

The week in seven charts



Chart #1: \$590 billion dollars of Nvidia market capitalisation erased in one day

[Read more on page 2](#) - Image iStock/asbe

Nvidia's \$590 billion meltdown

Nvidia's market cap dropped, DeepSeek continues to disrupt, and European banks outperformed the Mag 7. Each week, the Syz investment team takes you through the last seven days in seven charts.

Charles-Henry Monchau, CFA, CAIA, CMT

Chief Investment Officer

Chart #1

\$590 billion dollars of Nvidia market capitalisation erased in one day

On Monday, Nvidia experienced the largest single-day market cap drop in stock market history. In fact, it holds the top spot for the six biggest single-day losses ever recorded.

However, the stock managed to recover part of these losses over the course of the week.

Biggest Single-Day Market Cap Losses

	Firm	Biggest single day market cap losses	Date
1	Nvidia	-\$590B	1/27/25
2	Nvidia	-279	9/3/24
3	Meta	-251	2/3/22
4	Nvidia	-228	1/7/25
5	Nvidia	-212	4/19/24
6	Nvidia	-208	6/24/24
7	Amazon	-206	4/29/22
8	Nvidia	-205	7/17/24
9	Nvidia	-205	7/24/24
10	Nvidia	-197	8/29/24

Source: Bloomberg

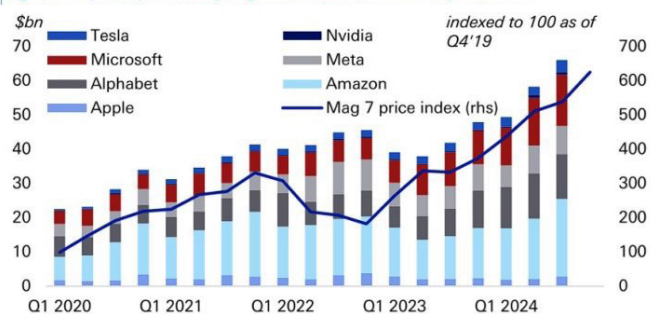
Chart #2

Will US Tech giants continue their huge spending spree on AI hardware & infrastructure with the rise of DeepSeek?

AI hardware and infrastructure have been the biggest winners of the AI boom, with Microsoft, Amazon, Oracle, Google, Meta, and others pouring in massive investments. But with the rise of DeepSeek and other smaller models, these key questions emerge:

1. Will these tech giants stick to their spending forecasts?
2. How will they justify such investments after DeepSeek's release?
3. Could the perceived value shift up the chain toward applications instead?

Figure 2: Capital expenditure by Magnificent Seven cos. vs share price index



Source: Bloomberg Finance LP, Deutsche Bank.

Source: Deutsche Bank thru Ali Dhanji @DhanjiatRJ on X

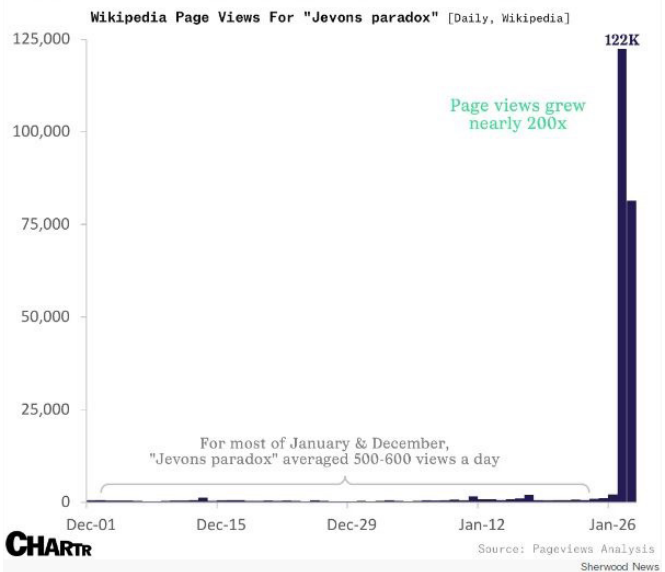
Chart #3

The Jevons paradox

Following DeepSeek's industry-shaking debut, which erased nearly \$600 billion from Nvidia's market cap in a single day, one phrase has become essential in the DeepSeek discourse: Jevons Paradox. Interest in the concept has surged, with traffic to its Wikipedia page skyrocketing this week.

As that very page explains: "...the Jevons paradox occurs when technological advancements make a resource more efficient to use (thereby reducing the amount needed for a single application), however, as the cost of using the resource drops, overall demand increases causing total resource consumption to rise."

Traffic To An Obscure Wikipedia Page About A Paradox Soared This Week



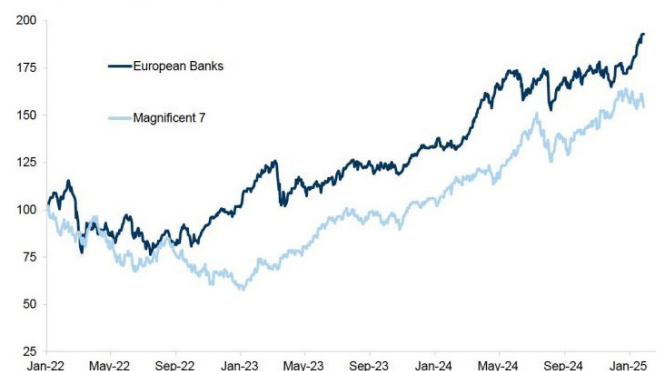
Source: Chart

Chart #4

European banks are outperforming the Mag 7

Can you believe it? While technology grabs many headlines, European banks have outperformed the Mag 7 over the past two years.

Exhibit 16: While technology grabs much of the headlines, over the past couple of years US technology has outperformed together with, for example, European banks
Total return; Indexed to 100 in Jan 2022



Source: Datastream, Goldman Sachs Global Investment Research

Source: Goldman Sachs

Chart #5

What is happening with the Eurozone economy?

Germany and France saw their GDP shrink by 0.2% and 0.1%, respectively, in Q4 2024, while Italy's GDP remained flat for the second straight quarter. As a result, the Euro-area economy failed to grow in the final quarter of 2024.

It is worth noting that Germany has now contracted for two consecutive years in 2023 and 2024.

Euro-Area Economies Ended 2024 on a Bad Note Gross domestic product (QoQ)

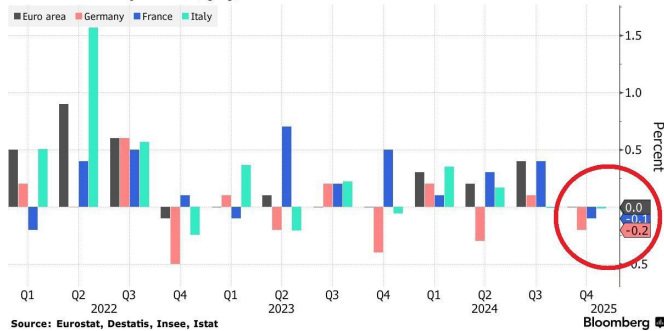


Chart #6

Top 10 countries attracting millionaires in 2024

The United Arab Emirates (UAE) tops the list, attracting 6,700 millionaires, followed by the United States with 3,800 and Singapore with 3,500. Canada welcomed 3,200, while Australia saw 2,500 arrivals. Italy drew in 2,200, Switzerland 1,500, and Greece 1,200. Portugal brought in 800, with Japan closing out the top ten at 400.

Wealth migration underscores the UAE as a prime destination, with other nations vying for a share of the world's affluent movers.

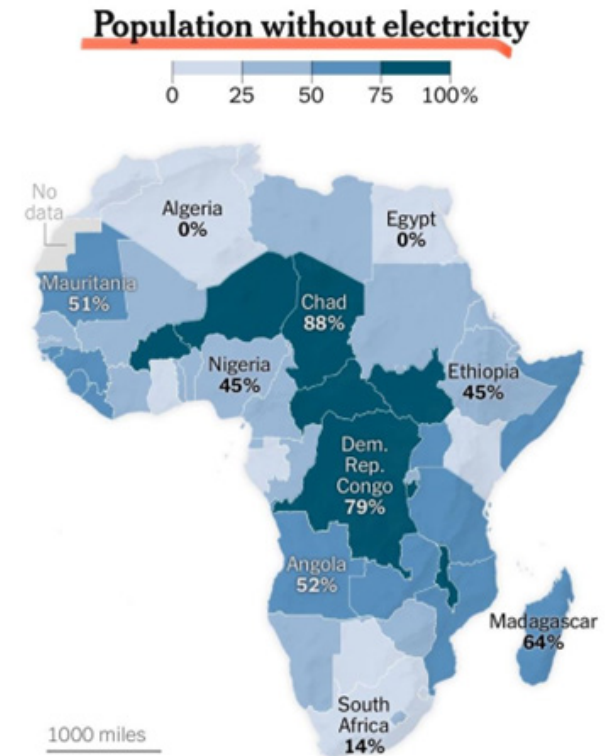


Source: @Globalstats11, MarioNawfal

Chart #7

The most dramatic energy chart you'll ever see

While the world debates artificial intelligence and races to plant a flag on Mars, vast parts of Africa still lack access to something as basic as electricity. Over 600 million people across the continent remain without power.



Source: Alexandro Blasi

For further information

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