortable dividends, appreciable cash-flow visibility and, for pharma, a gradual easing on the US tariff front all supported the move. ***In the United States, the rally remained highly concentrated in AI-related stocks***, semiconductors and the infrastructure needed to develop data centres. This momentum rests on powerful industrial trends, but it also creates a risk: when a small number of stocks accounts for a large share of performance, the market becomes more vulnerable to disappointment. That is no reason to ignore AI, which will likely remain a major investment driver for years to come. It is, however, a reason not to confuse structural growth with an absence of risk.

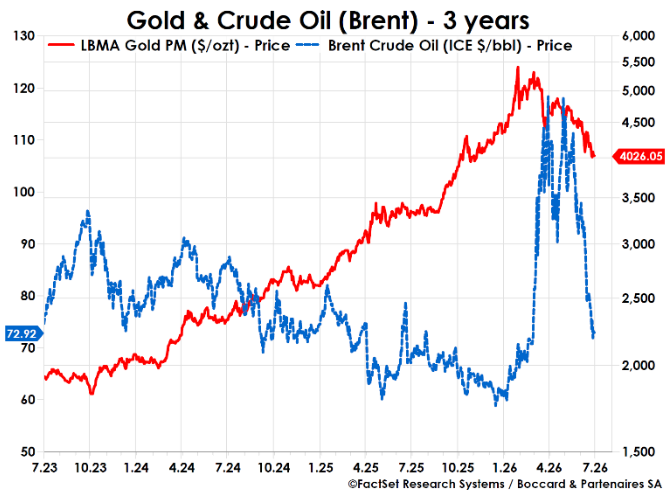
Rates and central banks: inflation fears evaporate, the cost of debt does not

The quarter's most spectacular move may have gone unnoticed by the general public: ***one-year US inflation expectations***, which had jumped above 3% at the height of the energy shock, fell back to around 2.1% at the end of June – a level close to the Fed's target. The market therefore no longer believes in inflation durably rekindled by oil. By contrast, 10-year bond yields remain elevated, at around 4.5% in the United States. This decoupling is instructive: it is no longer prices that worry investors, but the abundance of public debt to be financed.



For central banks, the easing of expectations restores some of the room for manoeuvre lost in March. In Switzerland, the SNB is keeping rates at rock bottom, with an eye on a structurally firm franc. The Fed, newly led by Kevin Warsch, is also keeping its policy unchanged. The ECB announced a measured 25-basis-point hike to 2.25 for its deposit rate, fearing the inflationary impact of oil prices – which, however, fell barely a few hours after that decision.

Commodities: oil completes its round trip, gold takes a breather



Oil provided a textbook case: having soared towards 120 dollars a barrel at the height of the crisis, Brent fell back to around 73 dollars, below its pre-conflict level. Abundant supply regained the upper hand over fear. Gold, for its part, corrected by around 8% from the beginning of the year to return towards 4,000 dollars an ounce. Nothing abnormal: the ebbing of risk aversion and still-elevated real rates mechanically weigh on the yellow metal. Its three-year advance nonetheless remains remarkable, and its role as portfolio insurance intact.

Currencies: the dollar gives back its safe-haven gains

With the geopolitical easing, the dollar returned part of the gains accumulated during the crisis, while the Swiss franc remained firm. For investors whose reference currency is the CHF, the consequence is familiar: a fraction of the performance earned in foreign currencies is eroded by the exchange rate. This is one of the reasons we maintain a strong Swiss anchor in our portfolios.

Swiss real estate: the quiet shock absorber

In an environment of durably rock-bottom rates and hard-to-find CHF yields, Swiss real estate funds continue to play their valuable role: regular income, contained volatility and welcome decorrelation from geopolitical jolts.

Investment course: participating, without buying into the euphoria

The rebound validates our core conviction: diversification and a long-term view make it possible to weather storms without hasty decisions. That said, we approach the second half of the year with measured caution. The extreme concentration of the indices around AI – semiconductors and infrastructure in the lead – and a certain neglect of structural risks (public debt, geopolitics, demanding valuations) by market participants argue against chasing the move. With a traditional allocation combining equities, quality bonds, gold, Swiss real estate and cash, ***we seek to preserve a robust balance***. We therefore remain invested, while keeping shock absorbers for the turbulence which, as 2026 has already shown, strikes without warning.

Mauro Cavallin, Chief Investment Officer
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