COVID-19

THE WORLD AFTER THE PANDEMIC

Exclusive interview with Marc Bürki, CEO of Swissquote Bank
Society goes digital in a blink
Oil industry in crisis
CLASH de Cartier
Dear readers,

The issue you are currently holding is unique in a number of ways. One reason is the theme, which was simply unavoidable. Our focus tends to be more long-term, but the unprecedented nature of the crisis at hand gave us no choice but to direct our attention, this time, to more pressing issues. Another reason, which surely hasn’t escaped your notice, is that this issue’s interview is with none other than the CEO of Swissquote Bank.

We were looking for someone who could decipher recent events from a financial, economic and political standpoint, and if possible an executive at a listed company with a firm grasp of the realities on the ground. Someone who could provide our readers with exclusive insight. Sometimes the answers we seek are much simpler than expected, and before long we realised that the person we were looking for was right before our eyes... In his interview, Marc Bürki explains why the current crisis is incomparable with any other and what measures need to be taken to overcome it.

Our dossier also features a long article on the digital tools that we have adopted, in many cases irreversibly, because of coronavirus. Examples include homeworking, virtual healthcare, the use of robots in factories and, more worryingly, data surveillance.

Despite these troubled times, we are delighted to share some good and encouraging news with you: our readership defied current trends among press outlets, rising more than 7% last year to 104,000 readers. Thank you all for your support.

Happy reading!
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In late February, the Court of Appeal in England blocked plans to expand London Heathrow Airport. This was a landmark ruling, as it was the first time that climate change has been used in a legal judgement to block the development of airport infrastructure.

“This ruling shows that governments, companies and investors must now urgently re-evaluate their plans to ensure they comply with the 1.5°C limit established in the Paris Agreement,” declared Farhana Yamin, international environmental lawyer and UN negotiator.

This decision could be used to dispute other infrastructures. Around the world, 376 airport expansion projects are recorded. Among them are the highly controversial Paris Roissy-Charles de Gaulle expansion led by the Aéroports de Paris (ADP) group, the Zurich Airport expansion by Flughafen Zurich and the bi-national platform EuroAirport Basel Mulhouse Freiburg.

RENault shifts to green in China

Four years after launching a state-of-the-art factory in Wuhan, Renault is recognising its failure on the Chinese market. On 14 April, the French manufacturer announced that it was abandoning traditional internal combustion vehicles in China, where it will now only offer electric models. The diamond brand is ending its joint venture with its Chinese partner Dongfeng, which will take over the Wuhan factory. A radical decision, but one driven by the numbers: in 2019, Renault sold only 180,000 traditional cars in China, compared to 217,000 the previous year. By switching to electric, Renault is betting on the future: with 840,000 electric vehicles sold in 2019, China is by far the largest electric market in the world. Electric vehicles are forecast to account for 25% of the Chinese market by 2030.

“Electronics, AI and the environment should be regulated, including Tesla”

Elon Musk, founder and CEO of Tesla, in a tweet from February

The iconic mobile flip phones from the new millennium have made their big comeback this year – but with one notable difference: this time, their screens fold as well. After the Fold model failed, Samsung is launching the Galaxy Z Flip. Priced at around 1,500 Swiss francs, the model is already facing criticism. In the same price range, Motorola is launching an updated version of its legendary Razr with a retro design. Some critics are disappointed that the technology doesn’t merit the high price. Huawei has also announced the launch of its Mate Xs – an improved version of the Mate X – equipped with a gigantic 8-inch screen. It’s a technological showcase for the brand, but it comes with a staggering price tag of 2,500 Swiss francs.

After growth failed to meet expected targets in 2019, the Geneva-based flavour and perfume specialist is hoping to expand its production capabilities. In February, Givaudan acquired US company Ungerer, a flavour specialist, and in March will acquire the cosmetics division of Italian group Indena, which produces and distributes plant-based products. Indena will continue its partnership with Givaudan, which includes ingredient manufacturing alongside other aspects. The cost of the transaction has not been made public.

SMARTPHONES: IT’S TIME FOR FOLDING SCREENS

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In litres, the volume of extra wine on the European market, due to the decline in consumption in China, “Trump taxes” and the coronavirus.

1 BN

“The number of Swiss banks will likely decrease”

Mark Branson, director of FINMA, the Swiss financial markets authority, is expecting consolidation to continue in the Swiss financial markets.

1000 milliards

“Tinder is integrating the same safety feature in the United States. Clicking the button will send a signal to 911 with geolocation data. This innovation is the result of a partnership with smart security platform Noonlight, whose investors include Match Group – the owner of Tinder and many other dating apps, including Meetic, PlentyofFish and OkCupid. The US company can celebrate the struggles of its new rival Facebook Dating, which was blocked in Europe this February. The Irish Data Protection Commission determined that Facebook Ireland had not taken all the necessary data protection measures. Facebook has delayed the launch of this service in Europe indefinitely.”

The Vision AVTR doesn’t even have a steering wheel or pedals. The concept is intended as a fusion between humans and nature: all the materials used to build the car are sustainable, including the 100% recyclable battery based on graphene rather than rare earth metals, and the vegan leather used for the seats.

The press agency Reuters – known for vigorously fact-checking the content it publishes – set up a new division dedicated to fact-checking in partnership with Facebook in February. The entity, known as Reuters Fact Check, will verify the authenticity of factual content posted on Facebook and Instagram in the United States. With the upcoming US elections, the social network is under pressure and has a duty to remove fake news from its platform. This new division of Reuters is one of seven other verification platforms that are already working with Facebook, including Associated Press and Agence France-Presse. Thomson Reuters is a company to watch, as its share price has increased 60% over one year.

“Designed by former Samsung engineers, Glamos is a tiny device that creates an invisible touchscreen on the surface of any screen (TV, projector screen, tablet, PC monitor, etc.). Presenters can flip through slides during a presentation with a swipe of their hand or play mobile games on their TV. Glamos works like Microsoft’s Kinect in that it uses a laser technology called Lidar, which detects how far away objects are, but this technology requires large sensors that use lots of energy. What makes Glamos innovative is the way that this technology has been miniaturised – the device is smaller than a computer mouse (37 × 27 × 34 mm). According to the designers, it is the smallest lidar ever built.”

The number of Disney+ users as of 8 April 2020, according to figures provided by the company.

50 M
Swiss group Vifor Pharma and German company Fresenius Kabi are joining forces. The two announced the creation of a joint company in China that will focus on marketing and market access for iron-based intravenous products, one of Vifor Pharma’s specialities. The Swiss pharma group will also bring its expertise in the nutritional supplements sector, while Fresenius Kabi will share its access to Chinese patients. Fresenius Kabi already has many factories and 6,000 employees in China and it sells all over the country. The two companies are used to working with each other, as they founded a joint company in 2010 – Vifor Fresenius Medical Care Renal Pharma – specialising in kidney diseases.

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**THE FLOP**

**The “demo effect” hits Microsoft**

Every big company has paid the price after a disastrous presentation or a bug that ruins everything, such as the iPhone 4 not connecting to WiFi or the broken windows of the Tesla pick-up truck. In February, bad luck struck Microsoft during the first presentation of its Surface Duo, an Android-based tablet with two screens connected by a small hinge. In front of a room full of developers, two Surface Duo tablets, one after the other, were unable to display Google Maps on the two available screens and proceeded to shut down abruptly. The Richmond company quickly replaced the video of the presentation with a video in which the tablets were working properly.

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**66%**

The percentage of products purchased online via sites like eBay and Amazon that do not comply with EU safety legislation, according to the European Consumer Organisation (BEUC). Some of the observed faults include toys containing illegal toxic substances and USB chargers that give users electric shocks.

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**Launched last year in the UK, the Visa card from renowned US cryptocurrency platform Coinbase is now available in 29 European countries. Cardholders can pay for online purchases with cryptocurrencies and use their card at any payment terminal that accepts Visa. In February, the credit card giant granted Coinbase principal member status, a first for an entirely crypto company. This trust means that Coinbase will be able to offer more features to cardholders and provide access to more markets.**

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**USING ARTIFICIAL INTELLIGENCE FOR RECYCLING**

31 December 2017: China stopped taking the world’s waste. This industrial upheaval forced the recycling industry to reinvent itself and many companies are now proposing new solutions. Sidewalk Labs, a subsidiary of Alphabet, has launched a pilot recycling project in Toronto. In partnership with Colorado start-up AMP Robotics, which has developed an object recognition AI and a robotic autonomous manipulation system, Sidewalk Labs will analyse the waste from an apartment building for three months and help residents optimise their recycling. Investors should also keep an eye on Norwegian company Tomra, the largest supplier of reverse vending machines, which is also developing innovative sensors for recycling.
THE IPO

A CHINESE PODCASTING UNICORN ON THE NASDAQ

With a starting price of $11 per share, Lizhi, a Chinese app specialising in podcasts and audio content (books and livestreams), went public in New York. Lizhi stands out from its competitors Ximalaya and Dragonfly by offering user-produced content as well as recording tools. The company announced it had approximately 46.6 million users in Q3 2019, of whom 5.7 million generated content. It is expected to use funds from the IPO to develop its AI, which will improve the personalisation of content and offer features to refine audio recordings. Lizhi has also agreed a partnership with Chinese internet giant Baidu to be associated with Baidu’s Xiaodu smart speakers.

$155 BN

The amount of money earned by developers on the App Store from its inception until 2019.

 mobilty

THE STRANGE SEGWAY-NINEBOT POD

US company Segway, which has been owned by Chinese group Ninebot since 2015, has unveiled an electric vehicle that can reach speeds of up to 40 km/h. Dubbed “S-Pod”, it is designed for seated travel over short distances in a closed environment, such as university campuses and airports. The S-Pod uses the same gyroscopic system as a traditional Segway, but drivers steer with a joystick on the side of the seat. Segway-Ninebot also revealed the KickScooter Air T15, an electric scooter that is capable of reaching up to 20 km/h and recharges its battery every time the scooter slows down.

“Europe missed the first wave, or lost the first battle, which was the battle for personal data”

Thierry Breton, European Commissioner for the Internal Market, on the subject of Artificial Intelligence, during a press conference on 19 February.

“BEAUTY LIES IN THE DETAILS OF THE GRANDEST STRUCTURES, AND THE FINEST.”

ORA LTD., CREATOR OF SHAPES, WEARS THE VACHERON CONSTANTIN PATRIMOINE.
In January, MSI unveiled a 17-inch laptop equipped with a 4K mini-LED monitor, offering significantly better display quality than a traditional LCD screen. With a resolution of 3,840 × 2,160 pixels, the monitor has 240 independent dimming zones. MSI claims that this technology can reach a contrast of 100,000:1 - while 1,500:1 is already considered an excellent contrast for a laptop. The brightness will also be improved, reaching 1,000 cd/m², whereas a good brightness level is generally around 400 cd/m² currently. With this new machine, MSI is clearly targeting creative types, but this mini-LED technology could also revolutionise the world of laptops in general in the same way that OLED technology revolutionised smartphone screens. The MSI Creator is available from 15 April in the United States.
As the pandemic paralyses the global economy, speculation about the aftermath is rife.

By Bertrand Beauté

But what will this new world be like? Here, opinions diverge giving rise to broad speculation. For those expecting the worst, known as collapsologists, a major crisis is on the way, with widespread company closures, a major increase in unemployment, the introduction by states of increasingly security-conscious and liberty-restricting measures, and an end to democracy. At the other end of the spectrum, utopians see this pandemic as the beginning of a better world, where there will be less inequality and where caring for the environment will become a priority.

At times of crisis, anxiety provides a fertile breeding ground for the imagination, which can come up with no end of radical scenarios for change. In this issue of Swissquote Magazine, we have chosen to steer away from more ideological and speculative predictions to focus on the real changes brought about by the coronavirus crisis, which will stay alongside us once the pandemic is over.
COVID-19
a stimulus to the digital economy

Companies, countries and civil society will come out of the coronavirus crisis economically weaker but much more digitised than before. Seven cases prove it.

BY BERTRAND BEAUTÉ AND JULIE ZAUGG

Virtual leisure

Companies to watch
- Activision Blizzard (video games), Amazon (e-commerce), Blue Apron (meal delivery), eBay (e-commerce), JD.com (e-commerce), Match Group (online dating), eBay (e-commerce), JD.com (e-commerce), Blue Apron (meal delivery), Amazon (e-commerce), Match Group (online dating)

On 25 March, Lina celebrated her 33rd birthday. She broke open a bottle of champagne and was toasted by her loved ones, all via screens. Due to the lockdown, Lina was forced to organise remote birthday drinks, to organise remote birthday drinks, using a video conferencing app such as Skype, Zoom or Instagram. “I didn’t want to celebrate my birthday alone,” says Lina. “Obviously this isn’t as good as seeing everyone in person, but we did the best we could.” And she is not the only one. Thanks to the COVID-19 crisis, virtual aperitifs are the latest trend, known by names including “coronapéro”, “e-apéro” and “skypero”, from the French abbreviation apéro.

Amazon announced it was recruiting 100,000 people to manage its logistical chain

“We've moved on from a time when digital was one option among many to a time when it is the only possible option,” explains Olivier Glasse, a sociologist specialising in digital trends at the University of Lausanne. “Being forced to embrace digital has accelerated the public’s learning process and made using digital tools the new norm. We now see grandparents, who were previously reluctant, talking to their grandchildren on video conferencing platforms. And once people have learned to do it and it has become normal to do so, it is highly unlikely they’ll stop using these digital solutions.”

All kinds of leisure activities are going virtual, from yoga and dance classes to a museum visit from the comfort of your sofa. The list is endless. Of course, the activities which are lesser substitutes for real social activities will disappear once the crisis is over. “E-aperitifs, for example, are important to people now, but I can’t see them lasting once the bars and cafés reopen,” says Glasse.

However, the apps which have really shown their worth will remain. “The crisis will reinforce the trends which we were already seeing in society,” explains Julien Leegenhoek, an equity analyst specialising in the tech sector at Union Bancaire Privée. “Netflix is a very good example. Many people didn’t really know much about video streaming, or hadn’t taken the time to subscribe. However, with the lockdown, they have taken the plunge, and now they have started, it is unlikely they will close their account when the pandemic is over. In this way, the crisis is going to speed up the disruption of traditional television.”

The same applies for e-commerce. Fearful of catching the virus at the supermarket, consumers have rushed instead to online shopping sites. In March, in Switzerland, LeShop.ch, coop@home and Digitel Galaxus saw an unprecedented leap in orders which led to unheard-of delays in delivery. Amazon announced it was recruiting 100,000 people to manage its logistical chain, an increase of 12.5% of its total workforce.

“That’s huge,” says Leegenhoek. “In many sectors, such as video and music streaming (see the March 2020 issue of Swissquote Magazine), e-commerce and video games, the pandemic will reinforce the trends which were valued at $325 at the beginning of January and had reached $395 by 1 April. To help monitor this type of stock, in February the American investment company MKM Partners created the “Stay at Home Index”, a stock index listing approximately 30 companies that are benefiting from the lockdowns taking place around the world.

Rapid robotisation

Companies to watch
- ABB, Midea (owner of Kuka), Fanuc and Yaskawa Electric, which all make industrial robots.

While part white collar workers have been able to continue working during the lockdown, the same can’t be said for manual workers, the majority of whom have found themselves furloughed due to factory closures. On 26 March, this was the case for
The concept is simple: if there are no humans, there is no risk of a factory’s business being interrupted during a health crisis. In 2018, Swiss company ABB installed 11 robots in the Shanghai factory belonging to the American group Hella Electronics, to make keys for electric cars. Elke Christian Meuter, an ABB spokesperson, has proudly stated how this has worked. “In China, they have an ageing population, salaries are rising and young people don’t want repetitive jobs on assembly lines,” says Jenny Chan, a sociologist from Hong Kong specialising in the Chinese manufacturing sector. “This is forcing Chinese companies to turn to automation.” Foxconn, one of Apple’s main suppliers, says it has already replaced 600,000 workers with robots.

ABB dominates the sector, alongside German company Kuka, Fanuc and Yaskawa Electric in Japan, and a horde of Chinese start-ups. In 2019, the Swiss group began construction of a new factory in Shanghai which will produce intelligent robots capable of making decisions autonomously, detecting anomalies in production and collaborating with humans.

However, the epidemic itself has also created new opportunities for robot manufacturers. Robots made by Pudu Technology, a start-up in Shenzhen, are being used around a hundred hospitals in China, Hong Kong and South Korea. “They can give medicine or food to patients, avoiding contact between humans and therefore the spread of the illness,” says Ben Zheng, the company’s marketing director. That also frees up healthcare staff, who can be assigned to more crucial tasks.

Turner also highlights Youibot and iSmart, two more start-ups located in Shenzhen which have created robots that can disinfect a room and sterilise hospital floors using an extremely powerful ultraviolet light. Other companies have developed machines which can take patients’ temperatures or take samples from the throats of those suspected to have the virus, ready for testing.

Many of these firms hope to continue to capitalise on these advances after the epidemic. Youibot has already signed a contract with a manufacturing group in Suzhou near Shanghai, which wants to use their robots to disinfect its factories. As for Pudu Technology, it hopes to sell its robots to restaurants, marketing them more hygienically than human waiting staff and able to fill in during staff absences.

Julien Leegenhoek, equity analyst specialising in the tech sector at Union Bancaire Privee, agrees: “Once the pandemic is over, companies will ask themselves what they would do if that was to happen every year. Companies need to transfer all their activities onto the cloud, as experts have been advising for the last five years. Homeworking version 1.0, i.e. having a computer at home, is not enough. All software needs to be available online. This kind of decentralised organisation is going to increase after the crisis, as it is more flexible, less expensive and more efficient.”

An opinion shared by Arturo Brist, professor of finance at the IMD and head of Chinese start-ups. In 2019, several start-ups are being used in around a hundred hospitals in China, Hong Kong and South Korea. “They can give medicine or food to patients, avoiding contact between humans and therefore the spread of the illness,” says Ben Zheng, the company’s marketing director. That also frees up healthcare staff, who can be assigned to more crucial tasks.

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What is more, virtual consultations are possible 2x/4.

This move towards virtual healthcare is unlikely to slow down after the pandemic, as healthcare systems are largely in favour of this type of service, which reduces health costs.

“Because of coronavirus, we’re going to leap forward 10 years in the development of virtual healthcare,” predicts Doctor Jean-Claude Jeannot, writing in Le Temps newspaper.

Healthcare systems are largely in favour of this type of service, which reduces health costs

Elsewhere in the scientific domain, Schrödinger, a company which offers a platform allowing virtual testing of the therapeutic effectiveness of a molecule by bringing together physics-based modelling and machine learning, is also benefiting from the crisis. Its technology allowing virtual clinical testing should accelerate the rate at which medicines are developed.

The adoption of blockchain.

Cryptocurrencies to watch

Ellingham Lloyd and all the cryptos that facilitate smart contracts and decentralised applications.

The digitisation of work and leisure brought on by the coronavirus crisis is likely to accelerate the adoption of blockchain technology, in companies and in society more generally. “The decentralisation of exchanges makes it necessary to be able to carry out secure remote transactions, which is exactly what blockchain offers,” explains Arturo Bris, professor of finance at the IMD and co-author of Block change! How to survive the crypto economy (2018, TRG Studio/IMD). “When two companies or two individuals do business online, blockchain technology allows each party to be sure that the other will honour their obligations, without requiring third party certification. With the increasing digitisation of society, the use of blockchain solutions is going to accelerate.”

Surveillance becomes widespread

Companies to watch

Agiliq, Alphabet, Alibaba, Baidu (internet), IBM, Iflytec (facial recognition), Hikvision (video surveillance), Dahua Technology (video surveillance).

At the end of February, the Chinese authorities – in partnership with digital giant Alibaba – rolled out powerful digital tools to help stop the epidemic. Locating individuals via the GPS tracking system on their smartphones, using facial recognition cameras and carrying out obligatory temperature checks allowed the Chinese authorities to quickly detect coronavirus carriers, as well as identifying those with whom they had been in contact, drastically and rapidly shortening the chain of infection.

“It is clear that these technologies can help in the fight against coronavirus,” says Arturo Bris, professor of finance at the IMD. “They have been used well to halt the epidemic in China, Singapore and South Korea – a strong incentive for countries around the world to follow suit. In Switzerland at the end of March, the Confederation asked Swisscom to identify locations where there were 20 or more SIM cards in a 100 m x 100 m space, in order to ensure that people were respecting the rules of the lockdown. Data provided by telephone operators has also been used in Italy, France and Great Britain. I’m surprised by the amount of data collected and stored during this epidemic, but we need to go further in its analysis,” continues Bris. “Investments in artificial intelligence and big data analytics are going to increase after the pandemic, in order to improve how this data can be used.”

Many countries, including France, Belgium and Spain, have also used drones to ensure people are respecting the lockdown rules and to disperse anyone not adhering to them. So far, the cameras used in Europe have not made it possible to identify individuals in real time using facial recognition, but that is not the case in China.

“With each crisis we redefine what is considered as acceptable,” explains Olivier Glasser. “We are currently living in an extraordinary time and the authorities are expanding the limits of what is considered acceptable in terms of surveillance. The question is whether this Pandora’s Box will be closed again, once the crisis is over.”

However, history tells us that emergency measures tend to become the norm. “Even when infections from coronavirus are down to zero, some data-hungry governments could argue that they need to keep the biometric surveillance systems in place because they fear a second wave of coronavirus, or because there is a new Ebola strain evolving in central Africa,” warns Yuval Noah Harari, in a piece published in the Financial Times.

So much so that Beijing is sparing no effort in trying to persuade western governments to adopt Huawei’s 5G network. Targeted by American sanctions, the Chinese company has offered more than one million face masks to Spain, 800,000 to the Netherlands, 200,000 to Italy and 12,000 to Poland. “We won’t forget the countries who helped us,” was the response of Italian Foreign Affairs Minister Luigi Di Maio. Huawei is also telling European hospitals it can improve their connectivity, at a time when their current networks are overloaded.

However, in a blog, Josep Borrell, high representative of the European Union for foreign affairs, warns: “We must be aware there is a geo-political component including a struggle for influence through spinning and the ‘politics of generosity’.”

"The crisis has made Europe realise that the 4G network was reaching saturation point“

Arturo Bris, professor of finance at IMD

The news caused a stir: at the end of March, at the request of the European authorities, YouTube (Google) and Netflix reduced the bandwidth usage of their services, and entertainment giant Disney saw the launch of Disney+, its video streaming platform, delayed in France, after at government request. The aim was to reduce pressure on the network in order to avoid saturation. “While China and the United States are competing to win the 5G race, Europe has fallen behind,” says Arturo Bris, professor of finance at the IMD. “The crisis has made the old continent realise that the 4G network was reaching saturation point and that we needed this technology. Its rollout is going to be sped up after the pandemic.”

Indeed, the uproar originally provoked due to the alleged harmful effects of 5G has died down, replaced in public debate by the pressing need to put in place a more robust network (see the July 2019 issue of Swissquote Magazine).
THE CRISIS IN FIGURES

$5,000 BN
The amount that will be injected into the global economy to counter the impact of the pandemic, according to the G20 announcement on 26 March.

10 M
The number of people who applied for unemployment benefit in the United States in the last two weeks of March – an unprecedented amount. According to Oxford Economics, 20 million jobs could be lost due to the pandemic in the United States.

-27%
The fall in the SIX between 20 February and 16 March. Over the same period, Germany’s DAX index dropped 36% and the CAC 40 fell 39% – the biggest slump since the Parisian index was created in 1987.

+127%
The increase in the number of transactions recorded by the SIX in March – up to 17.4 million. In value, the volume traded jumped 80.9% over one month to 293 billion francs.

-7.5%
The fall in GDP for the 19 countries of the euro zone in 2020, according to IMF forecasts. Globally, the economy is expected to contract by 3%. A drop without precedent since the Great Depression of the 1930s.

2,000
The number of fraudulent websites created per day about coronavirus, according to Kaspersky.

+135%
The increase in revenue for sex toy brand Womanizer in Canada as of late March 2020 compared to yearly forecasts. The company has also seen increased revenue in the United States (+75%), Hong Kong (+71%), Italy (+60%) and France (+40%).

$252 BN
The probable loss of earnings in the airline industry in 2020 due to the pandemic – a 44% drop in revenue compared to 2019.

CHF 180
The maximum amount that the health insurance system will reimburse in Switzerland for the cost of the SARS-CoV-2 novel coronavirus diagnostic test as of 4 March.

$2,000 BN
The total value of the United States stimulus package to alleviate the economic impact of the coronavirus. It is the largest stimulus package in the country’s history.

Sources: IATA, OFSP, Kapersky, Oxford Economics, OCDE, AFP, SIX

-25%
The voluntary reduction in Netflix streaming data volumes in Europe. This decision, made on 19 March for a duration of 30 days, is intended to prevent overloading the internet.

€1,000 BN
The total value of various emergency measures agreed by the European Central Bank (ECB).

3.4 BN
The number of people on lockdown to varying degrees in the world as of 30 March, or 43% of the world’s inhabitants.

500 M
The number of people around the world at risk of falling below the extreme poverty threshold due to the pandemic, according to Oxfam.

3.6
The number of acute care hospital beds per 1,000 residents in Switzerland, which places the country at 14th in the OECD ranking, far behind the top three: Japan (7.8 beds per 1,000 residents), South Korea (7.1) and Germany (6).

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n exceptional situation requires an exceptional response. The Swissquote Bank CEO, and editor of Swissquote Magazine, gave us a lengthy interview for this rather special issue. Given the health measures currently in place, the interview was carried out using video conferencing in the company premises. While shedding a human light on the situation, Marc Bürki criticises the Confederation’s lack of communication to companies in the early stages of the crisis. As all eyes turn towards the United States, he also attempts to anticipate what the world will look like after the crisis.

The unique nature of the current crisis seems to defy all forecasts. Are there precedents we can look to? The world has never seen anything like this. When looking at financial markets, many people are tempted to compare the current situation with what happened in 2008, but the starting scenarios are very different. In 2008, the crisis was structural and related to the fundamental functioning of the economy. This time, the shock came from an outside event. In 2008, the bear market lasted two years with a gradual decline. This time, however, we have seen an extremely sudden and brutal market crash. I don’t think this can be compared to other crises.

The United States by and large hold the fate of the global economy in their hands

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Without a point of comparison, how do you envision the months to come? It’s very difficult to answer that question, because there are many unknowns. At the moment, no one knows when the pandemic will truly end. And we cannot discard the possibility that the virus may come back in a few months. The only way to definitively overcome this crisis is to reduce the number of new infections to zero or to find a vaccine, but when will it be available? In the meantime, the only thing we can do is hypothesise.

But once the virus is controlled, the fundamentals should recover as the economy restarts and consumption gradually picks up. That’s what we’re already seeing in China and Hong Kong in particular. But consumption cannot simply be switched on or off. When it resumes, it will be cautiously.

Marc Bürki shares his thoughts on the current crisis. Interview via videoconferencing.

The United States by and large hold the fate of the global economy in their hands

The Soul of a Pilot

An approachable boss and close to his employees, Marc Bürki has been in the driving seat of Swissquote Bank for almost 25 years. The company he set up in 1996 with Paolo Buzzi – the current CTO of the group – established itself as the undisputed Swiss leader in online banking services. Listed on the Swiss stock exchange since 2000, it today employs over 700 people. In 1990, the two friends had already set up Marvel Communication, a company specialising in software and web applications dedicated to the world of finance, thus creating the foundations of the current company. Outside the hours spent at work at the company in Gland (canton of Vaud), Marc Bürki has also been on the ETH Board since 2017. Passionate about planes, he owns a Pilatus PC-12 aircraft that he has been flying himself for many years. One way of satisfying his curiosity and quenching his thirst for adventure, both as strong as ever.
To avoid worst-case scenarios, countries are setting up extremely expensive recovery plans. Will countries that are already deep in debt be able to pay for these plans?

You're right, the numbers are very high. The enormous amounts of money injected into the system should in theory be paid back. But in my opinion, any debt associated with the virus will be handled separately, without the usual control measures. For the European Union, the eternal problem is that northern countries do not want to pool debt. So while the ECB will not be issuing eurobonds (or coronabonds), it will nevertheless purchase debt from states and companies, while the EU will set up major recovery plans. In the long term, it's sort of the same thing. In Switzerland, we will repay debts over a period of 25 years using profits from the government, according to the Federal Council.

Some people are already predicting the end of capitalism. Those predictions were made in 2008 and then time passed and capitalism remained in place. I don't think that a global change will occur after this crisis, but we will reconsider how we use resources responsibly, focusing on the sectors of the economy that are most affected by the crisis.

In Switzerland, this problem will not occur. We will not play electoral politics using public funds. I think the money put into the system will be used wisely, and we will likely see the same in Europe. But the real gamble is the United States, where the current political climate is so divisive that anything can happen. That said, the current virus situation is so out of the ordinary that even the most unpredictable politicians tend to become more reasonable.

A reflection on the sectors of the economy will be needed. National borders might become a bit more expensive.

The Italian government. The same was true in Switzerland, where the cantons always find the necessary resources to continue. But some serious consideration will have to be given regarding the centralisation of efforts in times of crisis. And that’s not unique to the European Union. In the United States, individual states took more initiative than the federal government. The same was true in Switzerland, where the cantons were the first to make strategic health decisions.

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hadn’t yet banned football matches, even though the progression of the disease had been replicated in other countries. It was the equivalent of helicopter money in a country where the social safety net is weak or there isn’t another way to help citizens. In the United States, the government is supplying a $1,000 cheque for each American and up to $3,000 per household. Swissquote’s CEO, Moritz Brand, said right away that this was the end, that only a nation state could keep a currency afloat. But gold also fell significantly during this period. In actual fact, it was the sudden need for liquidity from many investors that drove the cost of these assets down.

I imagine that this is the most unexpected crisis that you’ve had to manage in your career. I would never have imagined that such a thing would happen to us. It’s a nightmare. And even now when I wake up in the morning, I sometimes struggle to believe it’s happening. But I tell myself that all crises have an end. Despite everything, we have survived. Now that prices are low and several countries have passed the peak of the epidemic, is now a good time to purchase shares? There are a few gems on the market. The stock prices of extremely promising companies have been battered by the crisis. One such case is Apple, which, for example, has an incredible war chest. Personally, I purchased shares in ABB, assuming that the industrial sector will take off again. Post-crisis, industries such as pharmaceuticals, more generally those linked to healthcare, will record huge gains. And the unknown.

That is currently impossible and it’s heartbreaking.

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CRISIS TALKS

World leaders have become aware of the scale of the crisis. From anxiety to war-like tones, their statements also reveal the ongoing geopolitical struggle.

“Coronavirus is the worst international crisis since the UN was founded”
Antonio Guterres, United Nations secretary general, 31 March

“Today’s preparedness is tomorrow’s prevention”
Jair Bolsonaro, Brazilian president, 29 March

“I call on my African colleagues to act together. Africa must not be the new focus of the disease”
Macky Sall, president of Senegal, 12 March

“The day that follows will not be like the day before. We must rebuild our national and European sovereignty”
Emmanuel Macron, French president, 31 March

“We must act together. Africa is ready to cooperate”
Macky Sall, president of Senegal, 12 March

“The pandemic is a threat to all of us. This is the moment for solidarity and to help those in need”
Andreas Züllig, president of HotellerieSuisse, 30 March

“The Federation is helping companies, employees and the self-employed who are fighting for their existence. It is a war”
Andreas Züllig, president of HotellerieSuisse, 30 March

“I defend the idea that everyone should go to work. The virus is here, but like men, not kids. We are all going to die one day”
Jair Bolsonaro, Brazilian president, 29 March

“The day that follows will not be like the day before. We must rebuild our national and European sovereignty”
Emmanuel Macron, French president, 31 March

“Nearly 50% of airlines will struggle to pay their bills in April”
Andreas Züllig, president of HotellerieSuisse, 30 March

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Emmanuel Macron, French president, 31 March

“The EU must learn lessons from the past and not fail its citizens again (...) The European response must be united and targeted at the most vulnerable”
Pedro Sanchez, Spanish prime minister, 27 March

“We won’t forget the countries who helped us”
Luigi Di Maio, Italian foreign affairs minister, 10 March

“Nearly 50% of airlines will struggle to pay their bills in April”
Andreas Züllig, president of HotellerieSuisse, 30 March

“We’ve been hit by an invisible enemy, and we’ve been hit hard”
Donald Trump, US president, 26 March

“The day that follows will not be like the day before. We must rebuild our national and European sovereignty”
Emmanuel Macron, French president, 31 March

“Nearly 50% of airlines will struggle to pay their bills in April”
Andreas Züllig, president of HotellerieSuisse, 30 March

“The EU must learn lessons from the past and not fail its citizens again (...) The European response must be united and targeted at the most vulnerable”
Pedro Sanchez, Spanish prime minister, 27 March

“It is clear that this is the worst crisis the car industry has ever faced”
Eric-Mark Huitema, director general of the European Automobile Manufacturers’ Association, 21 March

“Nearly 50% of airlines will struggle to pay their bills in April”
Andreas Züllig, president of HotellerieSuisse, 30 March

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Sources: Financial Times, conferences de presse, Twitter, Le Temps, RTS, Le Sole 24h, discours officiel
Global surplus and plummeting demand have driven oil prices way down. And the outlook for the sector is hardly reassuring.

INTERVIEW

By Angélique Mounier Kuhn

A historic agreement. Under pressure from the United States, the Organization of the Petroleum Exporting Countries (OPEC) and other major producers of black gold, including Russia, agreed on Sunday 12 April to a record reduction of 10 to 15 million barrels per day starting from 1 May. The partners thus hope to raise oil prices, which have fallen to their lowest level for nearly two decades, in the midst of a global pandemic and against the backdrop of a price war between Moscow and Riyadh.

The drop in prices has been particularly hard on the oil majors and shale oil producers in the United States, who have been forced to trim down their operating costs.

“Great deal for all,” boasted U.S. President Donald Trump on Twitter. “This will save hundreds of thousands of energy jobs in the United States.” An optimism that is not shared by Laurent Horvath: “The coronavirus pandemic has spread throughout the world, causing an unprecedented slowdown in mobility and freight transport. Although historic, this drop in production appears insignificant when compared to the collapse in demand caused by the crisis,” says the energy geo-economist. And it remains to be seen whether all partners will really honour their promises to reduce production.” Interview.

Are oil prices falling because of a demand shock or a supply shock? Both. The COVID-19 pandemic has wiped out a portion of demand. According to estimates, in just a few weeks demand fell by 25 million barrels a day out of a total consumption of 100 million, a drop of 25 to 30%.

This unique situation in the history of oil is forcing producers to stockpile their production. According to Rystad Energy, more than 75% of the world’s storage capacity is already being used, and at the current rate of overproduction, it could soon be filled to the brim. Ocean tankers are also used for storage, and shipping prices have consequently shot up.

What will happen when storage capacity is all used up? In the worst-case scenario, some producers could be forced to sell oil below zero, in other words, pay to get rid of their production. Other scenarios have crude prices stabilising around $10 or $20, as Goldman Sachs predicts.

“How long can Russia and Saudi Arabia hold out with oil prices so low?”

Saudi Arabia and Russia could each hold out for a few years. Both have sovereign funds. Russia’s is worth $150 billion. Extraction costs are very low there, and the country needs a price per barrel of $42 to balance its budget. Saudi Arabia’s sovereign fund is worth $500 billion, and extraction costs in Saudi Arabia are also very low, around $5 to $10 a barrel. But the Saudis would need a price per barrel of $80 to balance their budget. With their sovereign fund, they could hold out for one or two years.

How are things looking for the big oil companies? Major companies such as ExxonMobil and Chevron in the US, Shell in the Netherlands, BP in the UK and Total in France have already started cutting operating costs, announced lay-offs and halted certain investment plans. They have also announced a suspension of their share buyback programmes. But they are doing everything they can to maintain their dividends in order to hold on to investors. Chevron, for instance, planned to distribute $75 billion over the next five years. It is unlikely that the company will follow through with that commitment. In February, these companies were counting on a price per barrel between $60 and $70 to finance exploration, new projects and dividends. Since then, everything’s fallen to pieces.

What about smaller shale-oil producers, whose fast growth has helped the US regain its position as the world’s leading oil producer? They’re really struggling, but the problem really started back in 2019: 42 of those companies went bankrupt last year, with 37 occurring in the fourth quarter. The oil they produce is expensive, with an estimated average cost of $52 a barrel. It is also poor quality, so refineries buy it at a discount of between $5 and $20 a barrel. With the price per barrel at $25, those companies are losing a lot of money. And they are especially vulnerable because they have to repay $40 billion of debt this year.

“Some producers could be forced to sell oil below zero, in other words, pay to get rid of their production”
If the shale bubble were to burst completely, the effects would be felt around the world. But the White House is set to launch a stimulus plan to bolster the sector. If recovery plans target economic growth at any cost, warns Greenpeace. Particularly as oil prices, at a historic low, could compromise the transition towards clean energy. Many environmental NGOs are demanding that the public aid being given to companies in order to survive the impact of the pandemic be subject to accepting stricter environmental regulations. Inger Andersen continues: "In the aftermath of the crisis, there is a real opportunity to meet that demand with green packages of renewable energy investments, smart buildings, green transport, etc. With respect to the disease itself, part of the challenge ahead is understanding where such diseases come from."

The lock-in effects are considerable, as the US shale bubble burst is a 180-degree turn, finally agreeing to reduce its production?

Some commentators believe the Russians wanted to wipe out US shale oil...

"With the composure of a skilled chess player, Russia decided it was time to challenge the energy dominance of the US!"

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That’s totally plausible. America’s energy-dominance policy allows the US to hinder production in Venezuela, Iran and Russia. The last straw was certainly the new US sanctions against Rosneft Trading, the Swiss subsidiary of the Russian oil company Rosneft, which sells Venezuelan oil. With the composure of a skilled chess player, Russia decided it was time to challenge the energy dominance of the US.

In that case, why did Russia make a 180-degree turn, finally agreeing to reduce its production? Because of pressure from the United States. Donald Trump must preserve oil jobs in the USA, which led him to open talks with Vladimir Putin. Negotiations between the two countries undoubtedly went beyond the oil framework and an exchange in other areas must have taken place, such as a loosening of the sanctions against Moscow.

The satellite images published by NASA at the beginning of March were seen around the world. They showed that air pollution above Wuhan had all but disappeared, thanks to the draconian lockdown measures introduced by the Chinese government to curb the spread of the SARS-CoV-2 virus. "This is the first time I have seen such a dramatic drop-off over such a wide area linked to a specific event,” marvels Fei Liu, a researcher at NASA specialising in air quality.

According to the Centre for Research on Energy and Clean Air, a Finland-based research institute, greenhouse gas emissions in China fell by 25% between 3 February and 1 March compared to the same period in 2019, equivalent to a reduction of 200 million tonnes (Mt) of CO2 released into the atmosphere, the amount released in Switzerland in four years.

So, is this good news for the climate? Inger Andersson says not. "Visible, positive impacts – whether through improved air quality or reduced greenhouse gas emissions – are but temporary,” explains the executive director of the United Nations Environment Programme (UNEP), writing on 5 April. "Any positive environmental impact must therefore be in changing our production and consumption habits towards cleaner and greener.

Because only long-term systemic shifts will change the trajectory of CO2 levels in the atmosphere." The charity Greenpeace agrees: "The drop in air pollution and the likely decrease in carbon emissions seen recently are misleading and simply the side-effects of our entire economy and society having been put on hold.” So, what will happen when factories reopen? Following the international financial crisis of 2008, the economic measures taken by states led to an increase of 5% in CO2 emissions, and the same thing could happen again. It is justifiable to fear that we will see a rebound in emissions if recovery plans target economic growth at any cost,” warns Greenpeace. Particularly as oil prices, at a historic low, could compromise the transition towards clean energy.

The lockdown measures introduced to slow the spread of coronavirus have led to an unprecedented fall in greenhouse gas emissions. But this decline is only likely to be temporary.

Some commentators believe the Russians wanted to wipe out US shale oil...

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Supertankers are used to store oil, while prices rise. Hors in Kuwait.

By Bertrand Beauté

The lockdown measures introduced to slow the spread of coronavirus have led to an unprecedented fall in greenhouse gas emissions. But this decline is only likely to be temporary.
W ill Vaud-based start-up NetGuardians, which sells anti-fraud banking software, soon go public? The company believes so. Along with 132 other tech start-ups, the company is currently enrolled on a pre-IPO training course created by Euronext, called TechShare. The year-long course, taught in modules in Zurich and Geneva and complemented by sessions in various European cities, allows companies to discover and better understand the intricacies of capital markets (see also the inset on p. 40). Swissquote Magazine joined a class at the “IPO School” and attended one of the eight modules designed specifically for Swiss companies.

The class was held at Mirabeau Bank, Geneva, on a winter’s day, with about twenty people in the small conference room. Frédéric Crettenand, CFO of fintech company NetGuardians, told us before the class: “Our growth is accelerating and we need capital to grow. To raise money, an IPO is a possibility we’re considering. We’re also looking at raising private capital or obtaining a bank loan. Given our rapid expansion, we need to consider different financing options.”

Frédéric Rochat, partner at law firm Kellerhals Carrard

We heard similar thoughts from Gondola Medical, a Ticino-based medtech that is developing a device to treat symptoms of Parkinson’s disease. “With this training course, we’re preparing for the future,” said CEO Francesco Cecchini. “At the end of the programme, we’ll have a better sense of what the best option is for us: whether to go public or not.”

On today’s syllabus is a course on governance. “Companies ask a lot of questions. They ask, for example, how an IPO will change their management,” said Frédéric Rochat, one of the day’s speakers and a partner at law firm Kellerhals Carrard. “Many are afraid they’ll lose control, especially because of the need to introduce a number of independent members to the board of directors. The course participants are all very intelligent, but they naturally have some knowledge gaps when it comes to legal matters. They know that they can’t manage all the legal aspects of an IPO by themselves.”

The entrepreneurs willingly admit their shortcomings: “I have 25 years of experience in corporate management and finance,” said Cecchini. “So I’m qualified to manage Gondola Medical, but to grow you need a much stronger structure. Having the opportunity to benefit from the skills and experience of the experts involved in the programme is undoubtedly an added value for us.” In addition to...
The TechShare programme, which is free for the companies that participate, also has benefits for Euronext. “Euronext is advertising to Swiss tech companies,” said an IPO expert. Indeed, the pan-European market operator is increasingly interested in Swiss start-ups. The group, which manages stock exchanges in Paris, Lisbon, Amsterdam, Brussels, Dublin and Oslo, opened a Zurich office in September 2017. One year later, the TechShare programme opened its doors to young Swiss companies for the first time. As a result of these investments, the European group was able to convince Zurich-based biotech Sequana Medical to go public on Euronext Brussels rather than on the SIX in February 2019.

Any possible competition between SIX and Euronext is dismissed by Søren Bjønness, head of Euronext for Switzerland: “For tech SMEs, it is almost impossible to go public on the Swiss exchange because it is so selective.” Lawyer Frédéric Rochat agrees: “If a company has under 80 million in revenue, it’s difficult for it to be listed on the SIX. Euronext positions itself as an alternative for tech companies that have high potential, but not enough revenue yet.”

Most Swiss companies want to remain Swiss, they cannot sell themselves. They need to remain independent.”

Symetis is an excellent example of this. In 2015, the Vaud-based company, which specialises in cardiac valves, announced to the press that it was planning to go public on the SIX. But plans didn’t go much further than that. The IPO was deemed too risky. So the company turned to Euronext and started the process. But in March 2017, only a few days before the launch of Techshare in 2015, of the 275 alumni, only five companies had gone public: multi-service Wi-Fi network operator Comoom, handling technology reservation specialist Balyo, biotech Medacta, electronic company TheraNexus, e-commerce site creation platform Os axial and Subscribe services company, CM.com.

“Technologies are changing faster than ever,” said Bjønness. “If you are a technology company and you want to go public, you need to be dealt with by a firm that understands you. If you hire a firm used to dealing with IPOs, it’s always easier to sell than to go public. But selling is not always the best solution.”

That idea is confirmed by recent IPOs of the seven IPOs on the SIX in 2019, six were from companies that were already very mature, such as Stadler Rail (1.2 billion Swiss francs in revenue in 2019), SoftwareOne (6 billion), Alcon (7.3 billion) and Medacta (300 million). As a result, “small Swiss companies that are risky but have high potential grow via private capital, and then tend to get sold too quickly and too cheaply. This is happening in the United States and increasingly in China,” said Bjønness. “Here, tech IPOs are not perceived favourably due to strong risk aversion.”

The selection criteria include financial data (revenue, growth perspectives, number of financing rounds, number of employees, etc.), but also more subjective information such as the personal motivation of the management team. On average, companies chosen by Euronext have turnover of CHF1 million, have raised CHF10 million in private capital and employ 80 people. Some of them prefer to hide the fact that they are taking part in the programme.

Of the 12 Swiss companies that participated, only eight revealed their names: CreditGate24 (fintech), NetGuardians (fintech), Daxa Digital software), Gondola Medical (medtech), InSphere (biotech), Legacy Healthcare (biotech), Noodomo (digital services) and Green Motion (cleantech). Since the launch of Techshare in 2015, of the 275 alumni, only five companies have gone public: multi-service Wi-Fi network operator Comoom, handling technology reservation specialist Balyo, biotech Medacta, electronic company TheraNexus, e-commerce site creation platform Os axial and Subscribe services company, CM.com.

In Switzerland, the training is also received by local partners such as PwC, Kellerhals Carrard, Baker McKenzie and Mirabaud Bank. “For us, as a law firm used to dealing with IPOs, it’s interesting to establish contact with all these companies,” said Rochat of Kellerhals Carrard. “If they take the next step and decide to start the IPO process, we will be well positioned to support them, and a pre-established trust.”

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When Isabelle Kocher left the Engie management team on 6 February, her departure was felt far beyond the stuffy world of Parisian capitalism. Of course, there were notorious strategic differences between the Chair of the Board and the CEO of the French energy giant, and rumours of an eviction were rampant. But that didn’t stop commentators from denouncing the hints of sexism behind the organisational change: Isabelle Kocher was the very first woman to become CEO of a CAC 40 company, but was only in her position for less than four years.

The misfortune suffered by the former Engie CEO is an example of the difficult path women face as they seek corporate management positions. While there is an overall awareness of gender equality, obstacles remain to various degrees practically everywhere in Europe. And in Switzerland, the challenges are the most difficult to overcome. This is despite the fact that many studies show that the more women are represented at the top of the management pyramid, the better the company does overall. For example, in 2019, the International Labour Organization (ILO) published the results of a study conducted in 70 countries. The study showed that companies led by women and/or companies that have policies to actively favour gender equality are more likely to see increased operational revenue, productivity and profits. These companies can also attract more talent and retain them better, and are more creative, innovative, and open-minded.

In a study published in January 2020, European Women on Boards (EWOB), an association supported by the European Commission, examined every company on the STOXX Europe 600, the stock index of the 600 largest capitalisations in Europe. “Significant progress has been made in increasing the share of women on boards. However, gender diversity at other levels of corporate governance is still a mirage,” according to EWOB.

While the average percentage of women on executive boards is around 33%, only 16% of operational executive positions are held by women. Of all the companies listed on STOXX Europe, only 29 are led by women. Switzerland is bottom of the class, with the lowest percentage of women in executive management or on boards of directors. Of the bottom 20 companies in the EWOB ranking, nine are publicly listed in Zurich. What’s more, there is only one woman CEO among the 50 or so Swiss companies listed on the index. Magdalena Martullo-Blocher, CEO of EMS-Chemie, is the only exception.

This study is just one of many that demonstrate that women have more difficulty breaking the glass ceiling in Switzerland than elsewhere. And so, year after year, Switzerland remains at the bottom of the Glass Ceiling Index, a ranking from The Economist magazine, alongside countries like Japan and Turkey, where women have to choose between a career and family life. The Schilling Report, the national benchmark study, recognises the positive trend that has been under way for several years. But even though some improvements have been made, the percentage of women on executive boards (23%) or on management teams (10%) at the top 100 employers in Switzerland is still paltry.

Women still struggle to break the glass ceiling

While companies have everything to gain with greater gender equality on their management teams, many obstacles nonetheless remain all over Europe. In Switzerland, the glass ceiling is particularly hard to break.

By ANGÉLIQUE MOUNIER-KUHN

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So is the Swiss business world chauvinistic? “It is particularly true in some industries such as technology, construction and finance” admits Dominique Faesch, CEO of Cercle Suisse des administratrices, a Swiss association for women board members. “But as young female graduates enter the job market, we are starting to see positive change.”

“We are aware of the problem,” said Marco Taddei, head of the Swiss Romandy and international employer policy divisions of UPS (a union of Swiss employers’ associations). A group of regional and industry employers’ associations, UPS only has two women out of a total of 15 members on its executive board. According to Taddei, Switzerland’s
Many executive boards still prioritize changing within large companies, although this process is gradually becoming more transparent. “We realised that increasing the percentage of women on executive boards is in the best interest of the economy,” says Taddei, describing initiatives taken in recent years by UPS, an ardent devotee of self-regulation. Some of these initiatives include a code of conduct for HR consulting firms, as well as recommendations to encourage female representation on executive boards. The goal is for every board to have at least one member who has had experience working outside of the family business, as people tend to hire someone who “understands the game,” says Faesch. “But now that this new law has passed, it will spark discussions about things that aren’t going to change overnight just because we put a number in a charter or a law,” says Faesch. “Things aren’t going to change because firms, as well as recommendations to encourage female representation on executive boards. The goal is for every board to have at least one woman by 7 February 2021, the date of the 50th anniversary of women’s suffrage in Switzerland.”

This ambition is modest at best. “We are aware of the problem,” Marco Taddei, head of the Swiss economy,” says Taddei, describing initiatives taken in recent years by UPS, an ardent devotee of self-regulation. Some of these initiatives include a code of conduct for HR consulting firms, as well as recommendations to encourage female representation on executive boards. The goal is for every board to have at least one woman by 7 February 2021, the date of the 50th anniversary of women’s suffrage in Switzerland.

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A high-speed China

China has the largest, most modern network of high-speed trains in the world, and the line connecting Shanghai and Beijing has just gone public.

BY JULIE ZAUGG, IN HONG KONG

In late December, the new high-speed train between Beijing and Zhangjiakou, a city at the foot of mountains that will welcome the Winter Olympic Games in 2022, made its inaugural voyage. Equipped with thousands of sensors and reaching speeds of 350 km/h, it is entirely autonomous – a first in the world.

This new line is the cherry on top for a high-speed rail network that already has 35,000 km of railways, with an additional 10,000 km planned by 2030. Built in record time, this is now the largest train network in the world. Comparatively, Japan and France have only 3,000 km and 2,800 km of high-speed rail lines respectively.

The Chinese rail network is not only the longest, but also the most technologically advanced in terms of big brother surveillance. “Passengers buy tickets on their mobile phones, then go through security checks in just a few seconds via the facial recognition portals installed at the entrance of train stations,” said Lesley Liu, analyst at HSBC.

It all started in 2008, at the dawn of the last Olympic Games held in China. A few days before the start of the Games, the country’s first high-speed rail line was inaugurated between Beijing and the coastal city of Tianjin. It was then followed by a frantic expansion that connected all the major cities in China.

“Following the 2008 financial crisis, the Chinese government introduced a recovery package worth 4 trillion yuan (555 billion Swiss francs) to finance the development of the rail network,” said Zhu Pengyu, a transport expert at the Hong Kong University of Science and Technology.

These funds were used to lay thousands of kilometres of rail lines and improve the rolling stock. “Chinese high-speed trains were largely inspired by technology invented by engineers in Japan, Germany and France,” said Mark Smith, a British railway expert.

Starting in 2004, a series of co-enterprises were created with Kawasaki, Siemens and Alstom. In exchange for access to the giant Chinese market, these companies shared their expertise with their Chinese partners. And the student quickly became the master: the newest generation Fuxing train, made entirely in China, is one of the most advanced trains in the world and is far ahead of its counterparts, the Shinkansen in Japan, the ICE in Germany and the TGV in France.

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The high-speed train between Shanghai and Beijing, which transports nearly 200 million passengers per year, generated 10.3 billion yuan ($1.4 billion Swiss francs) in profits in 2018, up 13% over one year, which is equal to a rate of return of 33%.

“Demand will continue to grow,” predicts Liu of HSBC. “Currently, the number of annual train trips per passenger in China is only two – compared to 12 in Spain, 25 in Germany, 64 in Switzerland and 73 in Japan. So there’s very high potential for growth.” According to Liu, the number of train journeys in China will go from 3 billion in 2017 to 5.5 billion in 2022, an annual increase of 13%.

Competing with planes High-speed trains have also succeeded in taking market share away from air and car travel, according to the World Bank report. “For trips under 900 km, trains have exceeded air travel,” said Zhu Pengyu. Similarly, many commuters are now choosing to live more than 100 km away from large cities, counting on high-speed trains to reach the city in less than 30 minutes.

Overall, the profitability rate of the network is estimated at 8%, according to the World Bank. But this number hides a large disparity of cases.

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The Chinese network is also one of the least expensive railways in the world: it cost between $17 million and $21 million per kilometre, which is two-thirds of the average price spent in other countries, according to a report from the World Bank. The network is owned by China Railway, a state-run company that separated from the Ministry of Railways in 2013. China Railway has several subsidiaries in charge of rolling stock and specific lines. Some of these entities are very profitable.

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The amount that China invested in its rail network from 2010 to 2020.

The length of the high-speed railways that China will build in 2020, bringing the country’s total to 35,000 km.

The number of high-speed rail journeys taken in China over the last decade. It would take Japan 58 years to reach 11 billion trips.
Railway’s debt has grown exponentially. It has now reached 5.4 trillion yuan (748 billion Swiss francs). To rectify the situation, the conglomerate decided that its most profitable entities would go public. In mid-January, the Shanghai-Beijing line took the first step towards being listed on the Shanghai exchange, raising 30.7 billion yuan (4.3 billion Swiss francs). These funds will be used to acquire a series of unprofitable lines in Anhui and bring in revenue for the parent company. “Other IPOs will follow,” promised China Railway CEO Lu Dongfu in early January.

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High-speed rail line HS2, which will link London, Leeds and Manchester in northern England, is the largest rail construction project in Europe. It was approved by Prime Minister Boris Johnson, despite opposition from environmental groups and some Members of Parliament who disagree with the cost of the project, estimated at £56 billion (70 billion Swiss francs). The first trains are expected to start running between 2035 and 2040.

India has begun construction on its first high-speed rail line, it will connect Mumbai and Ahmedabad, 500 km away. The journey will take less than three hours and should help revive competition in the country’s economic capital. This project, which is based on technology developed for Japan’s Shinkansen, will cost $14 billion and is expected to be completed in 2022.

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The online second-hand clothing market is booming, particularly among younger generations. Traditional brands are trying to fight back.

BY ANGÉLIQUE MOUNIER-KUHN

It’s no longer a fringe activity; it’s now a major trend. In the United States, the second-hand clothing industry has grown 20 times faster than the new clothing market over the last three years. Moreover, it is expected to double in volume to reach $51 billion in 2023. By 2028, it is thought that the second-hand sector will be worth 1.5 times more than fast fashion. These numbers come from a GlobalData report commissioned by ThredUp, a US second-hand clothing platform which claims to be the “world’s largest online thrift store”.

A sign of the times, US-based RealReal, another consignment platform focused on luxury goods, was the very first company in the industry to go public in May 2019. The second-hand market is booming on this side of the Atlantic as well. In an article published in August 2019, Aftonbladet stated that the “flygskam” – flight shaming – phenomenon was slowing down. But for people in Sweden, a new trend was taking over: “köpskam” – shame associated with shopping – which the second-hand industry clearly benefits from.

In just three clicks, you can buy the second-hand dress or trainers of your dreams, and with just a little more effort, you can also sell your own clothes.

Shame or no shame, the second-hand clothing ecosystem is already well-established. In the UK, the shopping social network Depop has become extremely popular for young people under 26. In continental Europe, the platform of choice is Vinted. The company, which was created in Vilnius, Lithuania in 2008, got off to a slow start, but has since opened offices in Berlin, Warsaw and Prague. It is already active in >
12 countries in continental Europe and boasts more than 25 million users, with about 10 million in France, its largest market. Its secret? An aggressive marketing strategy and very easy-to-use app. In just three clicks, you can buy the second-hand dress or trainers of your dreams, and with just a little more effort, you can also sell your own clothes. In November 2019, the start-up, which was still in the red, raised €128 million, becoming the first Lithuanian “unicorn” with a valuation estimated at more than €1 billion, the fundraising will finance its technological investments and continue its expansion.

ON INSTAGRAM TOO
While Switzerland doesn’t (yet) have its own platform specifically for second-hand clothing, savvy Swiss shoppers are participating in the trend. “It is possible to sell and shop on the site Ricardo.ch, but people usually sell their clothes on Instagram accounts. Transactions are usually completed in person and paid in cash,” explained Anna, a 17-year-old from Geneva who has been hooked on second-hand clothing since she was 13. “When I started, people made fun of me, but now, second-hand clothes are everywhere,” said Anna, who only buys new clothes once or twice a year. “Thrifting is not just for trendy older people looking for deals. It has been legitimised by society and is seen as a response to the environmental and social damage caused by fast fashion. The United Nations regularly stresses how much pollution the fashion industry creates: alone, fashion produces more CO₂ than air transport and maritime shipping combined. The industry consumes more than 93 billion cubic metres of water and releases 500,000 tonnes of microfibres into oceans every year. As for social responsibility, there are multitudes of reports denouncing awful labour conditions for people working in textile factories. “Buying second-hand is a way for me to address my concerns about the dignity of human beings,” said Anna. “But my purchases are mostly motivated by finding cool clothes that are cheap.”

ADDICTED TO BUYING AND SELLING
In reality, this market may not be as virtuous as it seems. In her thesis on the subject, Juge severely criticises the second-hand trend. “The industry is essentially made up of fashionistas who become addicted to buying and selling. By using the internet to sell their excess clothes, these consumers have found a way to update their wardrobes even more quickly and easily than before, while also making some money on the side. In fact, an application such as Vinted is an excellent business school: many of these ‘buyer-sellers’ develop very advanced entrepreneurial skills.” For a growing number of NGOs, the idea of second-hand clothing as a circular and responsible alternative to fast fashion is largely deceptive, because consumers are still stuck in a hellish cycle: buy, sell, buy, sell...

Brands such as Levi’s, North Face and Patagonia have also launched their own second-hand lines
Faced with this trend, traditional brands, whose profits have been falling slightly each year, are now seeing the potential of second-hand shopping. On both sides of the Atlantic, many brands now have a section of their shops dedicated to vintage clothing, or partner with one of the big consignment platforms. The challenge is attracting young consumers who wouldn’t otherwise be shopping in their aisles.

In the United States, Gap has partnered with ThredUp to allow customers to sell their used clothing on the platform in exchange for credits that can be used in Gap stores. Large retail chain Macy’s, mismanaged for years on the stock market, generated disappointing results last year, with sales down 2%. In summer 2019, it also partnered with ThredUp to sell second-hand clothing in approximately 40 stores. Brands such as Levi’s, North Face and Patagonia have also launched their own second-hand lines. UK luxury brand Burberry has partnered with RealReal.

In France, clothing brands Camaïeu, Cyrillus and Kiabi, among others, are also offering second-hand clothing. More recently, Auchan did a three-month test of stocking second-hand clothing in five of its supermarkets.

“These brands had no choice but to try and enter this market that was taking off without them,” said Juge. “But they’re all running a bit behind.” And many fear that these new consignment offers will eclipse their traditional business. Amidst the uncertainty, Swedish retailer H&M is on the offensive. It took a majority stake in the platform Sellpy and for the past year has been selling its own second-hand clothing to Swedish customers under the brand & Other Stories. With the start-up Yolet, it has also launched a strategy in China in which users pay for a subscription service to rent clothing from its COS brand that will then be sold as thrifted items. Whether second-hand or rented, anything goes to curb “köpskam”.

12 countries in continental Europe and boasts more than 25 million users, with about 10 million in France, its largest market. Its secret? An aggressive marketing strategy and very easy-to-use app. In just three clicks, you can buy the second-hand dress or trainers of your dreams, and with just a little more effort, you can also sell your own clothes. In November 2019, the start-up, which was still in the red, raised €128 million, becoming the first Lithuanian “unicorn” with a valuation estimated at more than €1 billion, the fundraising will finance its technological investments and continue its expansion.
# Cryptocurrencies: The Latest Additions

Swissquote now offers 12 cryptocurrencies on its platform. Find out more about their advantages.

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## The 5 Pioneers

### Bitcoin (BTC)

The market king.

The king and forefather of cryptocurrencies. Created in 2009 by a person known as Satoshi Nakamoto, Bitcoin rules over the digital currencies market, making up more than half of the capitalisation. For the time being, the share prices of altcoins still fluctuate based on Bitcoin. Supporters view the currency as digital gold, whose value will only increase over time.

### Ethereum (ETH)

The smart contract platform.

Created in 2015 by Vitalik Buterin, Ethereum allows for the creation of smart contracts that can self-execute over time.

### Litecoin (LTC)

Faster than Bitcoin.

This token, created in 2012 by California-based company Ripple, is primarily used to accelerate international financial transactions and reduce costs. XRP acts as a “bridge currency” in the exchange between two currencies that can be used to carry out the entire transaction (send, exchange and receive money) in just a few seconds. Litecoin holds third place out of all cryptocurrencies, just behind Ethereum.

### Ripple (XRP)

The cross-border payment champion.

This token, created in 2012 by California-based company Ripple, is primarily used to accelerate international financial transactions and reduce costs. Ripple distributes tokens through a trustline scheme, which means that the 똑같은 시간에, 사용자가 동일한 동작을 수행할 수 있습니다. If a user creates a trustline with another user, they can then exchange their respective currencies at the current exchange rate.

### Bitcoin Cash (BCH)

The purists’ choice.

BITCOIN CASH (BCH) is the result of a hard fork within the community after Ethereum was the victim of a major hack in 2018. While most developers wanted to start over as if the incident had never happened, a handful of diehards chose to move on and accept the situation. Although less popular with developers than Ethereum, Ethereum Classic is a worthwhile option for those interested in decentralised finance.

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## The 7 Newcomers

### ChainLink (LINK)

Decentralised information.

Operating on the Ethereum blockchain, this token has taken off in the past two years, while the market has virtually all but collapsed. ChainLink derives from the notion of integrating “off-chain” information, i.e. information not included on the blockchain, to serve the entire ecosystem.

### Ethereum Classic (ETC)

The “Ethereum Killer”

Ethereum Classic can offer faster transactions. With Litecoin, blocks are created every two minutes and thirty seconds, whereas Bitcoin creates a block every ten minutes. Mining is also easier and transaction fees are substantially lower.

### Chain (CHN)

Unmuted tokens.

The creators of Tezos are quite happy with the cryptocurrency’s nickname “Tezos Killer”. Like EOS, the token is based on the principle of delegated proof of stake. In other words, stakeholders enrich more Tezos rewards for creating and validating blocks on the blockchain. The cryptocurrency offers a slightly faster and more secure environment than Ethereum. Its governance model also has the advantage of avoiding forks. Tezos has joined the top 10 and is currently one of the best performing tokens on the market.

### Tezos (XTZ)

Building for tomorrow.

Referred to as third-generation blockchain technology, EOS is based on a concept similar to that of Ethereum with the development of fully decentralised applications (dApps). But unlike Ethereum, EOS uses a delegated proof of stake system, which uses “block producers” to validate transactions. This choice significantly increases the speed and number of transactions. After a record-breaking ICO completed in 2018, in which it raised $4 billion, the token has grown impressively to seize a spot in the top 10.

### Augur (REP)

Decentralised peer-to-peer protocol.

Founded on the Ethereum blockchain, Augur allows token holders to bet on the likelihood that an event will occur. Simply put, users can buy shares of probability. Prices are adjusted in line with supply and demand, similar to the principle of sports betting. With Augur, the outcome of an event is not validated by a central authority. Users themselves verify results, making any manipulation impossible.

### Stellar (XLM)

The cross-border payment champion.

Founded in 2014 by the co-founder of Ripple, Stellar is based on the same protocol. However, while Ripple and its XRP token are focused primarily on financial institutions, Stellar targets the peer-to-peer payments market for transferring small sums of money. This token has grown admirably over the past few months and is solidly in the top 20.

### 0x (ZRX)

Decentralised exchange.

This Ethereum-based ERC20 token aims to facilitate decentralised exchange on the Ethereum blockchain. Its designers have developed a protocol that enables the peer-to-peer exchange of ERC20 tokens. The ICO in 2017 was a success. 0x then spiked in value and has since come back down, but 0x still ranks in the top 50.

### EOS (EOS)

Competition for Ethereum.

Referred to as third-generation blockchain technology, EOS is based on a concept similar to that of Ethereum with the development of fully decentralised applications (dApps). But unlike Ethereum, EOS uses a delegated proof of stake system, which uses “block producers” to validate transactions. This choice significantly increases the speed and number of transactions. After a record-breaking ICO completed in 2018, in which it raised $4 billion, the token has grown impressively to seize a spot in the top 10.

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### The Swissquote Edge

- Convert immediately on request into fiat currencies
- Transfer BTC and ETH between your Swissquote account and your private external wallet
- Take advantage of the advantage of the security of a regulated and listed Swiss bank

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### Advantages of Cryptos

- High volatility, unlocking unprecedented opportunities
- Round-the-clock market, 24/7
For the first time ever, a research project combining psychology and neuroimaging will examine the personality traits of a wide range of traders in order to better understand the decision-making processes that form part of investing. Swissquote clients have the opportunity to take part. Thorsten Hens, finance professor at the University of Zurich and one of the directors of the research project, tells us more.

**What does your study involve?**

For this project, we are looking for investors who have an online trading account. The study is conducted jointly by the universities of Zurich and Basel, and is funded by the Swiss National Science Foundation. It has been approved by the ethics committees of those cantons. The goal is to study the personality traits that influence financial decision-making, or in other words, the role of the investor’s personality.

Thanks to neuroimaging, we also hope to learn to what extent brain physiology influences those decisions. This is the first time that these different approaches have ever been combined in a large-scale study. It is important to note that all of the files to which the researchers have access are entirely anonymous. The scientists are given an identification number only, and don’t know who the data belongs to. As a partner, Swissquote will have access to the study results in an aggregated and completely anonymous format.

**How is your research conducted?**

There are two parts to the study. The first takes place online and includes personality tests, participation in financial market simulations, and socio-demographic questions. Each participant can complete the first part online at their own pace. The second part takes place at the neuroimaging lab at the University of Zurich, and will begin once the coronavirus epidemic is over. This second phase allows activity in certain areas of the brain – such as fear and pleasure centres, which are involved in decision-making – to be identified. If you don’t have enough time to complete the entire study, or if you can’t undergo the MRI scan for health reasons, you can still participate in the study. Our goal is to have a pool of 500 participants.

**What can participants hope to gain from this experience?**

Besides contributing to scientific progress by helping us better understand decision-making processes, participants will receive detailed individual feedback on their main personality traits, trading style and brain profile. That information will help them learn more about themselves, become better investors and identify the causes of poor decisions, for instance.

**What conditions do participants need to meet to sign up?**

You just have to have an online trading account with Swissquote and be aged between 18 and 75. The tests will be conducted in German or English only, but people from French-speaking Switzerland are welcome to participate.

Le nom change. Tout le reste reste meilleur.

Les noms peuvent changer. La qualité reste : la meilleure gamme de produits, le meilleur service et les meilleures perspectives pour votre réussite.
THE CIGARETTE: A POLITICAL HISTORY
By Sarah Milov

Before being gradually banned from public spaces, tobacco was extremely popular in the West, particularly in the United States where doctors even recommended certain brands of cigarettes... This golden age of smoking really took off at the end of World War II as a result of a unique alliance between government authorities and tobacco companies, as Sarah Milov demonstrates in The Cigarette: A Political History. Her work also retraces the complicated relationship between cigarettes and civil society, and how the latter was finally able to conquer the powerful tobacco lobby.

ARGUING WITH ZOMBIES: ECONOMICS, POLITICS, AND THE FIGHT FOR A BETTER FUTURE
By Paul Krugman

In his new book, Nobel Prize winner in economics Paul Krugman decided to tackle what he calls “economic zombies”, the eternal misunderstandings about economics that refuse to die. Inspired by Krugman’s articles in the New York Times, Arguing with Zombies covers many popular subjects such as healthcare, real estate bubbles, tax reform and social security, all with clarity and accuracy. The book is quite helpful for readers to understand complex timely issues at stake, especially with the United States presidential election this year.

BARRE
EXERCISE IN A TUTU
While there are many workout apps, Barre stands out for being completely free. Marketing itself as an original blend of yoga and ballet, the app offers a variety of exercises that focus on balance, flexibility and endurance. The app also works offline, which is rare these days.

ABLO
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Google named Ablo the best application in Google Play in 2019. It is a throwback to the chat days of yesteryear with an added bonus: thanks to an integrated automatic translator, the app allows users to converse with people all over the world via text or video with no language barriers. Unlike its predecessors and competitors that often devolve into tools for unsavoury behaviour, Ablo is working hard to block and ban inappropriate conduct.

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Unlike the “gamification” of learning languages, in which apps use rewards and video game design to motivate learners, Fluent Forever takes the serious route. Its original method focuses on memorising pronunciation as a key to success. The app currently offers courses in French, German, Italian, Korean, Portuguese, Russian and Spanish.

TO READ, TO DOWNLOAD

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By Sarah Milov

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Estate cars are ready to rumble

BY RAPHAËL LEUBA

Largely ignored in the midst of the SUV epidemic, estate cars fell behind. But the Volvo V60 Cross Country, the flagship model of this forgotten car type, is fighting back on all fronts to bring them back to the road.

Ever since the PV 445 Duett model was released in 1953, the estate car has been an institution for Volvo. However, the Scandinavian manufacturer has also embraced the SUV trend. Today, these two types of vehicle, both practical and family-friendly, coexist at Volvo.

The crossover between them? The V60 Cross Country. The line of all-wheel-drive estate cars began in 1997, well before the XC90 and XC60 came on the scene and their taller frames eclipsed the smaller estate cars. But now it may be time for them to fight back.

First, the estate car’s smaller shape is appealing at a time where tall designs can seem commonplace. The roof rack is no higher than 1.50 m, despite the vehicle’s higher ground clearance (21 cm). The size (4.78 m long and 1.89 m wide) makes the vehicle quite easy to park. Balanced proportions give the Cross Country a feeling of elegance.

The major competition for the V60 Cross Country, the Audi A4 Allroad easily outshines the Opel Insignia Country Tourer and the VW Passat Alltrack in the raised SUV estate car segment. It comes equipped with a turbo 2 L petrol engine with torque (370 Nm) and a 7-speed dual-clutch transmission. Decent weight (1.7 tonnes for 4.66 m long) and plenty of top-level performance (6.1 s to go from 0 to 100 km/h). It has a sporty feel and options galore.

The V60 Cross Country avoids the stiff feeling that many large SUVs have. Graceful as a ballerina, avoids the stiff feeling that many large SUVs have. Perfect braking stability with assisted handling for turns that can be felt under the seat, the V60 has true suspension comfort. The assistance comes naturally, with no exaggerated means necessary. More good news: the average test fuel consumption is 5.4 L/100 km, which is 80% of the stated numbers and is quite modest for a petrol vehicle of that weight and performance level. Volvo has announced a similar rate for the XC60 B5 petrol AWD, but that is equipped with mild hybrid systems. If it was to inherit this new motorisation, the estate car could make some further improvements on its CO2 footprint and definitively win the battle.
A LA CARTE ELECTRIC BIKE
Weighing 19 kg with a quick recharging time, a 100 km range, and an HD screen built into the handlebars, the Coleen smart electric bicycle is the Tesla of bicycles. With its original design (which won the Red Dot Award), the Biarritz-made e-bike can now be entirely personalised, including the saddle, frame, brake system, luggage rack and gear shift.
coleen-france.com
From CHF 6,500.–

CHERISH YOUR WATCH
A lover of beautiful watches, Parisian trunk-maker Fred Pinel created a series of winders in the colours of the most emblematic Rolex models. Equipped with a front face inspired by the Submariner, GMT and the Cosmograph Daytona, the cases in the Twin collection are powered by a motor designed by SwissKubiK. The rotation cycles can be customised via Bluetooth.
pineltpinel.com
From CHF 1,900.–

A COACH IN YOUR SOCKS
Equipped with sensors connected to a mobile app, these smart socks from US start-up Heapsylon record runners’ number of steps, as well as calories burned, distance, altitude, cadence, body weight distribution, and type of stride. The socks help prevent injuries and even alert the wearer when it is time to buy a new pair of shoes.
sensoriafitness.com
CHF 195.–

COMPOST WITH FLOWERS
Recycle right at home and feed your plants at the same time: this is the concept of the composting pot designed by French start-up Transfarmers. The pot is made up of two pieces that communicate with each other, and the autonomous ecosystem transforms vegetable peelings into water and nutrients thanks to a small army of earthworms. The waste produced is then passed to the flowers and other plants through the perforated panel. Each pot can transform the food waste of approximately two people.
transfarmers.fr
CHF 213.–

A SLEEP COMPANION
Designed in partnership with the European Sleep Centre, the Terralion Dreamer offers two settings to help users fall asleep: cardiac coherence, which uses light and breathing exercises, or “sunset mode”, which emits light that goes from orange to red so that users can drift off peacefully.
With a rechargeable USB battery, the compact portable device has a battery life of one week.
terralion.com
CHF 59.90.–

THE MOTORBIKE HELMET FROM THE FUTURE
Developed by a Japanese start-up, the CrossHelmet X1 is a motorbike helmet with never-before-seen features. A wide-angle camera on the back of the helmet and a screen placed under the visor allow wearers to see behind them while riding. The screen can also display navigation information. It is also equipped with a customisable sound reduction system that can filter interference noise (motor, wind, etc.) on demand.
crosshelmet.com
CHF 1,777.–

WINE AND CHOCOLATES
Launched this winter, My Swiss Moment brings together two worlds for an unexpected taste of Swiss wine and chocolate. Wines from various French-speaking regions and confections by Claude Périsset, a master chocolatier based in Estavayer-le-Lac, are expertly paired by Camille Gariglio, the chief sommelier at the Hôtel de Ville restaurant in Crissier, Vaud, which has three Michelin stars.
my-swiss-moment.ch
From CHF 93.–
Being shut up at home for a period of time inevitably leads you to ask some existential questions: What can you do in response to this unprecedented feeling of emptiness and powerlessness? You are stuck at home, you have played all your video games, and meanwhile the entire world faces the worst pandemic of the century. What if you could help by playing useful video games, games intended to help advance scientific research by using motivation and reward mechanisms commonplace in classic video games?

This old-school and dreaded category brings back painful childhood memories of well-meaning parents replacing entirely legitimate entertainment such as Doom or Wolfenstein 3D with awful educational games on CD-ROM, games in name only. But where is this category now, in 2020, after 30 years of uninterrupted IT development?

The first thing I see is that the market for useful video games is fairly limited. No AAA title – with the notable exception of Assassin’s Creed Origins, which asks players to decode some hieroglyphics – aims to get gamers to push the boundaries of science. Logically, this type of game usually comes from universities or science faculties.

One of the oldest and most well-known of its type is Foldit, developed in 2008 by the University of Washington. Entirely based on research into proteins, the game – a quickly downloadable executable file – involves solving 3D puzzles which simulate the “folding” of proteins, the idea being that the human brain, motivated by classic gaming mechanisms such as scores and ranking, will manage to find the optimal configurations that computers have struggled to find. While during the last 12 years, thanks to Foldit, a sizeable number of public discoveries have been published in esteemed scientific reviews, the view of the average gamer is that Foldit is aimed at a public already in-the-know, for whom folding proteins is a distraction in between solving differential equations.

Another significant title in the domain of scientific research is EyeWire, a browser game developed by the famous MIT, focused on research into neurones. Like Foldit, the aim is essentially to solve 3D puzzles in order to help scientific research. In the same category comes EteRNA, based on the “folding” of RNA molecules, a highly topical area of research in the context of the current crisis.

If puzzles are not your cup of tea, the website zooniverse.org is home to approximately 20 projects, some more fun than others, in various disciplines such as the arts, languages and natural sciences. Plenty to keep your brain ticking over, with the added thrill of knowing that while you are having fun you are also contributing to scientific progress.

I’ll be right back, promise, after just one more go on Doom Eternal...
BORN IN LE BRASSUS

RAISED AROUND THE WORLD