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CURRENCIES FACING HEADWINDS FROM POLITICS AND THE MARKET

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Susan Niederhöfer
Editor-in-chief at *payoff* and Chief Commercial Officer (CCO) at LPA

Yin-Yang: The Game of Balance

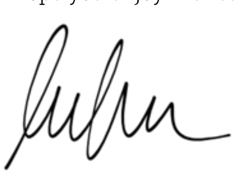
At the end of July, Japan and the US intervened jointly. The yen jumped from 164 to 155, but has since lost half of that gain. A foreign exchange intervention is like a painkiller: quick, powerful, but with no lasting effect. If you fail to treat the underlying cause – interest rate differentials, inflation, capital flows – you'll have to take another dose. The SNB's minimum exchange rate and Black Wednesday also demonstrate just how limited the impact of interventions can be. For asset managers, this means that relying on interventions is a gamble with a short half-life. The second finding is more tangible: five currency pairs, five different stories. Anyone who indiscriminately markets the franc as a "safe haven" overlooks the fact that it has long since become a carry trade currency, ever since investors began shunning the yen – accordingly, the EUR/CHF exchange rate climbed to 0.94 in August. Note for client meetings: foreign exchange positions require an opinion per pair, not per worldview.

The Learning Curve provides the figures: 0.4% inflation in Switzerland compared with 3.4% in the US – that's a three-percentage-point difference which, according to purchasing power parity, should actually strengthen the Swiss franc.

In an interview, Fatih Atalay of Swissquote immediately challenges the consensus: according to the BIS, the dollar's share of foreign exchange trading remains at 89% – so there is no sign of the end of dollar dominance.

Equilibrium is, after all, merely a state of affairs, or at best a snapshot in time. Those who understand this can maintain the upper hand through targeted asset allocation and intervene on a small scale, much like a central bank.

I hope you enjoy the read.



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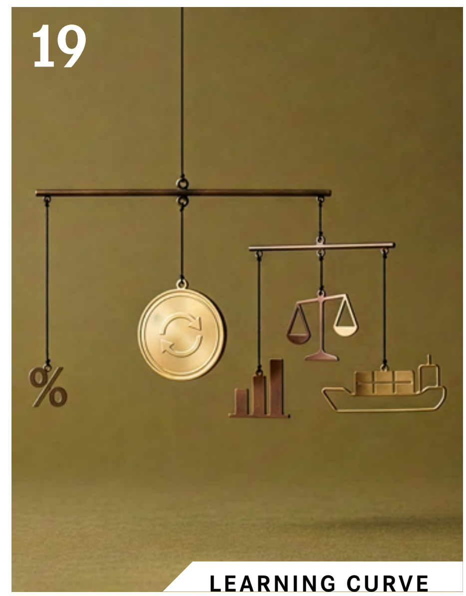
11
TRADING IDEA


12
INTERVIEW


19
LEARNING CURVE


14
ADVERTORIAL


24
PMMI


27
NOTICED

FOCUS

"Currencies Facing Headwinds from Politics and the Market"

| Wolfgang Hagl

The joint intervention by Japan and the US to support the yen has rattled the foreign exchange market. The Bank of Japan could now follow up with an interest rate hike as early as september. The episode illustrates just how powerful interventions can be in the short term – and how quickly their impact can fade. For market participants, opportunities arise not only from interventions: more broadly, the foreign exchange market is an eldorado for bold investors.

There are moments in the foreign exchange market when it is not economic data, inflation figures or the next central bank meeting that set the tone, but the government itself. The end of July saw another such moment. After the yen had fallen to close to JPY 164 against the dollar – a 40-year low – Japan intervened on a massive scale. According to estimates based on data from the Bank of Japan (BoJ), up to JPY 8.2 trillion – equivalent to around USD 50 to 55 billion – was deployed in one of the interventions to prop up the yen. The US also took part in the intervention. The reaction was clear: the USD/JPY exchange rate plummeted from just under 164 to around 155 at times. However, the limits of such interventions soon became apparent. By mid-August, the pair was already trading around JPY 159 again, meaning the yen had given back about half of its gains. The market now regards JPY 160 as a level at which the risk of renewed official intervention rises significantly.

Tokyo could soon attempt to give the intervention more substance through monetary policy. According to media reports, the BoJ is considering raising the key interest rate as early as its meeting in mid-September. The short-term rate has stood at 1% since June, after the central bank raised it from 0.75%. The likelihood of a move in September has recently risen significantly in the market. At the same time, yields on ten-year Japanese government bonds climbed in August to their highest level in around three decades. Such a move could prove more significant for the yen than the next few billion on the foreign exchange market. This is because the unusually large interest rate differential between Japan and other industrialised nations has, for years, been a key reason for borrowing yen and channelling the funds into higher-yielding investments. The more the BoJ narrows this spread, the more expensive this carry trade becomes – and the more fundamentally an appreciation of the yen is underpinned. Mitsuhiro Furusawa, President of the Institute for Global Financial Affairs, therefore considers further interventions possible, but at the same time emphasises that interventions alone cannot permanently resolve the currency's weakness. "Most market participants expect the BoJ to raise interest rates in September, and I think that is how it should be," says Furusawa, adding: "But what is even more important is that the central bank signals that interest rate rises could come sooner."

> "On the foreign exchange market billions clash with fundamental forces."

When billions collide with reality

Foreign exchange interventions have an impact on several levels. When a central bank buys its own currency, it removes supply from the market and creates additional demand. If the volume is sufficiently large, this can have an immediate effect on the exchange rate. Equally important is the psychological effect: the authority signals that it will not accept a certain exchange rate trend. Anyone holding large short positions in the yen must factor in the possibility that the government could reappear on the opposite side of the trade at any time. If interventions are unexpected and, as on this occasion, coordinated internationally, this deterrent effect is heightened. Yet history also shows the limits. Switzerland provides a clear example: In September 2011, the Swiss National Bank (SNB) introduced a minimum exchange rate of CHF 1.20 per euro for the EUR/CHF pair, after the flight to the franc had driven its appreciation so far that the SNB feared serious consequences for the economy and price stability. It declared its readiness to buy foreign currency in unlimited quantities to defend this threshold. The strategy worked for more than three years.

However, even a central bank with the ability to create its own francs in theoretically unlimited quantities cannot ignore economic forces indefinitely. As the euro came under increasing pressure in early 2015, the SNB stated that defending the CHF 1.20 level would have required permanent interventions on a rapidly expanding scale. The central bank

> "Hardly any other market reacts so immediately to changes in interest rate, political and risk expectations."

ultimately described the lower limit itself as no longer sustainable and lifted it on 15 January 2015. The British attempt to defend an exchange rate against the fundamental forces of the market was even more drastic. On 16 September 1992 – later known as "Black Wednesday" – the Bank of England bought massive amounts of British pounds in order to keep sterling within the European Exchange Rate Mechanism (ERM). The problem was that the UK was suffering from a weak economy, whilst German reunification was keeping interest rates high in Germany. Defending the British pound thus forced London to pursue a monetary policy that was increasingly at odds with the domestic economy. Despite interventions and signals regarding interest rates, the UK capitulated on the very same day and suspended the British pound's membership of the ERM.

The lesson to be learnt from both episodes is crucial for the yen today: interventions can reverse market trends, adjust positions and deter speculators. However, defending an exchange rate in the long term against interest rate differentials, inflation, growth and capital flows is considerably more difficult. The more the intervention is supported by other economic policies, the more sustainable its effect. This is precisely why a BoJ interest rate rise in September could retrospectively lend the recent yen intervention the credibility that pure yen purchases can only provide to a limited extent.

What really drives currencies...

Interventions are just one of many forces that have a direct influence on a currency pair. In day-to-day trading, currencies react primarily to actual and expected interest rate differentials, inflation and growth, fiscal and current account developments, commodity prices, political risks and capital flows, as well as to the positioning of major investors. During periods of stress, a currency's status as a safe haven also comes into play; for commodity currencies, however, oil, metals and the global economy play a particularly significant role. To find out how these factors interplay and why even positive economic data can sometimes weaken a currency, read the *Learning Curve "What Really Moves Currencies" from page 19*.

...and why this matters

A glance at the scale of the figures shows that foreign exchange generally plays a significant role in the capital markets. In its latest three-year survey for April 2025, the Bank for International Settlements reported an average daily turnover of USD 9.6 trillion in the global foreign exchange market – 28% more than in 2022. The US dollar was involved in 89% of all transactions. In terms of trading volume, the foreign exchange market is thus the world's largest financial market.

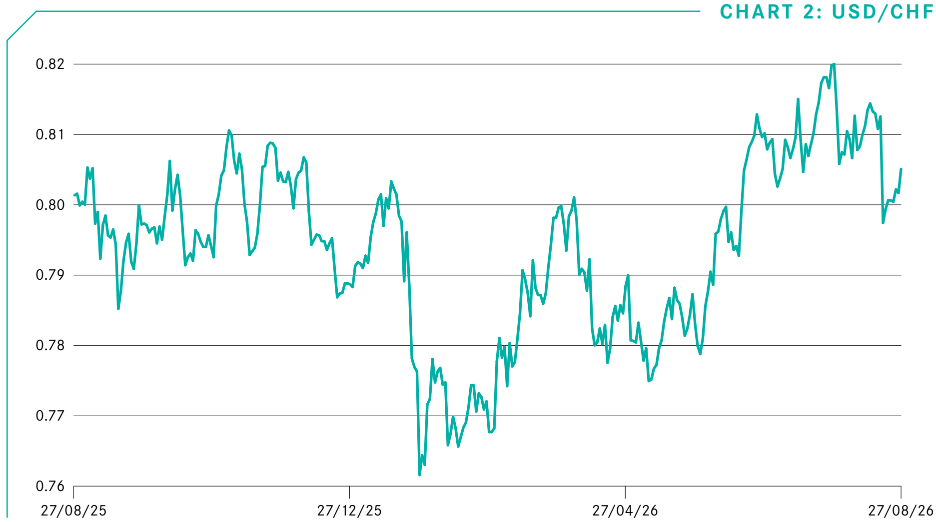
This asset class also plays a significant role amongst Swiss retail investors and in the market for Structured Products.

According to SSPA figures, 30% of turnover

CHART 1: EUR/CHF

Source: baha

CHART 2: USD/CHF



Source: baha

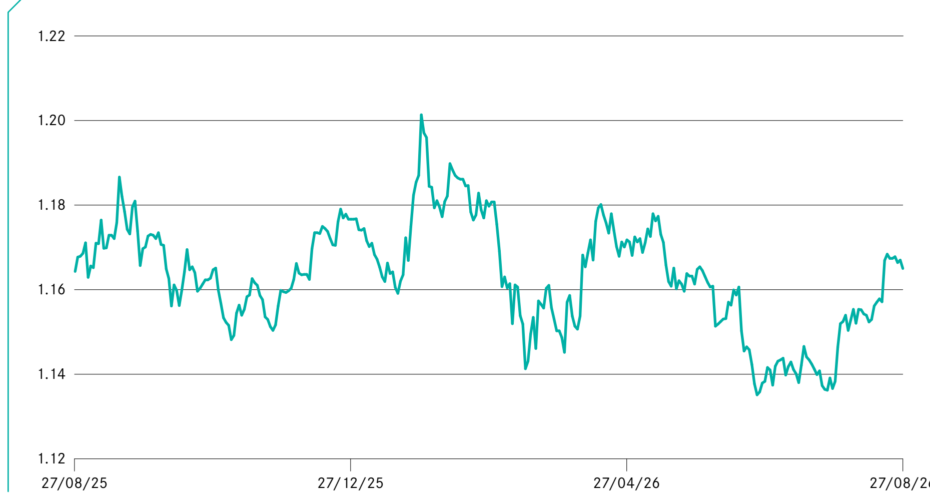
in the second quarter was attributable to foreign exchange. This made currencies the second-largest asset class after equities. The recent movements in the yen therefore demonstrate that hardly any other market reacts so immediately to changes in interest rate, political and risk expectations.

Five currency pairs, five different bets

For investors, however, this does not mean that there is only one correct currency strategy. Each pair reflects a different macroeconomic narrative, and it is almost always possible to formulate a plausible scenario for both sides. Let us take a look at the Swiss franc. It has lost considerable ground since early summer – EUR/CHF rose temporarily to around CHF 0.94 in mid-August. One short-term reason for this is the intervention in the yen: those avoiding the yen as a funding currency for carry trades due to the possibility of government intervention may switch to the franc, which also offers low interest rates. Morgan Stanley now rates the franc as neutral with a positive bias and expects that longer-term purchasing power parities could once again put pressure on the EUR/CHF exchange rate, albeit more slowly than initially anticipated. On the other hand, the franc's interest rate disadvantage argues in favour of a higher EUR/CHF exchange rate. For investors, this is a classic dilemma between a long EUR/CHF position – as a carry trade and "risk-on" position – and a short EUR/CHF position – as a bet on a comeback for the franc as a safe haven.

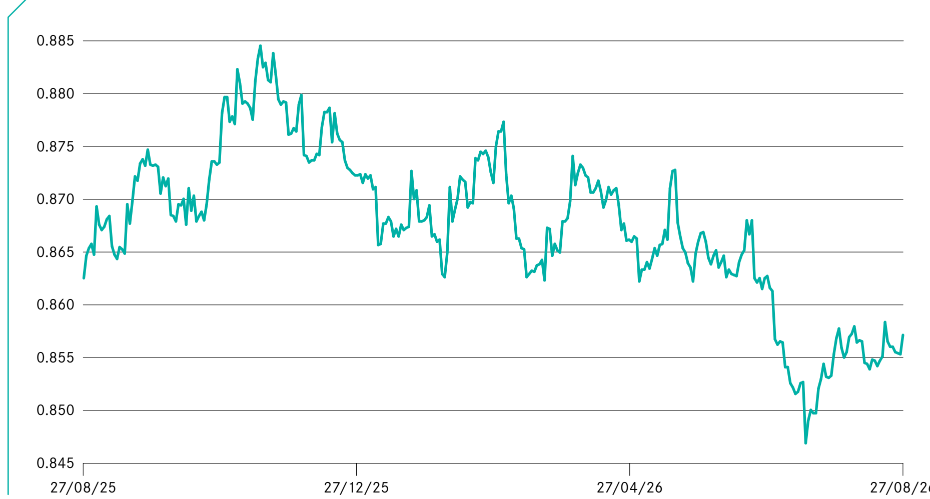
The USD/CHF currency pair pits two safe-haven currencies against one another. Julius Bär does see several short-term supports for the dollar, such as geopolitical uncertainty, demand for US assets, the AI investment boom and the US's position as a net energy exporter. Structurally, however, the firm expects a gradual weakening of the greenback, partly due to US fiscal and current account imbalances. Morgan Stanley also remains neutral on the dollar with a negative bias and views falling US interest rate expectations as a headwind. Weaker US data has recently supported this narrative. Added to this are discussions about US government bond buybacks, which are

CHART 3: EUR/USD



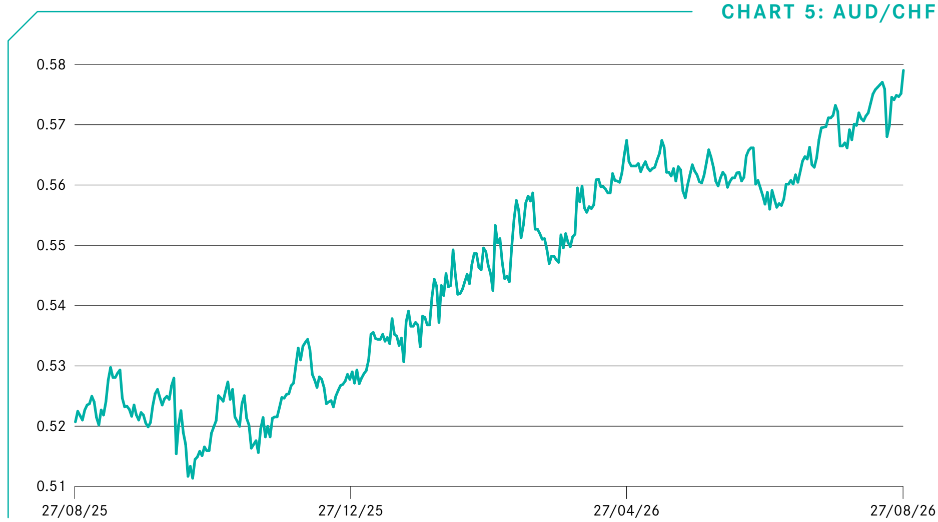
Source: baha

CHART 4: EUR/GBP



Source: baha

CHART 5: AUD/CHF



Source: baha

weighing on the dollar. A short USD/CHF position would therefore be a bet on a further weakening of the dollar.

> "Each currency pair trades on its own macroeconomic story."

The world's most important currency pair, EUR/USD, is currently driven primarily by the question of which part of the Atlantic region will have to revise its interest rate expectations more sharply. The euro climbed to close to USD 1.16 in August, after weaker US labour market and inflation data had dampened expectations of further Fed interest rate rises. Morgan Stanley therefore sees upside potential for EUR/USD due to a weaker dollar, but at the same time warns of headwinds for Europe stemming from growth, energy and political risks. Julius Bär makes a similar argument and expects a gradually weaker greenback rather than a dollar crash. Another factor favouring euro bulls is that monetary policy on both sides of the Atlantic is increasingly diverging. Whilst the futures markets are pricing in a roughly 90% probability of an interest rate rise at the ECB meeting on 10 September, the probability for the US Federal Reserve (Fed) on 16 September stands at only around 35%.

An interesting situation is also emerging for EUR/GBP. With regard to the British pound, the focus is increasingly shifting from the Bank of England (BoE) to UK fiscal policy. Morgan Stanley believes sterling could lag behind in the medium term should the BoE shift its monetary policy back towards a more dovish stance. On the other hand, the comparatively attractive interest rates are supporting the British pound. Experts at DWS also point to the UK autumn budget: "Remarkably little volatility is priced into the options market, but unexpectedly high spending, tax burdens or rising debt could hit sterling hard," they say. At the same time, the latest UK labour market data show a slowdown. A long EUR/GBP position therefore bets on weaker UK fundamentals and fiscal risks, whilst a short EUR/GBP position bets on a more restrictive BoE.

Of the five currency pairs, the Australian dollar (AUD) may well have the most pronounced carry component. Morgan Stanley describes the currency from Down Under as its preferred bullish G10 currency position: a more restrictive Reserve Bank of Australia, comparatively high yields and low implied volatility all point in favour of the Aussie, according to the strategists. For the AUD/USD currency pair, the bank has set a target of USD 0.75 for the coming quarters. Julius Bär also favours the AUD on the basis of interest rates, commodity links and monetary policy. At the same time, UBS strategists expect the Swiss franc to remain under pressure, particularly against higher-yielding, cyclical currencies. A long AUD/CHF position therefore capitalises on carry trade opportunities, global economic conditions and risk appetite. A short AUD/CHF position, by contrast, would serve as a hedge against a "risk-off" shock, falling commodity prices or a global growth disappointment, in which case the Swiss franc is likely to reassert its safe-haven status.

Speaking of hedging: FX products can also be used to reduce currency risks in a portfolio – a process known in technical jargon as hedging. This allows potential exchange rate losses on an investment to be reduced or offset by gains from the foreign exchange position *(see payoff magazine, April 2026, Learning Curve "Forex: The Fascinating World of Currencies")*.

The right instrument for the right view
How investors put these views into practice depends crucially on their investment horizon. Those wishing to capitalise on short-term movements can use leveraged products such as Warrants or Knock-out Products to bet on both rising and falling currency pairs. Leverage makes movements of just a few percentage points particularly attractive. But be careful: the same mechanism multiplies losses. With knock-outs, a brief price spike – such as might occur at any time during an intervention – can even bring the position to an abrupt end.

For longer-term currency strategies, unlev-

TABLE: INVESTMENT RECOMMENDATIONS

Symbol / ISIN	Product	Issuer	Price 27 August 2026	Features
ACQTBP CH1452910636	Mini Future Long on USD/JPY	BNP Paribas	CHF 0.89 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 9.13 **Knock-out** JPY 144.7404
MUSBQV CH1489271804	Mini Future Short on USD/JPY	Bank Vontobel	CHF 0.68 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 11.82 **Knock-out** JPY 171.92
UVUABP CH1332887137	Mini Future Long on EUR/CHF	BNP Paribas	CHF 0.69 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 13.78 **Knock-out** CHF 0.8864
BMSS4U CH1429377422	Mini Future Short on EUR/CHF	UBS	CHF 0.86 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 11.63 **Knock-out** CHF 1.013
IUSWLZ CH1250732448	Mini Future Short on USD/CHF	ZKB	CHF 0.71 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 11.49 **Knock-out** CHF 0.8659
B6TSIU CH1441247322	Mini Future Short on USD/CHF	UBS	CHF 0.71 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 10.31 **Knock-out** CHF 0.7344
OEUB2V CH1489267620	Knock-out Put Warrant on EUR/USD	Bank Vontobel	CHF 0.69 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 13.99 **Knock-out** USD 1.2474
S9UBEU CH1550067834	Knock-out Call Warrant on EUR/USD	UBS	CHF 0.74 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 12.84 **Knock-out** USD 1.0740
IEUHYZ CH1530942049	Mini Future Long on EUR/GBP	ZKB	CHF 0.71 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 13.39 **Knock-out** GBP 0.8018
IEU4TZ CH1478486306	Mini Future Short on EUR/GBP	ZKB	CHF 1.04 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 9.10 **Knock-out** GBP 0.9409
IAUSUZ CH1572932510	Mini Future Long on AUD/CHF	ZKB	CHF 0.51 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 11.56 **Knock-out** CHF 0.5364
IAU0GZ CH1371032926	Mini Future Short on AUD/CHF	ZKB	CHF 0.53 **Trading venue** SIX Swiss Exchange	**Maturity** open-end **Leverage** 11.12 **Knock-out** CHF 0.6248

eraged exchange-traded currency products are a viable option. Depending on the market, these are offered as ETPs or ETNs. They can largely track the movement of a currency pair on a one-to-one basis. For example, anyone holding a long position in EUR/USD is, in economic terms, simultaneously betting on a stronger euro and a weaker dollar. In addition to the direction of the movement, the product structure, costs, collateralisation and, where applicable, issuer risk are crucial factors.

A special variant exists in the German certificate market in the form of inline Warrants. Here, a currency pair does not even need to rise or fall: the key factor is that it remains within a pre-defined range during the maturity. In that case, a defined maximum amount is paid out at the end. If, on the other hand, the price touches or breaches even one of the two barriers, the product is "knocked out" and investors suffer a total loss. This can be particularly interesting during sideways trading phases, such as those experienced by EUR/CHF for a long time. However, in a market where central bank intervention can move exchange rates by several % within minutes, the barrier risk is considerable.

So, back to Japan once more. The latest intervention has shown that governments can throw even the world's deepest and most liquid market off balance for a few days. Whether they also create a new trend will be decided afterwards. Should the BoJ actually raise interest rates in September, whilst expectations of further Fed tightening subside, the fundamental support for a stronger yen would increase. If this confirmation fails to materialise, USD/JPY could once again test the 160 mark and the market would likely immediately start speculating on when Tokyo and Washington might intervene again. For investors, it is precisely this tension that represents both an opportunity and a risk.

CH1595906475 – KNOCK-OUT CALL WARRANT BY BNP PARIBAS ON TERADYNE

A Special Share Riding the Wave of AI

Without test equipment, the semiconductor industry would grind to a halt. Teradyne is growing rapidly, but its shares have lost momentum. Leveraged products from BNP Paribas let traders bet on a comeback.

| Wolfgang Hagl

At first glance, the "Magnum Epic" resembles a slightly oversized freezer compartment or a safe. In reality, however, this machine is at the heart of one of the major trends of our time. The "Magnum Epic" is a system for testing semiconductors. It forms part of Teradyne's product range. Founded in 1960, the US-based company develops and manufactures high-precision test systems for chips, smartphones and other electronic components. In a second division, the Massachusetts-based group offers automation solutions such as robotic arms. Its core business is semiconductors. In the 2025 financial year, more than three-quarters of turnover came from the "Semiconductor Test" segment.

Chip manufacturers put their products through their paces using Teradyne's equipment before they reach customers. Consequently, the demand for high-performance semiconductors, fuelled by the AI boom, is driving business growth: in the second quarter of 2026, Teradyne more than doubled its turnover to around USD 1.3 billion. On balance, the company

> "Teradyne is growing – the share price is poised for a comeback."

earned USD 2.47 per share – more than four times the profit generated in the same period last year. "Our strategy of capitalising on opportunities in the areas of testing and robotics – from wafers to AI data centres – has led to another record quarter," said CEO Greg Smith. For the current quarter, he expects revenue of between USD 1.2 and 1.3 billion, whilst earnings per share are forecast to reach between USD 1.85 and USD 2.15. By way of comparison, revenue in the third quarter of 2025 stood at USD 769 million. The company's net profit per share was USD 0.85. "Looking ahead, the rapid rise in investment in wafer fab equipment is laying the groundwork for sustained growth in 2027 and beyond," said Smith, commenting on the outlook.

Naturally, this success story from the second tier of the AI boom has not gone unnoticed on Wall Street. Over a twelve-month period, Teradyne's share price has risen by 215%. Recently, however, the share price has lost some momentum. Doubts about the sustainability and profitability of AI investments have put pressure on the semiconductor sector. This was compounded by high valuations. The correction has brought things back to earth: at the end of August, Teradyne was trading at around 25 times the profits expected for 2028. According to J.P. Morgan, this ratio has averaged 30 in recent years.

The Nasdaq-listed share has recently been added to BNP Paribas's range of underlyings. The issuer has launched Mini Futures and Knock-out Warrants on Teradyne. These products allow for exposure on both the long and short sides. The Knock-out Call Warrant is designed to capitalise on a rise in the share price. The Warrant currently offers a leverage of 7.12 on positive price movements. The Stop Loss is set at USD 300.458, which is just under a seventh below the underlying share price. This margin should not obscure the fact that disproportionate losses are a risk should the Teradyne share price fall.

TERADYNE

BNP PARIBAS

ISIN	CH1595906475
Product type	Knock-out Call Warrant
Underlying	Teradyne
Issuer	BNP Paribas
Rating	A+ (S&P)

FEATURES

Underlying currency	USD
Trading currency	CHF
First trading day	25 August 2026
Maturity	open-end

KEY FIGURES

Leverage*	7.12
Stop Loss*	USD 300.458
Financing ratio*	USD 300.458

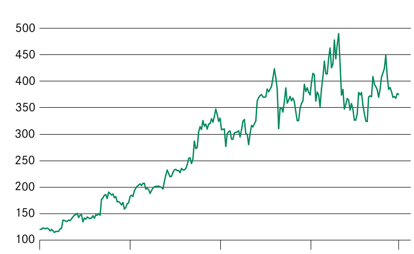
PRICE

Ask*	CHF 6.41
Ask underlying*	USD 348.814
Trading venue	Swiss DOTS

PRODUCT INFORMATION

Web link	bnp.ch/CH1595906475

PRICE PERFORMANCE TERADYNE



Source: baha

*as of 1 September 2026

INTERVIEW

"The New Order in the Foreign Exchange Market"

I Susan Niederhöfer in an interview with Fatih Atalay, Head of FX Trading at Swissquote

You are one of Switzerland's largest online foreign exchange brokers. To what extent did the recent yen intervention affect your trading volumes – was there a record day?
Our trading volumes are likely to exceed those of typical private banks, which is hardly surprising for a bank with a strong focus on trading.

On days such as the recent yen intervention, we do indeed see higher volumes because market activity increases significantly. However, it was not a record day, as the yen is only one part of our broad product range.

> "The dollar may lose value and yet remain the lingua franca of the global economy."

Moreover, it was not the first intervention to prop up the yen. Following such interventions, the market often rebounds and tests the authorities' resolve once again.

The market consensus is that the era of pure US dollar dominance is coming to an end, with other currencies gaining greater prominence. Is this already reflected in the trading volumes of your clients?
It depends on what one means by "US dollar dominance". Political and geopolitical trends, as well as rising debt levels, do not inspire confidence in the US dollar as a store of value. However, it can lose value whilst still remaining the lingua franca of the global economy. The US has the deepest and most liquid financial market, and an infrastructure on which a large part of the global economy already operates.

Central banks are likely to increasingly diversify their dollar reserves. However, we do not foresee a decline in the market share of the USD in foreign exchange trading. According to the BIS's triennial survey, the US dollar accounted for 89% of all foreign exchange transactions in April 2025, up from 88% in 2022.

This duality is best illustrated by reserves. Gold has overtaken US Treasuries as the largest single reserve asset held by central banks for the first time since the mid-1990s: at the end of 2025, gold accounted for 27% of global central bank reserves and US Treasuries for 22%. Nevertheless, dollar-denominated assets as a whole still accounted for 42%. And this reallocation took place in US dollars, as gold is still priced and settled in US dollars.

The Swiss franc remains strong, but is being held back by the Swiss National Bank (SNB). How do you assess its current role for investors?
The SNB acted early and steered Switzerland safely through the waves of inflation. The strong Swiss franc has cushioned some of the imported inflation. At the same time, upward pressure on the exchange rate persists. With high demand and low inflation, low interest rates are almost inevitable.

For yield-seeking investors, the Swiss franc has therefore never been a favourite. On the contrary: those seeking yield are more likely to go short on the Swiss franc. The low interest rates make it the ideal funding currency, and the Commodity Futures Trading Commission (CFTC) data show persistently high short positions. Whilst the yen remains the classic funding currency, it has lost some of its appeal. The risk of intervention hangs like the sword of Damocles over yen carry trades, whilst short-term franc rates are trading at near zero or slightly negative.

What does the FX offering of Swissquote comprise, and which client segments benefit from it?
The FX offering of Swissquote comprises interbank liquidity as well as spot, forward and swap transactions across a wide range of currencies. In addition to G10 currencies, we cover numerous emerging market, Gulf Cooperation Council (GCC) and Central and Eastern Europe (CEE) currencies. Access is via electronic trading platforms, our own FX platform and API connections.

Our clients include banks, financial institutions, asset managers and hedge funds. We also support companies ranging from SMEs to large international corporations in hedging

> "Without a clear framework even the best tool becomes a matter of guessing the right time."

currency risks. Both segments benefit from the same infrastructure and liquidity.

What challenges are companies currently facing when managing currency risks?
Many companies operate internationally without having the treasury department of a large corporation. The difficulty rarely lies in market sentiment, but rather in the process: who hedges what proportion of the exposure, when, and according to which rules?

Added to this is the interest rate differential between the Swiss franc and other currencies, which has a direct impact on forward prices. As a result, the discussion often shifts to the supposedly "right" timing, even though the focus should be on risk management and predictable cash flows. If you define a fixed hedging ratio and a rolling horizon, you do not have to make the decision anew every time. Only then does the question arise as to whether a forward contract is sufficient or whether a Structured Product better meets the requirement. Without a clear framework, even the best instrument becomes a gamble on the timing.

In foreign exchange (FX) and contracts for difference (CFDs), you advertise execution speeds in the millisecond range. Does a similar execution speed also apply to individually structured FX notes?
Within the structured FX products segment, Swissquote operates as an issuer, particularly with dual-currency notes (DCNs). However, the process differs from traditional foreign exchange trading. With a bespoke structured bond, execution does not take place in the millisecond range, as each transaction must be assessed individually.

Our aim remains to provide an indicative price and feedback as quickly as possible. Responsiveness is a key element of our offering, even for bespoke solutions.

Swissquote has been active as an issuer of Structured Products on SIX since 2022. What role are currency-based Structured Products set to play in the future?
Our Structured Products business has grown significantly. In our view, this growth reflects confidence in the Swissquote brand, our expertise and the strength of a Swiss bank. We expect both our issuance business and our brokerage activities to continue to grow. The two areas do not compete with one another, but complement each other. Our wide range of instruments and solutions offers clients greater diversification and freedom of choice, depending on their needs and objectives.

You offer direct FX trading and Structured Products. When would you be more likely to advise a wealth manager to opt for direct access to the forex market, and when would you recommend the structured option?
Whether a linear instrument is sufficient or a Structured Product is more suitable depends on the risk involved. Spot and forward transactions are transparent and cost-effective. They track the direction of the market, but not its volatility or level. For simple risks, that is sufficient.

A wealth manager with euro positions and clients whose reference currency is the Swiss franc can fully hedge the currency risk using a forward contract. However, if the euro rises, they do not benefit from the appreciation. A participating forward can hedge the same exchange rate whilst simultaneously allowing a share in the appreciation – at a fixed percentage and without a premium. This comes at the cost of a portion of the upside potential,

> "Anyone looking for a return is more likely to go short on the Swiss franc."

the amount of which depends on the price of volatility. If the risk and market assessment go beyond a simple "up or down" scenario and volatility is part of the assessment, a Structured Product is the better instrument. Otherwise, a straightforward forward contract serves its purpose.

Thank you very much, Mr Atalay. ■

Fatih Atalay
Head of FX Trading at Swissquote

Fatih Atalay is Head of FX Trading at Swissquote and oversees spot and options trading in currencies and precious metals. He joined Swissquote in 2011 and has led teams and initiatives aimed at expanding electronic trading. Prior to this, he worked in market making for exchange-traded derivatives in Amsterdam and Zug. He took his first steps in the banking world whilst at university and immediately afterwards, working at UBS and Credit Suisse. He graduated from the University of Zurich with a Master's degree in Finance, specialising in Quantitative Finance.

ADVERTORIAL

"AI Changes the 'How', Not the 'What'"

| Rachael Burri and Sébastien Pires of BB Biotech in conversation at Bellevue Asset Management

For more than 30 years, BB Biotech has been combining scientific expertise with a consistent investment approach in the biotechnology sector. The company is now fundamentally advancing this process through artificial intelligence. Rachael Burri, Head of Investor Relations, talks to Sébastien Pires, Head of AI, about how AI is actually changing things for the investment team and why BB Biotech is developing its own "operating system" for this purpose.

Sébastien, you joined BB Biotech in 2026 as the first Head of AI. What did you find when you joined, and where did you see the greatest potential for further developing our existing investment process using AI?
I found a highly experienced investment team with an approach that had been developed over decades. Biotech was initially a new field for me. That also had an advantage: I was able to look at existing processes with an unbiased eye and quickly learn how an investment decision is formed from scientific evidence.

The philosophy, however, was crystal clear: everything starts with science.

The opportunity lay on the technological side. The problem was not access to information, but its fragmentation. Knowledge was scattered across people, models, documents and systems. My aim was to bring these elements together in an investment system that preserves connections, continuously builds up knowledge and enables the team to conduct the necessary in-depth analysis across the breadth required for the portfolio, without altering the fundamentals of the investment decision.

BB Biotech already had the "what". What we are building is the "how".

Here at BB Biotech, we deliberately refer to a proprietary "operating system" rather than an AI platform. What is the crucial difference, and why are we developing this layer ourselves?
A platform provides functions. We are building an operating system that thinks and remembers. You can think of it as a fusion of 30 years of accumulated data with the way our analysts understand biotechnology.

In a nod to BB Biotech, we've called it "bibi". It connects things that are normally separate: news, research, catalysts, assumptions, models, decisions and results. It is no longer the document that constitutes the unit of work, but the investment question together with the underlying evidence and reasoning.

The fact that we are developing this system ourselves does not mean that we are creating our own base model. Quite the contrary: models are increasingly becoming an interchangeable piece of infrastructure, and we should make use of every improvement. What we must own ourselves is the layer specific to us: how we map biotechnology, how evidence is linked to an investment thesis, how our analysts reason, and how this reasoning evolves over time.

Clinical trial data can change an investment case in the blink of an eye. What happens at bibi when such data is published, and how does the process differ from a query to a chatbot?
A chatbot starts with a question – bibi starts with the investment context.

When clinical trial data is published, we already know what matters. The system has run through tens of thousands of possible outcome scenarios based on the trial design, our assumptions, the valuation and the portfolio.

So even before the data is available, we have defined what a strong, weak or ambiguous result would mean.

Our analysts consult the primary sources, cross-check the published figures against the trial design and previous data, and highlight anything that does not fit the expected pattern.

bibi does not set out to pass judgement straight away. There is no shortage of snap judgements in the markets. Our aim is to be the first to ask the right question in a structured way.

> "Speed is useful. Speed without traceability is not."

What has actually changed? Which assumption has shifted? Has uncertainty decreased or increased? Is the market reacting to the headline or to something that alters the economic outlook for the active ingredient?

At this point, the team takes over.

It is precisely this last point that is likely to be crucial for many investors. If a system can analyse studies, run through scenarios and scrutinise investment theses: where do we draw the line between technological support and the actual investment decision?
I do not believe a rigid allocation of tasks to humans or machines makes sense. This boundary will be constantly shifting.

More enduring is the distinction between calculation and judgement. AI can analyse a study, question an assumption, create scenarios, identify inconsistencies and even argue that we should change our assessment. I want it to do all of that.

But at some point, the question "What can be deduced from the evidence?" gives way to "What do we believe, how strong is our conviction, and how much capital are we prepared to commit to it?". That is an investment decision, and it lies with the investment team.

Furthermore, there is a clear boundary when it comes to the traceability of the evidence. If the system cannot verify the source of a key statement, that statement does not exist for us. Speed is useful. Speed without traceability is not.

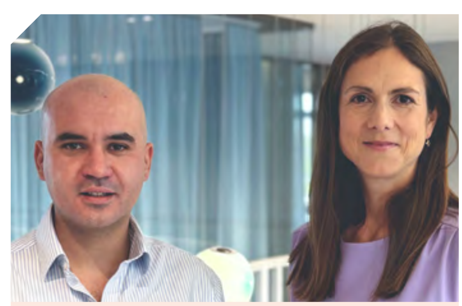
From the perspective of an investor, a second point is also important to me: more data and speed do not automatically mean better decisions. How do we prevent AI in the biotech sector from primarily generating additional noise?
Noise arises when a system reads everything but fails to classify any of it as relevant. That is why we have specified to bibi what matters to us: for every company, we want to know whether the drug is effective, whether it is safe, and what would alter our probability of success, the valuation and the risk we are taking on. New information is only relevant if it alters one of these assessments. Otherwise, it remains in the background.

This works because bibi understands how the individual elements are interconnected: a clinical result relates to a drug, the drug determines part of the company's value, and the company is part of our portfolio. Without these links, one simply reads faster.

My benchmark for bibi is simple: if something actually changes in an investment case, the team should recognise this as early as possible.

We talk a lot about efficiency and better information processing. But I'm almost even more interested in the long-term impact. BB Biotech has over 30 years of investment experience. What can bibi do with this that wasn't possible before?
What excites me most is the constant constructive contradiction. We're building bibi in such a way that the system contradicts us: it's designed to scrutinise a thesis, challenge an assumption and present all the evidence. It becomes particularly fascinating when the system contradicts an analyst who has been tracking a company for ten years. Sometimes the analyst is right and the system learns. Sometimes the system is right and we spot something that would otherwise have escaped our notice. In both cases, we improve. If we apply this week after week and year after year to every company we analyse, the result is a continuously improving ability to make judgements.

So, looking three or five years into the future: where should BB Biotech's real competitive advantage lie – in more powerful AI models or in the knowledge we build up with their help?
In a few years, the models will be barely recognisable. That is why I do not make any predictions about the technology. However, our competitive advantage should never lie in the models themselves anyway. What matters is the layer surrounding them: the context, the reasoning, the record of every decision and why we made it. In most companies, this knowledge is lost every time someone leaves the organisation. If bibi fulfils its purpose, that will not happen here.



Sébastien Pires was appointed the first Head of AI at BB Biotech in 2026. He is responsible for the AI strategy and the development of bibi.

Rachael Burri is Head of Investor Relations at BB Biotech and is responsible for engaging with shareholders, analysts and other capital market participants.

BB Biotech
bbbiotech.ch

GOAI – ETF BY AMUNDI ON MSCI ACWI IMI ROBOTICS & AI FILTERED INDEX

21st-Century Technologies

Technological progress is advancing rapidly, and the growth potential is enormous. It is therefore no surprise that thematic ETFs such as **GOAI** from Amundi are proving popular with investors.

I Dieter Haas

Technological progress is advancing at a rapid pace, and the potential for growth is enormous. It is no wonder that thematic ETFs such as **GOAI** by Amundi are in high demand amongst investors.

Robotics and Artificial Intelligence (AI) are among the most important technologies of the 21st century. Whilst robotics focuses on the development and construction of machines capable of performing physical tasks, AI enables these systems to process information, learn from data and make independent decisions. The combination of these two fields results in intelligent robots that are used in industry, medicine, logistics and many other fields of application. Thanks to continuous progress, robotics and AI are opening up new opportunities for automating processes and solving complex challenges in our modern society.

Anyone looking to add a bit of spice to their share portfolio cannot afford to overlook products that focus on 21st-century technologies. Given the risks involved, broadly diversified index-based solutions are preferable. The ETF **GOAI**, which tracks MSCI ACWI IMI Robotics & AI Filtered Index, pursues a successful, relatively low-risk approach. This index comprises large, medium and small-cap companies from both developed and emerging markets.

> "The ETF **GOAI** is broadly diversified, comprising 181 index constituents."

Broadly diversified underlying index

The underlying index of the ETF **GOAI** comprises companies that benefit from the increasing use of artificial intelligence, robotics and automation. Companies operating in certain controversial business sectors or with low ESG ratings are excluded. The index covers sectors such as robotics and artificial intelligence, the Internet of Things, cloud computing, cyber security, medical robotics, social media automation and vehicle automation. With 181 index constituents, it is broadly diversified. In terms of country exposure, as at 19 August 2026, the US clearly dominated with 81.95%, followed by Germany with 5.68% and Switzerland with 3.35%. In terms of sector allocation, information technology, at 80.67%, was well ahead of industry, at 8.63%. Unlike many ETFs, there are no constituents with very high weightings. Palo Alto Networks, the largest holding in the index, accounted for 4.77%. Among the top 10, alongside Apple, was ABB – the outperformer of the year in the SMI blue-chip index – a Swiss company.

Given the large number of constituent shares, the wide variation in price performance since the start of 2026 in Swiss francs comes as no surprise. With a gain of 221.97%, Lenovo topped the rankings on 21 August, followed by Western Digital and the Dutch Nebius Group. However, the index also included significant losers such as Upwork, down 56.20%, and the South Korean company Pony AI, down 47.47%. The ETF, which has been listed on SIX Swiss Exchange since 4 March 2019, has performed very well to date. Compared with more narrowly focused rival products, its price performance has also been characterised by lower volatility. Even though euphoria over megatrends can sometimes run high, **GOAI** is likely to remain on a successful course in the long term. However, a gradual approach is currently recommended for new investments.

MSCI ACWI IMI ROBOTICS & AI FILTERED INDEX

AMUNDI

Symbol	GOAI
ISIN	LU1861132840
Product type	ETF
Underlying	MSCI ACWI IMI Robotics & AI Filtered Index
Issuer	Amundi

FEATURES

Launch date	04 March 2019
Trading currency	USD
TER p.a.	0.40%
Replication	physical

KEY FIGURES

Ø Spread	0.2109%
Spread Availability	100%

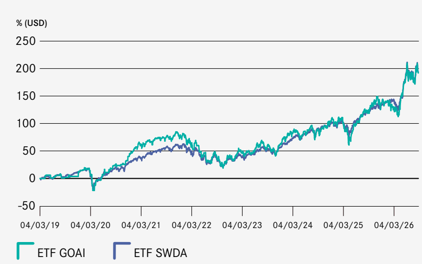
PRICE

Ask (01/09/26)	USD 164.44
Trading venue	SIX Swiss Exchange

PRODUCT INFORMATION

Web link	payoff.ch/GOAI

ETF GOAI VS. ETF SWDA



Source: baha

***"payoff"*-ASSESSMENT**

+ 21st-century technologies
– currency risks

SP500S – ETF BY UBS ON S&P 500® (CHF HEDGED) INDEX

Switzerland Plus

The home bias, which is popular amongst investors and asset managers, has underperformed significantly since November 2022 compared with the CHF-hedged ETF by UBS tracking the US S&P 500.

I Dieter Haas

Home bias refers to the tendency of investors to invest a disproportionately large share of their assets in securities from their own country, even though greater international diversification would be advisable. The reasons for this include familiarity, information advantages, currency effects, patriotism and psychological factors. The Swiss economy's lower level of diversification compared with that of the US has historical roots. Switzerland has traditionally built its prosperity on sectors in which quality, precision and stability play a central role. These include the pharmaceutical and watchmaking industries, the financial sector and high-quality industrial products. Over decades, these sectors have generated strong international competitive advantages and continue to attract significant capital and skilled labour to this day. Risk culture also plays an important role. Technology companies often operate in dynamic and uncertain markets, require high levels of investment and, in some cases, only start generating profits after several years. The Swiss economy and society, by contrast, are regarded as conservative and risk-averse. Investors favour established companies with stable cash flows and reliable dividends. As a result, less capital flows into young, growth-oriented technology companies. Added to this is the size of the Swiss domestic market.

> "CHF-hedged **SP500S** delivers significantly higher returns than Swiss ETFs."

With a population of around nine million, the domestic market is limited. However, many technology companies benefit in their early growth phase from a large domestic market in which they can scale up their products. The US has a huge domestic market and a highly developed venture capital sector with extensive financing opportunities. Swiss start-ups, by contrast, often have to expand internationally at an early stage, which brings with it additional challenges.

Moving away from home bias

In the case of Switzerland, the "home bias" approach yielded results comparable to those of the global equity index for a long time. For some time now, however, the Swiss equity market has been lagging behind global trends. This is particularly evident when compared with the CHF-hedged ETF **SP500S** by UBS tracking S&P 500. The divergence between the key indices in Switzerland and the US has various causes. For instance, the leading companies – Nestlé, Novartis and Roche – have lost momentum in recent years. Previously, they had long compensated for the lack of sector diversification in the Swiss equity market. From November 2022, however, this weakness became increasingly apparent. Despite the costs of currency hedging, the gap between the **SP500S** and Swiss Performance Index continued to widen. The divergence compared with the US technology exchange Nasdaq would be even greater. Investors would therefore be well advised to take a critical look at "home bias". Switzerland accounts for only around 2% of MSCI All Country World Index, which is why a significant overweight position can hardly be justified any longer. The **SP500S** offers a currency-hedged alternative and has delivered significantly higher returns in recent years than ETFs tracking Swiss indices or a "home bias" strategy centred on the three flagship companies Nestlé, Novartis and Roche.

S&P 500® (CHF HEDGED) INDEX

UBS

Symbol	SP500S
ISIN	IE00BD34DB16
Product type	ETF
Underlying	S&P 500® (CHF Hedged) Index
Issuer	UBS
Rating	A-

FEATURES

Launch date	03 November 2016
Trading currency	CHF
TER p.a.	0.06%
Replication	physical

KEY FIGURES

Ø Spread	0.0561%
Spread Availability	99.65%

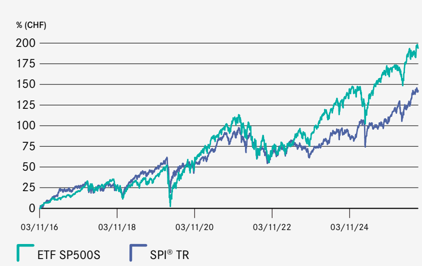
PRICE

Ask (01/09/26)	CHF 6.72
Trading venue	SIX Swiss Exchange

PRODUCT INFORMATION

Web link	payoff.ch/SP500S

ETF SP500S VS. SPI



Source: baha

***"payoff"*-ASSESSMENT**

- \+ higher returns than the home bias
- – slightly higher volatility

DAFZJB – TRACKER CERTIFICATE BY BANK JULIUS BÄR ON DW GLOBAL RESOURCE EFFICIENCY INDEX

In the Fast Lane

The actively managed Tracker Certificate **DAFZJB** has recently gained significant momentum and has once again outperformed the CHF-hedged global equities ETF **IWRD** since its launch.

| Dieter Haas

Many Tracker Certificates and actively managed investment funds fail to outperform their benchmarks. One of the main reasons for this is the higher costs associated with active investment strategies, which reduce the gross return achieved. Furthermore, financial markets are largely efficient, and publicly available information is usually already factored into prices. This makes it difficult to systematically identify and exploit mispricing. Furthermore, short-term success may be down to chance, whilst only a few managers are able to sustain their excess returns over longer periods.

From the perspective of an investor, this therefore raises the question of whether the higher fees and risks associated with active products are justified by better performance. Numerous studies show that, in the long term, the majority of actively managed funds do not outperform their benchmark after costs, which is why passive index investments have become increasingly popular.

Nevertheless, there are examples that succeed in doing so over the long term, as demonstrated by the Tracker Certificate **DAFZJB**, which is based on in-house DW Global Resource Efficiency Index.

> "**DAFZJB** combines diversification with growth themes."

Information on the underlying

DW Global Resource Efficiency Index comprises 25 to 30 listed companies from five sectors: energy efficiency, water efficiency, materials, waste efficiency and environmental protection. The selection is based on predefined index criteria. These include technological contribution, market capitalisation, free float, liquidity and risk. Typically, companies are selected from the following sectors: semiconductors and power electronics, automation and robotics, industrial software and electrification. In addition, there are smart grids, water technology, energy efficiency, building automation, sensor and measurement technology, as well as AI-supported industrial applications.

As a result, the Tracker Certificate **DAFZJB** offers targeted exposure to themes such as robotics, AI, automation, electrification and resource productivity, which are significantly under-represented in the Swiss market. For those wishing to reduce their Swiss home bias, this provides an interesting satellite position alongside a global ETF. As the graphical comparison with CHF-hedged MSCI World Equity Index shows, the Participation Product has, for the most part, managed to achieve an excess return since its launch on 19 March 2020, albeit with slightly higher volatility. The brief downturn in autumn/winter 2024/25 was recouped following the postponement of the US tariff decision in early April 2025. From the second quarter of 2026 onwards, the Tracker Certificate really took off.

The monthly report from DuraWealth sets out the key details regarding the Tracker Certificate. Most recently, 49% of the holdings were in US shares. The technology sector dominated with 38.2%, whilst the holdings were weighted towards DSM-Firmenich, followed by Kia, Xylem and AMD. Upon request, the portfolio manager will also provide a full list of the current index constituents.

DW GLOBAL RESOURCE EFFICIENCY INDEX

JULIUS BÄR

Symbol	DAFZJB
ISIN	CH0359145411
Product type	Tracker Certificate
Underlying	DW Global Resource Efficiency Index
Issuer	Bank Julius Bär
Rating	Aa3 (Moody's)

FEATURES

First trading day	19 March 2020
Trading currency	USD
Mgt. Fee p.a.	1.35%
Maturity	open-end

KEY FIGURES

Ø Spread	0.32%
Spread Availability	100.00%

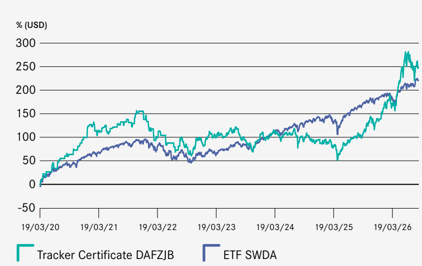
PRICE

Ask (01/09/26)	USD 2.930
Trading venue	SIX Swiss Exchange

PRODUCT INFORMATION

Web link	payoff.ch/DAFZJB

TRACKER CERTIFICATE DAFZJB VS. ETF SWDA



Source: baha

***"payoff"*-ASSESSMENT**

+ outperformance versus the global equity index
– USD/CHF currency risk

LEARNING CURVE

"What Really Moves Currencies"

| Christian Ingerl

Exchange rates can sometimes seem unpredictable, but behind their fluctuations lies a complex interplay of economic data and market sentiment. Those who understand the key factors can better assess currency trends and manage risks more effectively.

Exchange rates determine the rate at which two currencies are exchanged, for example the Swiss franc and the US dollar or the euro. They are a fundamental link in global trade and enable smooth transactions on the international financial markets. Floating exchange rates are essentially determined by the interplay of supply and demand on the foreign exchange market. Incidentally: with a daily trading volume of USD 9.6 trillion, the forex market (short for "foreign exchange") is by far the largest financial market in the world. However, supply and demand are influenced by several factors that are not always easy to understand. Nevertheless, investors should have a basic understanding of these relationships. After all, currency movements often determine the success or failure of investments in foreign currencies, such as US shares. Furthermore, there are numerous products whose returns are directly linked to the performance of a currency pair, for example, leveraged instruments based on the USD/CHF exchange rate. The key factors influencing exchange rates are described below.

Interest rates and monetary policy

Higher interest rates tend to make a currency more attractive, as investors can achieve higher returns in the country in question. This increases demand for that currency, which can lead to an appreciation. Conversely, falling interest rates in a currency area can lead to a depreciation of the corresponding currency.

Central banks are primarily responsible for setting the interest rate level in an economy. Consequently, exchange rates often react more strongly than average to interest rate decisions – particularly when these are unexpected. Market participants also pay close attention to statements made by senior central bankers regarding future monetary policy. For example, an interest rate rise may have no effect on the foreign exchange market if the central bank governor simultaneously suggests that a turning point has now been reached.

Please note: The attractiveness of a currency cannot be assessed solely on the basis of interest rate levels. This is because high nominal interest rates do not automatically mean profitable investments. The decisive factor is the real interest rate, i.e. the nominal interest rate minus the inflation rate. As will become clear shortly, inflation is another important factor influencing currency movements.

> "High interest rates and low inflation tend to strengthen a currency."

Inflation and purchasing power

As a general rule, all other things being equal, higher inflation is unfavourable for the currency in question – and vice versa. The theory of purchasing power parity is based on this assumption. According to this theory, the exchange rate evolves over the long term in such a way as to equalise price differences between countries. If prices in country A rise faster than in country B, the currency of A tends to lose purchasing power and thus, in the long term, lose value against the currency of B.

An example: In Switzerland, the inflation rate is currently 0.4%. In the US, it currently stands at 3.4%. Therefore, the inflation differential is three percentage points. Assuming all other factors remain unchanged, the Swiss franc should appreciate against the US dollar. This would continue until Swiss products are relatively so expensive and US products relatively so cheap that demand for the US dollar increases accordingly and purchasing power parity is restored.

In practice, however, the relationship between purchasing power and inflation is quite complex. Monetary policy is also an important intervening factor here. If, for example, inflation rises, the central bank will probably raise interest rates. Higher interest rates, in turn, can attract foreign capital, thereby increasing demand for that currency. In this case, the currency may even appreciate despite the higher inflation.

Confidence in the government and the economy

As a rule, a strong economy, solid corporate profits and responsible fiscal policy strengthen confidence in a currency. Rising government debt, spiralling budget deficits and doubts about the solvency of a country, on the other hand, can put pressure on the currency in question. The US dollar has also been affected by this in the recent past.

In times of geopolitical crises, however, currencies regarded as safe havens are often sought after. These still include the US dollar, which, despite the shortcomings described above, is regarded as the global reserve currency. An analysis by the Bank for International Settlements (BIS) shows just how strongly the US currency continues to dominate global foreign exchange markets. According to the analysis, the US dollar accounted for 89.2% of all transactions on the forex market last year.

Other factors

Another key factor that can trigger movements in the foreign exchange market is international trade. Admittedly, the share of world trade – that is, the export and import of goods and services – in the global foreign exchange market is merely between 2% and 5%. Nevertheless, punitive tariffs, trade restrictions or trade wars can weaken the exports of a country and thus put pressure on its currency.

> "In the foreign exchange market, it is often the interplay of several factors that determines the outcome."

Nor should we forget the speculators. This group can cause sharp short-term exchange rate fluctuations, even when the economic situation has not yet changed at all.

Conclusion and overall assessment

Exchange rates are the result of complex interrelationships between economic fundamentals, capital flows and expectations. In the short term, expectations and speculation may dominate; in the long term, however, economic fundamentals take on greater significance. Therefore, a sensible assessment should always consider several factors simultaneously and, in particular, take into account developments in comparison with trading partners.

To conclude, here is a rule of thumb: high interest rates, low inflation, a strong economy and political confidence tend to lead to a stronger currency. However, this rule is only intended as a guide and does not represent a fixed law.

SLNC – ETP BY COINSHARES ON STAKED SOLANA

Less Supply, More Speed

Solana is on the move in two ways: the network is getting faster, while fewer SOL are set to enter the market. With the ETP **SLNC**, investors can capitalise on this – with no fees and ongoing staking returns.

I Jürgen Kob

In the final week of August 2026, validators – the participants who keep the Solana network running – were given a say in the monetary policy of the network for the first time. With 67% of the vote in favour, it was decided to reduce the supply of new SOL in the long term. As a result, over the next six years, around 19 million fewer SOL will enter the market than previously planned. This is significant for investors: if demand continues to rise while supply grows only slowly, this scarcity could have a positive long-term effect on the price. At the same time, the network is becoming noticeably faster. Transactions are now confirmed significantly faster than they were just a few months ago. This can make all the difference, particularly for applications involving many small payments.

This combination was well received on the market. SOL surged above the USD 100 mark for the first time since February 2026 (as at the end of August 2026). This represents a gain of around 30% within just a few days.

> "Solana is becoming scarcer and faster."

Interest is also growing amongst major providers. For instance, the ETF **BSOL** from Bitwise became the first Solana product to break the billion mark in assets under management. Charles Schwab, one of the largest American financial groups, now offers its customers direct access to SOL. Those who believe in this trend do not necessarily have to buy SOL directly and hold it themselves. An alternative is the ETP **SLNC** by CoinShares, launched in USD in March 2022.

Since 30 June 2026, a separate CHF tranche has also been available on SIX Swiss Exchange. This means the ETP can be bought and sold directly in Swiss francs via your usual bank or online broker. The product has no fixed maturity date (open-end) and is 100% backed by SOL. However, the CHF tranche is not currency-hedged. While the franc-denominated listing facilitates trading for Swiss investors, it does not protect against currency fluctuations.

The cost structure of **SLNC** is particularly interesting. CoinShares currently waives management fees entirely while crediting investors with a 3% staking yield per annum. This is not paid out directly; instead, the amount of SOL allocated to each security increases daily. Assets under management now stand at a considerable USD 284 million.

SLNC is aimed at investors who believe in the future of Solana and view its recent progress, as well as the growing interest from major financial institutions, in a positive light. The combination of currently no management fee and a 3% staking yield is extremely attractive amongst the Solana products tradable in Switzerland. With the new CHF tranche, access has become even easier for Swiss investors.

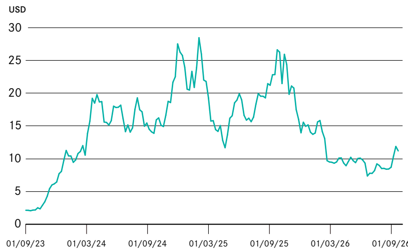
SOL nevertheless remains an investment subject to significant price volatility. Anyone investing should be able to withstand such fluctuations and, accordingly, allocate only a limited portion of their portfolio to this holding. However, for those who believe in the long-term potential of Solana and wish to avoid managing their own wallet, **SLNC** offers a convenient way to invest directly via SIX Swiss Exchange. ■

SOLANA

COINSHARES

Symbol	SLNC
ISIN	GB00BNRRFY34
Product type	ETP
Underlying	Solana (SOL)
Issuer	CoinShares Digital Securities Limited, Jersey
FEATURES	
First trading day	23 March 2022
Issue price	USD 9.4975
Mgt. Fee p.a.	0.00%
Maturity	open-end
KEY FIGURES	
Ø Spread	0.24%
Spread Availability	98.07%
Distribution Policy	accumulating
PRICE	
Ask (01/09/26)	USD 11.80
Trading venue	SIX Swiss Exchange
PRODUCT INFORMATION	
Web link	payoff.ch/SLNC

SLNC PRICE PERFORMANCE



Source: baha

"*payoff*"-ASSESSMENT

\+ enormous upside potential
\+ no maturity
– high risk

Top 10 Underlyings and 10 Most Traded Products

TOP 10 UNDERLYINGS LEVERAGED PRODUCTS

Underlying	**Turnover** (CHF)
Silver (USD)	83,955,230
Gold (USD)	39,009,044
SMI	20,375,015
Nasdaq 100	19,273,488
Nestlé	17,597,279
DAX	17,293,570
UBS	13,620,395
Partners Group	9,875,654
ICE Brent Crude Oil	9,136,091
Nvidia	8,547,987

TOP 10 UNDERLYINGS INVESTMENT PRODUCTS

Underlying	**Turnover** (CHF)
Helvetia	15,784,143
Euro STOXX 50 / S&P 500 / SMI	13,187,361
Swissquote Ambitious Portfolio Index	11,187,411
Nestlé / Novartis / Roche PS	7,388,849
Novartis	6,930,074
S&P 500	5,040,071
Swissquote Balanced Portfolio Index	4,125,394
UBS Bloomberg CMCI Copper TR Index (USD)	3,993,836
Givaudan / Kühne & Nagel / Nestlé / VAT Group	3,341,605
Swissquote Fearless Portfolio Index	3,237,355

MOST TRADED LEVERAGED PRODUCTS

Underlying	**Symbol**	**Product type**	**Type**	**Issuer**	**Maturity**	**Ask**	**Currency**	**Turnover** (CHF)	**Trades**
Silver (USD)	FSIHQV	Factor Certificate	BULL	VT	open-end	21.23	CHF	27,277,129	187
Silver (USD)	MSIAXV	Mini Future	BULL	VT	open-end	3.90	CHF	11,060,832	118
Gold (USD)	FGOECV	Factor Certificate	BULL	VT	open-end	22.92	CHF	11,029,675	37
Silver (USD)	FSIG9V	Factor Certificate	BULL	VT	open-end	10.96	CHF	11,018,526	30
Silver (USD)	FSIHUV	Factor Certificate	BULL	VT	open-end	6.57	CHF	9,574,910	37
UBS	UBSLJZ	Warrant	BULL	ZKB	18/12/26	2.80	CHF	5,863,402	31
Silver (USD)	FSIHVV	Factor Certificate	BULL	VT	open-end	25.30	CHF	4,500,600	38
Nasdaq 100	INDA2Z	Mini Future	BULL	ZKB	open-end	2.23	CHF	4,247,300	32
Nestlé	NESEWZ	Warrant	BULL	ZKB	18/12/26	0.45	CHF	3,592,127	221
Nasdaq 100	INDOIZ	Mini Future	BULL	ZKB	open-end	2.39	CHF	3,500,712	28

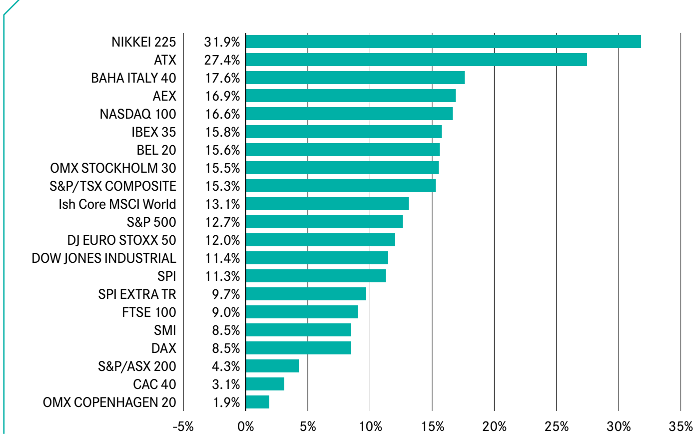
MOST TRADED INVESTMENT PRODUCTS

Underlying	**Symbol**	**Product type**	**Type**	**Issuer**	**Maturity**	**Ask**	**Currency**	**Turnover** (CHF)	**Trades**
Helvetia	SBFYJB	Bonus Certificate	BULL	BAER	08/04/27	209.60	CHF	15,739,920	1
Swissquote Ambitious Portfolio Index	AMBTSQ	Tracker Certificate	BULL	SWQ	open-end	35.58	CHF	11,130,679	47
Novartis	DNOACV	Discount Certificate	BULL	VT	20/07/27	111.00	CHF	6,711,975	24
Swissquote Balanced Portfolio Index	BLNCSQ	Tracker Certificate	BULL	SWQ	open-end	31.99	CHF	4,098,552	39
S&P 500	LCHBCU	Bonus Certificate	BULL	UBS	22/02/27	103.20	USD	4,058,206	9
UBS Bloomberg CMCI Copper TR Index (USD)	TLPCIU	Tracker Certificate	BULL	UBS	open-end	352.00	USD	3,964,608	26
Givaudan / Kühne & Nagel / Nestlé / VAT Group	LDADDU	Barrier Reverse Convertible	BULL	UBS	10/02/27	99.25	CHF	3,341,605	89
Swissquote Fearless Portfolio Index	FEARSQ	Tracker Certificate	BULL	SWQ	open-end	30.72	CHF	3,141,428	40
Swissquote Prudent Portfolio Index	PRDTSQ	Tracker Certificate	BULL	SWQ	open-end	29.35	CHF	2,837,337	39
Bloomberg WTI Crude Oil Subindex Total Return	BCWTUU	Tracker Certificate	BULL	UBS	open-end	344.90	USD	2,761,078	1

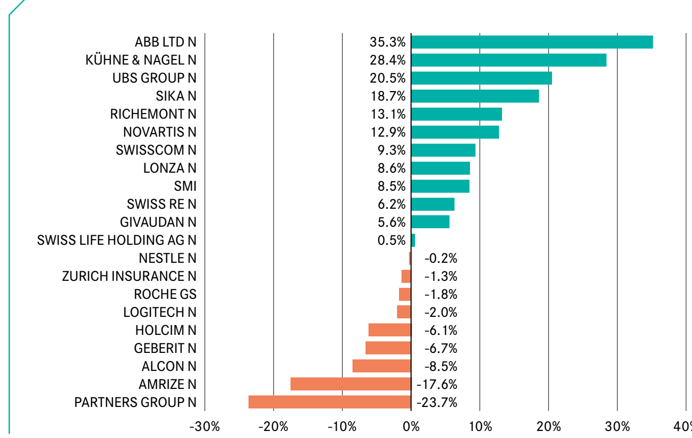
Source: *payoff.ch*; all data relates to trading volumes on SIX Swiss Exchange over the past four weeks (3 August 2026 to 31 August 2026)

Statistics

SHARE MARKET TOP / FLOPS 2026 IN LOCAL CURRENCY



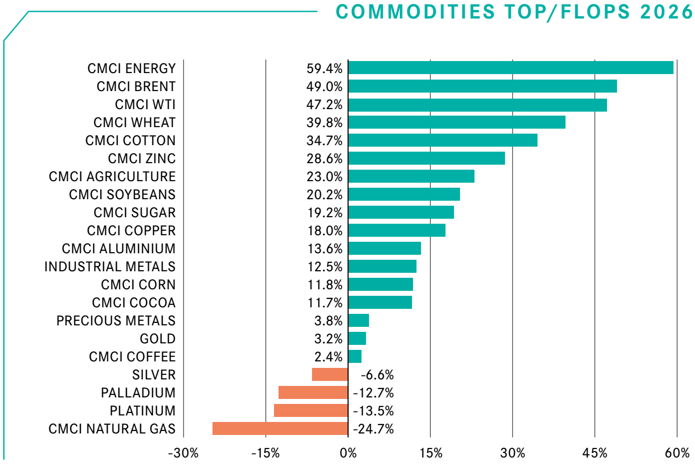
SMI TOP / FLOPS 2026



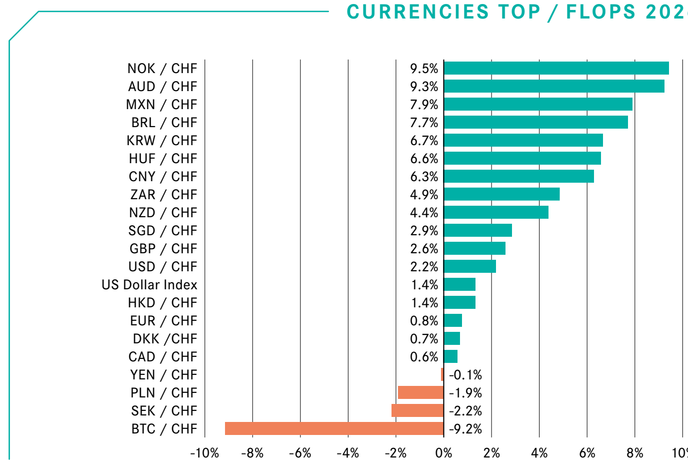
The share markets remained on an upward trend almost throughout. By the end of week 35, all the listed share markets were up on their figures since the start of the year. Nikkei 225 continued to hold a clear lead, followed by Austrian ATX and BAHA ITALY 40. Nasdaq 100 technology index moved up slightly in the rankings again, taking fifth place. The Swiss indices broadly maintained their positions in the rankings. OMX Copenhagen 20, which had previously been at the bottom of the table, managed to move into positive territory for the first time.

SMI continued its moderate upward trend. Thanks to this positive trend, 11 shares were in the black at the end of week 35, as they had been since the end of 2025. ABB continued to top the rankings. It was once again followed by Kühne & Nagel, with the gap to ABB narrowing steadily. Other shares to post gains in recent weeks included Sika, Swiss Re and Partners Group. The latter remained at the bottom of the table for the year to date, but moved significantly closer to Amrize.

COMMODITIES TOP/FLOPS 2026



CURRENCIES TOP / FLOPS 2026



Commodity prices also remained largely firm in August. Brent and WTI crude oil continued to top the rankings. Wheat remained in second place as the closest challenger. Other winners among agricultural commodities included cotton and sugar. Among industrial metals, zinc maintained its leading position. Precious metals, led by gold and silver, recovered significantly but still remained towards the bottom of the rankings. There were no changes in the sector rankings. The energy sector continues to lead ahead of agricultural commodities, industrial metals and precious metals.

In recent weeks, the Swiss franc has continued to trend slightly weaker against most currencies. At the end of week 35, the Norwegian krone topped the rankings, followed by the Australian dollar and the Mexican peso. The Brazilian real, the leader of the previous month, slipped to fourth place. The biggest gains were recorded by the South Korean won and the cryptocurrency Bitcoin. The latter nevertheless remained at the bottom of the table. With the spectacular rise in week 34, the so-called "crypto winter" is likely to have come to an end sooner than many experts had expected.

PMMI payoff market making index

On 31 August 2026, the market-making quality of issuers for Leveraged Products was slightly below, and for Investment Products slightly above the level recorded at the end of the previous month.

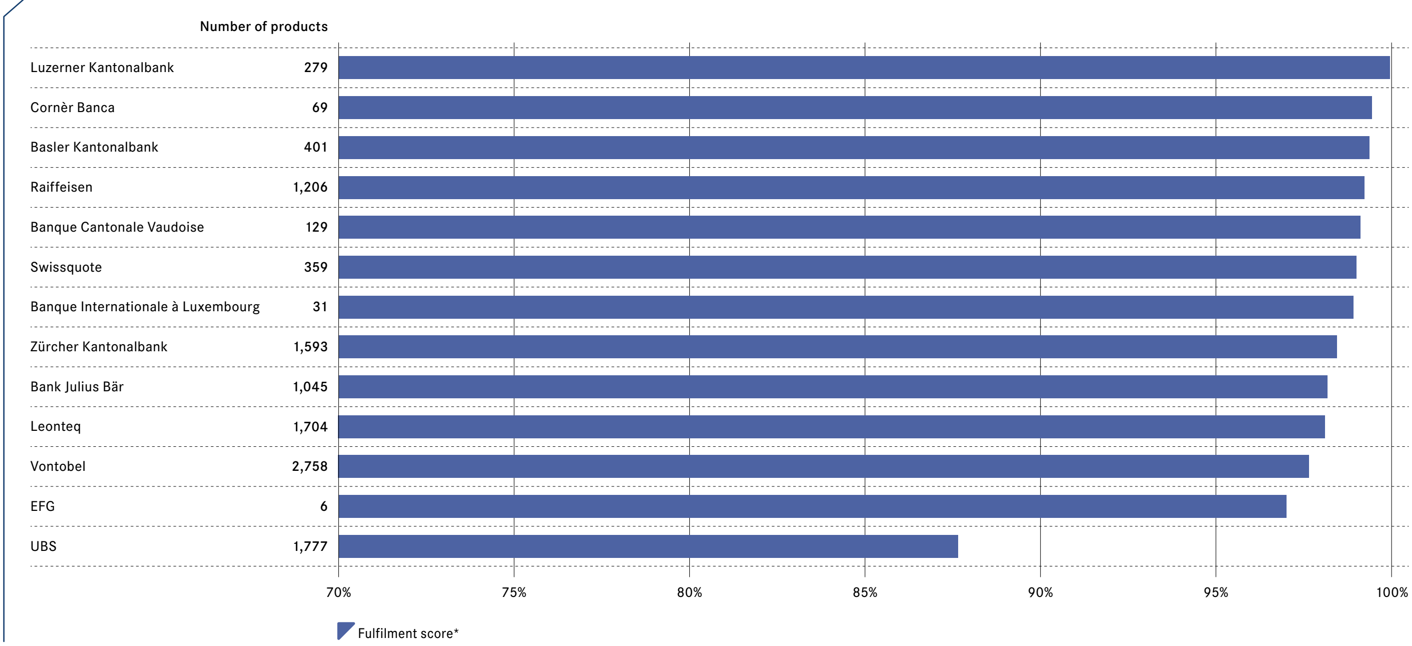
| Susan Niederhöfer

Due to the new extended trading hours introduced by SIX – 8 a.m. - 9.45 p.m. – we are currently analysing the impact on the underlying key figures and are developing an adjusted methodology to ensure comparability. Until further notice, the analysis will continue to be based on the previous trading hours – 9.15 a.m. - 5.30 p.m. An enhanced reporting framework that takes the new time windows into account is currently being prepared.

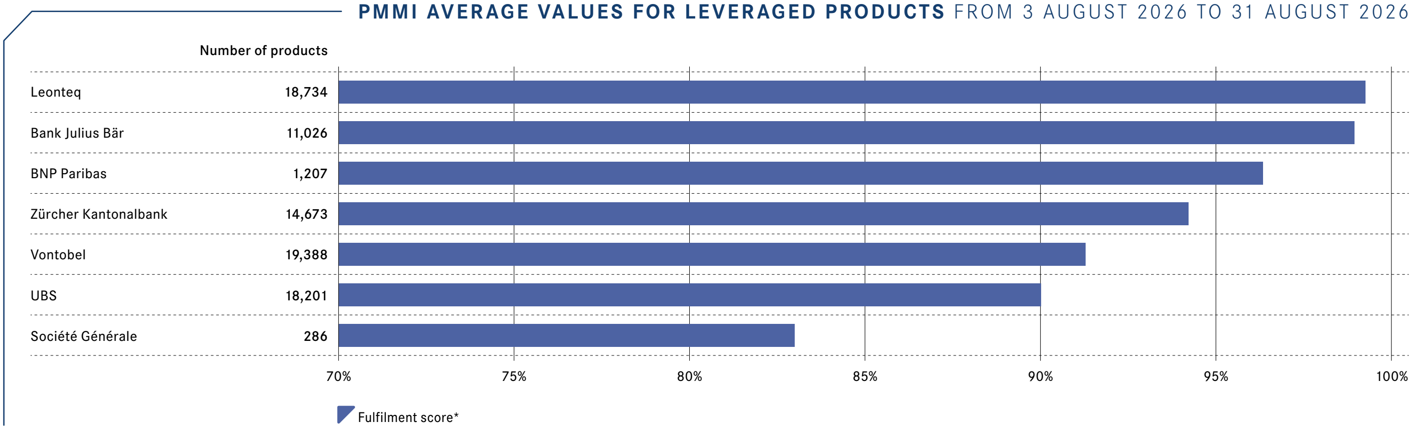
In the category Leveraged Products, Leonteq regained the top position, relegating Bank Julius Bär to second place. BNP Paribas once again maintained its third-place ranking.

In the category Investment Products, the leading trio remained unchanged. Luzerner Kantonalbank maintained its leading position, followed by Cornèr Banca in second place and Basler Kantonalbank in third place.

PMMI AVERAGE VALUES FOR INVESTMENT PRODUCTS FROM 3 AUGUST 2026 TO 31 AUGUST 2026



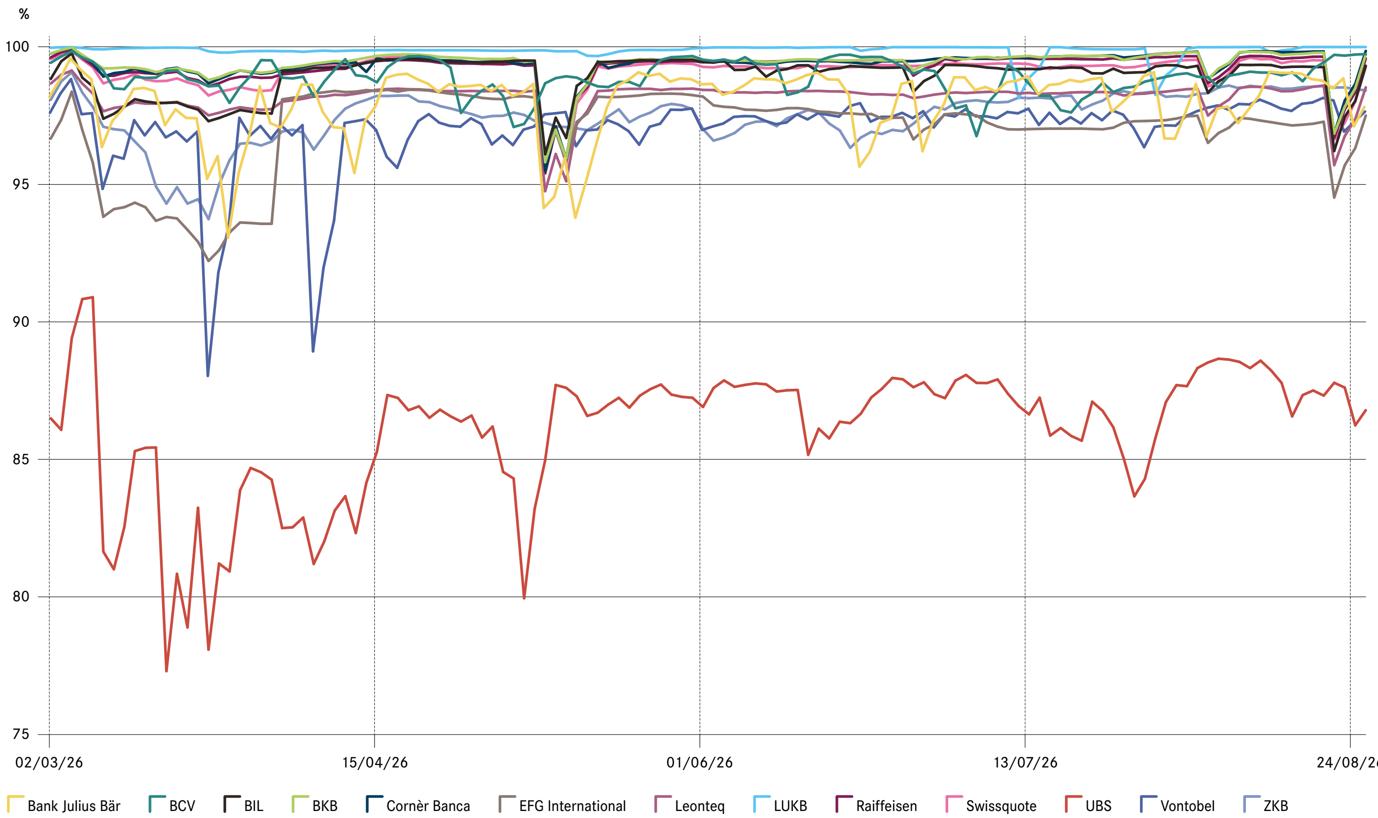
PMMI AVERAGE VALUES FOR LEVERAGED PRODUCTS FROM 3 AUGUST 2026 TO 31 AUGUST 2026



Source of all charts: *payoff.ch*

*PMMI values above 80 points are considered satisfactory. Values below 80 points are unsatisfactory. Issuer creditworthiness is not taken into account.

PERFORMANCE OF THE PMMI FOR INVESTMENT PRODUCTS FROM 2 MARCH 2026 TO 31 AUGUST 2026



PERFORMANCE OF THE PMMI FOR LEVERAGED PRODUCTS FROM 2 MARCH 2026 TO 31 AUGUST 2026

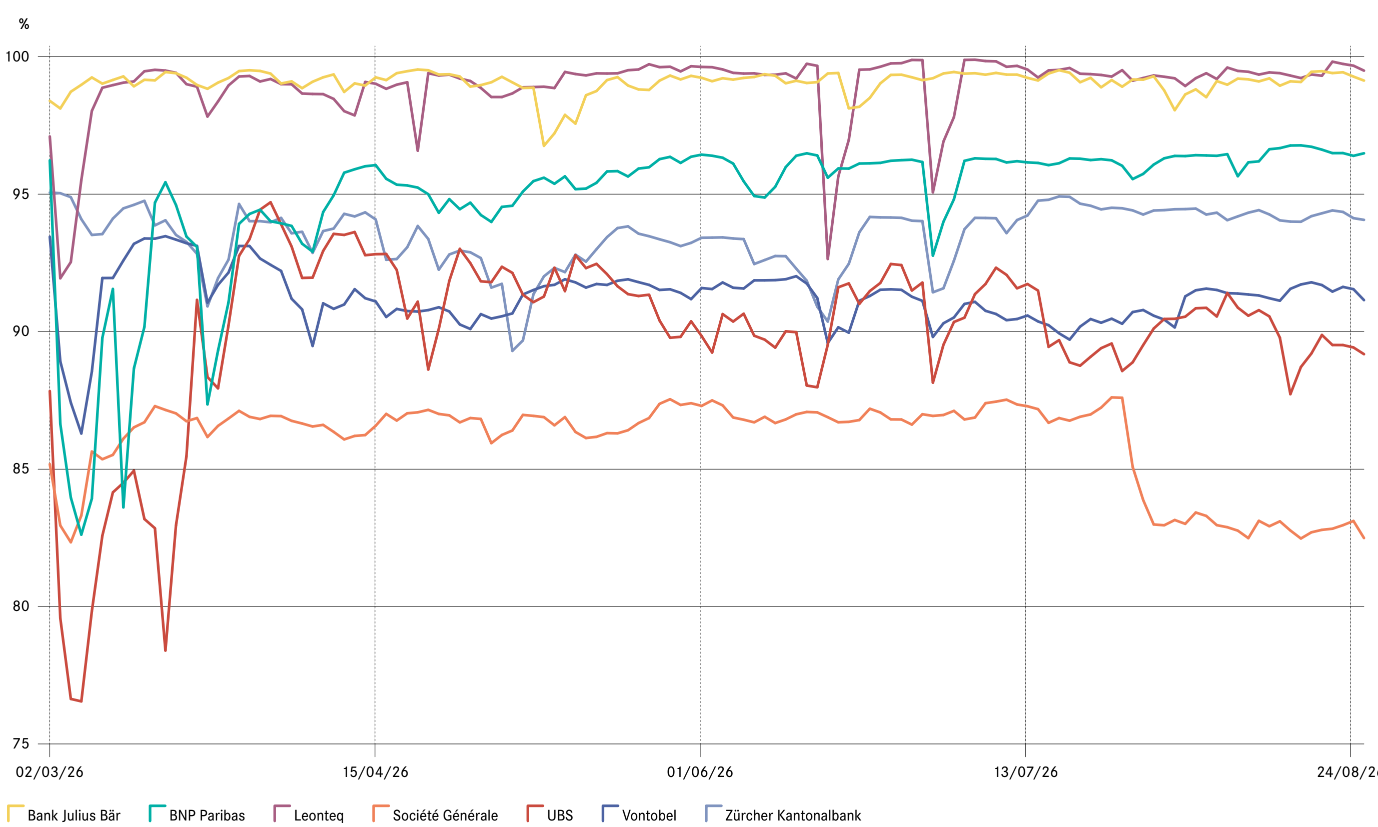
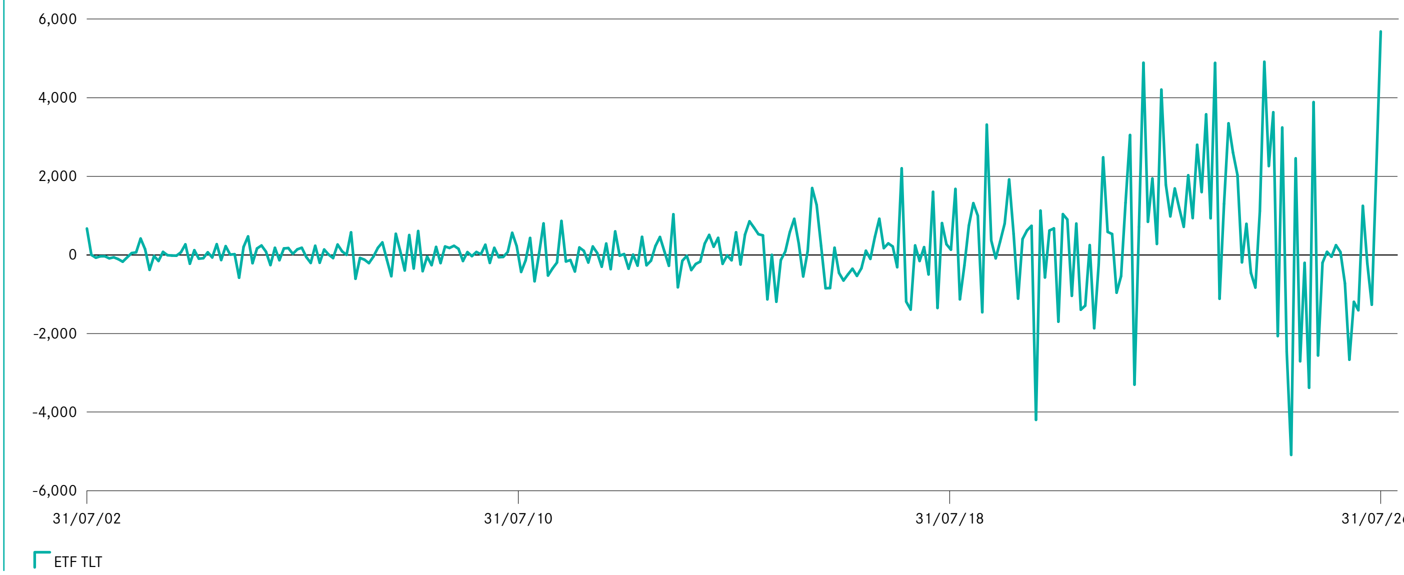


CHART OF THE MONTH 1: FUND FLOWS ISHARES 20+ YEAR TREASURY ETF (MIO. USD)



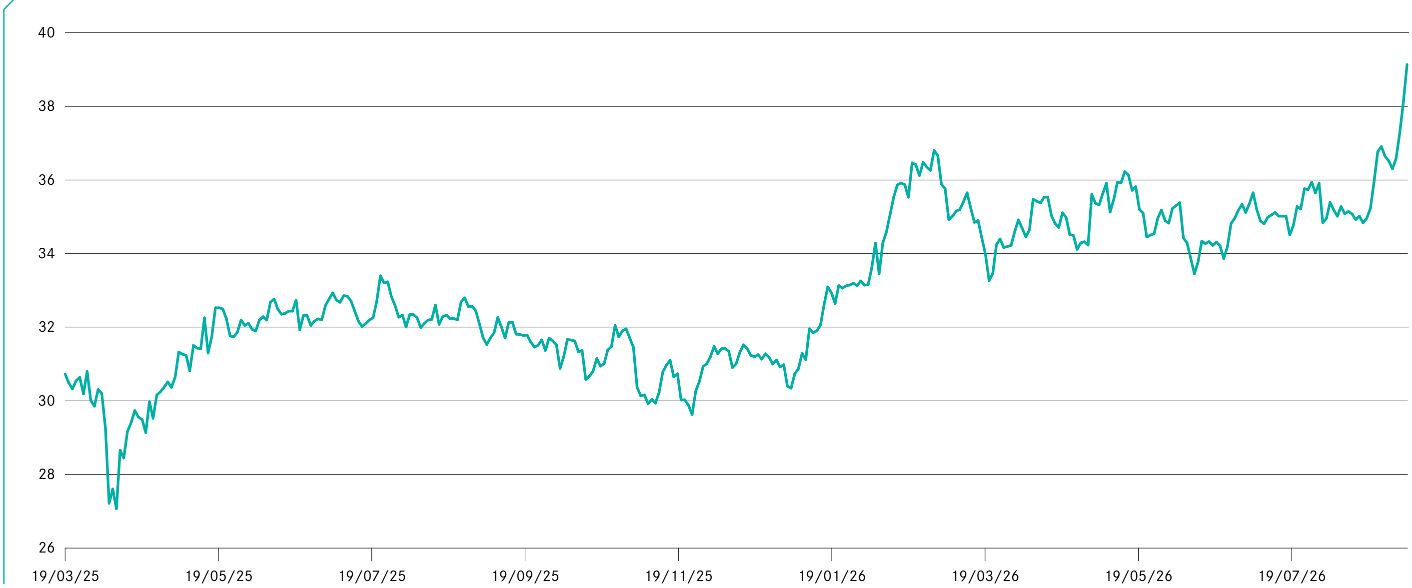
Source: baha

QUOTE OF THE MONTH

Carlos Casanova
Senior Economist Asia at
Union Bancaire Privée (UBP)

« Historically, interventions have only been successful when the fundamentals have moved in the same direction. »

CHART OF THE MONTH 2: GLOBAL X AGRI TECH & FOOD INNOVATION ETF



Source: baha

NOTICED

Martin Raab
presents curious and thought-provoking stories from the world of finance.

Back from the holidays: time to hunt for bargains

Two ways to make money: tech shares like Qualcomm and fixed income, where a hawkish Fed is pushing yields higher.

The holidays are over, the holiday tan is still there, and it's time to turn our attention back to our investment portfolios. Now's the time for that first coffee in front of the screen. While you were lying on the beach, the market left behind two areas of opportunity: overlooked tech bargains and a fixed-income market crying out for a bet on rising yields. Qualcomm is on the shopping list. While Nvidia is floating in the stratosphere in terms of valuation, the mobile chip giant is trading below its year-to-date opening price and the analyst consensus of around USD 200. Although its core business has been sluggish, the automotive segment has been growing at double-digit rates for the 23rd consecutive quarter. Added to this are billion-dollar deals with hyperscalers and a Meta partnership that catapulted the share price up by double digits in after-hours trading. Similar laggards without a hype premium include Intel and Cisco. Anyone who missed the holiday period can catch up from the comfort of their office chair.

The second area of focus is US government bonds. Since Kevin Warsh took over at the Fed in May, the central bank has sounded less inclined towards easing. In June, hints of interest rate cuts were dropped; at Jackson Hole, Warsh even hinted at rising interest rates. The result: ten-year yields climbed to just under 4.7%, while 30-year yields rose to over 5.2%. Some observers expect ten-year yields to test the 5% mark. At the same time, the Treasury is bringing larger auctions to the market, while the Fed is stepping back as a buyer. Rising yields mean falling prices – a golden opportunity for short traders. This can be executed via short Mini Futures or put options on bond ETFs such as the "iShares 20+ Year Treasury Bond ETF", leveraged inverse products such as the "ProShares UltraShort 20+ Year Treasury", or short futures on 10- or 30-year T-Notes/T-Bonds. Alternatively, a steepener position can be taken to bet on a steeper yield curve. The holidays are over, the opportunities are there – time to capitalise on them. ■

HOT NEWS

SEASONAX

THE WEAKEST MONTH HAS BEGUN

Since 1970, September has been the only month in S&P 500 to record an average loss of over 1%. According to Seasonax, this period of weakness typically lasts from mid-July to the end of October, with the sharpest declines occurring from mid-September onwards. Before hastily attributing market weakness to central banks or individual news items, it is worth taking a look at the calendar.

PAYOFF

THE ETP & INDEXING GUIDE IS COMING

On 16 September 2026, the payoff ETP & Indexing Guide 2026/2027 will be published – with a print run of 22,000 copies, around 19,000 of which will be included as a supplement in "Finanz und Wirtschaft", and, for the first time, **available entirely in English**. Contributors include Bitwise, BlackRock, Maverix, Swisscanto and Eurex. The guide is also available online at *payoff.ch/publications*. So: mark it in your diary now!

INTERNATIONAL STRUCTURED PRODUCTS FORUM (ISPF)

INDUSTRY MEETING AT LAKE THUN

For the 16th time, the Structured Products industry gathered at the International Structured Products Forum. In 2026, the ISPF did not take place in Lucerne as usual, but at the Victoria-Jungfrau Grand Hotel in Interlaken. With Ironman world champion Daniela Ryf and SIF representative Dr Michael Manz, the programme offered exciting perspectives beyond day-to-day business. A big thank you to the organisers, SSPA and SIX, for two successful days full of discussion and networking.

BSW

DISCOUNT CERTIFICATES HALVE THE RISK

The new BSW study on 55,956 traded Discount Certificates in 2025 shows that, when the underlying performed negatively, the certificates lost an average of just 4% p.a., while the underlyings lost 24.4%. Volatility stood at 11.2% – almost two-thirds lower. There is no comparable study for Switzerland, but SSPA figures illustrate the scale: return-optimisation products, which include Discount Certificates, already accounted for 46% of total turnover in Q1 2026, amounting to CHF 36 billion.

GRAPHIC OF THE MONTH: DOLLAR, EURO & CO.: RESERVE STATUS CHECK

Source *www.visualcapitalist.com*; IMF – Currency Composition of Official Foreign Exchange Reserves (COFER)