

The week in  
seven charts



**Chart #1** Regardless of the president,  
always hold U.S. stocks...

Read more on page 2 - Image iStock/

**Presidents change, but U.S. stocks stay strong!**

As the U.S. election approaches tomorrow, history shows little long-term S&P 500 impact from election outcomes, while global economic forces like SNB profits and ChatGPT's energy demands drive market dynamics. Each week, the Syz investment team takes you through the last seven days in seven charts.

**Charles-Henry Monchau**

*Chief Investment Officer*

**Chart #1**

**Regardless of the president, always hold U.S. stocks...**

On the eve of the U.S. election, it's worth remembering the following chart. In the long run, electing one candidate over another has had little impact on the S&P 500 index. Whether the occupant of the White House is Republican (in red) or Democrat (in blue), the S&P 500 has continued its steady upward trend.



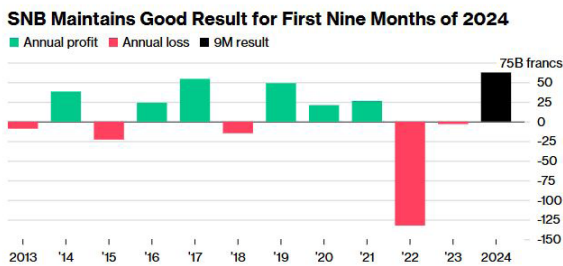
Source: Ritholtz

**Chart #2**

**Over 60 billion francs in profit for the SNB in the first nine months of the year**

The Swiss National Bank posted a solid profit over the first nine months of the year thanks to rising stocks, bonds, and gold prices, increasing the likelihood of a resumption of profit distributions after a two-year hiatus.

The Swiss central bank reported a gain of 62.5 billion francs (72 billion dollars) for the first nine months of the year, as announced Thursday. While the strong franc weighed on the results, the SNB boosted its profits during the July-September period.



Source: Swiss National Bank

Source: Bloomberg, BNS

**Chart #3**

**The surge in U.S. debt costs**

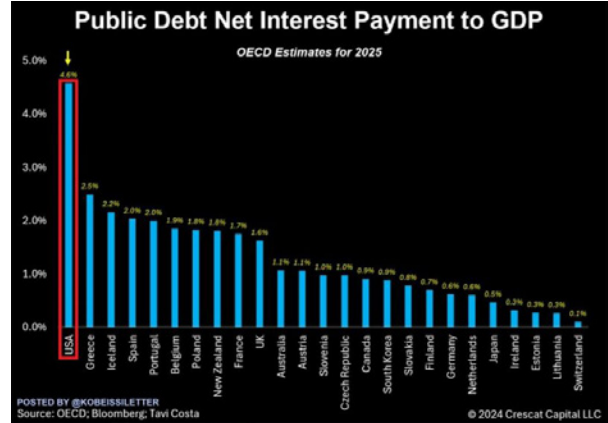
The outlook for U.S. public debt is worsening, as net interest payments as a percentage of GDP are projected to reach a record 4.6% next year.

This would represent more than DOUBLE the levels during World War II and exceed the historic peaks reached in the 1990s.

This figure is also far higher than net interest as a percentage of GDP across all 38 OECD countries.

In countries where interest costs are relatively high, like Greece, Ireland, Spain, and Portugal, interest/GDP ratios are expected to be half of the U.S. level.

To make matters worse, these projections expect a decline in interest rates over the coming year.



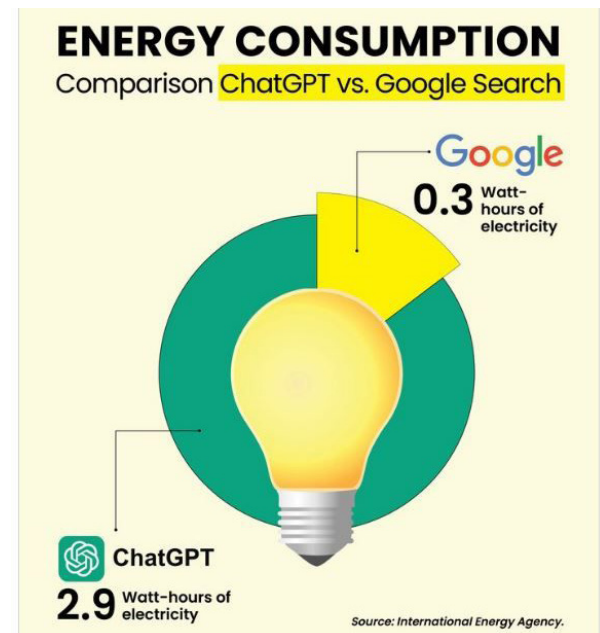
Source: The Kobeissi Letter, OECD, Tavi Costa

**Chart #4**

**ChatGPT vs. Google – which one has a bigger energy footprint?**

AI is a major energy consumer, and ChatGPT is no exception. The AI tool consumes enough energy each day to power 17,000 American households!

In comparison, Google's vast infrastructure processes billions of searches, yet has been optimising energy use for years. A ChatGPT search is, on average, 10 times more energy-intensive than a Google search.



Source: IEA, AIM on X @Analyticsindiam

**Chart #5**

**Bitcoin now ranks 6<sup>th</sup> among the world's largest monetary assets**

With a value of 16.5 trillion dollars, gold remains the world's largest monetary asset. Following gold are the dollar (5.7 trillion in the monetary base), the euro (5.2 trillion dollars), the yuan (5.2 trillion dollars), the yen (4.4 trillion), and then bitcoin (1.4 trillion dollars). The Swiss franc (600 billion) ranks 8th, between the pound sterling and the Indian rupee.

**Top monetary assets worldwide**

Rank	Top money	Native unit	ISO	Native value	USD value	Description	Issuer
1	Gold	tray ounce	AU	6.0 billion oz.	\$16.46 trillion	All-time ounces mined, less industrial usage	None (market)
2	United States	dollar	USD	\$5.7 trillion	\$5.73 trillion	Monetary base	Federal Reserve
3	Eurozone	euro	EUR	€4.8 trillion	\$5.23 trillion	Monetary base	European Central Bank
4	China	yuan	CNY	¥37.1 trillion	\$5.21 trillion	Monetary base	People's Bank of China
5	Japan	yen	JPY	¥1675.4 trillion	\$4.40 trillion	Monetary base	Bank of Japan
6	Bitcoin	bitcoin	BTC	819.77 million	\$1.43 trillion	Outstanding supply market cap	None (protocol)
7	United Kingdom	sterling	GBP	£863.6 billion	\$1.12 trillion	Monetary base	Bank of England
8	Silver	tray ounce	AG	30.7 billion oz.	\$1.04 trillion	All-time ounces mined, less industrial usage	None (market)
9	Switzerland	franc	CHF	fr521.5 billion	\$0.60 trillion	Monetary base	Swiss National Bank
10	India	rupee	INR	₹47.0 trillion	\$0.56 trillion	Monetary base	Reserve Bank of India
11	Russia	ruble	RUB	₹25.8 trillion	\$0.26 trillion	Monetary base	Bank of Russia
12	Hong Kong	dollar	HKD	HK\$1.9 trillion	\$0.25 trillion	Monetary base	Hong Kong Monetary Authority
13	Australia	dollar	AUD	AU\$355.6 billion	\$0.23 trillion	Monetary base	Reserve Bank of Australia

Source: Syz Bank

**Chart #6**

**Bitcoin ETFs (spot) have accumulated over one million bitcoin**

As bitcoin trades again above 70,000 dollars, inflows into spot bitcoin ETFs are accelerating, requiring asset managers to accumulate bitcoins. The aggregate number of bitcoins held by these exchange-traded funds has now surpassed one million.

As a reminder, due to a mathematical formula, the total number of bitcoins can never exceed 21 million. With limited supply and growing demand, the price effect is therefore bullish.

U.S. Spot Bitcoin ETFs	
1 : Blackrock (IBIT) .....	429,112
2 : Grayscale (GBTC & Mini)	254,946
3 : Fidelity (FBTC).....	188,588
4 : Ark/21 Shares (ARKB)	50,379
5 : Bitwise (BITB).....	42,507
6 : Van Eck (HODL)	13,152
7 : Valkyrie (VRRR).....	9,193
8 : Invesco (BTCO)	8,679
9 : Franklin Templeton (EZBC)..	7,360
10 : Wisdom Tree (BTCW)	3,749
<b>Total US ETF Holdings.....</b>	<b>1,007,665</b>

30/10/2024 @EdmondsonShaun

Source: Bitcoin magazine on X

**Chart #7**

**U.S. military spending accounts for over 50% of global defense spending**

Despite its flaws, the dollar is not collapsing and remains the world's reserve currency and by far the dominant currency as a medium of exchange. Why? 1) The U.S. share of global GDP remains high (25% as of today); 2) People continue to trust U.S. law; 3) The quality of U.S. assets; 4) The U.S. is a net exporter of oil and liquefied natural gas; 5) The U.S. accounts for over 50% of global defense spending.

Questions:

- 1) Will the new administration reduce military spending?
- 2) Can the U.S. afford all this spending?



Source: Powerful countries

## For further information

---

**Charles-Henry Monchau**, Chief Investment Officer

charles-henry.monchau@syzgroup.com

---

### **Banque Syz SA**

Quai des Bergues 1

CH-1201 Geneva

T. +41 58 799 10 00

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.