

The week in seven charts



Campbell's tomato soup: the inflation detective

Inflation remains Americans' top concern while Swiss inflation hit zero. Each week, the Syz investment team takes you through the last seven days in seven charts.

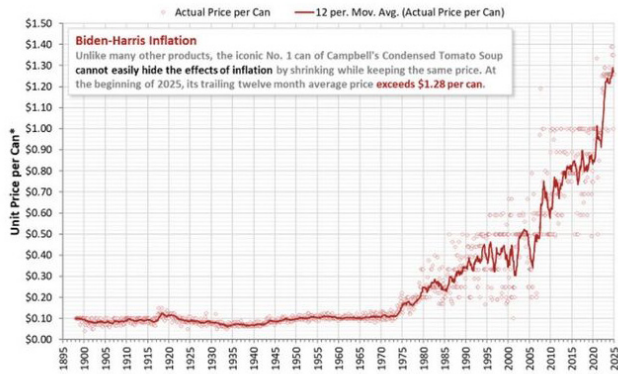
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Chart #1

The tomato soup price index

One of the simplest ways to show currency debasement is by looking at the price of Campbell's tomato soup. Rather than relying on complex estimates and substitutions, it's just a historical record of what the exact same can of soup can cost over time.

Campbell's Condensed Tomato Soup Unit Price per Can*
January 1898 - January 2025



Data Sources: Selected Grocer Advertisements in U.S. Newspapers and Online, 1897-2025
* Discounted sale price of an iconic 10.75 oz. No. 1 "picnic" can of Campbell's Condensed Tomato Soup

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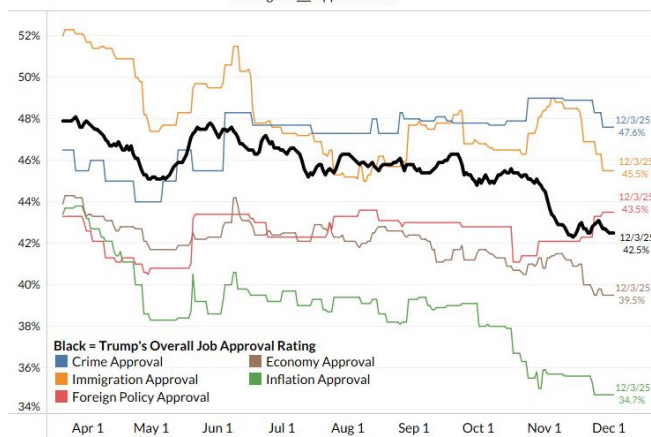
Source: The Long View @ HayekAndKeynes

Chart #2

Inflation remains the main issue for Americans and... Donald Trump

The chart below—courtesy of Jim Bianco—shows Trump's overall approval rating (black) and his approval rating on various issues. The green line is his approval rating on inflation. It's at the lowest of his presidency, and far lower than everything else, even the economy (brown). Inflation is the biggest issue according to polls. So how is cutting rates and pumping up the stock market going to fix this?

RealClearPolitics Trump Issue Approval Poll Averages
Average of all Approval Polls



Source: Bianco Research

Chart #3

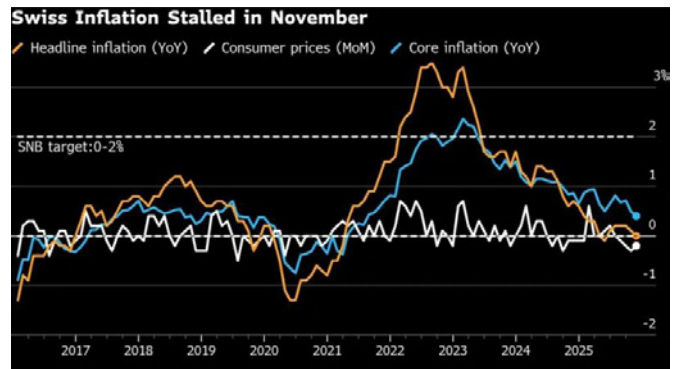
Meanwhile in Switzerland, inflation rate hit... ZERO

Swiss inflation flatlined in November. Just days before the SNB's final rate decision of 2025, Switzerland delivered a surprise: consumer prices were unchanged year-on-year. That's zero inflation.

For investors, the message is clear. Core inflation has slipped to its weakest level in more than four years, making the SNB's 0.4% forecast for this quarter effectively unattainable. The headline number looks alarming, but it still doesn't mean the SNB will cut rates back into negative territory next week. The real focus is the 2026 inflation forecast. If the SNB lowers its current 0.55% projection, that will be the meaningful signal for markets.

Meanwhile, the franc remains stubbornly strong. Despite soft inflation and speculation about future negative rates, the CHF is holding firm. The SNB may prefer a weaker currency to help lift inflation, but we do not expect the franc to depreciate much.

The bottom line: low inflation is back in the spotlight for Switzerland's safe-haven currency. The key to watch is the SNB's forward guidance, not just the rate decision.



Source: Bloomberg

Chart #4

Germany's economy continues to struggle

In Germany, Chancellor Merz is facing mounting pressure as business leaders warn the country is in "free fall." Peter Leibinger, head of the influential BDI industry group, warned that every month without real structural reforms costs Germany jobs and prosperity—and steadily erodes the government's capacity to act in the future.



Source: Destatis

Source: Bloomberg

Chart #5

Japan's 30-year yield hits a record – a warning shot for the US?

Japan's 30-year bond yield has surged to 3.37%, the highest level on record. This isn't just a local story—it raises an uncomfortable question for Washington as well. If the US doesn't get its deficit and debt spiral under control, this chart may be a preview of what's coming next.

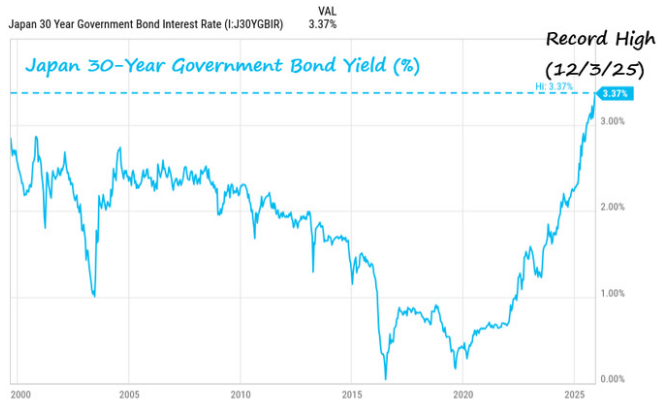
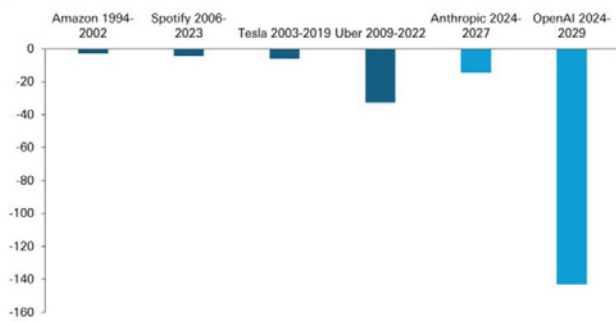


Chart #6

OpenAI, the biggest money-losing startup ever

OpenAI may well keep raising enormous amounts of capital and eventually build products that reshape the world. But right now, no startup in history has operated with losses anywhere near this magnitude.

Figure 1: The largest cumulative losses before young/start-up companies turned a profit compared with cash burn for OpenAI and Anthropic based on media reports (USDbn)



Source: Deutsche Bank

Chart #7

The cost of using AI is collapsing

J.P. Morgan just sent a clear warning: the cost of using AI models has collapsed. That's great news for the spread of AI across every industry, but it's a potential problem for the companies building the large foundational models—big labs like OpenAI, Anthropic, and others.

The threat is simple: commoditisation. Cheaper AI accelerates adoption and fuels innovation at the application layer, but falling costs also signal a race to the bottom. As model development starts to plateau, margins will get squeezed, and whatever pricing power these labs still have will erode quickly.

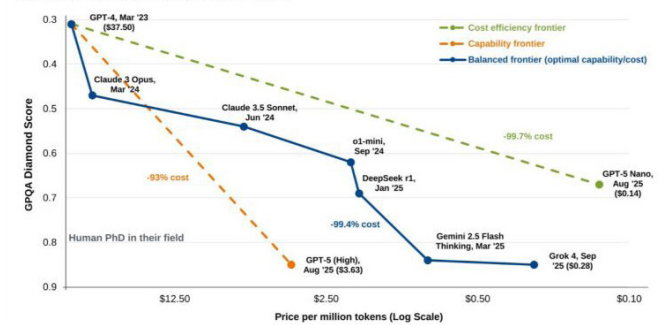
According to JP Morgan, the shift in value is moving up the stack. The foundational model providers are starting to resemble internet service providers, that is, essential infrastructure but not where the real money or differentiation sits. They supply the powerful "pipes," yet the sticky, high-margin value increasingly belongs to the applications built on top of those pipes.

It's the same trap the telecom industry fell into. Huge investments in 3G, 4G, and 5G reshaped the world, but the underlying connectivity became a commodity. New upgrades rolled out but never stayed exclusive for long. AI labs may face the same fate: enormous, world-changing investment costs, followed by a rapid slide into commoditisation before they can truly earn the returns their current valuations imply.

The cost of using AI has fallen precipitously.

Shifting frontier of AI model performance and cost

Cost of querying a trained model (price per 1M tokens)



Source: JP Morgan

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