The week in seven charts

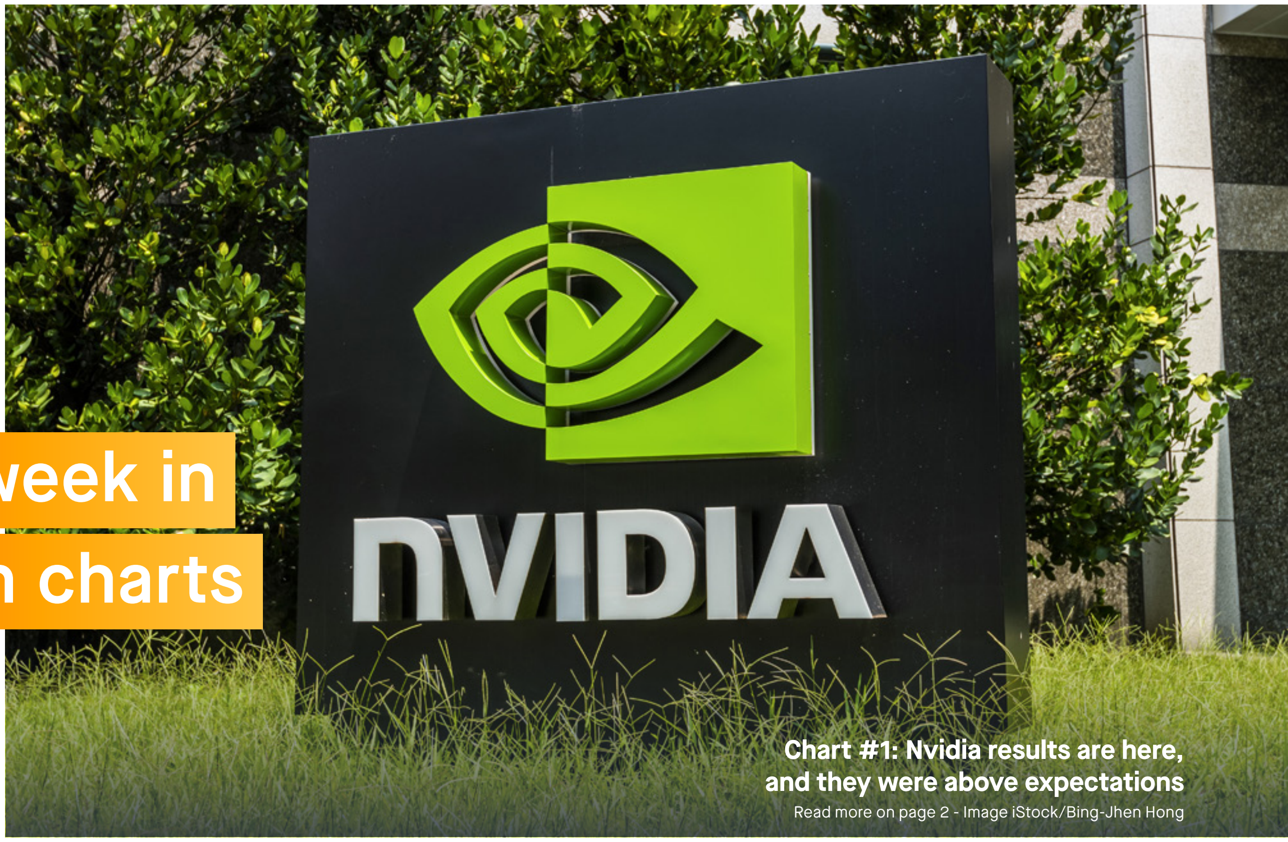

Chart #1: Nvidia results are here, and they were above expectations
Read more on page 2 - Image iStock/Bing-Jhen Hong

Nvidia earnings smash expectations but fail to impress markets

Nvidia crushes expectations, bitcoin reacts to liquidity crunch, and the Fed's recession alarm blinks red!
Each week, the Syz investment team takes you through the last seven days in seven charts.

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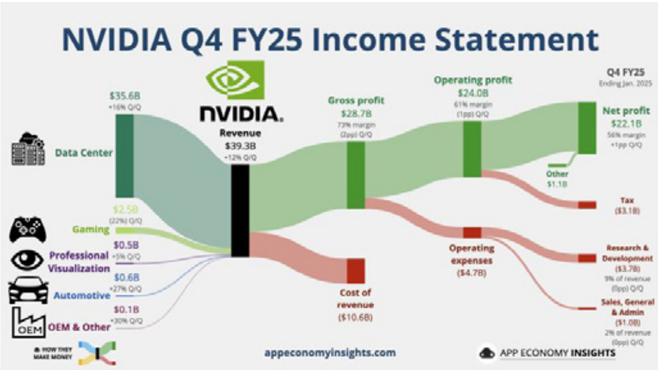
Chief Investment Officer

Syz PRIVATE BANKING

Chart #1

Nvidia results are here, and they were above expectations

Nvidia's Q4 revenue surged 78% to $39.3B, fuelled by strong AI-driven data centre demand. Full-year revenue reached $130.5B, up 114%. While gross margin came in at 73%, slightly down on an annual basis, the company still delivered a notable operating margin of 61%. Nvidia projects $43B in Q1 FY26 revenue, around 65% annual growth, a slowdown from the prior year's exceptionally high rate



Source: CNBC, App Insights

Chart #2

It's the liquidity, stupid...

Bitcoin $BTC is finally catching up with the drop of liquidity – with a 10-week lag. The good news is that Global M2 is accelerating again, but due to the lag risk assets should resume uptrend later –all other things being equal of course.

Source: Bloomberg, Joe Consorti

Chart #3

The Fed's favourite recession indicator flashes red

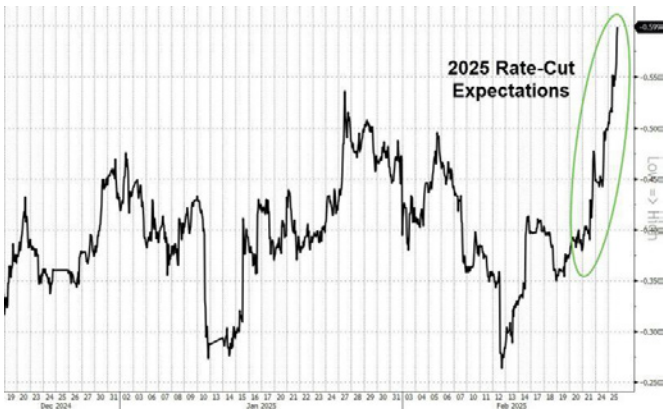
The 10-year Treasury yield slipped below the 3-month note, creating an inverted yield curve, an event with a strong track record of predicting economic downturns. While there's no guarantee of a recession this time, investors worry that ambitious growth targets may not be met. Historically, inversions have been reliable but not infallible signals; the previous one in October 2022 has yet to coincide with an official recession.

Source: CNBC

Chart #4

2025 rate cut odds

Just two weeks ago, the market was expecting a single rate cut for 2025. Now, it anticipates more than two, highlighting a swift pivot in monetary policy expectations. The shift suggests traders see mounting evidence that an easing cycle could be on the horizon.



Source: zerohedge

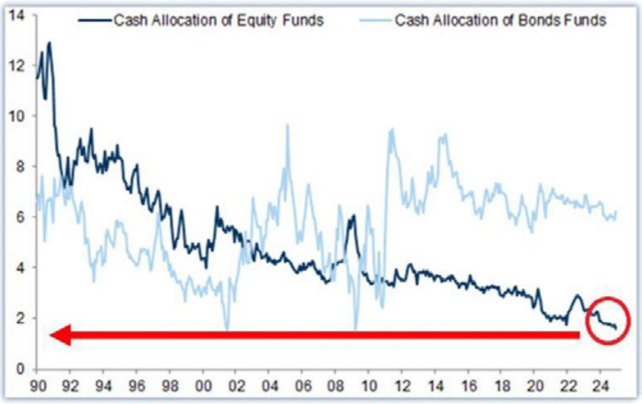
Chart #5

Cash is trash, according to US equity funds

Cash allocation of US equity funds has declined to just ~1.5%, the lowest on RECORD. The Fear of Missing Out (FOMO) has never been greater, creating downside risk.

Exhibit 38 : Cash allocation of equity and bond funds

US domiciled funds (as of Dec-24)



Source: ICI, Haver, Goldman Sachs Global Investment Research

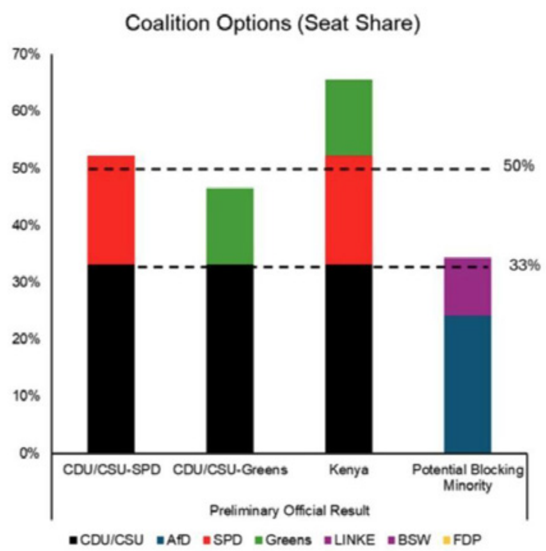
Source: Global Markets Investor, Goldman Sachs

Chart #6

Germany political situation summarised in one chart

A CDU/CSU and SPD coalition holds a clear majority with 328 out of 630 seats. However, fringe parties AfD and Linke have a blocking minority of 216 seats, making it harder to revise the debt brake. Still, defence spending can be arranged through European mechanisms, bypassing the German debt brake, and the Left Party is likely to support changes for infrastructure investment in Germany.

Exhibit 2: CDU/CSU-SPD Coalition is the Most Likely Outcome



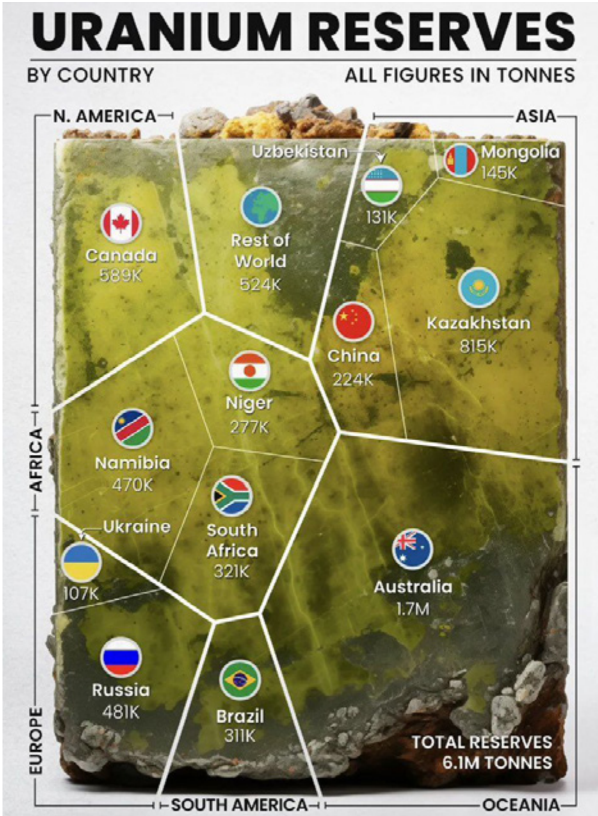
Source: Goldman Sachs Global Investment Research, Bundeswahlleiterin

Source: HolgerZ, Goldman Sachs

Chart #7

Uranium reserves by country

A handful of countries dominate the uranium market: Australia tops the list with over 1.2 million tonnes, while Kazakhstan, Canada, and Russia also boast significant deposits. As nations seek low-carbon power, competition for these key reserves could heat up.



Source: Rick Rule Rhetoric

For further information

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