

The week in  
seven charts



Chart #3

Nancy Pelosi strengthens  
her position on Nvidia

[Read more on page 2](#)

Image source: benzinga.com

**On both sides of the pond, the political agenda is at the  
forefront of market activity.**

If history is any indication, volatility is set to soar. Meanwhile, UK voters largely favored the Labor party, and the bets are on for who will replace Joe Biden as democratic nominee. Each week, the Syz investment team takes you through the last seven days in seven charts.

**Charles-Henry Monchau**

*Chief Investment Officer*

Chart #1

### Labour's landslide victory in the UK

Britons woke up on Friday morning to a new party in power after 14 years of Conservative rule. Sir Keir Starmer's Labour Party is heading for a huge majority in the House of Commons, after Rishi Sunak conceded defeat in the UK general election.

While the final results were not yet known at the time of writing, a national exit poll indicates that Mr. Starmer will become Prime Minister with over 400 seats out of 650 in the House of Commons, with the Conservatives retaining around 110 seats, the worst result for the party in its 190-year history.

Mr. Sunak, who won his Richmond and Northallerton seats, said he took "responsibility for this failure". The victorious Mr. Starmer has already declared: "Change starts right here. Now is the time for us to act".

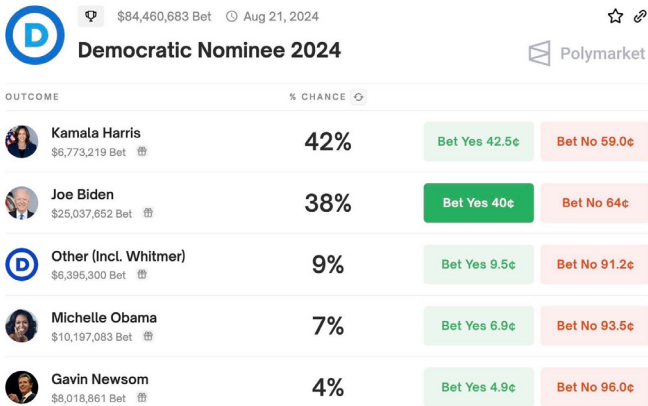
PARTY	SEATS DECLARED	Majority 325	EXIT POLL	NET SEATS	VOTE %	TOTAL VOTES
Labour	405		410	+206	34.1	9,457,293
Conservative	112		131	-241	23.5	6,512,143
Liberal Democrats	68		61	+60	12.0	3,330,893
SNP	8		10	-38	2.4	666,263

Source: FT

Chart #2

### Who will replace Joe Biden as the Democratic candidate?

Polymarket, the world's largest prediction platform, shows that current US Vice-President Kamala Harris is now the most likely Democratic candidate for 2024. In just 24 hours, Kamala Harris' probability of victory has soared by around 13 points.



Source: Steve Hanke

Chart #3

### Nancy Pelosi strengthens her position on Nvidia.

Nancy Pelosi is an American politician and member of the Democratic Party. She has twice been elected Speaker of the US House of Representatives (2007-2011 and 2019-2023). A resident of San Francisco, she has served in the federal legislature for California since 1987.

Nancy Pelosi and her husband (a venture capitalist) are also known to be formidable investors. Like other legislators in Congress, Mrs. Pelosi is legally obliged to disclose her stock market transactions. Many investors have noted the Pelosi couple's very good deals. Discussions of Mrs. Pelosi's transactions are a recurring theme on social media, particularly on "wallstreetbets". An ETF called "The Unusual Whales Democratic ETF" (ticker: NANC) has even been created based on an index that reproduces the transactions disclosed by Democratic members of Congress.

Last week, Wall Street was informed of Nancy Pelosi's latest transactions. She sold \$500,000 worth of Tesla and Visa shares. On the other hand, she bought \$1.2 million worth of Nvidia and \$5 million worth of Broadcom (via calls). Mrs. Pelosi has amassed a small fortune in semiconductor stocks over the last few years; in view of the latest moves in her portfolio, her view of the sector seems to have become even more positive...



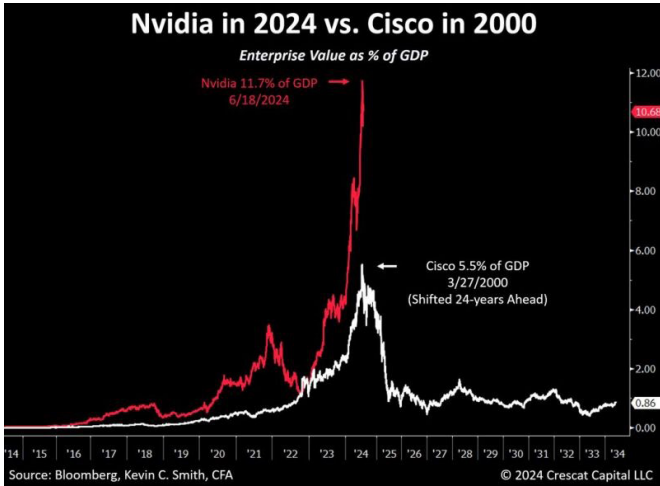
Source: Savy trader



**Chart #4**

**Nvidia in 2024 vs. Nvidia in 2000**

Nvidia recently achieved the status of the world's highest-valued company, with an economic value (equity + net debt) of \$3.3 trillion, or a record 11.7% of total US GDP (valuation based on the high of 18 June) ... This percentage is more than twice that of internet 'star' Cisco Systems in 2000. Nvidia shares also have a price/revenue multiple of 41x, a much higher ratio than Cisco 24 years ago. Will Nvidia's future growth live up to the market's high expectations?



Source: Crescat Capital, Bloomberg, Tavi Costa

**Chart #5**

**Will market volatility rise in the future?**

VIX is short for Chicago Board Options Exchange Volatility Index. It is a measuring instrument used to track the implied volatility of the S&P 500 index and is the best-known volatility index on the market.

A volatility index is a measure of the likelihood of a market experiencing sudden and unexpected price movements or instability. The VIX measures this by aggregating the implied volatility of several put and call options based on the S&P 500.

In the first half of the year, the VIX index remained surprisingly low, reaching its lowest level since 2019. The average level for 2024 (13.8) is the lowest since 2017 and the second-lowest annual average for over twenty years.

But beware: the situation could soon change. History shows that in US presidential election years, volatility tends to increase EXACTLY at this time of year.

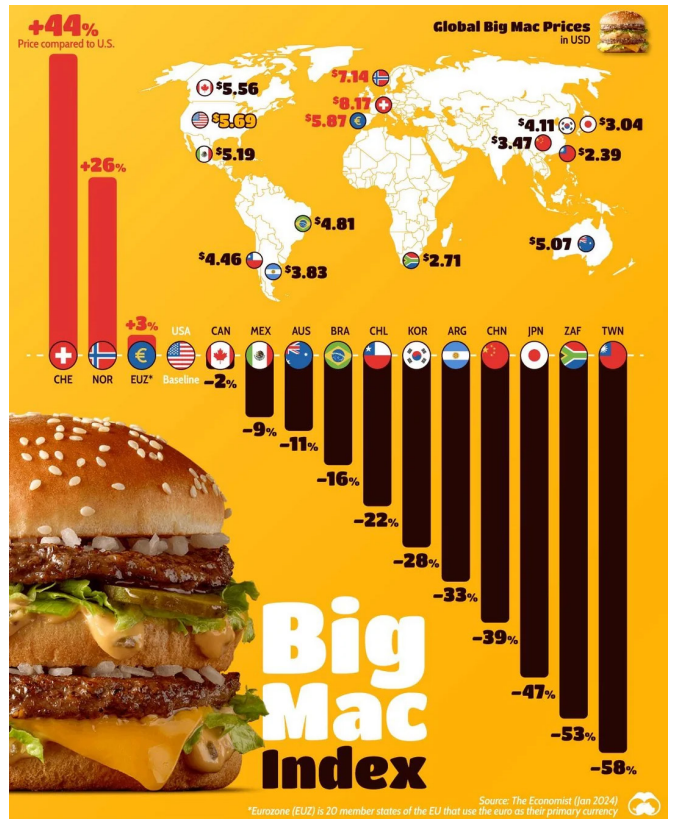


**Chart #6**

**The Swiss franc is the most overvalued currency in the world, according to the Global Big Mac Index**

The Big Mac Index, invented by The Economist in 1986, is a creative and informal way of measuring the purchasing power parity between two currencies. Essentially, the index uses the price of a Big Mac as a benchmark. The underlying assumption is that identical goods should cost the same in different countries, given the exchange rate. For example, if a Big Mac is more expensive in one country than in another, this may indicate that the currency of the first country is overvalued.

The infographic below shows the price of a Big Mac in several countries compared with the price of a Big Mac in the United States. Switzerland is the country where the Big Mac is the most expensive in the world (44% more than in the United States), followed by Norway (26%). Among the least expensive: Japan (-47%), South Africa (-53%) and Taiwan (-58%).



Source: Voronoi, The Economist

## Chart #7

### Is the Tour de France too fast to be 'clean'?

On the way to his second Tour de France victory last year, Dane Jonas Vingegaard was faced with some tough questions about his pace even before he arrived in Paris. How did he manage to go so fast? How was it possible to have a lead of more than seven minutes over a cyclist of the caliber of Tadej Pogačar? Some journalists even explicitly asked the question: "Are you cheating?".

In 2023, Vingegaard completed the grueling 3-week, 3,401-kilometre competition at an average speed of 41.4 km/h.

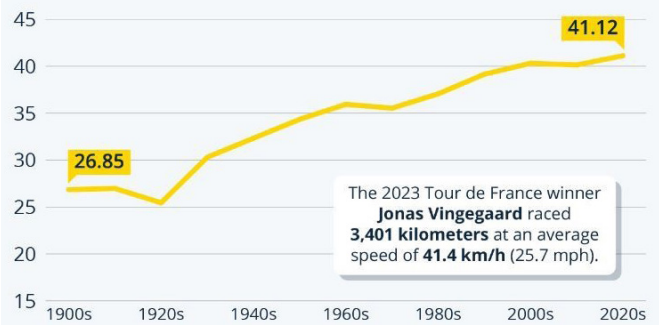
Given cycling's bad reputation, it's perhaps understandable that such exceptional performances still arouse suspicion. As Felix Richter (Statista) shows in the graph below, the pace of the Tour de France has not slowed down since the doping years of the early 2000s.

The question is whether this is due to ultra-fast carbon bikes, favorable routes or the use of performance-enhancing substances... Questions that the sport is not yet in a position to answer...

### Tour de France: Too Fast To Be Clean?



Winner's average speed in the Tour de France since 1903, by decade (in kilometers per hour)\*



The 2023 Tour de France winner **Jonas Vingegaard** raced **3,401 kilometers** at an average speed of **41.4 km/h** (25.7 mph).

\* no Tours were held from 1915-1918 and 1940-1946  
Source: BikeRaceInfo



statista

Source: Statista

### For further information

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