

The week in seven charts



Mag7's market cap loss as greater than the combined GDP of Belgium, Ireland and Israel.

US growth is showing resilience, but markets suffered a strong setback. Meanwhile in Europe, the Euro has lost 40% of its purchasing power since inception, however some East European countries are set for strong growth. Each week, the Syz investment team takes you through the last seven days in seven charts.

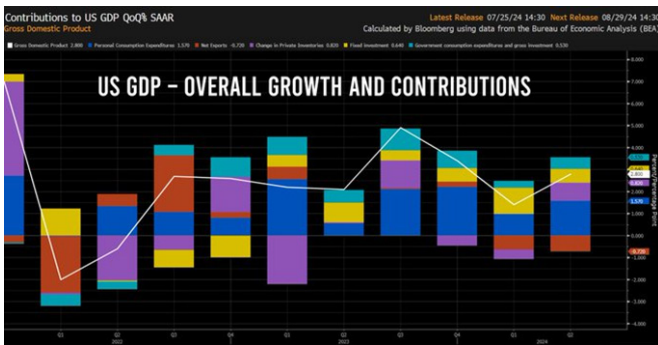
**Charles-Henry Monchau**  
 Chief Investment Officer

**Chart #1**

### US growth more resilient than expected

US GDP growth in the 2nd quarter was stronger than expected, at an annualized rate of 2.8% compared with the 2.0% expected. The US economy is slowing but not collapsing, which remains an ideal scenario for the financial markets. The biggest risk to the economy is a sharp fall in consumer spending, as excess savings have run out. However, we note that personal consumption in the second quarter was better than expected, which is good news. The core PCE (Personal Consumption Expenditure) inflation index came in above expectations at 2.9% year-on-year. Nevertheless, the trend remains disinflationary.

Despite these better-than-expected growth figures, the market is expecting interest rates to be cut at the September meeting. A cut of 25 basis points is expected, but some economists are now also considering a 50 basis points cut. The US Federal Reserve has made it clear that it is considering cutting rates even if inflation has not yet returned to the target level (2%).

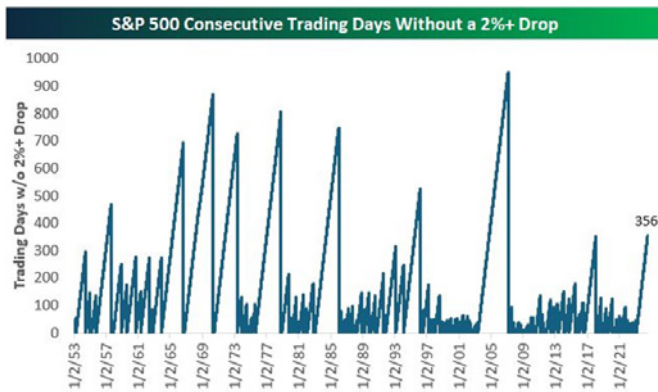


Source: Bloomberg, Jeroen Blokland

**Chart #2**

### The S&P 500 ends a run of 356 sessions without a drop of more than 2%

In Wednesday's session, the S&P 500 index of US equities plunged -2.3%, ending a 356 trading days run, which had lasted since February 2023, without a single daily decline of more than 2%. The longest period without a daily decline of more than 2% was between May 2003 and February 2007.



Source: Bespoke

**Chart #3**

### Spectacular decline of the Magnificent 7

The Magnificent 7 (Apple, Microsoft, Alphabet, Amazon, Nvidia, Tesla and Meta) have collectively lost nearly \$1.75 TRILLION in market capitalization in 10 days. To put that into perspective, that's nearly 50% of the total market capitalization of Apple, the world's largest company. During Wednesday's trading session, they suffered the biggest daily loss (\$750 billion) in their history.

#### MAGNIFICENT 7 STOCKS SHED MORE THAN \$750 BILLION IN MARKET CAP IN ONE DAY

Largest combined single-day market cap losses between: Apple, Amazon, Microsoft, Nvidia, Tesla, Alphabet, and Meta

DATE	INTRADAY MARKET CAP LOSS	COMBINED MARKET CAP AT CLOSE
<b>July 24, 2024</b>	<b>-\$759.9B</b>	<b>\$15.2T</b>
February 3, 2022	-\$620.1B	\$10.5T
July 11, 2024	-\$597.4B	\$16.4T
March 16, 2020	-\$592.3B	\$4.4T
May 5, 2022	-\$577.8B	\$9.3T
September 9, 2022	-\$562.3B	\$8.7T
September 3, 2020	-\$532.5B	\$8.0T
July 17, 2024	-\$526.5B	\$15.9T
April 29, 2022	-\$526.1B	\$9.3T
May 18, 2022	-\$486.7B	\$8.4T

SOURCE: YAHOO FINANCE



**Chart #4**

### Eastern Europe is booming

Slovenia, Poland, and Lithuania are experiencing strong growth. As the graph below shows, their GDP per capita is set to exceed that of Spain and Italy by the end of the decade. The speed with which countries such as Poland have managed to improve their living standards is absolutely remarkable.

#### Eastern Europe to Catch Up With Club Med by 2029

Lithuania, Slovenia are on track to be richer than Italy



Source: Michel A. Arouet, IMF

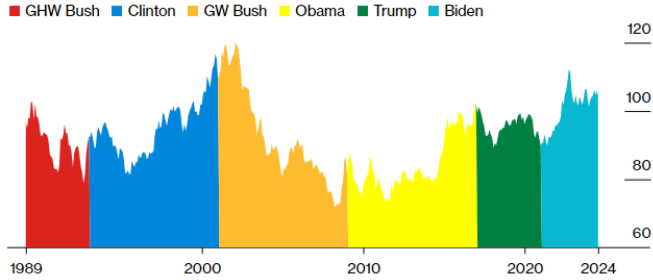
Chart #5

### Trump would like to weaken the dollar, but Wall Street has a different opinion

If re-elected, Donald Trump would like to weaken the dollar, but economists and investors do not see it that way. Indeed, his trade policy (a sharp rise in customs duties) and the tax cuts he is planning could create a second wave of inflation and push up interest rates, resulting in an appreciation of the greenback - all other things being equal.

#### US Presidents and the Greenback

Index that measures dollar's value against other key currencies has recently been trading at highest levels since Bush presidency in early 2000s

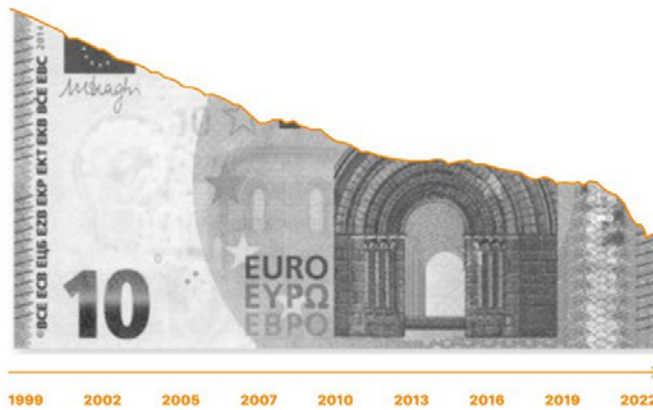


Source: Bloomberg

Chart #6

### Since its launch in 1999, the euro has lost 40% of its purchasing power

To put things into perspective, a euro today can only buy around 60% of what it could in 1999.

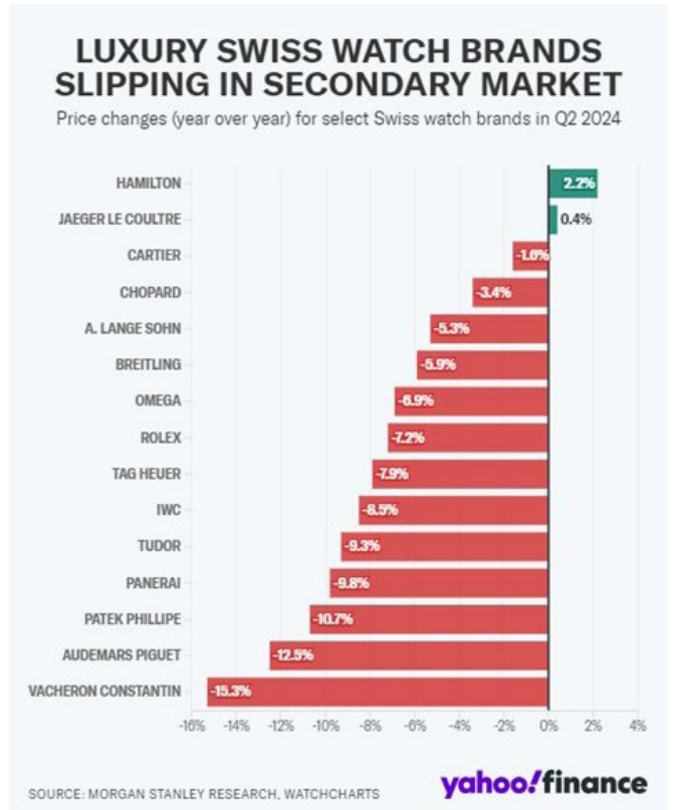


Source: Relai CH

Chart #7

### Sharp fall in the price of Swiss watches on the secondary market

Investors and enthusiasts of high-end Swiss watches may be pleased. Recent data shows a steady decline in prices on the second-hand market, particularly for Rolex enthusiasts, who are notorious for supply shortages and long waiting lists. The overall WatchCharts market index shows a 9th consecutive quarterly decline, with prices down 2.1% sequentially and 7.2% year-on-year.



SOURCE: MORGAN STANLEY RESEARCH, WATCHCHARTS



## For further information

**Banque Syz SA**  
Quai des Bergues 1  
CH-1201 Geneva  
Tel +41 58 799 10 00  
syzgroup.com

**Charles-Henry Monchau**, Chief Investment Officer  
charles-henry.monchau@syzgroup.com

This marketing document has been issued by Bank Syz Ltd. It is not intended for distribution to, publication, provision or use by individuals or legal entities that are citizens of or reside in a state, country or jurisdiction in which applicable laws and regulations prohibit its distribution, publication, provision or use. It is not directed to any person or entity to whom it would be illegal to send such marketing material.

This document is intended for informational purposes only and should not be construed as an offer, solicitation or recommendation for the subscription, purchase, sale or safekeeping of any security or financial instrument or for the engagement in any other transaction, as the provision of any investment advice or service, or as a contractual document. Nothing in this document constitutes an investment, legal, tax or accounting advice or a representation that any investment or strategy is suitable or appropriate for an investor's particular and individual circumstances, nor does it constitute a personalized investment advice for any investor.

This document reflects the information, opinions and comments of Bank Syz Ltd. as of the date of its publication, which are subject to change without notice. The opinions and comments of the authors in this document reflect their current views and may not coincide with those of other Syz Group entities or third parties, which may have reached different conclusions. The market valuations, terms and calculations contained herein are estimates only. The information provided comes from sources deemed reliable, but Bank Syz Ltd. does not guarantee its completeness, accuracy, reliability and actuality. Past performance gives no indication of nor guarantees current or future results. Bank Syz Ltd. accepts no liability for any loss arising from the use of this document.