

# Carlsquare/Vontobel weekly trading note: Time to find out where the lowest risk is

**Over the past week, we have seen a global fall in share prices, with almost every stock, regardless of sector, taking a hit. This week's case is Swedbank, where the majority of its lending is to the Swedish private housing sector, with historically low credit losses. Lower interest rates should also reduce the risk of lending to the corporate segment.**

Major equity indices have fallen between 6% and 11% in the past week following US President Trump's decision to impose high tariffs on almost every country in the world, with the largest tariffs on China, where the US has the largest deficit. The consensus among investors so far is that this will reduce global GDP growth.

The current turmoil also increases the likelihood that the Riksbank and other central banks will soon cut their key interest rates to mitigate the feared effects of the economic downturn. Based on 2024 earnings and dividends, Swedbank's share price currently trades at 6.6x P/E and a dividend yield of almost 11%. Although net interest income may decline somewhat because of lower interest rates in 2025, the bank's main customer groups in lending, private homeowners, condominiums and corporates, will be able to manage their interest payments better than today. This will reduce the risk in Swedbank's loan portfolio.

Please find out more in our weekly letter on certificates Vontobel.com: [Read the weekly newsletter here](#)

[Link to the Swedish-translated version](#)

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## About Vontobel:

As a globally operating financial expert with Swiss roots, Vontobel specializes in wealth management, active asset management and investment solutions. Structured Solutions & Treasury bundles different investment solutions for private investors either directly or via ecosystems. [Read more](#)

## About Carlsquare

Carlsquare is a global research firm and financial advisor, focusing on M&A, Equity Research and Growth Equity. Carlsquare has 150 employees with deep sector knowledge in all 11 GICS sectors. The senior equity research team has extensive experience about the stock environment and several business sectors. The team produces company research reports, independent valuations and trading notes. The group have offices in Canada, Denmark, France, Germany, Poland, Sweden, United Kingdom and United States. [Read more](#)

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**Attachments**

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