

TRAMONDO
INVESTMENT PARTNERS

MARKET COMPASS

A MONTHLY BRIEFING ON THE STATE OF THE FINANCIAL MARKETS AND OUR TACTICAL POSITIONING.

APRIL 2026

TACTICAL POSITIONING

Cash:	○	●	○	○	○
Bonds:	○	○	●	○	○
Equities:	○	○	●	○	○
Alt. Investments:	○	○	○	▶ ●	○

We are happy to explain our detailed tactical positioning to you in a conversation. Please contact us.

SPOTTED

Alphabet and Meta found liable – A US court has concluded that the two social media companies failed to adequately warn users about the risks of addiction and acted negligently. The plaintiff, who had used social media since early childhood, was awarded USD 3 million in damages. The ruling could set an important precedent, as hundreds of similar lawsuits are pending and may challenge the business model of the tech giants.

MARKET REVIEW:

WHEN GEOPOLITICS MEETS FUNDAMENTAL RESILIENCE

Iran conflict shakes financial markets – March was dominated by the geopolitical escalation in the Middle East, with the Iran conflict leaving its mark on financial markets far beyond the oil sector. What initially appeared to be a classic oil and inflation shock quickly developed into a broad-based stress event for global capital markets. The sharp rise in oil prices – Brent crude increased from USD 72.5 to USD 118.4 in March, a historic gain of +63.3% – fueled global concerns about renewed inflationary pressure and a more restrictive monetary policy. It was precisely this combination that proved particularly toxic for markets: not only equities and other risk assets came under pressure, but also supposedly safe havens. While risk assets suffered from the prospect of higher input costs, margin pressure and slowing growth momentum, traditional safe havens temporarily also lost some of their stabilizing qualities. Rising yields weighed on US sovereign bonds as market participants repriced the inflationary consequences of the energy shock – even gold was only able to fulfil its hedging function to a limited extent, as higher real rates and a tighter interest rate environment added to the headwinds. For investors, this created an exceptionally challenging environment in which diversification across asset classes temporarily worked far less effectively than usual: equities, bonds and even precious metals came under pressure at the same time, while the energy complex benefited from the newly priced-in geopolitical risk premium.

Central banks remain in wait-and-see mode – Against the backdrop of the Iran conflict, the March meetings of the major central banks temporarily moved somewhat into the background. On 18 March, the US Federal Reserve left its policy rate unchanged and emphasized that economic activity was still expanding at a solid pace, while inflation remained above target. At the same time, the Fed explicitly pointed to the uncertain implications of developments in the Middle East for growth and inflation trends. The European Central Bank (ECB) also kept its policy rates unchanged on 19 March and reaffirmed its data-dependent approach. Overall, the oil price shock prompted a meaningful reassessment of the monetary policy outlook: in the US, investors were no longer pricing in any additional rate cuts by year-end. In the Eurozone, any remaining rate cut expectations were also fully priced out during the month; by the end of March, financial markets were even discounting around three rate hikes by the end of 2026.

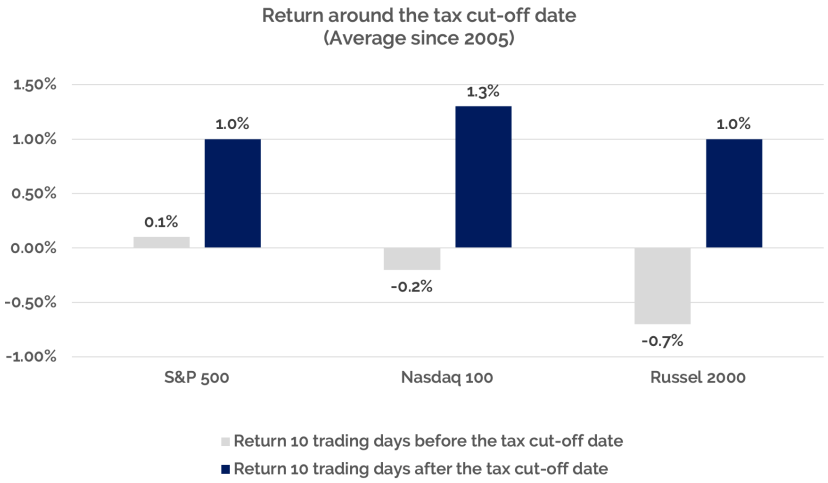
SOON IN FOCUS

Earnings season Q1 2026 – After recent weeks in which geopolitical developments have dominated financial markets, fundamentals are likely to move back into focus from mid-April onwards. Heading into the upcoming Q1 2026 earnings season, analysts expect earnings growth of 13.2% for the S&P 500. Investors will pay particular attention to company guidance and management commentary for clues on any short- to medium-term impact of the Middle East conflict on business performance.

Robust economic data provide a counterweight – Despite the geopolitical stress scenario, the macroeconomic backdrop remained remarkably resilient in March, especially in the United States. The ISM Manufacturing Index rose to 52.7, signaling expansion in the industrial sector for a third consecutive month, while new orders and production also remained in expansion territory. This suggests that the US economy entered the latest geopolitical shock with solid momentum. At the same time, the details already pointed to the negative effects of the conflict: the ISM price component jumped to 78.3, reaching its highest level since June 2022. For financial markets, this was the key message of the month: the data were strong enough to keep recession fears at bay for the time being, but also robust enough to leave central banks with little room for swift rate cuts, especially if the oil price shock starts filtering back into inflation through higher industrial costs.

DID YOU KNOW THAT...

...APRIL TENDS TO SHOW TWO VERY DIFFERENT FACES DUE TO TAX RELATED FACTORS?



SOURCE: UBS, TRAMONDO

Historically speaking, April has been an excellent month for equity investors. The US benchmark index, the S&P 500, has delivered an average return of around 1.5% during this period, which is more than double its long-term monthly average of 0.7% since 1950. April has also been strong in Europe. The Euro Stoxx 50 has recorded an average return of approximately 1.9% in this month since 1987, compared with a typical monthly average of just 0.5%.

In addition, an interesting pattern can be observed within April in the United States, as the second half of the month has historically been significantly stronger than the first. This anomaly can be seen across the S&P 500, the Nasdaq 100, as well as the Russell 2000, which represents smaller companies. The effect is particularly pronounced in the Russell 2000 and the Nasdaq 100, where the return difference between the two halves of the month amounts to a notable 1.3% and 1.2% respectively, while it is more moderate at around 0.6% for the S&P 500.

THE US TAX DEADLINE HAS HISTORICALLY DIVIDED APRIL INTO A SUBDUED FIRST HALF AND A STRONGER, MORE RETURN DRIVEN SECOND HALF.

This phenomenon appears to have a rather straightforward explanation. In the United States, 15 April is typically the deadline for filing income tax returns. In order to meet their tax obligations on time, many private investors sell portions of their equity holdings in the days leading up to this date. Once this outflow of liquidity subsides after the tax deadline, buying power tends to return to the market.

At Tramondo, we naturally monitor such seasonality patterns very closely, as they help inform our investment approach. However, we never consider these anomalies in isolation. Sustainable investment success requires a holistic perspective that goes beyond purely statistical calendar effects. It is only through the combination of sound data interpretation, technical chart analysis, and a clear understanding of current market dynamics that we are able to make well-founded investment decisions.

MARKET OUTLOOK

Following the Operation "Epic Fury" initiated by the United States and Israel against Iranian military and nuclear infrastructure, and the subsequent retaliatory strikes by Tehran on Israel, US bases and targets in the Persian Gulf, geopolitical uncertainty remained exceptionally high during the reporting month. Although financial markets typically respond to such events with short-term risk aversion, the real significance of this conflict currently lies in its potential to materially deteriorate the macroeconomic mix of growth and inflation.

At the center of this conflict lies the development of energy prices. The de facto closure of the Strait of Hormuz, one of the key transit routes for global energy trade, has already led to a significant rise in oil and gas prices. Should this price surge prove to be sustained, a renewed intensification of inflationary pressures is likely. This is precisely where the core market risk lies: persistently higher oil prices would weaken consumer purchasing power, put pressure on corporate margins, and at the same time limit the scope for central banks to pursue monetary easing. As a result, the risk of a less favorable inflation/growth mix has clearly increased.

A SUSTAINED BURDEN FROM THE ELEVATED ENERGY AND COMMODITY PRICES OVER SEVERAL WEEKS WOULD TIGHTEN FINANCIAL CONDITIONS, PUT PRESSURE ON EARNINGS EXPECTATIONS IN CYCLICAL SECTORS, AND REVIVE STAGFLATION CONCERNS.

For equity markets, the oil price therefore remains the key risk variable for the time being. A sustained burden from the elevated energy and commodity prices over several weeks would tighten financial conditions, put pressure on earnings expectations in cyclical sectors, and revive stagflation concerns. Europe appears particularly vulnerable in this context, given its greater dependence on energy imports compared with the United States. In an environment of rising input costs and heightened uncertainty, high quality US companies with strong balance sheets, stable margins, and significant pricing power are likely to outperform on a relative basis once again.

Despite the tense geopolitical environment, fundamentals continue to provide an important support for equity markets. Neither the latest economic data nor the most recent corporate news point to an abrupt slowdown in economic momentum so far. With the start of the Q1 2026 reporting season from mid April, a first meaningful test lies ahead. It will then become clear whether companies are truly able to withstand the more challenging economic environment, or whether earnings expectations will need to be revised downwards.

In our tactical asset allocation, we continue to maintain a neutral positioning in both equities and fixed income. Across both asset classes, we remain selective and pursue a disciplined, quality-centered selection approach. Gold, by contrast, has been upgraded to a strongly overweight position. We do not interpret the correction of recent weeks as a break in the broader uptrend, but rather as a constructive test of the 200-day moving average, which represents a key technical support level. In our view, recent weakness in the gold price has clearly improved the risk return profile. At the same time, the fundamental investment case remains compelling: sustained structural demand from central banks, still relatively low investor positioning, and additional upside potential in a less favorable inflation/growth environment all continue to support gold.

WHO WE ARE

Tramondo Investment Partners AG is a bank-independent Swiss asset manager based in Zug and licensed by the Swiss Financial Market Supervisory Authority (FINMA) to act as an asset manager of collective investment schemes. Tramondo is the investment arm of a multi-family office group that has been in existence for over 45 years.

CITYWIRE TOP 50 IAMs 2026

For the sixth time, the company was named one of the 50 most influential independent asset managers in Switzerland and Liechtenstein by the renowned media company Citywire.

WealthBriefing SWISS AWARDS 2026

Additionally, Tramondo has been recognised as the winner in the Fund Manager category at the prestigious WealthBriefing Swiss Awards 2026 for the first time.

ASV/ASWM
Allianz Schweizer Vermögensverwalter
Alliance of Swiss Wealth Managers

Tramondo is a member of the Alliance of Swiss Wealth Managers (ASV/ASWM), founded in 2016. The members of the Alliance currently represent more than 100 billion Swiss francs in client assets.

CONTACT US

Tramondo Investment Partners AG
Unter Altstadt 10
CH-6302 Zug
T +41 41 710 76 76
F +41 41 710 76 78
contact@tramondo.ch
www.tramondo.ch

Find out more about our asset management mandates and vested benefits solutions that are individually tailored to the special needs of private clients and vested benefits investors.

Or register now for an independent and critical assessment of your investment portfolio. As a result, you will receive concrete, easy-to-implement recommendations on how you can optimally align your investments and reduce costs in the process.

Please scan the QR code on the right with the photo function of your mobile phone and you will be taken to the page that provides more information and a link to register.

This information sheet has been prepared by Tramondo Investment Partners AG (the "Company") irrespective of specific or future investment objectives, a particular financial or tax situation or the individual needs of a particular recipient and is provided for personal use and information only. It is based on specific facts and circumstances and is prepared for a specific purpose. It is not intended to be and must not be relied upon by any other person.

The information in this sheet does not constitute a solicitation, offer or recommendation to any person in Switzerland or any other jurisdiction to buy, subscribe for or sell any securities or other financial instruments, to use it as a sufficient basis for making an investment decision or to engage in any transaction of any kind for that purpose. Furthermore, this presentation should not be construed as financial, legal or tax advice.

The information and opinions expressed in this sheet have been carefully collected, analysed and compiled by the Company based on publicly available information from trusted sources at the time of writing. They are subject to change without notice. The Company undertakes no obligation to update the information contained herein and it should be noted that material events may have occurred since the date hereof. Although the information has been obtained from sources believed by the Company to be reliable, no warranty is made as to the accuracy or completeness of the information. Any reference to past performance data is not necessarily indicative of current and future returns.

Individual products or components mentioned in this sheet may have a certain complexity and high risk (e.g. derivatives, alternative investments, structured investments). They are intended only for investors who understand and accept the risks involved. Investments in foreign currencies are subject to currency fluctuations, investments in emerging markets or in specialised products are subject to particular risks. An investment in any target described in this Information Sheet should only be made after careful consideration of the latest Prospectus and extensive due diligence on the targeted assets. The Company recommends that investors carefully consider and, where appropriate, seek professional advice on financial, legal, regulatory, credit, tax and accounting implications before making a final investment decision or implementing a strategy. The investor assumes responsibility for the proper declaration of all assets and their tax assessment.

The Company reserves the right to change the contents of this sheet in whole or in part at any time, and without prior notice. Although the Company takes all reasonable care to ensure the accuracy of the information contained in this sheet, it cannot guarantee it. The company or its employees accept no liability for any damage (whether material or immaterial) arising from the use or non-use of the information contained herein, in particular no responsibility for the accuracy, completeness, reliability or comparability of the information on third parties contained herein, which is based exclusively on publicly available information.

Tramondo Investment Partners AG is domiciled in Switzerland and is authorised and supervised by FINMA.