

Chart of the week

There's nothing bearish about this market yet

This looks like a rather positive combination:

- 1) The S&P 500 has held its rising channel support
- 2) Oil has been declining after rejecting its downtrend line
- 3) The 10-year Treasury yield is also showing signs of weakness

Is the stage being set for the next move higher in the markets?



Source: Game of Trades

Weekly Summary

Big Taper, Bad Data, & Buyback Bonanza

After a volatile week, the main US equity indices ended in positive territory thanks to a strong rally on Friday after a softer-than-expected April jobs report boosted hopes that the Fed could start cutting interest rates soon. Overall, US data have been surprising on the downside recently and markets are now pricing in two full Fed rate cuts in 2024 and three more cuts in 2025. Over the week, growth stocks outperformed value shares and small-caps outpaced large-caps. It was the 2nd-busiest week of Q1 earnings reports and a positive reception to Apple's earnings release after the close of trading on Thursday seemed to help drive a rebound in overall sentiment. The company beat consensus revenue expectations and announced a \$110 billion buyback program, the largest such repurchase in history. Investors' sentiment was also boosted by the FOMC statement and conference call on Wednesday as Jay Powell pushed back against stagflation worries and announced a larger than expected QT tapering starting in June. A more dovish than expected Fed and the evidence of a cooling jobs market helped push the US 10-year yield to an intraday low of around 4.45% on Friday, its lowest level in nearly a month. The pan-European STOXX Europe 600 Index ended the week 0.48% lower, the Nikkei 225 Index rose 0.8% while the Shanghai Composite Index gained 0.52%. Crude Oil suffered its largest weekly drop in 3 months. Gold and the dollar weakened while bitcoin bounced back above \$62k on Friday.

#GLOBALMARKETS WEEKLY WRAP-UP

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04 MAY 2024

#markets

#weekly #markets #stats

| INDEX | CLOSE | WEEK | YTD |
|------------------------------|---------|-------|-------|
| Dow Jones Industrial Average | 38,676 | 1.1% | 2.6% |
| S&P 500 Index | 5,128 | 0.5% | 7.5% |
| NASDAQ | 16,156 | 1.4% | 7.6% |
| MSCI EAFE* | 2,284 | 0.4% | 2.1% |
| 10-yr Treasury Yield | 4.50% | -0.2% | 0.6% |
| Oil (\$/bbl) | \$78.13 | -6.8% | 9.0% |
| Bonds | \$96.19 | 0.9% | -2.4% |

Source: FactSet, 5/3/2024. Bonds represented by the iShares Core U.S. Aggregate Bond ETF. Past performance does not guarantee future results. *4-day performance ending on Thursday.

Source: Edward Jones





#sp500 #2024

This chart shows the year-to-date performance of the S&P 500 Index. Past performance does not guarantee future results.

S&P 500 year-to-date



Source: FactSet, S&P 500 Index.

Source: Edward Jones



#GLOBALMARKETS WEEKLY WRAP-UP

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#us #equities #technicals

All the majors rallied up to their 50DMAs but were unable to breakout...



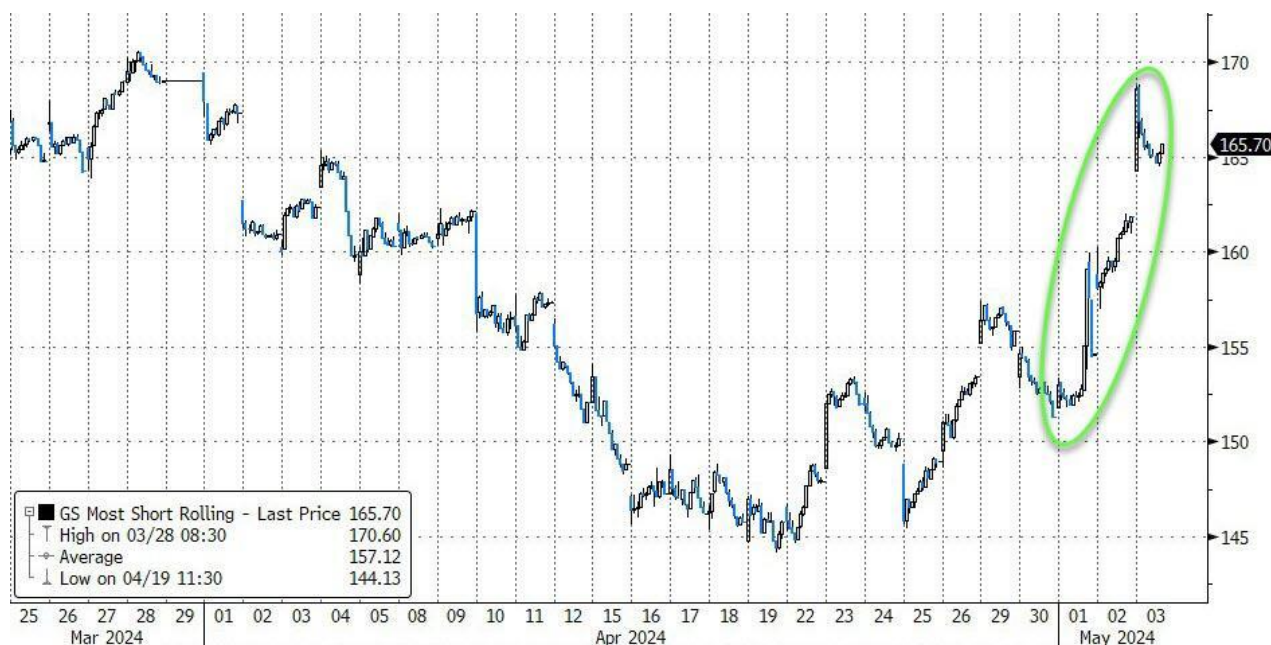
Source: www.zerohedge.com, Bloomberg





#us #most-shorted

'Most Shorted' stocks suffered the biggest squeeze in two months (and biggest two-week squeeze since Jan 2023)...



Source: www.zerohedge.com, Bloomberg

#GLOBALMARKETS WEEKLY WRAP-UP

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04 MAY 2024

#markets

#sp500 #weekly

The week for the S&P 500 in one chart



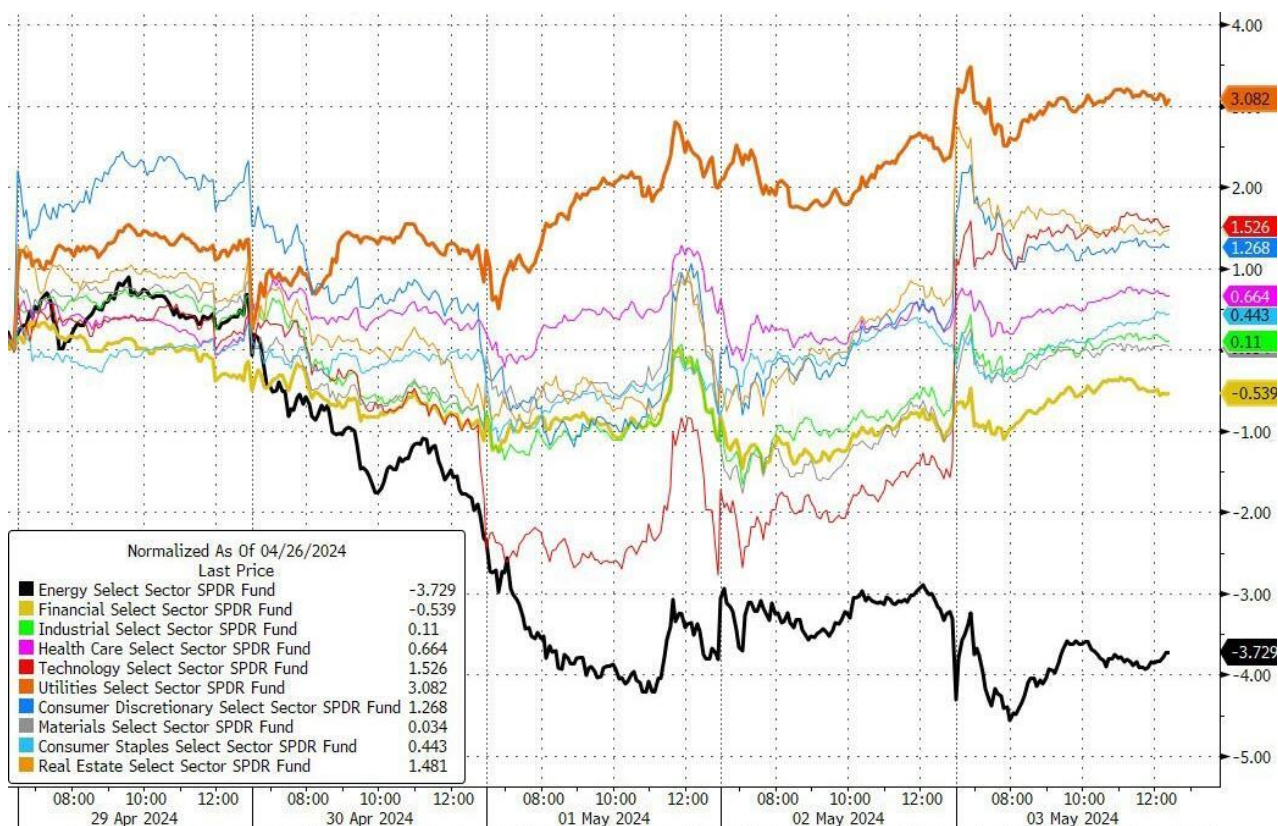
Source: Trend Spider





#us #equities #sectors #weekly

Utilities outperformed over the week (while energy lagged) as the 'Next AI Trade' goes mainstream. Financials were also red on the week...



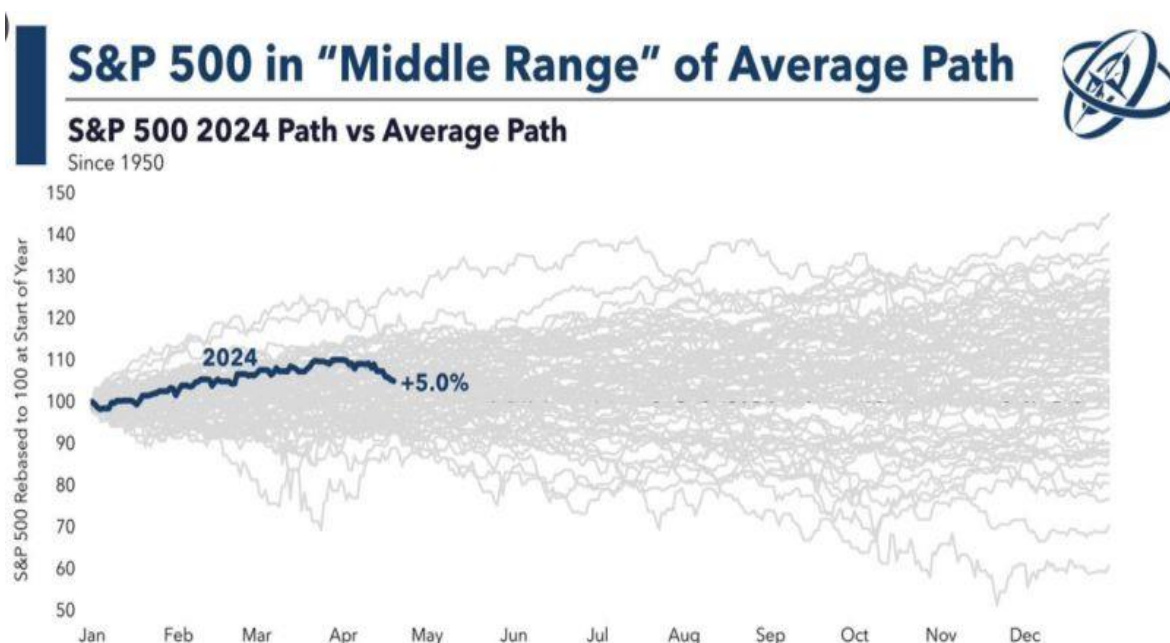
Source: www.zerohedge.com, Bloomberg





#sp500 #performance

This year's S&P 500 performance is about average



Source: dailychartbook

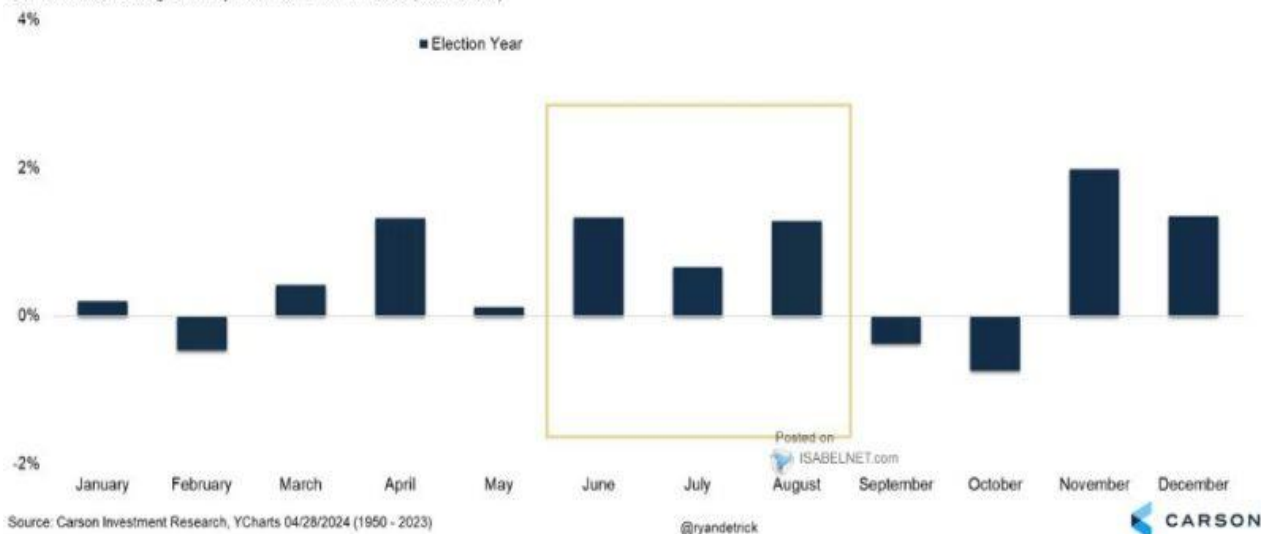


#us #equities #elections

In election years, historical data shows that the S&P 500 tends to perform very well during the months of June, July, and August.

Summer Rallies Are Common In Election Years

S&P 500 Index Average Monthly Returns In Election Years (1950 - 2023)



Source: carson, isabelnet

#sell-may #history

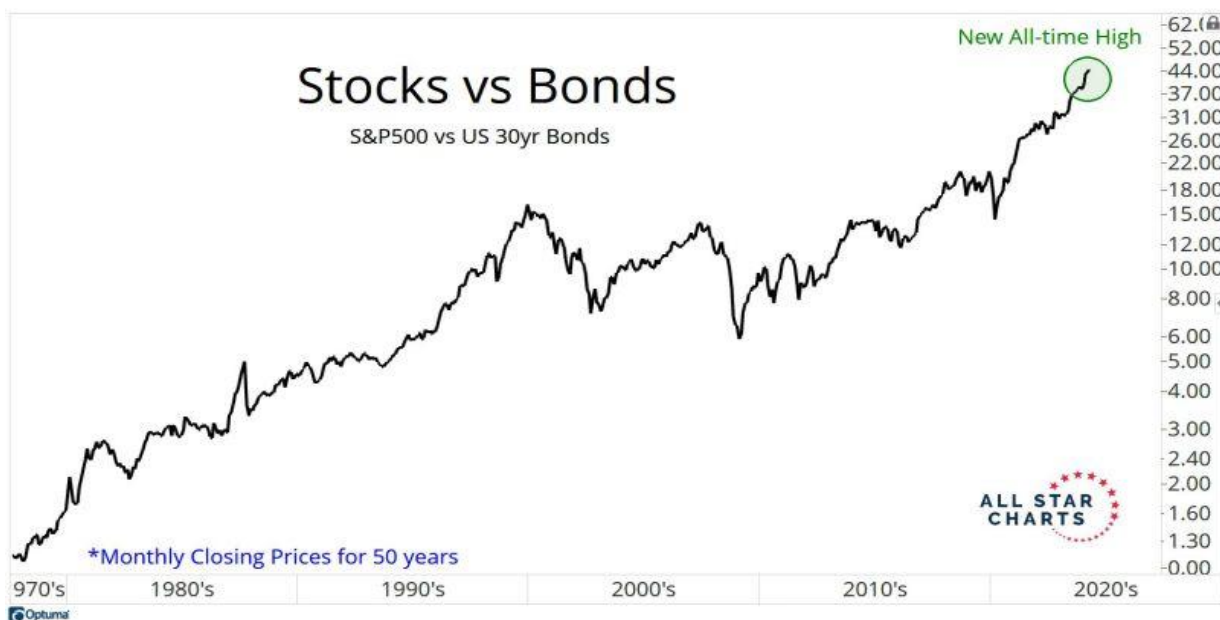
An old adage says investors should “Sell May And Go Away.” The historical analysis suggests summer months of the market tend to be the weakest of the year. The mathematical statistics prove this as \$10,000 invested in the market from November to April vastly outperformed the amount invested from May through October. Interestingly, the max drawdowns are significantly larger during the “Sell In May” periods. Previous important dates of major market declines occurred in October 1929, 1987, and 2008. However, not every summer works out poorly. Historically, there are many periods where “Sell In May” did not work and markets rose. 2020 and 2021 were examples where massive Fed interventions pushed prices higher in April and subsequent summer months. However, 2022 was the opposite as April declined sharply.





#stocks #bonds #allocation

One of the most important chart in the asset allocation decision process: stocks vs. long duration US Treasuries. The trend is your friend



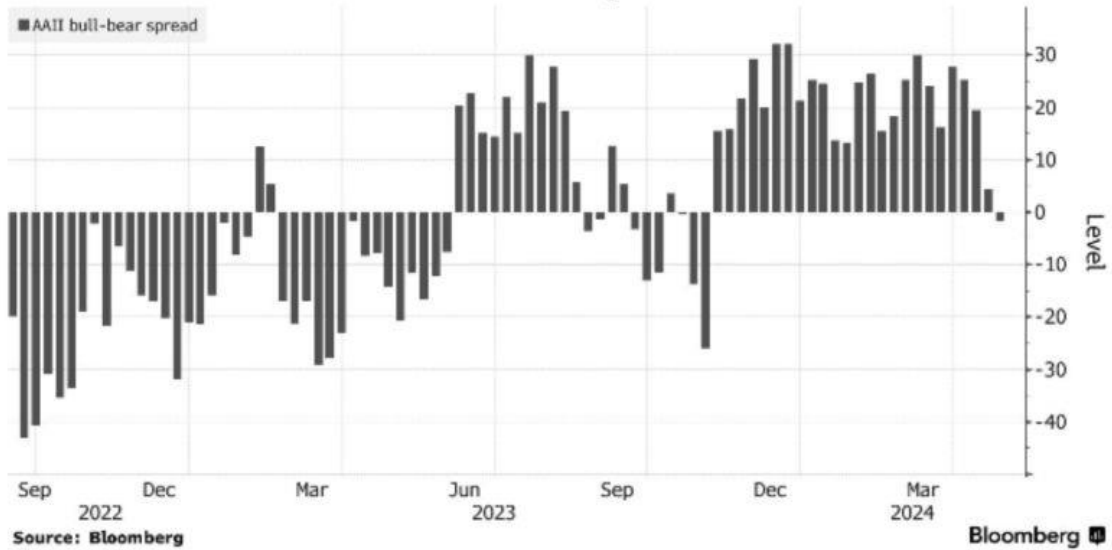
Source: J-C Parets



#us #equities #sentiment

Retail Investors are now the most pessimistic about stocks since November.

Retail Investors Optimism Hits a Wall as Market Rally Stalls
Individuals are mixed on the outlook for US equities



Source: bloomberg, barchart





#us #equities #positioning

Asset Managers are the most long U.S. equity Futures in AT LEAST the last 12 years 🙄

Figure 6: Positions in US Equity futures by Asset Managers



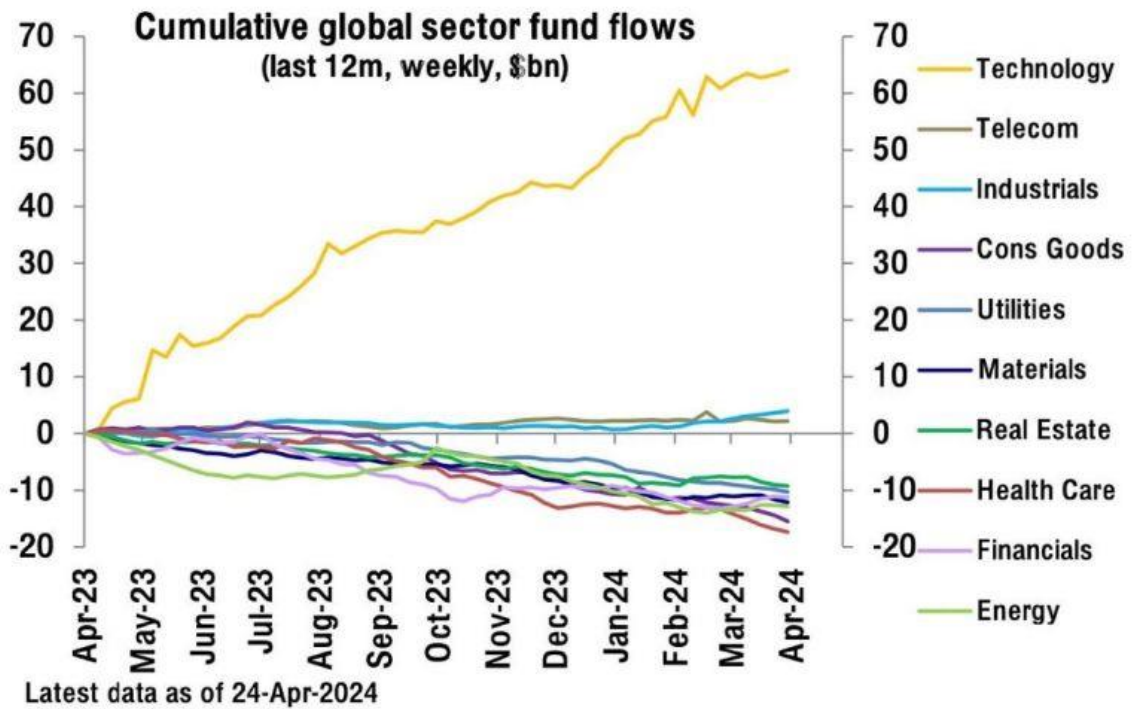
Source: J.P Morgan Flows and Liquidity Team

Source: Barchart, JP Morgan



#fund-flows #tech

Fund flows: there is tech and the beaten rest...



Source: Michel A.Arouet





#sp500 #market-cap

The Top 10 companies are now a record 35% of the S&P market cap.



Source: BofA

#sp500 #trading

Bespoke about yesterday's last hour of trading => "Based on the history, with the index up 113 bps at 3:00pm, the SP500 had a 99% chance of closing green. Its failure to do so is a remarkable stumble, to say the least."



Source: Bespoke



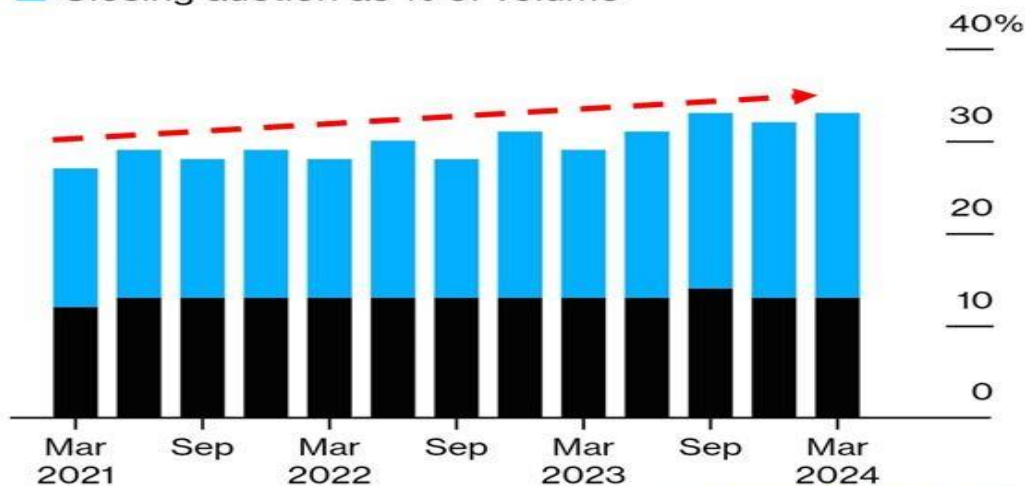
#sp500 #trading

~33% of all S&P 500 stock trades are now executed in the last 10 minutes of the trading session. This is up from ~27% in 2021 and has been steadily increasing over the last few months. The entire trading session lasts for 390 minutes, but ONE THIRD of all trades are done in the last 10. Interestingly, assets of passive equity funds such as ETFs have risen to nearly \$12 trillion in the US, according to Bloomberg. These funds usually execute their trades near the end of a trading session. This explains the significant spike in volatility at the end of the day.

Just Wait For It

S&P 500 stocks are increasingly executed at the close

- Last 10 mins as % of volume
- Closing auction as % of volume



Source: BestEx Research

@KOBESSILETTER
Bloomberg

Source: The Kobeissi Letter, Bloomberg





#sp500 #earnings

This chart shows the twelve-month consensus estimates for S&P 500 EPS. Past performance does not guarantee future results.

S&P 500 earnings per share

Forward 12-mo. estimate



Source: FactSet, forward twelve-month consensus S&P 500 EPS estimates.

Source: Edward Jones



#sp500 #earnings

72% EPS beat rate so far. 6.6% EPS growth SPX ex-Fins & Energy

Exhibit 4: % of S&P 500 companies beating consensus expectations on 1Q24 EPS and sales

Results from companies that have reported 1Q earnings

| Sector | Total companies | Number Reported | % with EPS beat | % with Sales beat | % EPS & Sales beat |
|--------------------|-----------------|-----------------|-----------------|-------------------|--------------------|
| Cons. Disc. | 53 | 23 | 74% | 57% | 52% |
| Cons. Staples | 38 | 15 | 87% | 67% | 67% |
| Energy | 23 | 10 | 50% | 60% | 40% |
| Financials | 71 | 50 | 64% | 58% | 44% |
| Health Care | 64 | 25 | 88% | 88% | 76% |
| Industrials | 78 | 42 | 71% | 40% | 33% |
| Tech | 65 | 25 | 88% | 64% | 64% |
| Materials | 28 | 13 | 62% | 62% | 46% |
| Real Estate | 31 | 8 | 63% | 50% | 38% |
| Comm. Svcs. | 19 | 10 | 80% | 50% | 50% |
| Utilities | 30 | 7 | 43% | 29% | 0% |
| S&P 500 | 500 | 228 | 72% | 58% | 49% |

Source: FactSet, BofA US Equity & US Quant Strategy

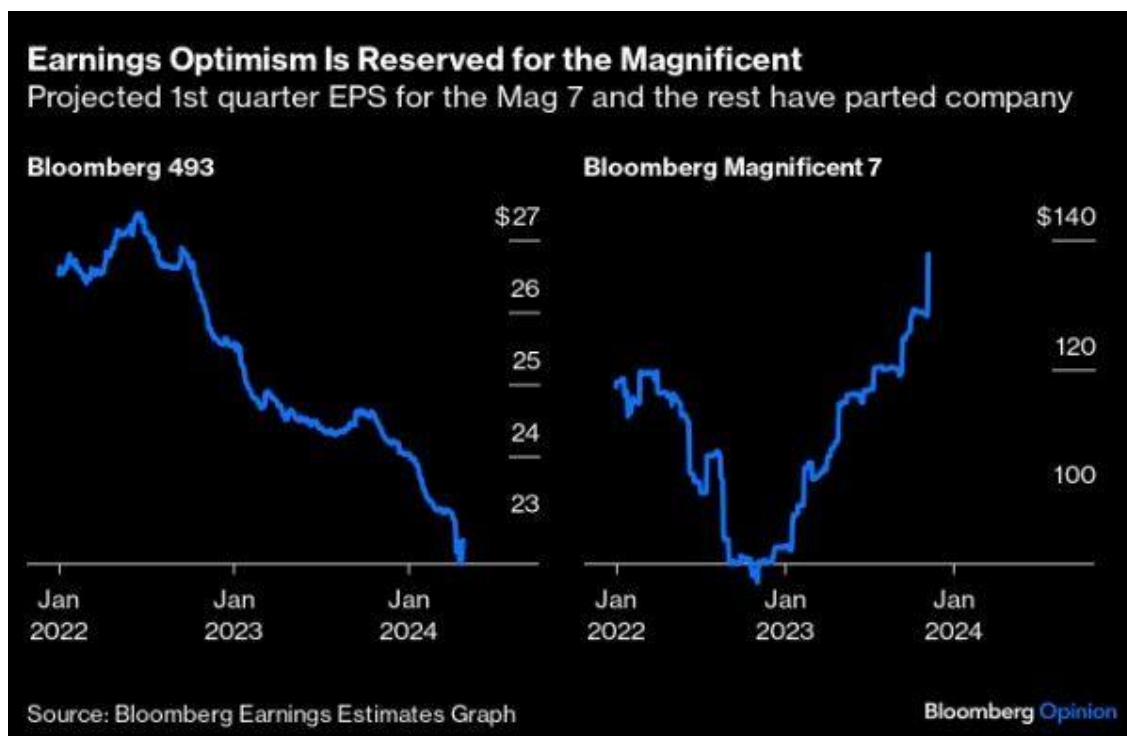
BofA GLOBAL RESEARCH

Source: Mike Zaccardi, BofA



#sp500 #earnings

Projected Q1 earnings for the S&P 500 ex-Mag 7 (left-hand chart) vs. Projected Q1 earnings for the Mag 7...



Source: Bloomberg

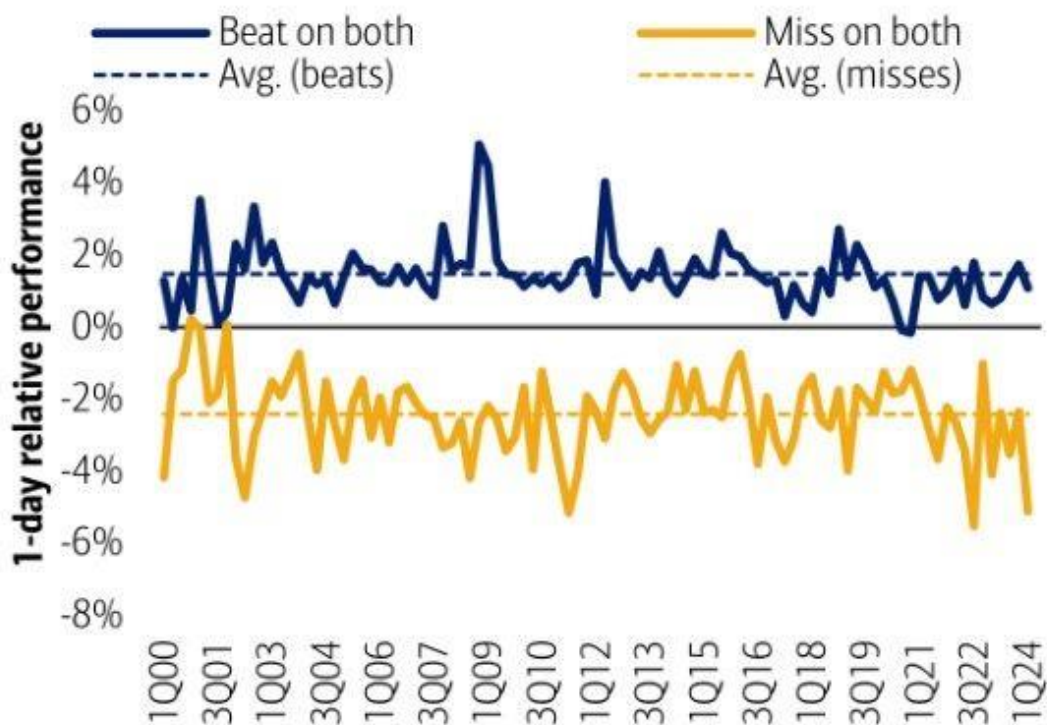


#sp500 #earnings

US earnings season update >>> Double beats are being rewarded by less than the historical average while double misses are being punished by more than usual.

Exhibit 35: Misses got punished much more than usual

Rel. 1-day post-reporting performance (vs. S&P 500) on EPS & sales surprise (1Q00-4Q23 as of 4/26/24)



Source: BofA US Equity & Quant Strategy, FactSet

Source: BofA

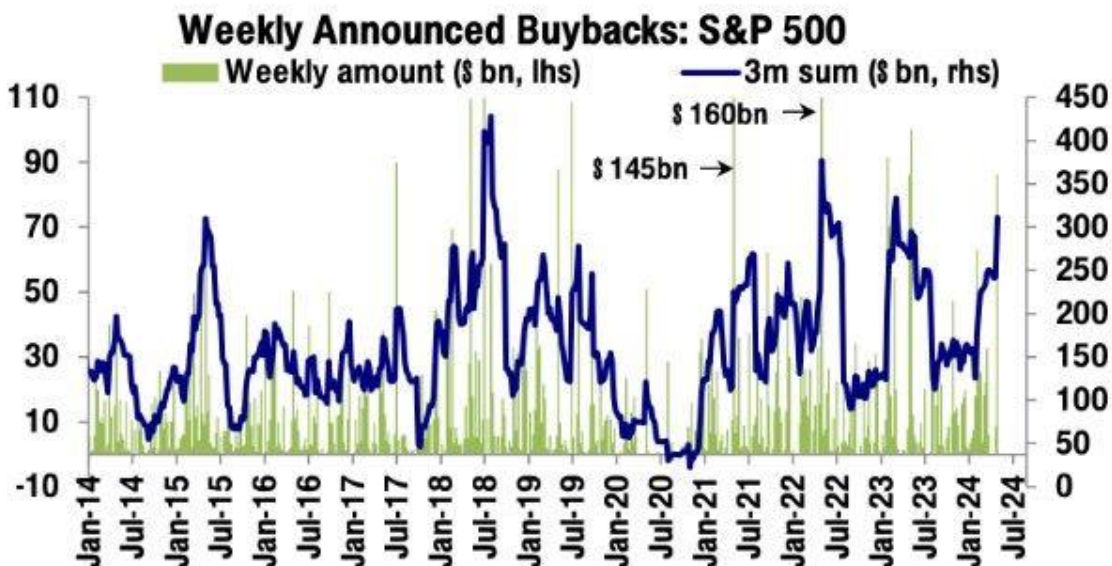




#sp500 #buyback-announcements

Halfway thru earnings season and buyback announcements are ticking up.. DB notes \$85B announced last week.

Figure 159: S&P 500 weekly announced buybacks



Source : Bloomberg Finance LP , Deutsche Bank Asset Allocation

Source: DB



#apple #buyback #earnings

Apple \$AAPL is back! The stock closed above its 200D moving average for the first time since February. Apple reported quarterly revenue of \$90.8 billion and EPS of \$1.53, both of which were above expectations. However, revenue in Greater China was down by 8.1% and iPhone sales fell 10%. Apple did not provide formal guidance, but Apple CEO Tim Cook said that overall sales would “grow low single digits” during the June quarter. Apple announced that its board had authorized \$110 billion in share repurchases, a 22% increase over last year’s \$90 billion authorization. It’s the largest in history

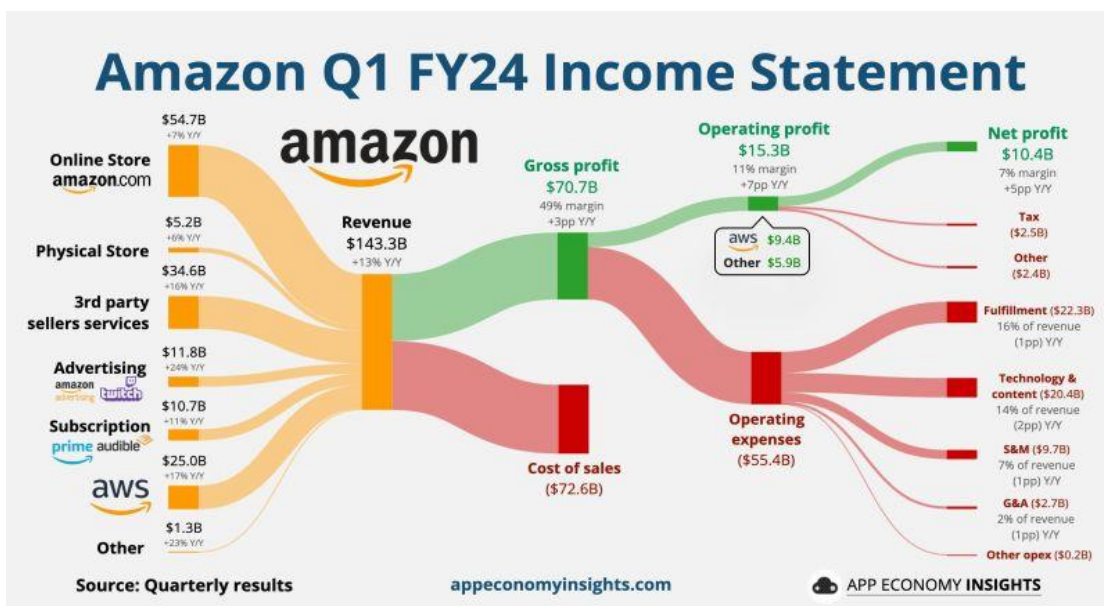


Source: The Kobeissi Letter, Barchart



#amazon #earnings

Amazon reported better-than-expected earnings and revenue for the first quarter, driven by growth in advertising and cloud computing. Amazon expects a continued jump in profitability for the second quarter but at a more measured pace. The company said operating income will be \$10 billion to \$14 billion, up from \$7.7 billion a year earlier. \$AMZN Amazon Q1 FY24: Revenue +13% Y/Y to \$143B (\$0.7B beat). Operating margin 11% (+7pp Y/Y). FCF \$50B TTM. Earnings per share: 98 cents vs. 83 cents expected by LSEG. AWS: Revenue +17% Y/Y to \$25.0B. Operating margin 38% (+14pp Y/Y). Q2 FY24 Guidance: Revenue ~\$144-\$149B (\$150B expected), representing growth of 7% to 11%.

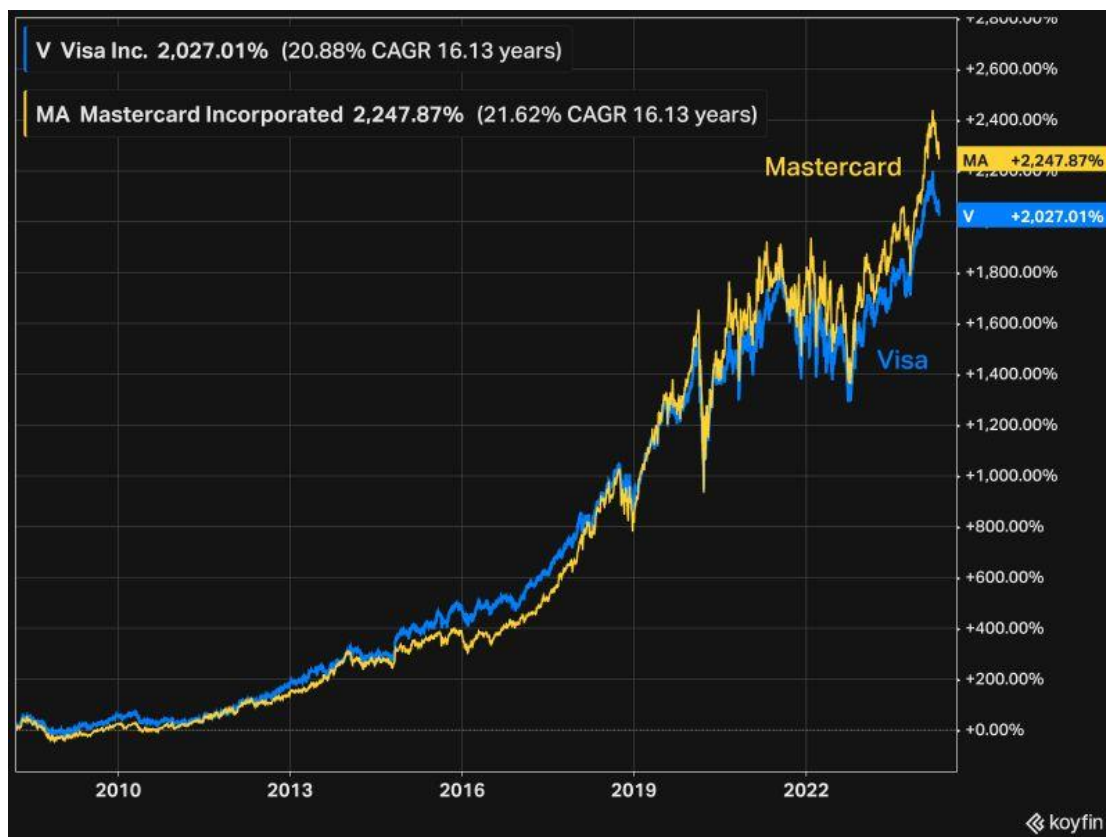


Source: App Economy Insights



#mastercard #visa

16 years of Mastercard vs Visa. Both \$MA (21.6%) and \$V (20.9%) have remarkable CAGRs over that period. They have been pretty correlated throughout the period, taking over the world in unison.



Source: Bloomberg, KoyfinCharts

#GLOBALMARKETS WEEKLY WRAP-UP

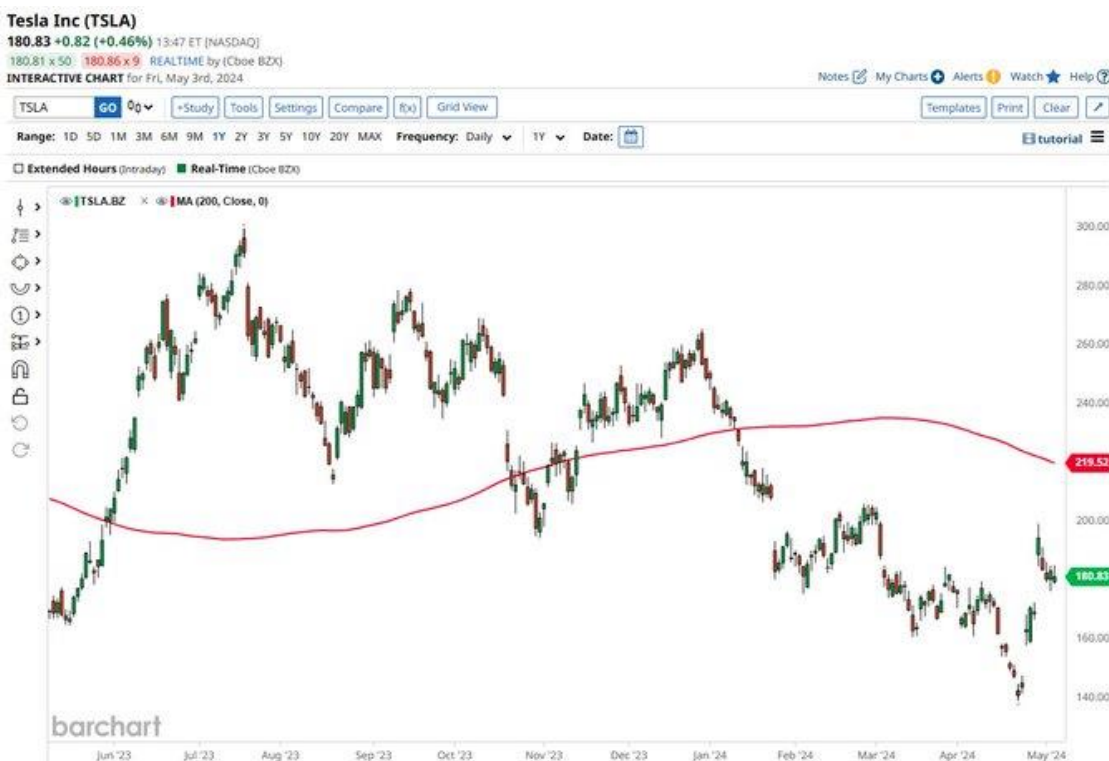
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#tesla #technicals

Tesla \$TSLA is now the only Magnificent 7 stock trading below its 200D moving average. Should it be kicked out of the group?



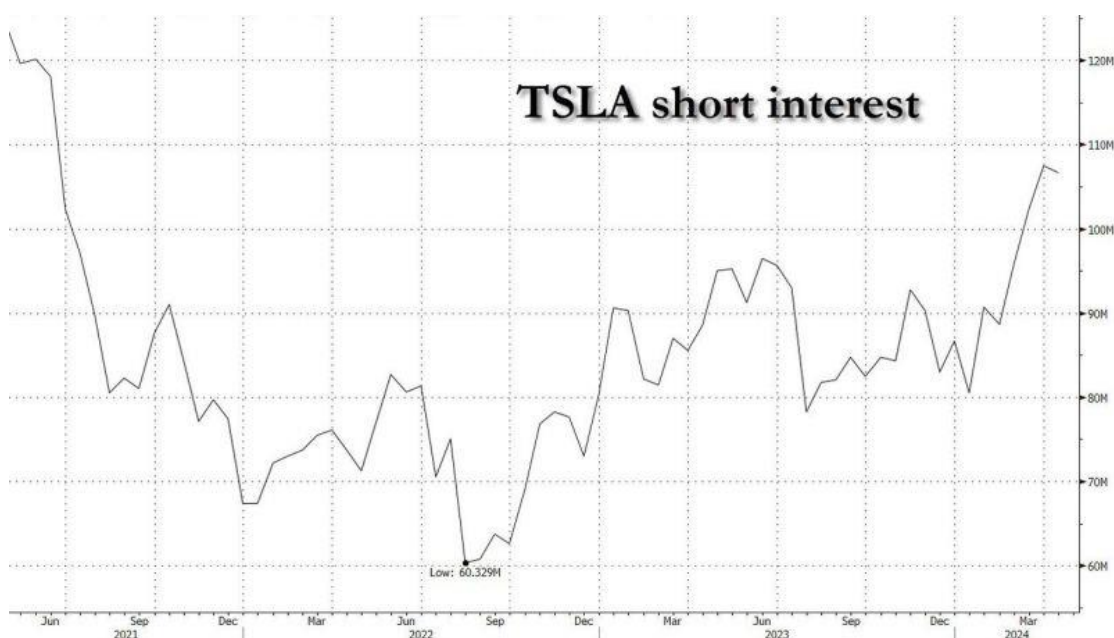
Source: Barchart





#tesla #short-interest

Beware tesla shorts... the short interest is at 3-year high.



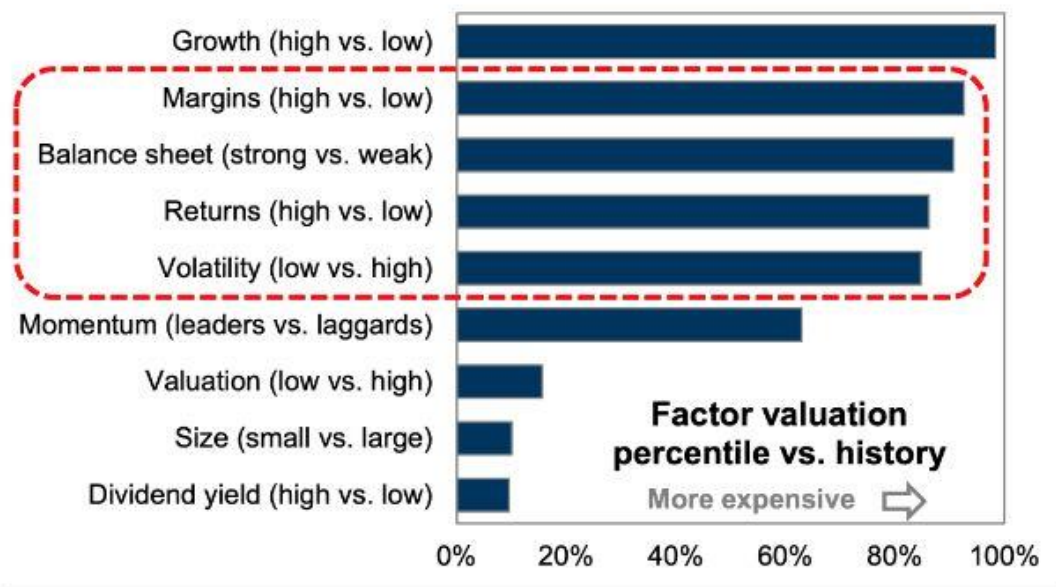
Source: Bloomberg, www.zerohedge.com



#quality #valuation-premium

Quality is not cheap...

Exhibit 5: "Quality" factors trade at a valuation premium vs. history
as of April 25, 2024; percentile since 1980



Source: FactSet, Goldman Sachs Global Investment Research

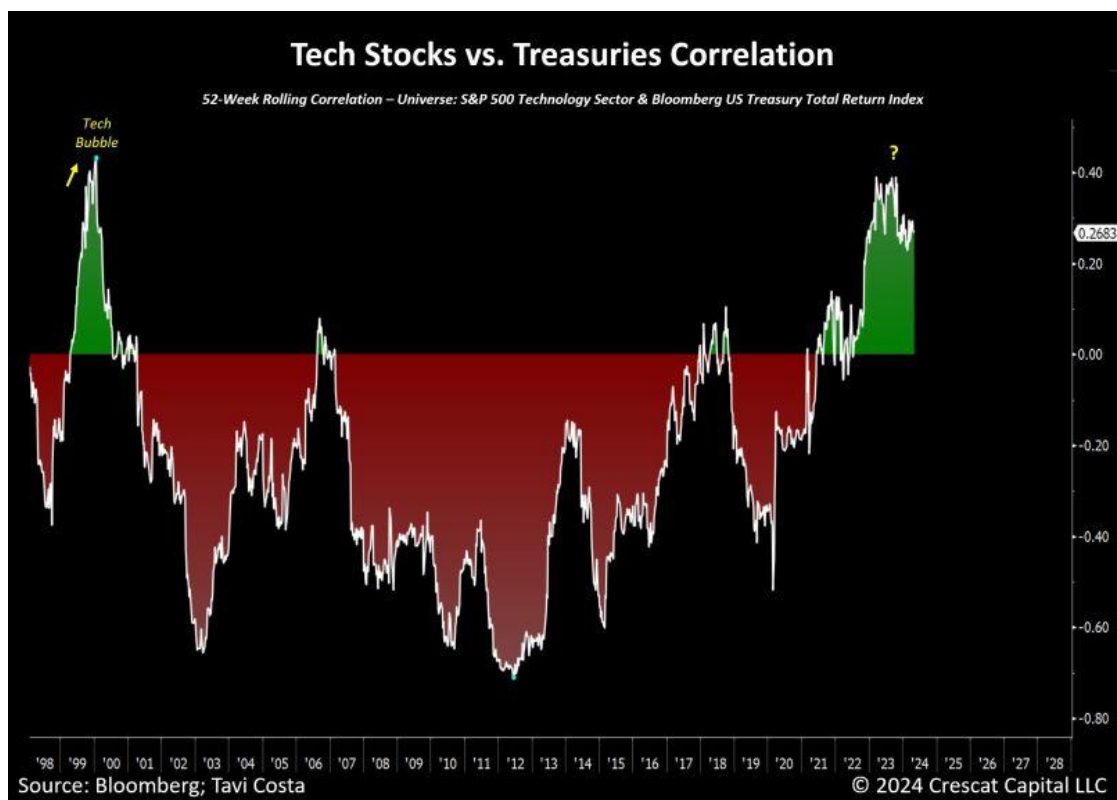
Source: Goldman





#tech-treasuries #correlation

The correlation between tech stocks and treasuries is now as positive as it was during the peak of the tech bubble in early 2000. This issue strikes at the heart of conventional 60/40 portfolios, as the risk of overweighting these two asset classes has significantly increased.



Source: Tavi Costa, Bloomberg, Crescat Capital



#germany #dax

Achtung DAX. DAX is forming the largest down candle in a long time. Note the 50-day, as well as the short-term trend line, converging at this point.



Source: tme, refinitiv

#europe #banks #profit

European banks are apparently doing brilliant business in Russia... In 2023, they paid 4 times more taxes to the Russian state than they did before the war in Ukraine... According to the FT, Deutsche Bank has increased its profits in Russia from €26mln before the war to €40mln in 2023, while Commerzbank has more than tripled its profits to €51mln. The German state holds a 15.8% stake in Commerzbank. Italian and Austrian banks are doing a killing as well... Western lenders have benefited from the imposition of sanctions on most of the Russian financial sector, which has denied access to the Swift international interbank payment system. That made international banks a financial lifeline between Moscow and the West.

European banks increase profit and tax in Russia

| Bank | Country | 2021 Profit (€mn) | 2023 Profit (€mn) | 2021 Tax (€mn) | 2023 Tax (€mn) |
|-------------------------------|-------------|-------------------|-------------------|----------------|----------------|
| Raiffeisen Bank International | Austria | 591 | 1,805 | 117 | 464 |
| UniCredit | Italy | 209 | 658 | 44 | 154 |
| OTP | Hungary | 128 | 338 | 26 | 90 |
| Intesa Sanpaolo | Italy | 7 | 138 | 2 | 27 |
| ING Groep | Netherlands | 3 | 151 | -7 | 20 |
| Commerzbank | Germany | 15 | 51 | 3 | 8 |
| Deutsche Bank | Germany | 26 | 40 | 6 | 16 |

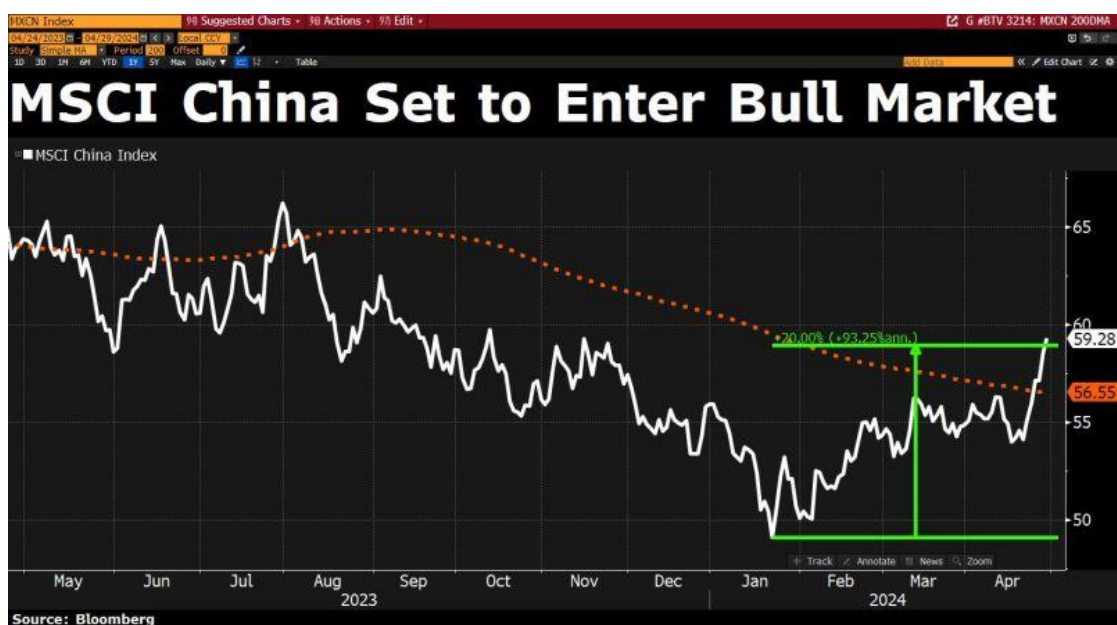
Source: Company filings

Source: FT, HolgerZ



#china #equities #bull-market

Chinese stocks catching a very strong bid Monday. The most-followed China stock index globally (MSCI China) is set to enter a bull market (note though it's still a long way back to the top).



Source: David Ingles, Bloomberg





#kweb #performance

Always a Bull to Chase. KWEB is leaving SPY and QQQ way behind. Chart YTD in %.



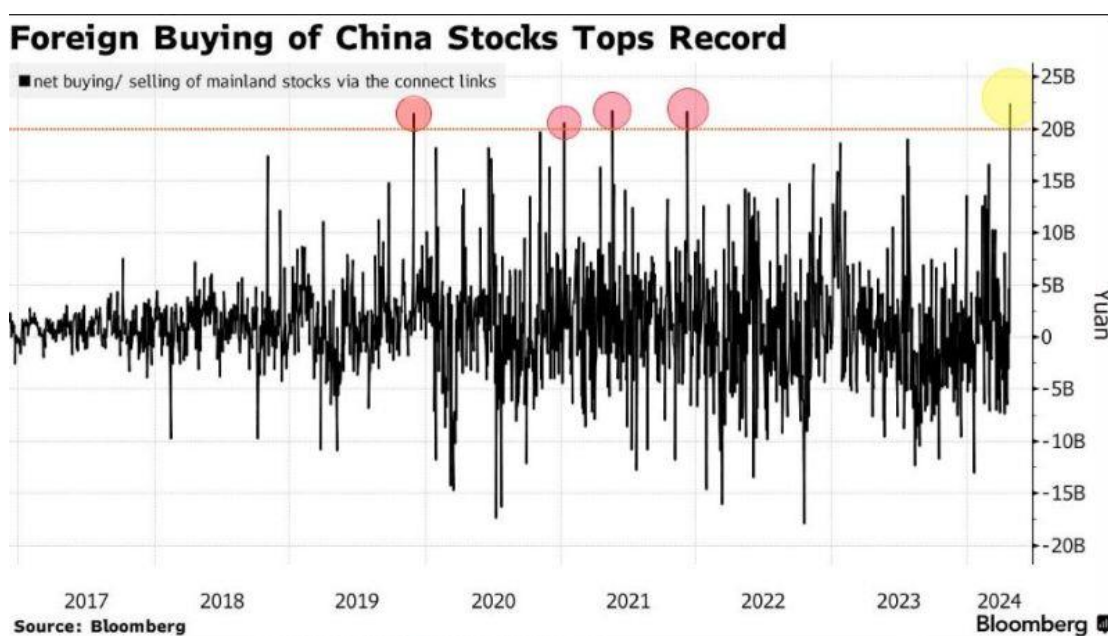
Source: zerohedge





#china #equities #flows

Chinese Stocks Draw Record \$3 Billion Influx by Global Funds



Source: bloomberg



#markets

#alibaba

Apple is rallying on a buyback that could retire 4% of the shares if it doesn't move the stock price. Revenue declined 4.3% last quarter.

Alibaba bought back 2.6% of its shares last quarter--10.4% on an annualized basis--and its revenue is still rising.

| | SHARES BOUGHT | SHARES OUTSTANDING AT BEGINNING OF QUARTER | % OF SHARES OUTSTANDING RETIRED |
|----------------|--------------------|--------------------------------------------|---------------------------------|
| ALIBABA | 520 million | 19.989 billion | 2.6% 🤪 |
| Amazon | 0 | 10.33 billion | 0% |
| Apple | 118 million | 15.6 billion | 0.75% |
| Google | 124 million | 13.9 billion | 0.89% |
| JD | 7.5 million | 1.585 billion | 0.47% |
| PDD | 0 | 1.37 billion. | 0% |

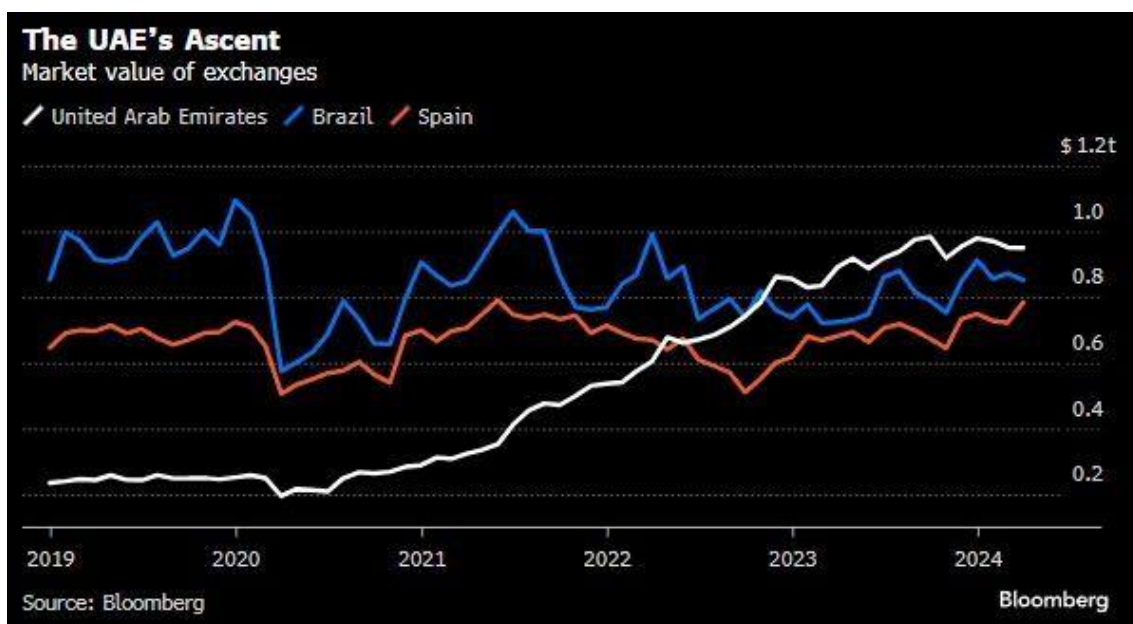
*note: I am using a Q1 total for Alibaba, Q4 totals for the others--only BABA has voluntarily disclosed Q1 buybacks.

Source: A.J. Button

#markets

#uae #stock-market

The UAE's ascent. Do you know that the UAE's stock markets have a larger market capitalization than Brazil's or Spain's? Do you also know that the UAE's IPOs have been 2nd worldwide in raising capital?



Source: [Ryan Lemand, PhD](#), Bloomberg

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#us #treasuries #weekly

Bonds were also bid all week with yields down 12-20bps as the short-end outperformed...



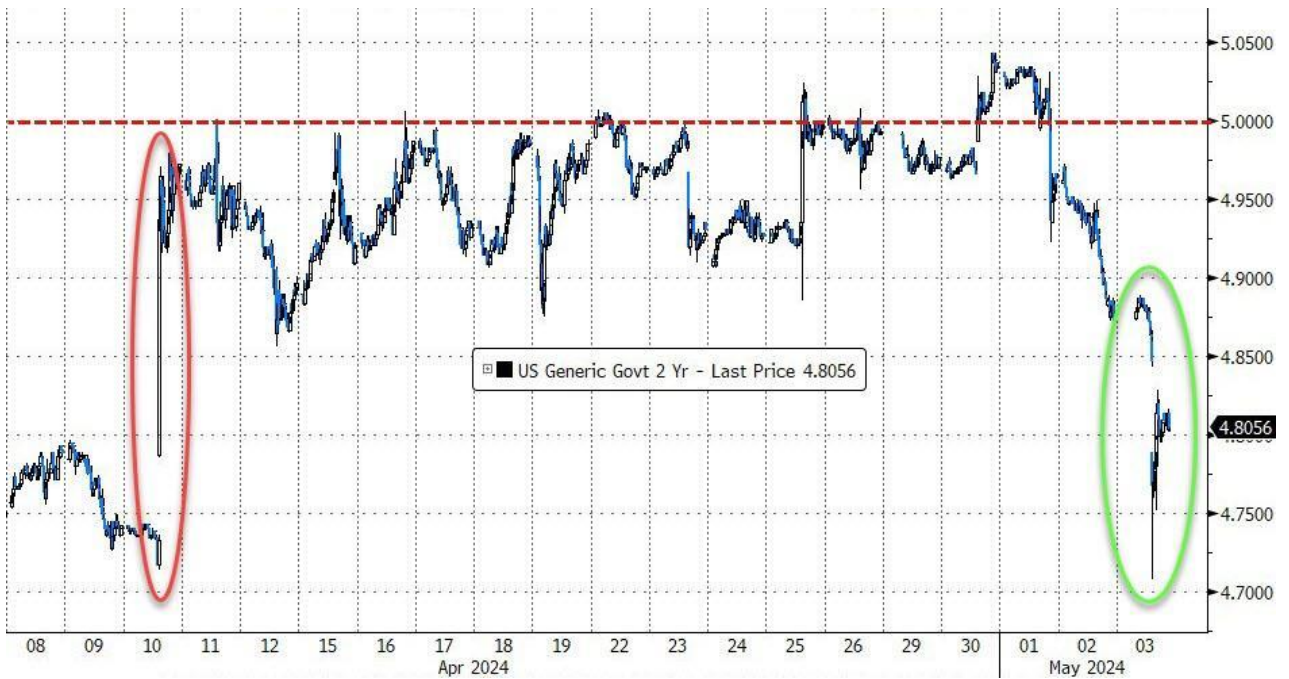
Source: www.zerohedge.com, Bloomberg





#us #treasury-yield #2y

2Y yields at 5.00% were thoroughly rejected as yields plunged today back below pre-CPI spike levels.



Source: www.zerohedge.com





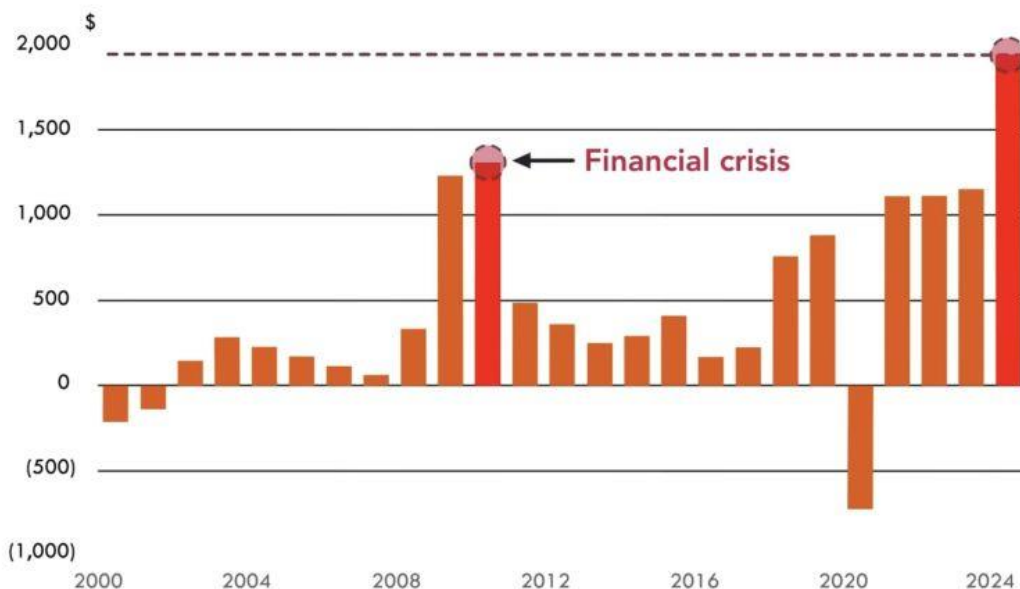
#us #treasury-issuance

Treasury bond issuance in 2024 is expected to hit \$1.9 TRILLION. Surpassing levels seen even during the 2008 financial crisis and 2x 2023 levels.

US Treasury Bond Issues Set to Increase This Year



Private Treasury is Expected to Increase to \$1.9 Trillion in 2024



Dates: 2009 Through 10th April 2024.
Source: Tradingview, Game of Trades.

Source: Game of Trades



#us #treasury-issuance

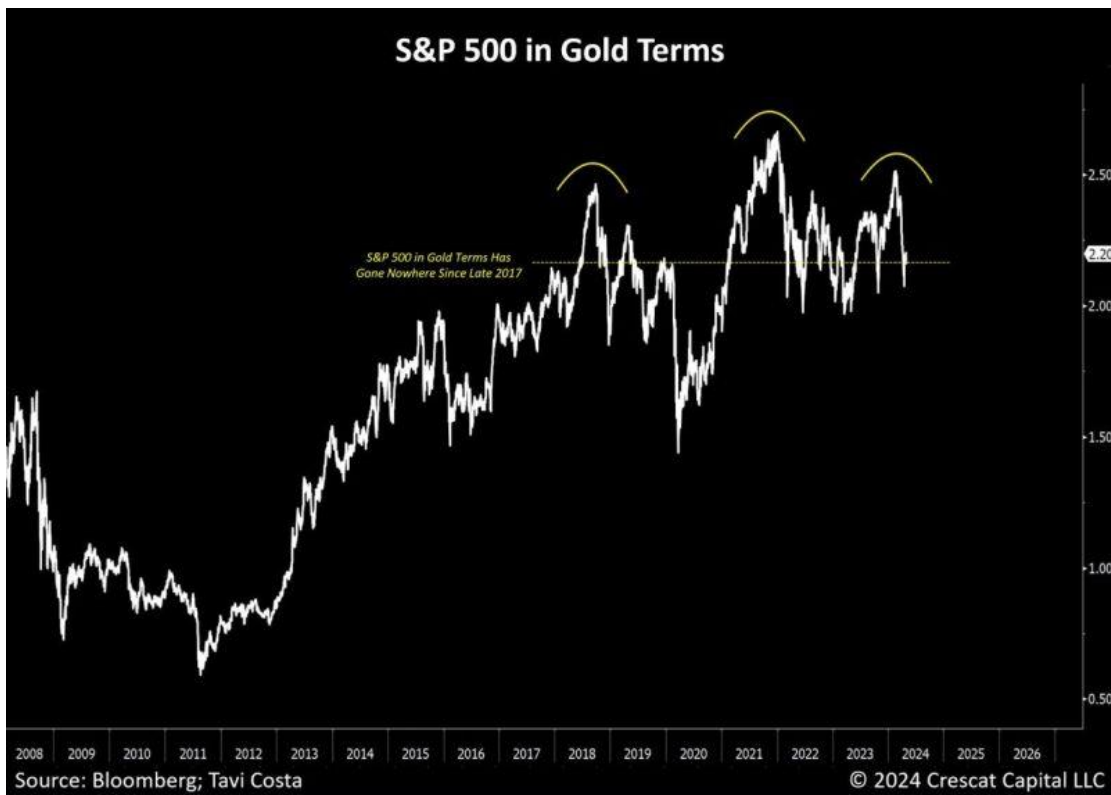
To the moon!!! US Treasury boosts April-June borrowing estimates to \$243b from \$202b. US reiterates a cash-balance estimate of \$750bn for the end of June. US Treasury cites lower cash receipts for bigger borrowing estimates. No Mrs Yellen, this is not virtual reality... (picture stolen to Jim Bianco).





#sp500 #gold

The SP500 in gold terms has gone nowhere since 2017 + it's hard to ignore this massive head and shoulders taking shape.



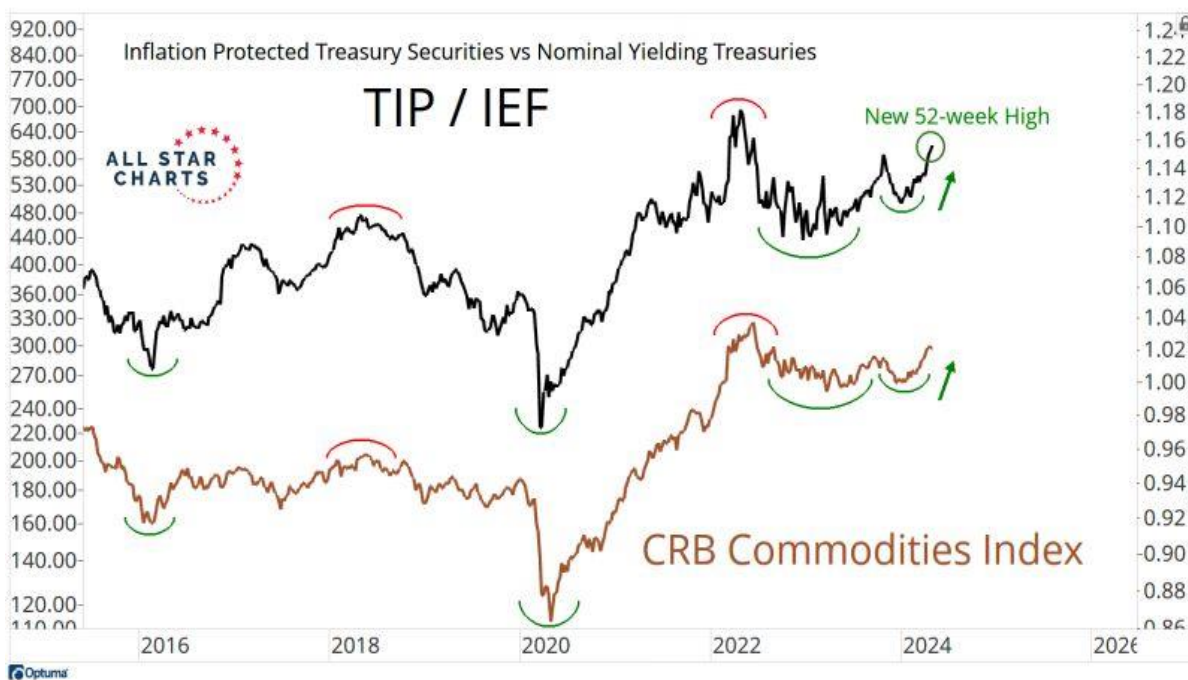
Source: Tavi Costa, Bloomberg





#bonds #commodities

The bonds market's inflation expectations just hit new 52-week highs. Commodities are following the trend.



Source: J-C Paretis



#commodities #consumer-discretionary

Nice relative price chart by Jay R. Ligon at TheeDisruptor - The 7 C's (Cattle, Corn, Crude, Cocoa, Cotton, Copper, Coffee) vs Consumer Discretionary \$XLY. Why? It is a clear measure of the inelastic demand for commodities (the ultimate staples) versus elastic demand of discretionary. Plus we can eye inflation at work and the strength of commodities.





#oil #weekly

Oil prices plunged this week - down all five days for the worst in three months - back to near two-month lows...



Source: www.zerohedge.com, Bloomberg

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#cocoa #commodities

Cocoa Biggest Loss in 65 Years 🚨 Chocolate lovers rejoice! Cocoa suffers biggest daily loss in 65 years.



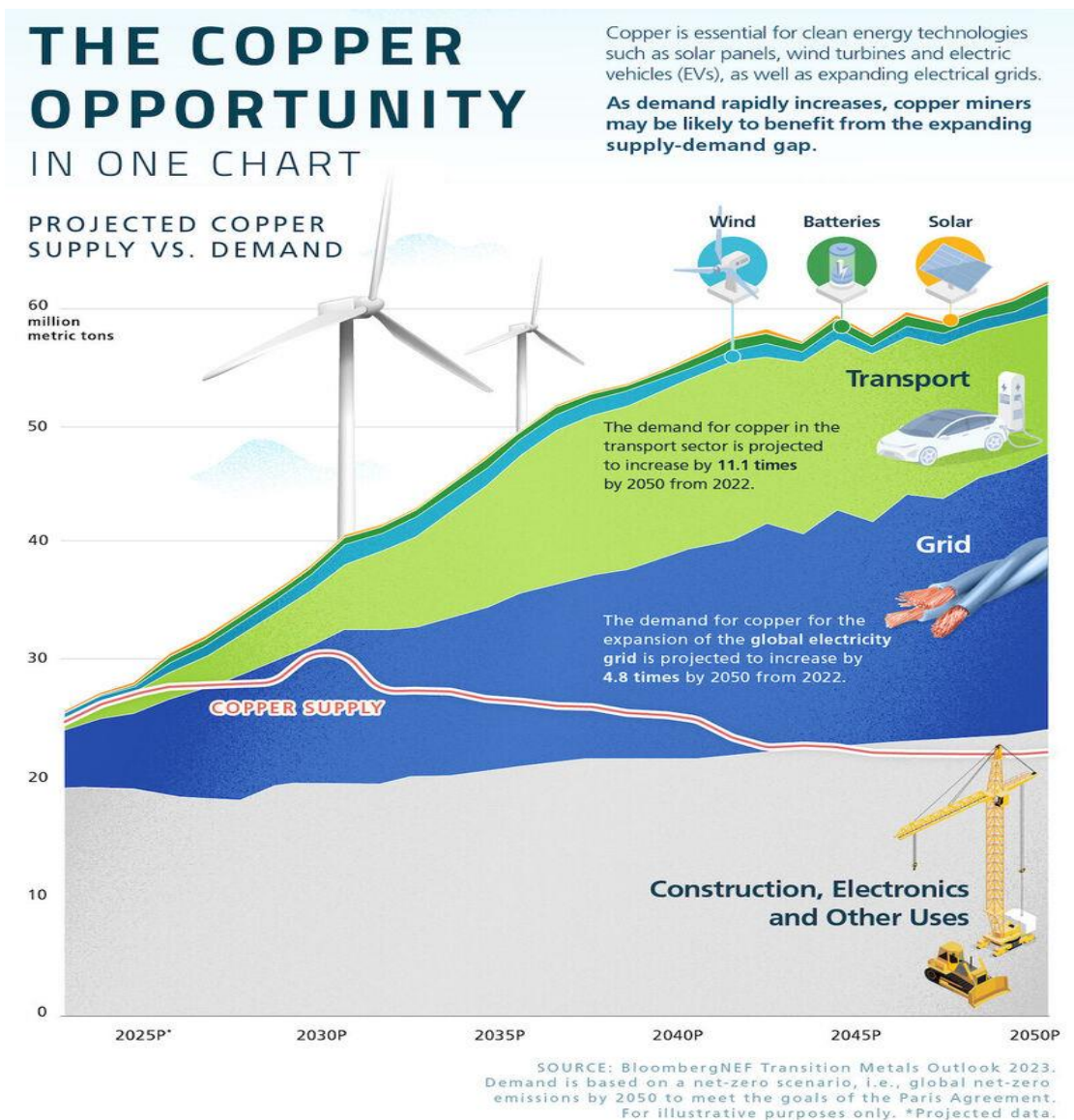
Source: Barchart





#copper #commodities

The copper opportunity in one chart



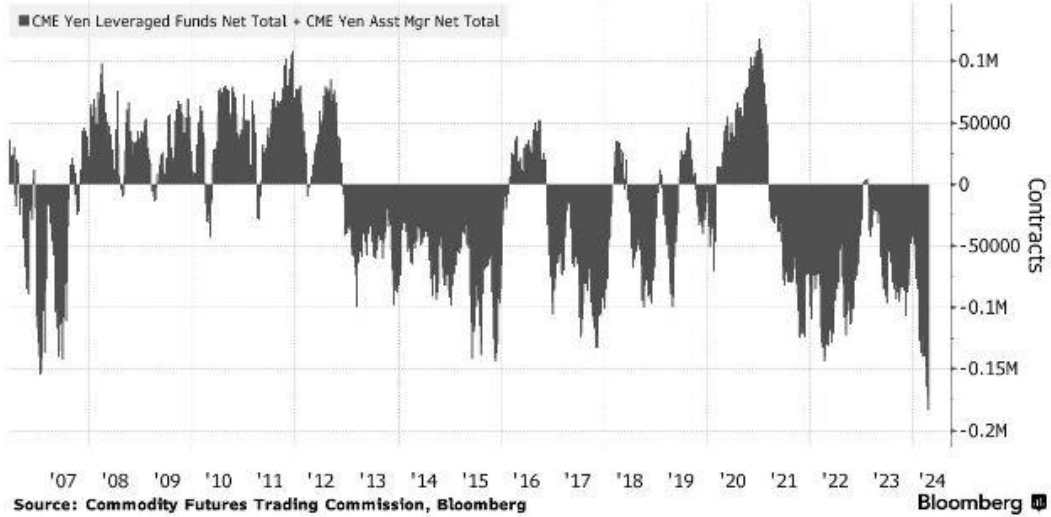
Source: Bloomberg



#yen #hedge-fund #positioning

Bearish Bets against the Japanese Yen rise to highest level in AT LEAST the last 18 years 🚨

Yen Dragged Down by Bearish Positions Hedge funds, real money had been adding to short bets



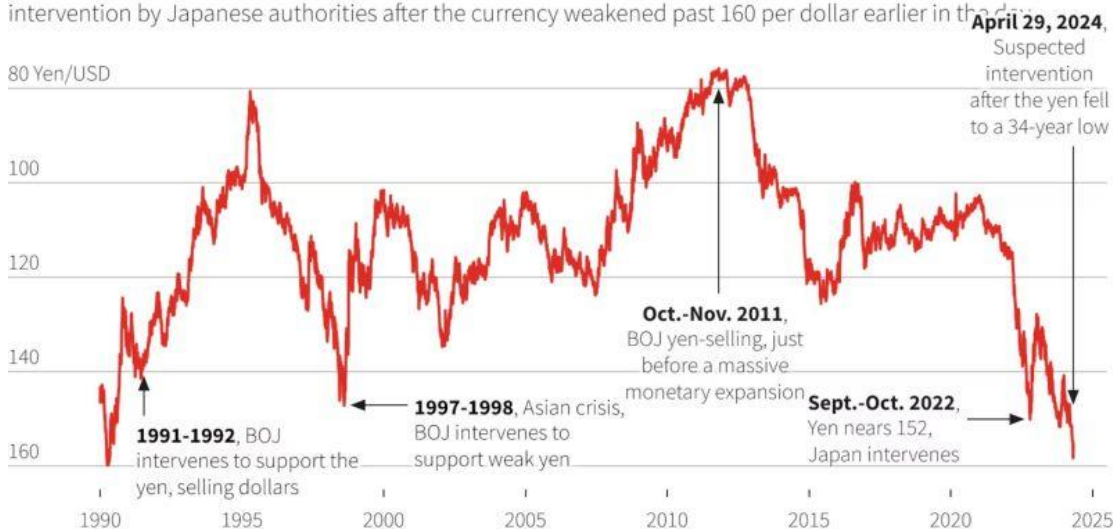
Source: Barchart, Bloomberg

#yen #boj #interventions

It's clear, Japan is intervening to support the Yen: Twice this week, we saw the Yen fall to its weakest point against the US Dollar since 1990. This was the first time in 34 years that 1 US Dollar converted to 160 Yen. Immediately after the Yen neared 160 twice this week, we saw a steep drop in the conversion rate, strengthening the Yen. The BOJ reported Tuesday that its current account will fall 7.56 TRILLION YEN, or \$48.2 billion USD. This was clearly due to intervention equating to 5.5 trillion Yen, which we last saw in 2022 and 2011. The third largest currency in the world is in trouble.

Japan's history of supporting yen

The Japanese yen jumped against the dollar in Asian trading on April 29, with traders citing yen-buying intervention by Japanese authorities after the currency weakened past 160 per dollar earlier in the day.



Source: LSEG Eikon | Reuters, April 29, 2024 | By Pasit Kongkunakornkul

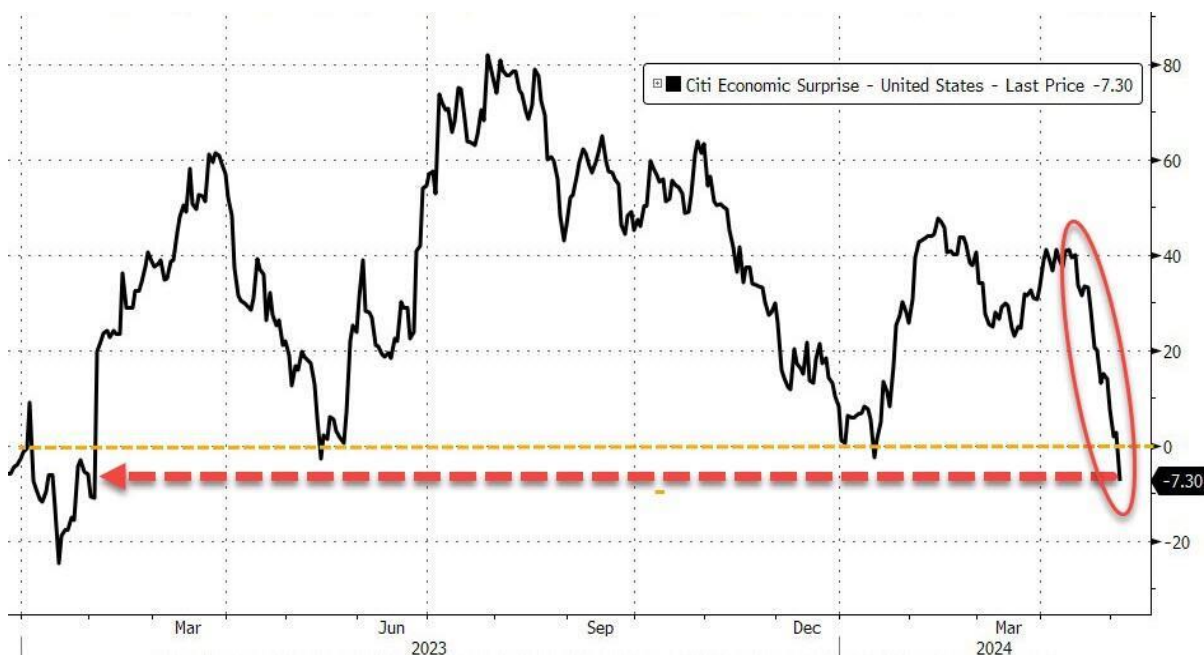
Source: The Kobeissi Letter





#us #macro #surprises

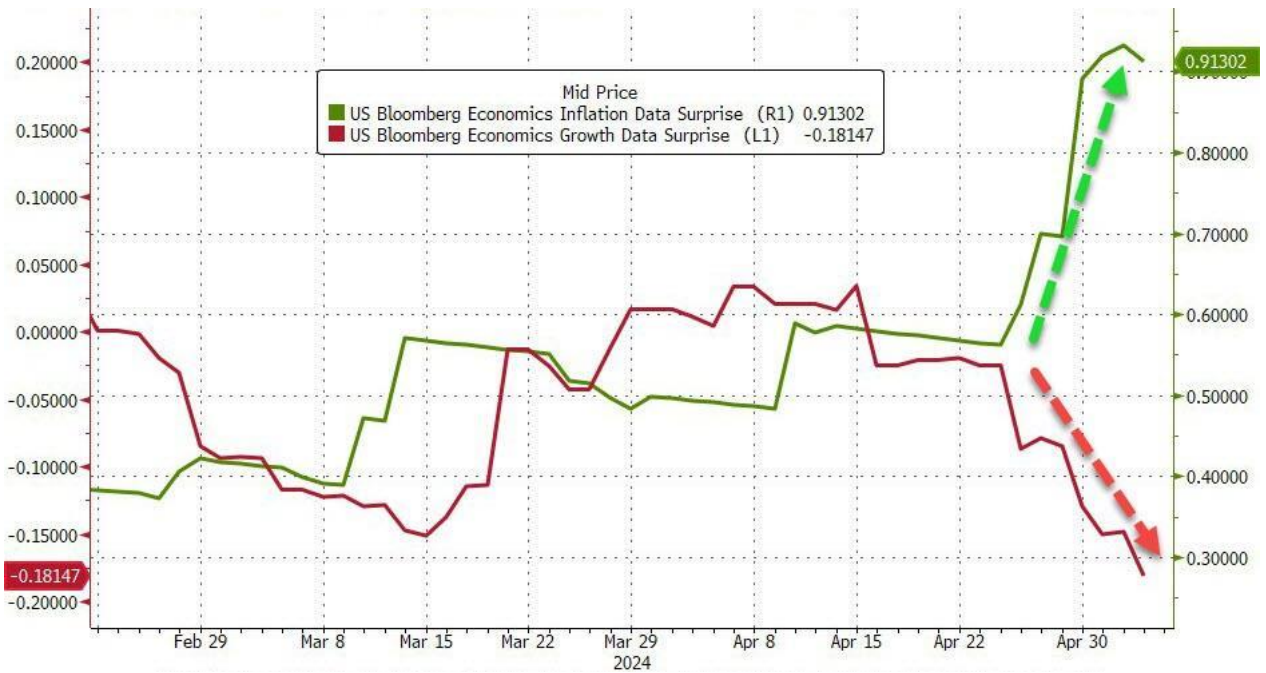
The US Macro Surprise Index continued its serial disappointment plunge into the red - the weakest since Feb 2023 (not helped at all by today's payrolls miss).



#macro

#us #macro #surprises

US growth data plunged while inflation data soared.





#us #job-data

Stocks, bonds and cryptos rally following soft US jobs data. Hiring slows to 175,000 jobs in April way below the forecasted 240k. This is the lowest figure since Oct 2023's +165k. Household survey came in below forecasts as well with unemployment rate rising to 3.9% from March's 3.8%. Wage growth slows to 0.2% MoM vs 0.3% expected. Note that 0.2% is consistent with 2% inflation.

| Date | Time | A | M | R | Event | Period | Surv(M) | Actual | Prior | Revised |
|------|-------------|---|---|---|------------------------------------|--------|---------|--------|-------|---------|
| 21 | 05/03 14:30 | | | | Two-Month Payroll Net Revision | Apr | -- | -22k | -- | -- |
| 22 | 05/03 14:30 | | | | Change in Nonfarm Payrolls | Apr | 240k | 175k | 303k | 315k |
| 23 | 05/03 14:30 | | | | Change in Private Payrolls | Apr | 193k | 167k | 232k | 243k |
| 24 | 05/03 14:30 | | | | Change in Manufact. Payrolls | Apr | 5k | 8k | 0k | -4k |
| 25 | 05/03 14:30 | | | | Unemployment Rate | Apr | 3.8% | 3.9% | 3.8% | -- |
| 26 | 05/03 14:30 | | | | Average Hourly Earnings MoM | Apr | 0.3% | 0.2% | 0.3% | -- |
| 27 | 05/03 14:30 | | | | Average Hourly Earnings YoY | Apr | 4.0% | 3.9% | 4.1% | -- |
| 28 | 05/03 14:30 | | | | Average Weekly Hours All Employees | Apr | 34.4 | 34.3 | 34.4 | -- |
| 29 | 05/03 14:30 | | | | Labor Force Participation Rate | Apr | 62.7% | 62.7% | 62.7% | -- |
| 30 | 05/03 14:30 | | | | Underemployment Rate | Apr | -- | 7.4% | 7.3% | -- |

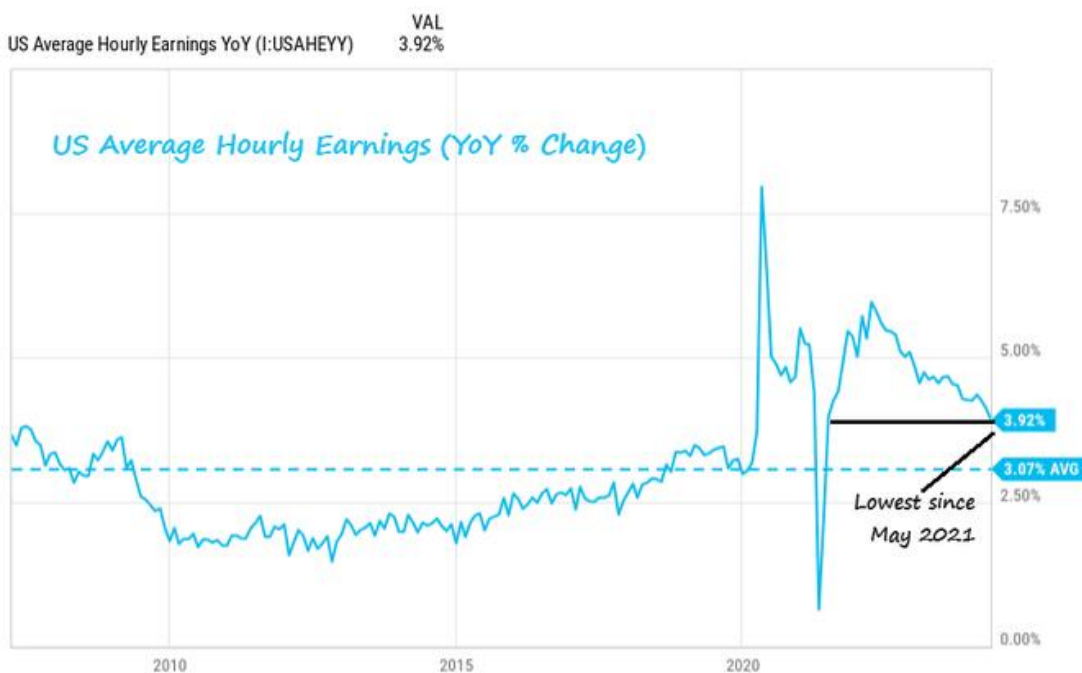


Source: Bloomberg, HolgerZ



#us #hourly-earnings

US Average Hourly Earnings increased 3.9% over the last year, the slowest growth rate since May 2021.



CREATIVE PLANNING @CharlieBilello

May 3, 2024, 9:20 AM EDT Powered by YCHARTS



Source: Charlie Bilello



#us #labor-market

The tightest labor market in US history continues to loosen with Job Openings moving down to 8.49 million (lowest since Feb 2021) and the Quits Rate moving down to 2.1% (lowest since Aug 2020).



CREATIVE PLANNING @CharlieBilello

May 1, 2024, 1:47 PM EDT Powered by YCHARTS



Source: Charlie Bilello



#us #job-openings

US job openings dropped in March to the lowest level in 3 years. US available vacancies declined to 8.49 million from 8.81 million in February, hitting the lowest level since March 2021. Job openings have been declining for the past 2 years since the March 2022 peak of 12 million vacancies. Meanwhile, the quits rate has fallen to 2.1%, the lowest since August 2020. This suggests that many currently employed individuals are either losing confidence and/or are more dependent on their jobs. All eyes are on Friday's jobs report.

US Job Openings Fell in March to the Lowest Since 2021
The quits rate declined to the lowest since 2020



Source: The Kobeissi Letter

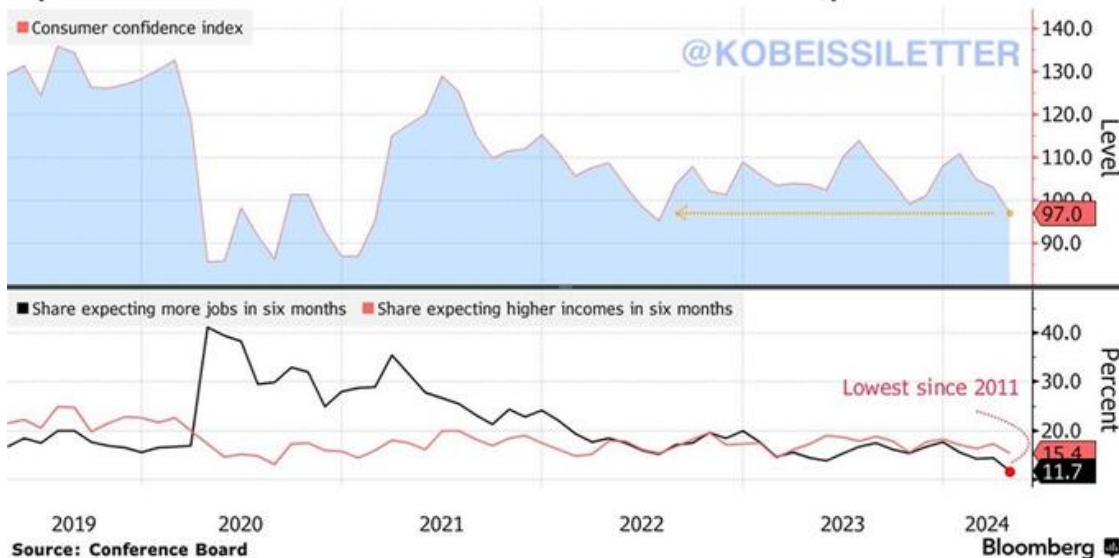


#us #consumer-confidence

US Consumer Confidence has dropped to its lowest level in 2 years in April 2024. The Consumer Confidence Index fell to 97 points in April, declining for the 3rd straight month. Meanwhile, US consumer expectations dropped below 80 points for the first time since July 2022. US consumers are the most pessimistic about jobs, future business conditions, and income. The share of people anticipating more jobs available in the next 6 months has fallen to its lowest in 13 years.

US Consumer Confidence Sours

Expectations about labor market and incomes deteriorated in April



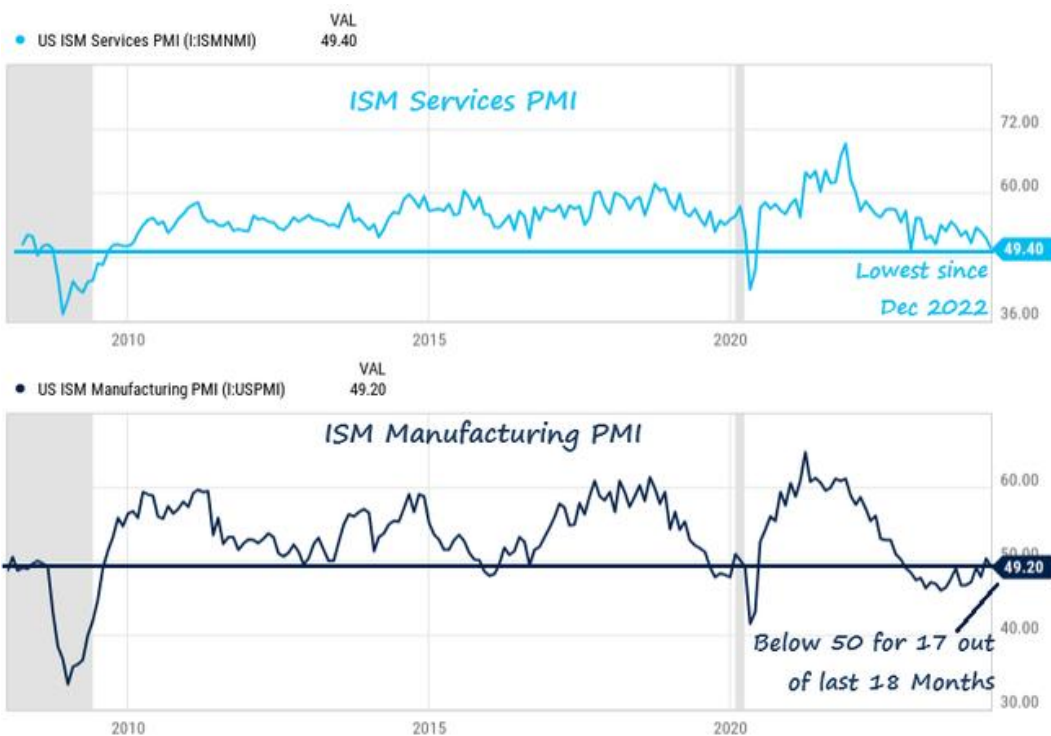
Source: www.zerohedge.com



#us #pmi

ISM Services PMI moved below 50 for the first time since Dec 2022. ISM Manufacturing PMI has been below 50 for 17 out of the last 18 months.

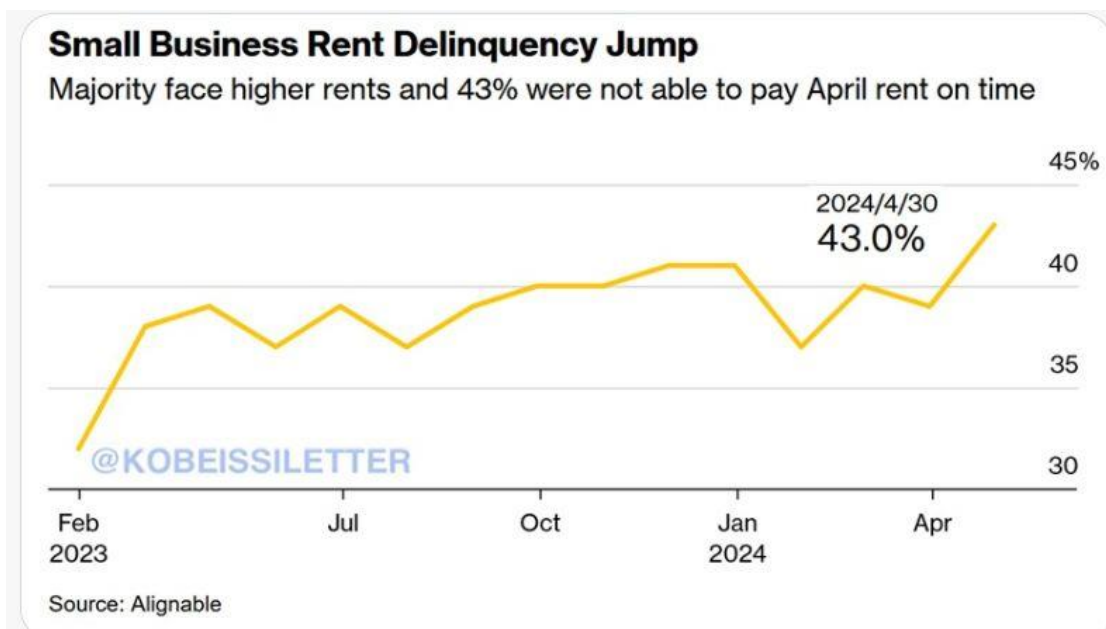
Only times when both PMIs have been below 50 at the same time: Jul '08 - Jul '09 (Recession), Apr-May 2020 (Recession), Dec 2022, Today





#us #rent #delinquency

Small Business Rent Delinquency Jump. 43% of small businesses in the US were unable to fully pay their rent in April, the highest share since March 2021. Delinquencies were the largest among restaurants where 52% became delinquent in April. More than 50% of small businesses claim that now rents are higher than 6 months ago.

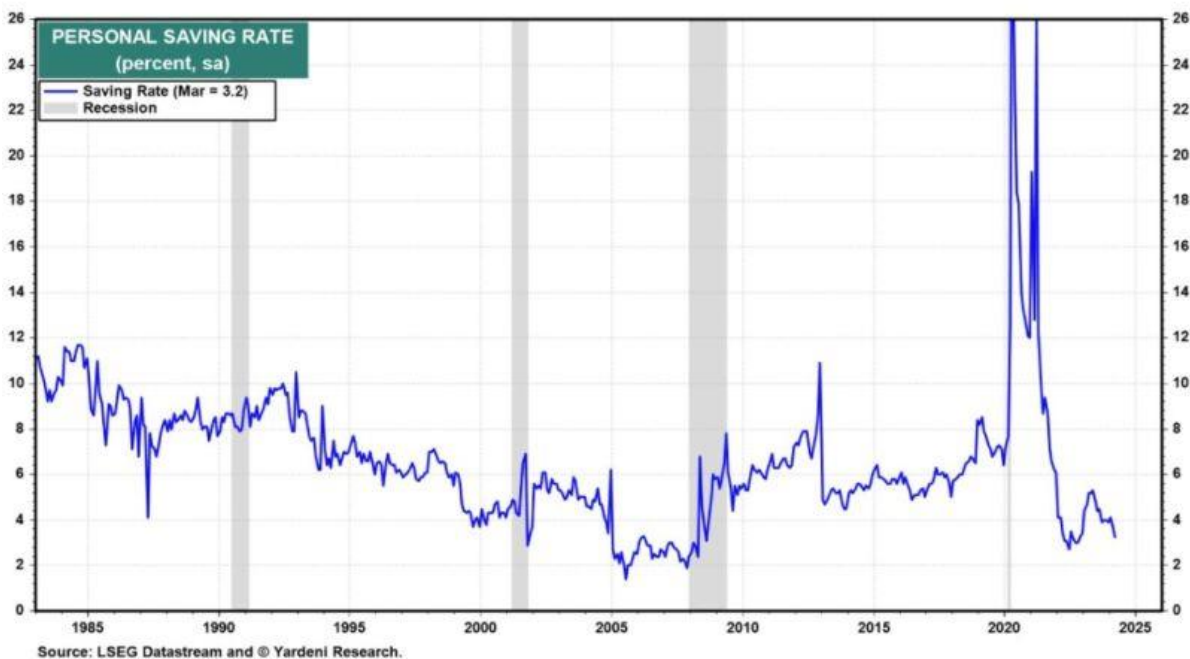


Source: kobeissiletter, bloomberg



#us #savings-rate

YARDENI on savings rate and labor supply shortage : “.. retiring Baby Boomers are likely the reason that the personal saving rate is falling; they’re depressing the rate as they spend their retirement funds and no longer have earnings to save. In addition, they are spending at a record pace on labor-intensive services (restaurants, travel and entertainment, and health care), thus boosting labor demand ..”

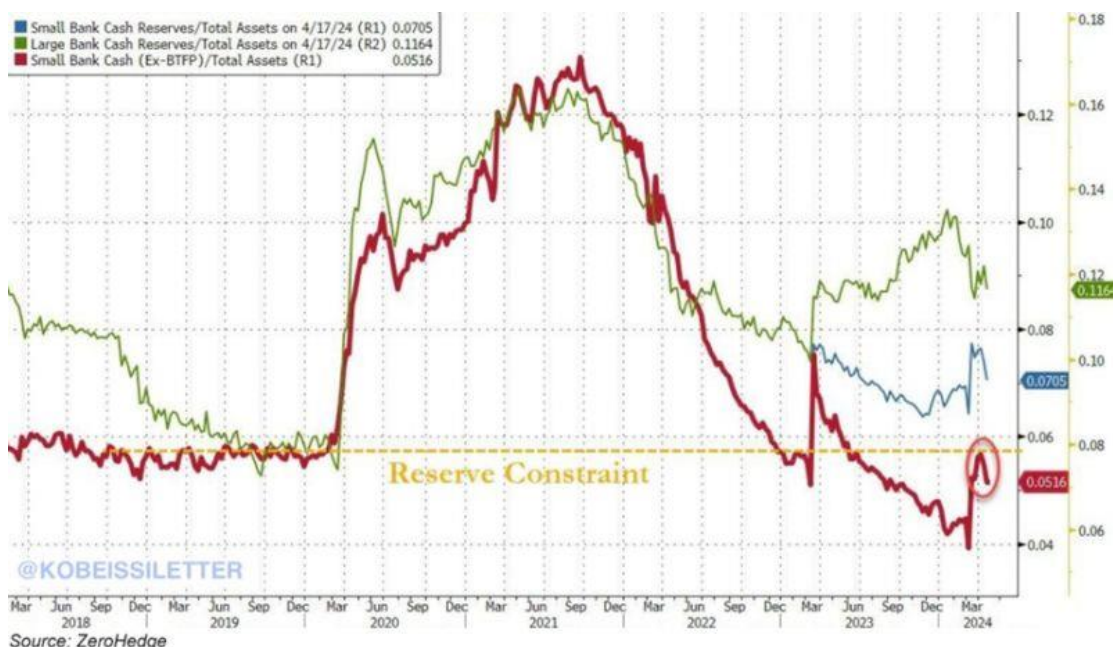


Source: LESG, Yardeni research



#us #bank #cash-reserves

US small bank cash reserves plummeted by \$258 billion last week below the level considered a constraint, according to ZeroHedge. This excludes a \$126 billion still sitting at the Fed's emergency lending program that expired in March. It marked the largest decline in bank deposits since April 2022 when \$336 billion came out of the banking system. Meanwhile, US regulators have seized Republic First Bank on Friday and agreed to sell it to Fulton Bank, another regional bank with \$6 billion in total assets. The FDIC projects the failure will cost the fund around \$667 million. Is the US regional bank crisis really over?

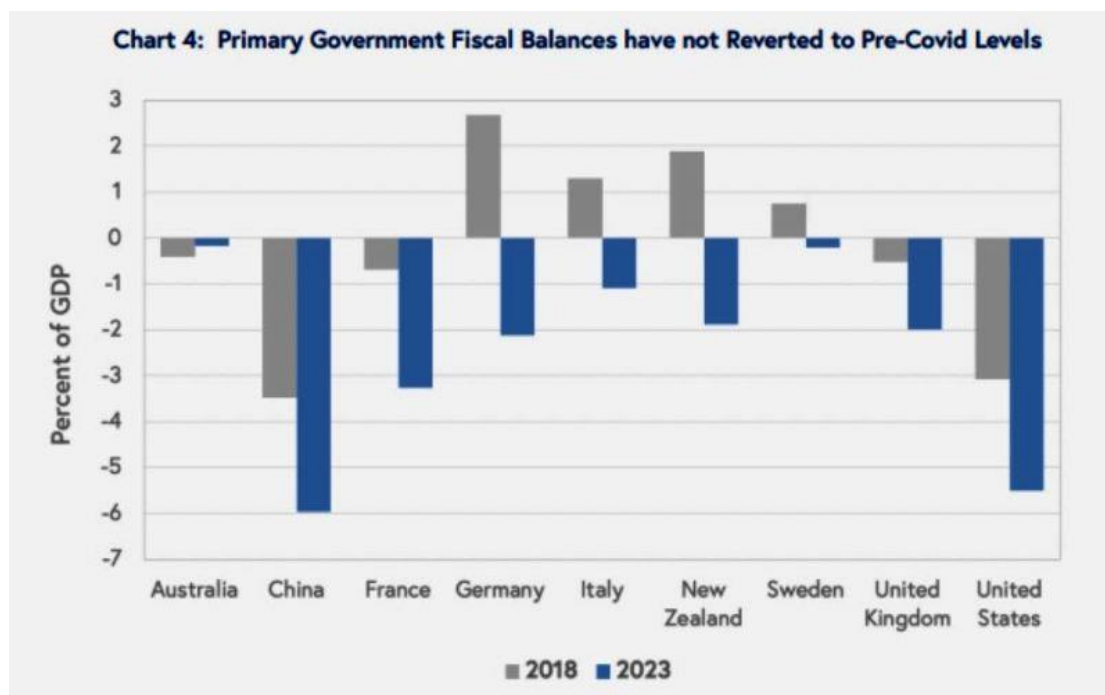


Source: The Kobeissi Letter, www.zerohedge.com

#macro

#us #fiscal-deficit

Fiscal deficit being out of control post Covid. It appears to be a broader issue than just the US.



#macro

#debt #money-debasement



WATCH LIVE



ECONOMY

WEF president: 'We haven't seen this kind of debt since the Napoleonic Wars'

PUBLISHED SUN, APR 28 2024 4:37 AM EDT

UPDATED MOMENTS AGO

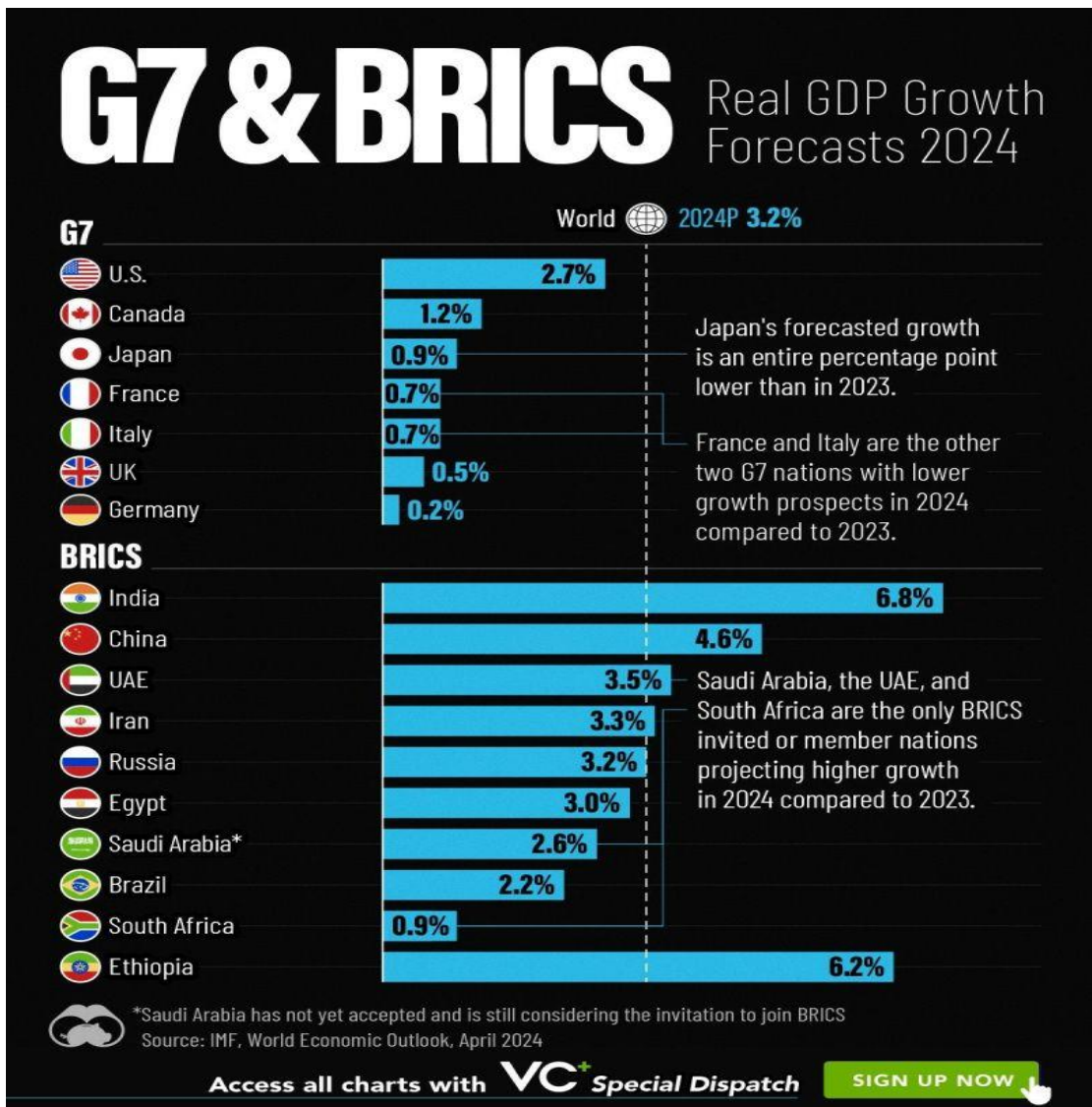


Source: [Quatr](#)

#macro

#g7 #brics #growth-forecast

Economic Growth Forecasts for G7 and BRICS Countries in 2024 🌍

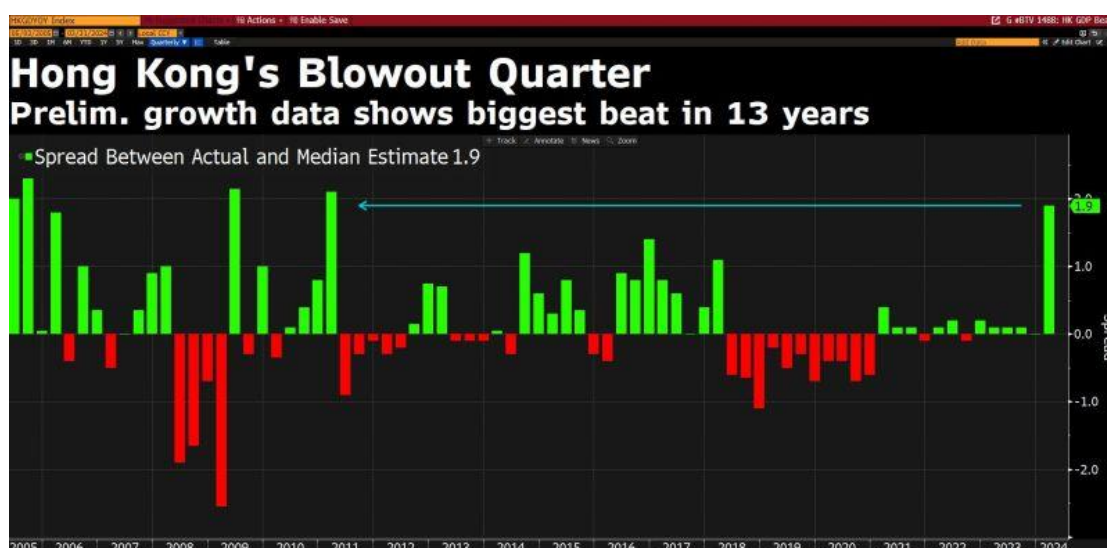


Source: Visual Capitalist

#macro

#hong-kong #growth

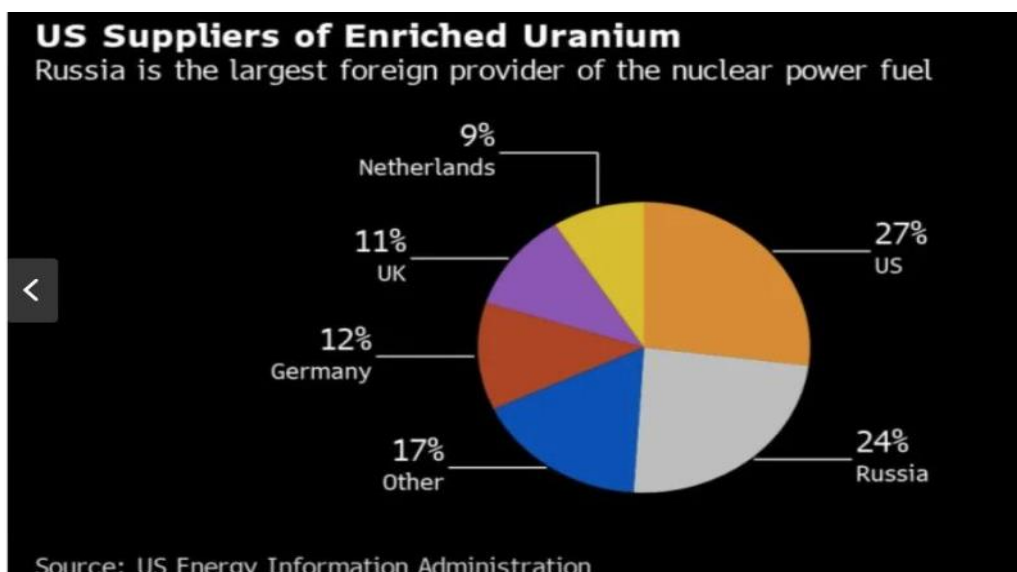
Hong Kong growth beat estimates by the most in 13 years in the first quarter.



#geopolitics

#us #russia #imports

The U.S. Senate approved on Tuesday legislation to bar imports of Russian uranium, as the United States continues to seek to disrupt Russia's efforts in its war against Ukraine. The Senate passed the measure by unanimous consent, meaning that no senators objected to it. The House of Representatives passed the bill in December. Uranium is used to power commercial nuclear reactors that produce electricity. The legislation would ban the imports 90 days after enactment. It contains waivers in case there were supply concerns for domestic reactors. The bill also frees up \$2.7 billion passed in previous legislation to build out the domestic uranium processing industry. U.S. nuclear power plants imported around 12% of their uranium from Russia in 2022, according to the U.S. EIA.

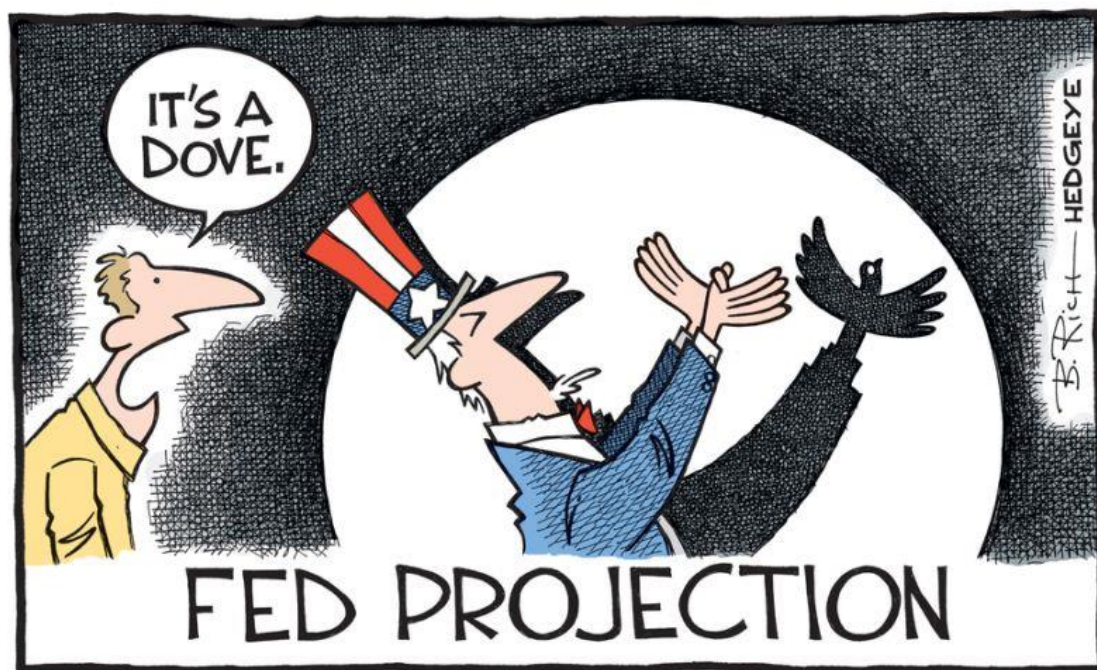


Source: Reuters, Bloomberg

#centralbanks

#us #fomc

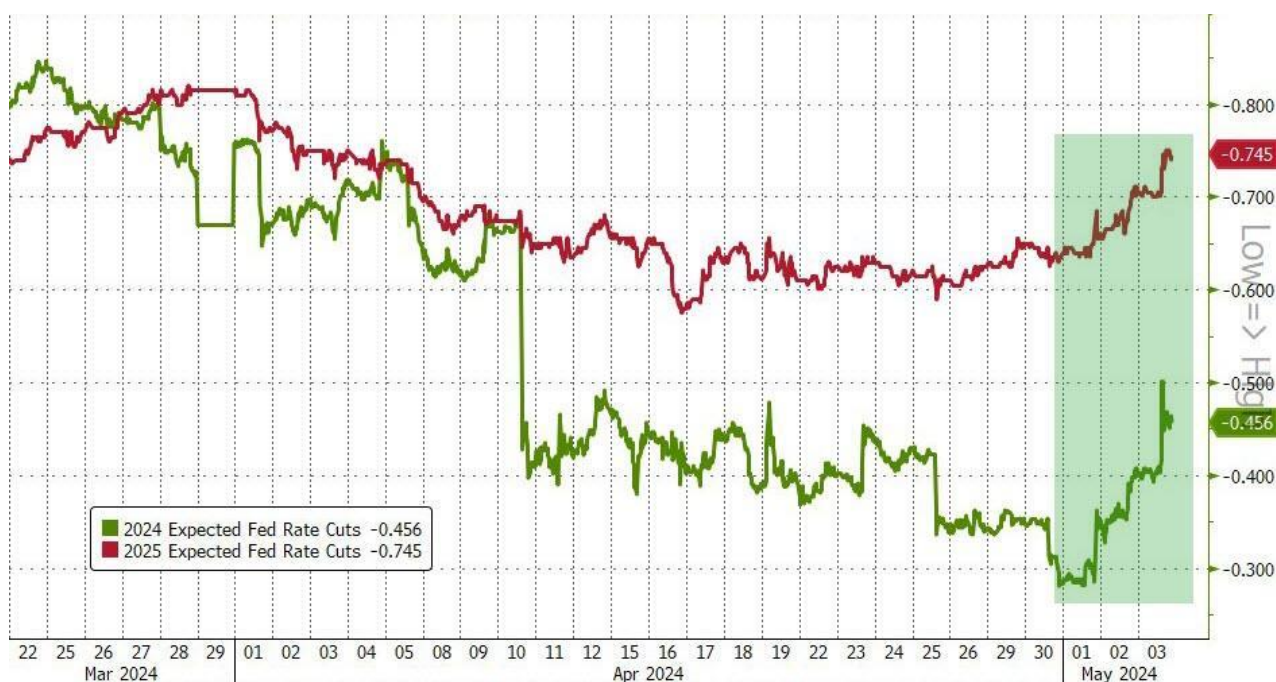
FOMC: No rate change, some hawkish comments but overall Fed QT tapering in June is DOVISH (timing + amount). Fed Chair Powell's press conference was dovish as well in terms of content and the tone of his remarks. As a reminder, we live at a time of fiscal dominance, i.e fiscal policy leads monetary policy.



#centralbanks

#us #interest-rates #expectations

rate-cut expectations have surged this week with 2024 now pricing in two full cuts and 2025 three more cuts...

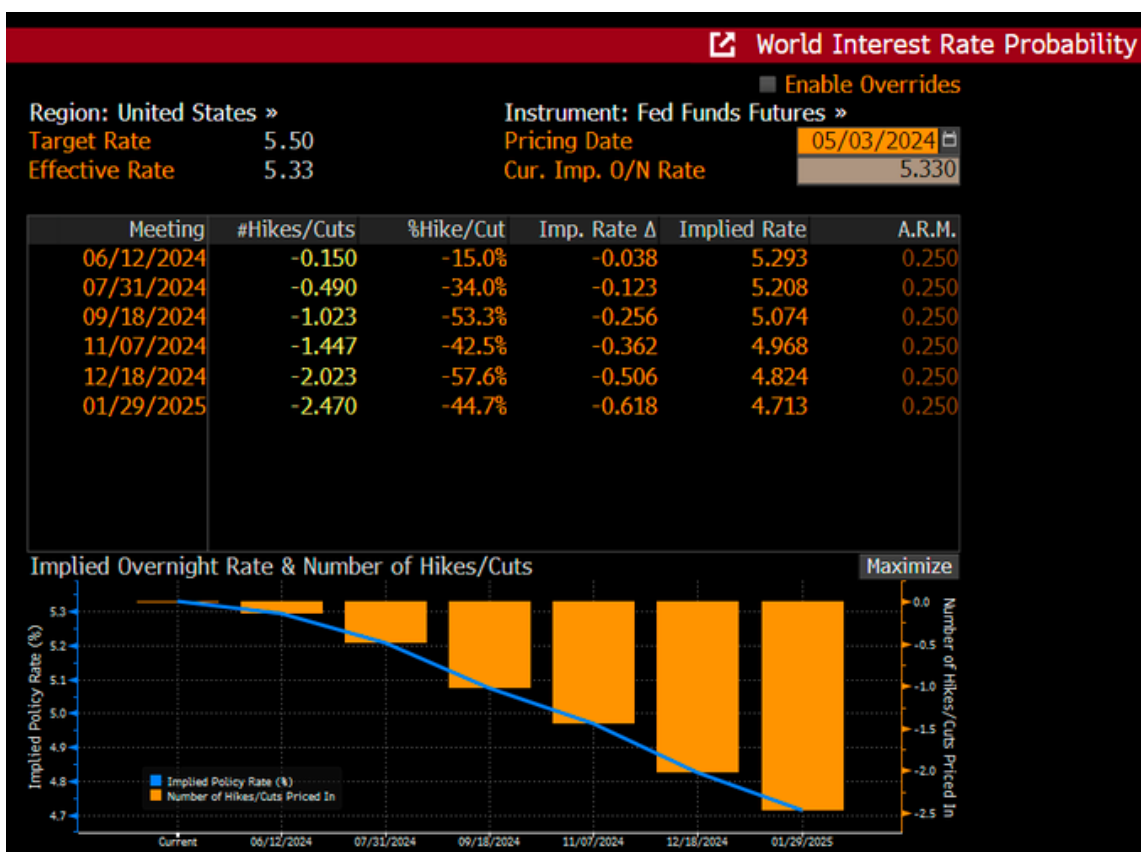


Source: www.zerohedge.com, Bloomberg

#centralbanks

#us #interest-rates #expectations

Traders pull forward 1st US rate cut to Sep from Nov following soft US jobs data. Price in >2 cuts this year.



Source: Bloomberg, HolgerZ

#centralbanks

#fed #financial-conditions

Fed's Powell: Very pleased we haven't seen pain originally projected. The chart below summarizes it well: despite rates hikes and rates staying higher for longer financial conditions kept easing



Source: Bloomberg, HolgerZ

#centralbanks

#us #money-supply

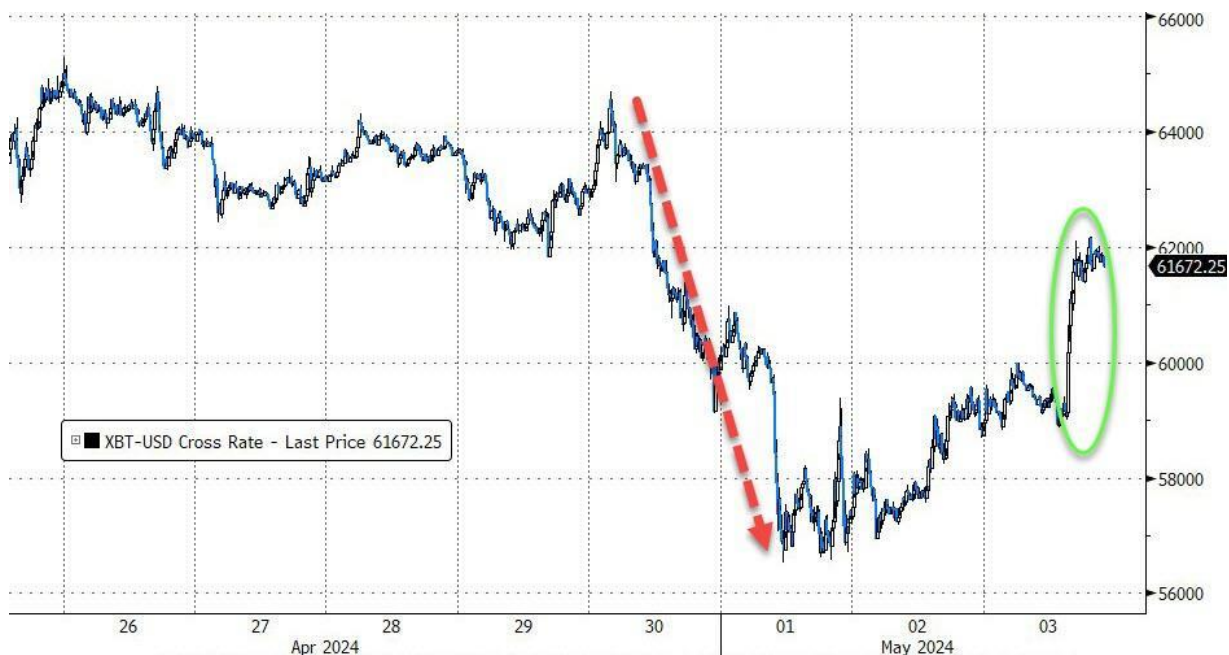
M2 money supply turns positive for first time since late 2022





#crypto #weekly

Despite a decent bounce back today, bitcoin was down on the week, testing back up to \$62,000.

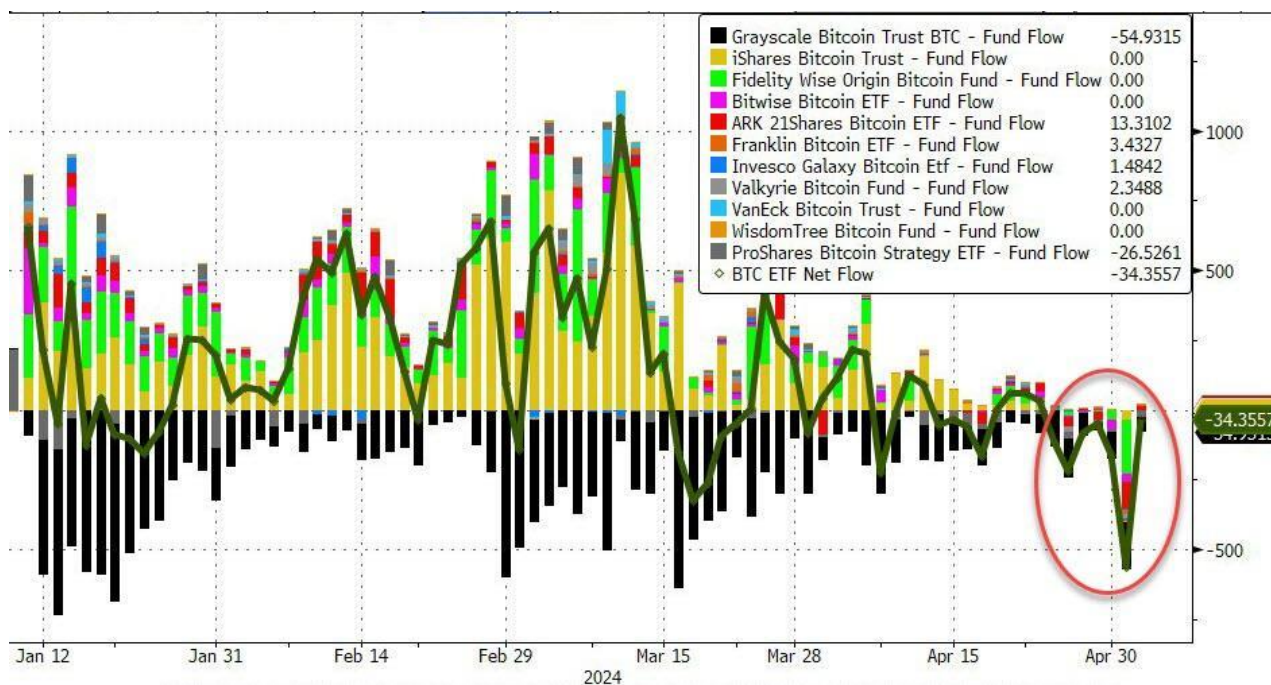


Source: www.zerohedge.com, Bloomberg



#crypto #outflows

It has been an ugly week of aggregate net outflows from BTC ETFs...

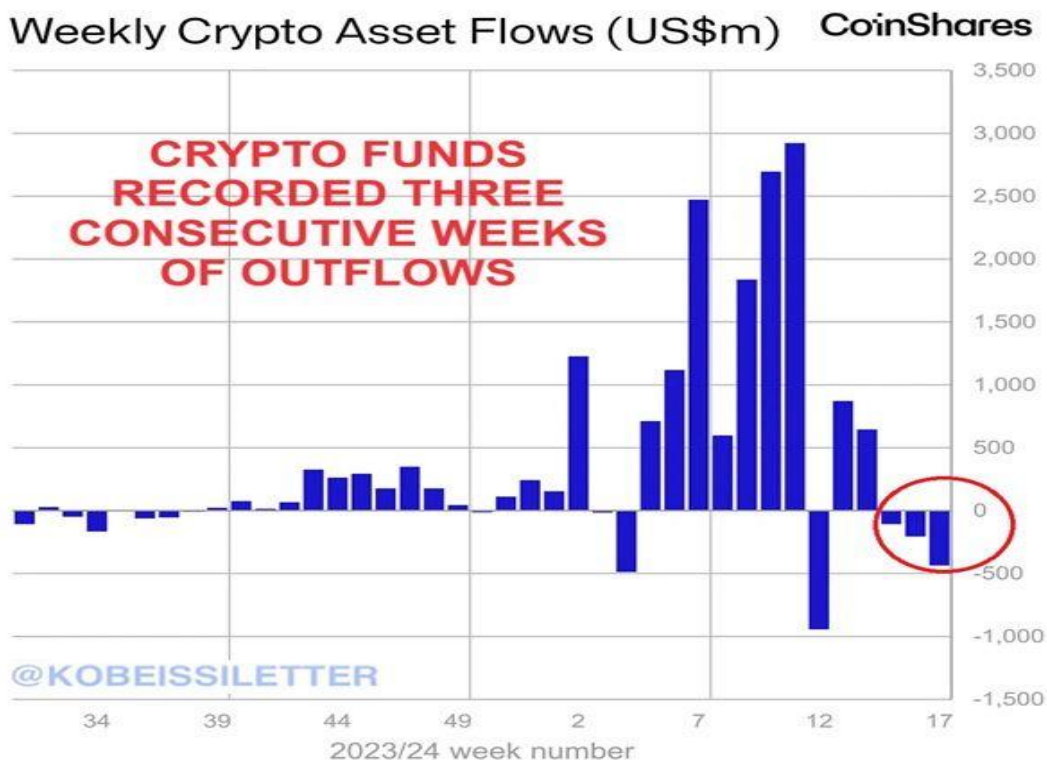


Source: www.zerohedge.com



#crypto #outflows

Global crypto funds just recorded 3 consecutive weeks of outflows for the first time ever. Over the last 3 weeks, total crypto fund outflows were \$767 million. Last week alone, ~\$435 million of crypto assets were removed from these funds, the most since late March. The majority of the outflows were recorded in Bitcoin which saw \$423 million of fund withdrawals. Meanwhile, Bitcoin is down 12% in April but is still up 48% year to date. Crypto is taking a breather.



Source: The Kobeissi Letter, CoinShares



#bitcoin #etf #outflows

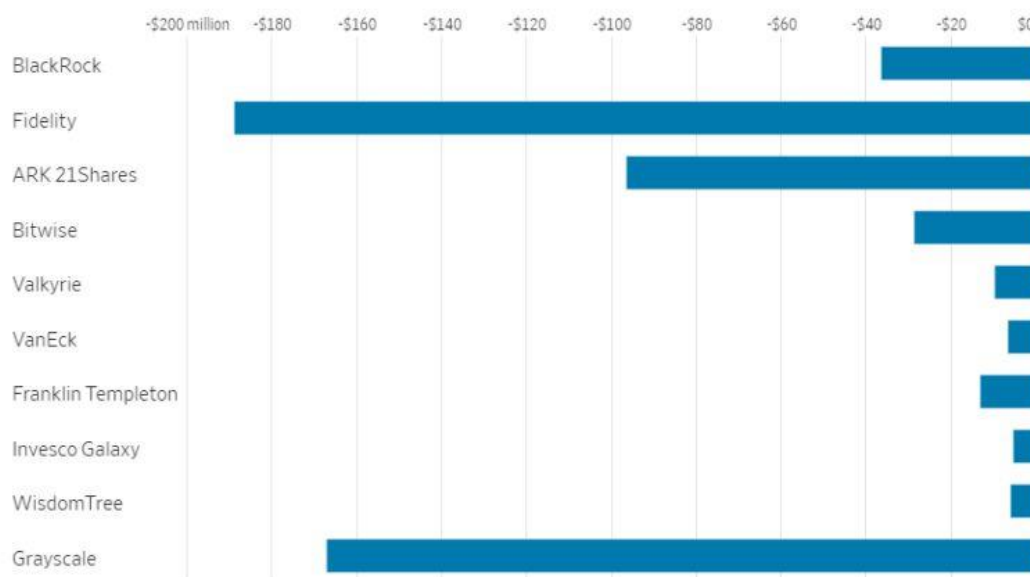
Bitcoin \$BTC ETFs saw a net outflow of \$558 million on Wednesday, the largest outflow since inception.

Spot Bitcoin ETFs Suffer Largest Daily Outflows Since Launch



By Vicky Ge Huang, Reporter

Spot bitcoin ETF net flows on May 1



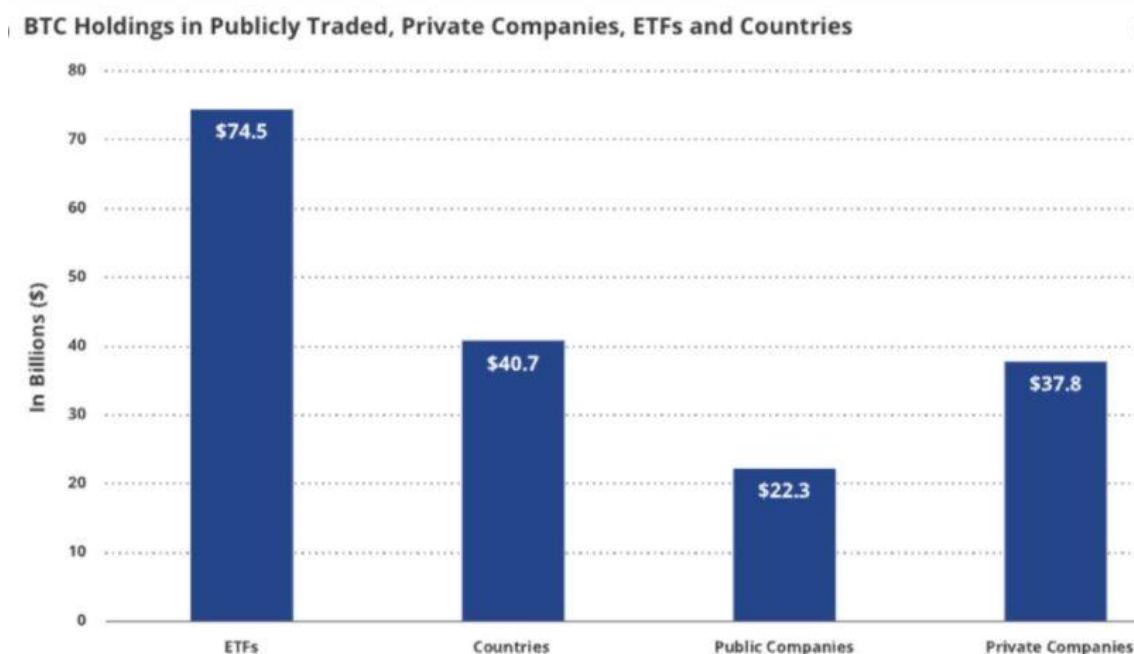
Source: J.P. Morgan estimates and Bloomberg data

Source: JP Morgan, Bloomberg



#bitcoin #holders

VanEck says about \$175 billion in Bitcoin is held by various countries, ETFs, and companies.



Source: bicoimagemazine

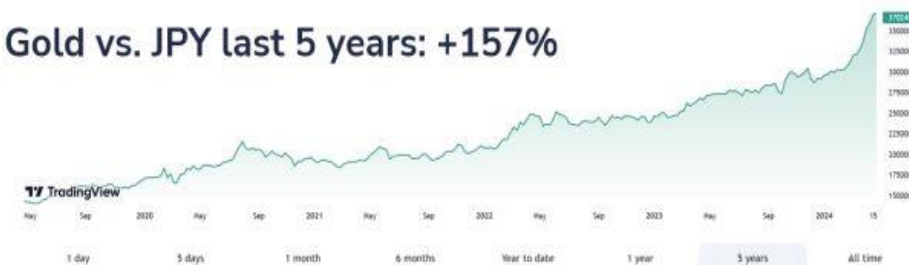


#bitcoin-gold #store-of-value #fiat

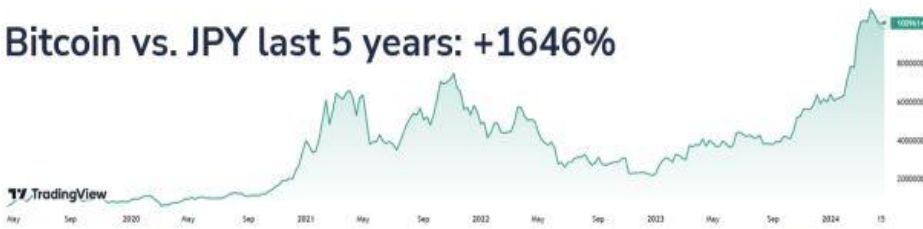
This is how store of values perform against a collapsing fiat currency...



Gold vs. JPY last 5 years: +157%



Bitcoin vs. JPY last 5 years: +1646%

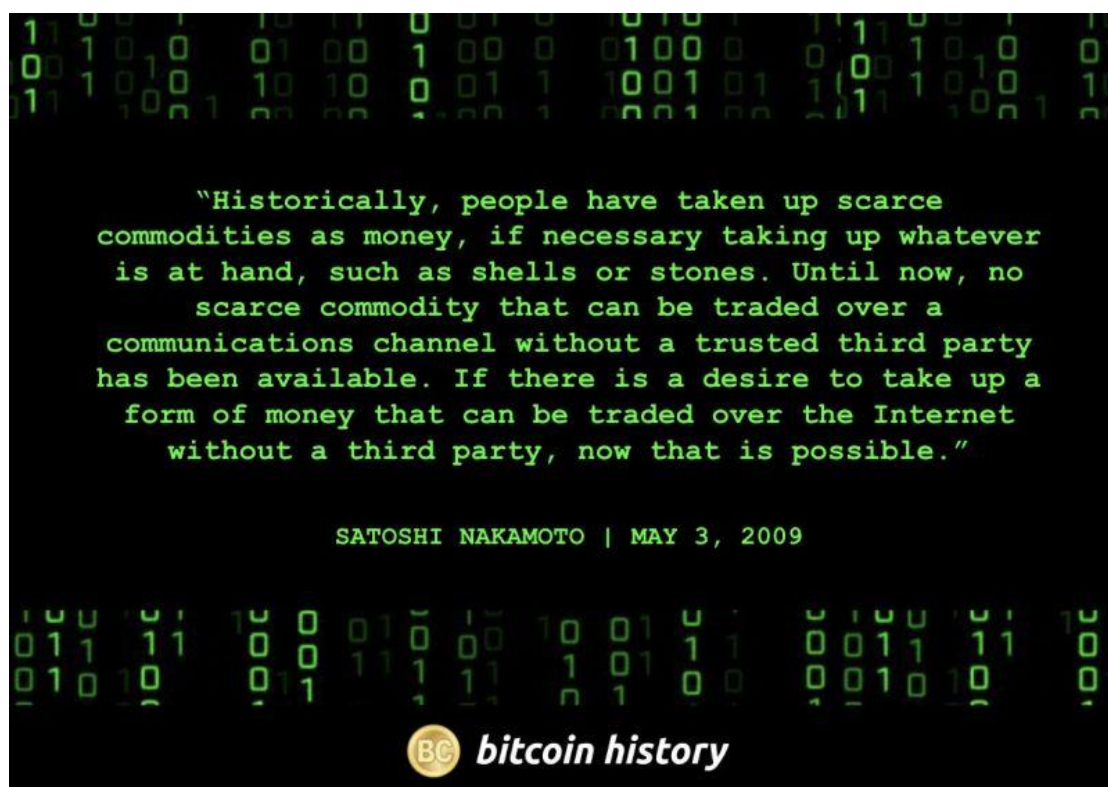


Source: Trading view

#cryptos

#bitcoin #satoshi #history

✦ Satoshi Nakamoto explaining why Bitcoin is a breakthrough in monetary history, exactly 15 years ago.



Source: JP Morgan, Bloomberg

#cryptos

#binance #cz #sentence

Former Binance CEO Changpeng "CZ" Zhao was sentenced to four months in prison Tuesday, punished after pleading guilty to money laundering violations last year. Zhao founded Binance in 2017, and under his leadership, the company grew into crypto's largest exchange by trading volume—cementing Zhao's presence as a key business figure in the nascent crypto industry. But the former CEO was forced to step down from Binance last November as part of a \$4.3 billion settlement between him, the exchange, and U.S. law officials.



#cryptos

#solana #google

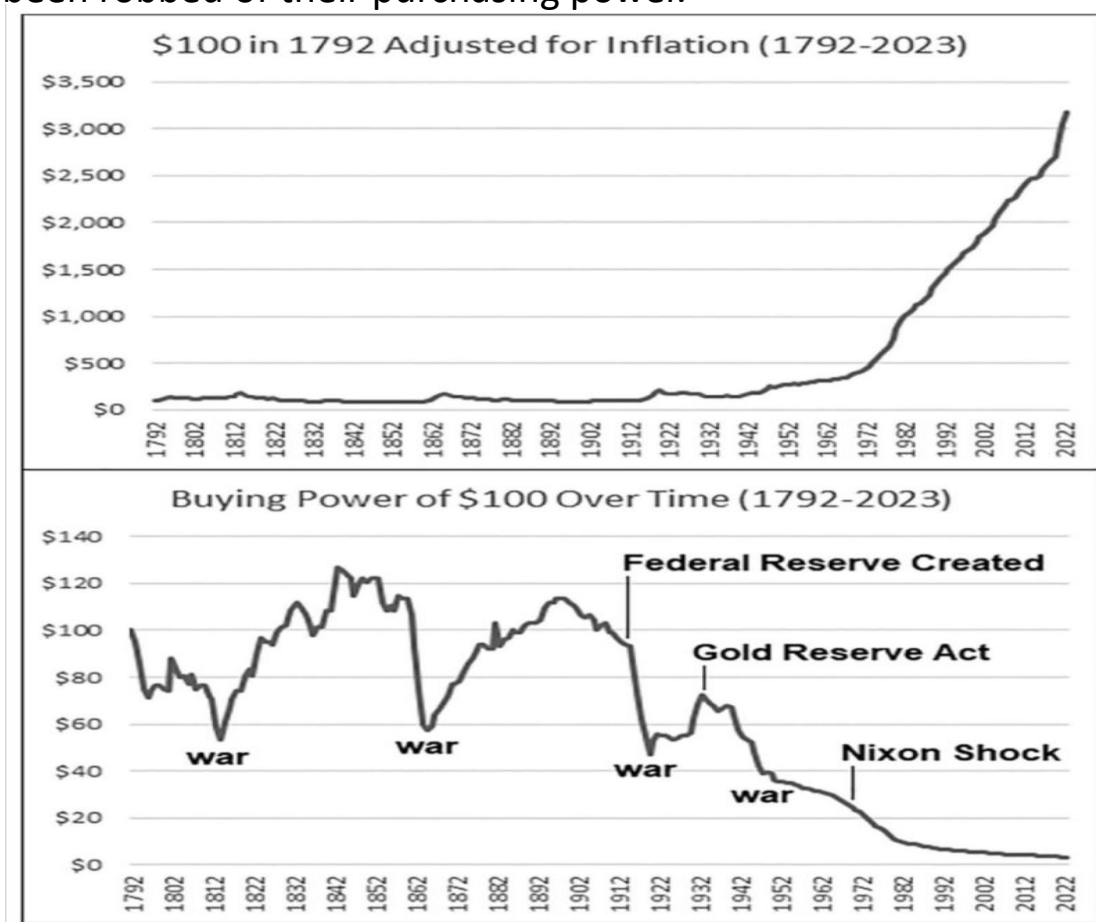
Solana and Google Cloud Launch GameShift. Solana has deepened its collaboration with Google Cloud, launching the GameShift API to enhance web3 gaming experiences. This partnership will let developers integrate blockchain features more easily into their games, thanks to the user-friendly GameShift API. The GameShift API tools allow for in-game minting of Solana-based assets and transaction management.



#food-for-thought

#money-debasement #dollar

This is money debasement and loss of purchasing power looks like. Below you can see the change in purchasing power of the U.S. dollar as measured by aggregate price inflation, including impactful historic events. Anyone who has attempted to save in dollars since the inception of the Federal Reserve until now has been robbed of their purchasing power.



Source: Figure-7D, Broken Money thru Reese M.

#food-for-thought

#money-debasement #dollar

Introducing the new \$1 bill



#food-for-thought

#cash #timing

Face the fact that cash is NOT a solution to a crisis

-----,-----,-----
Face the fact that cash is not a solution to a crisis. Going to cash until things “clear up” is like jumping out of the frying pan into the fire. Normally, people go to cash to alleviate their stress: they just can’t handle the pain anymore. But when you sell you have a new problem: when to get back in. The most common “solution” to that problem is to buy back in when things have “cleared up.” Of course, when things have “cleared up,” the market will be higher. So what we’re talking about is engaging in a plan to sell low (now) and buy high (later) on purpose. That’s a bad plan.

Source: Investment Books (Dhaval)

#food-for-thought

#investing #timing



“More money has been lost by investors preparing for corrections, or trying to anticipate corrections, than has been lost in corrections themselves.”
- Peter Lynch

Source: Invest In Assets

#food-for-thought

#stanford #endowment #allocation

Stanford \$35b endowment asset allocation.



Source: Amend and Pretend

#food-for-thought

#etfs #pelosi #cruz

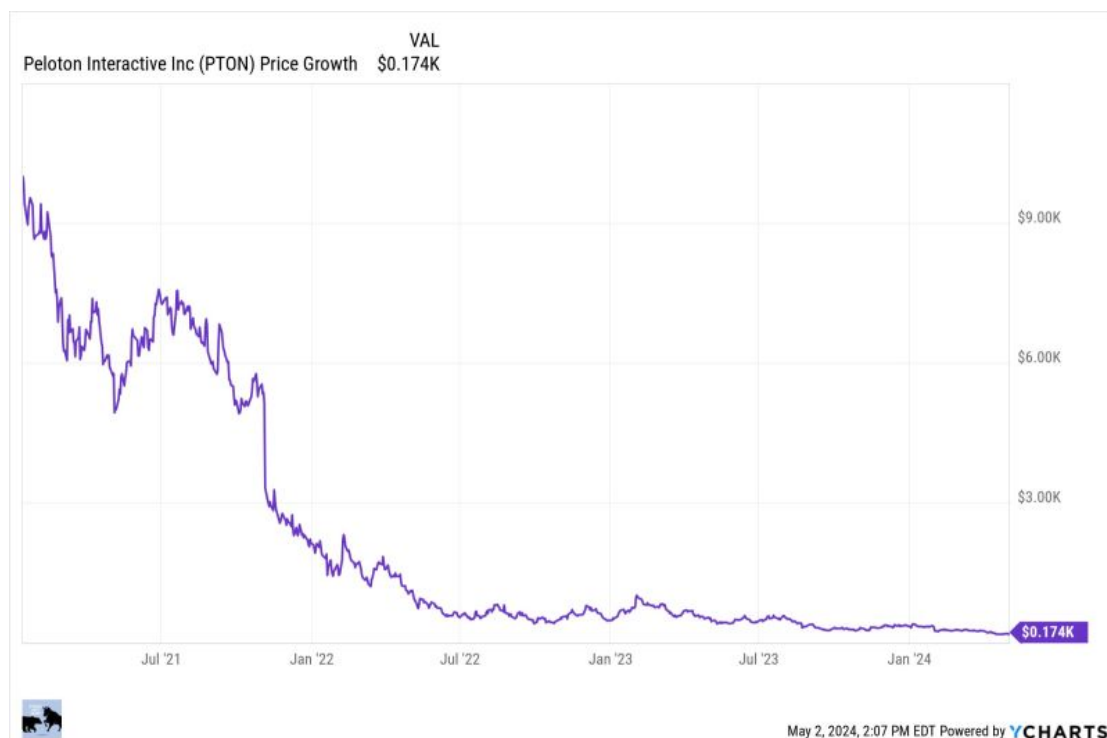
ETFs tracking lawmakers' trades 'outperform'. KRUZ is a reference to Republican Senator Ted Cruz while NANC alludes to Nancy Pelosi, the Democratic former Speaker of the House of Representatives. The ETFs mimic the trades of members of Congress, who are mandated by the Stop Trading on Congressional Knowledge Act (Stock) to disclose any trades worth more than \$1,000 made by themselves or their spouses within 45 days.



#food-for-thought

#peloton #crash

If you had invested \$10,000 into Peloton \$PTON at its peak in January 2021 and held to today you'd currently have ... \$174.



#food-for-thought

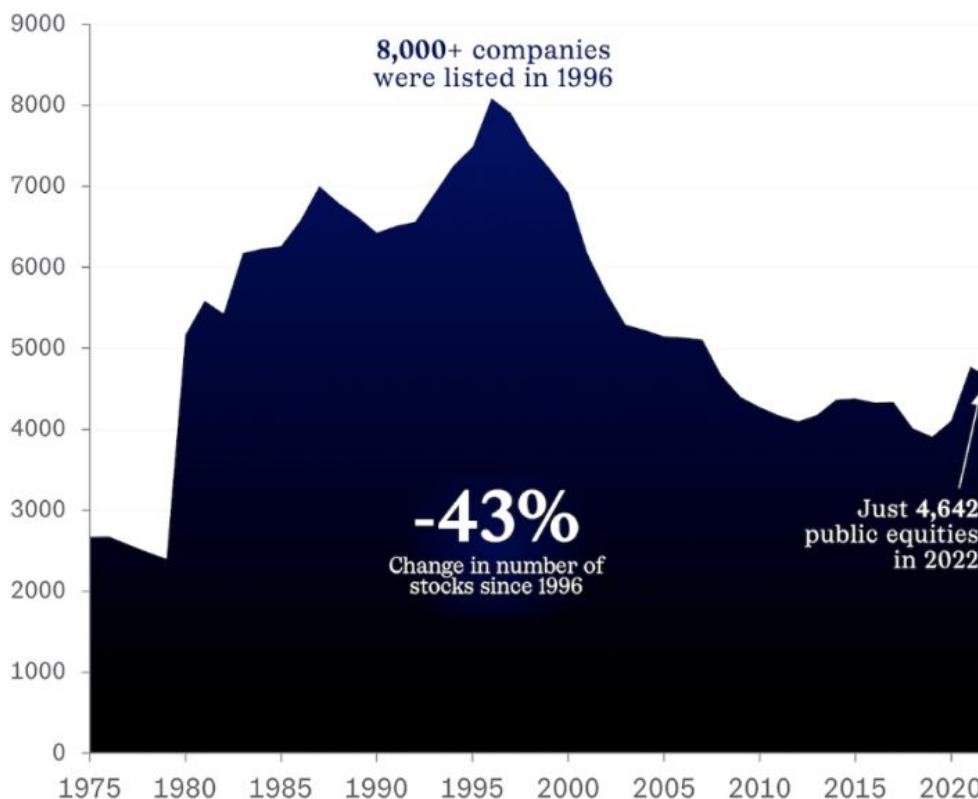
#stocks #listed-companies

Where did all the stocks go? Since the late 1990s, the number of US publicly traded companies has plunged from just over 8K in 1996 to about 4.6K in 2022. (It's bounced back a bit more recently.)

BLACK HOLES

Thousands Of Stocks Have Disappeared

Number of Listed Domestic Companies [US exchanges, annual]



CHARTR

Source: World Federation of Exchanges via the World Bank

Source: [Quartr](#)



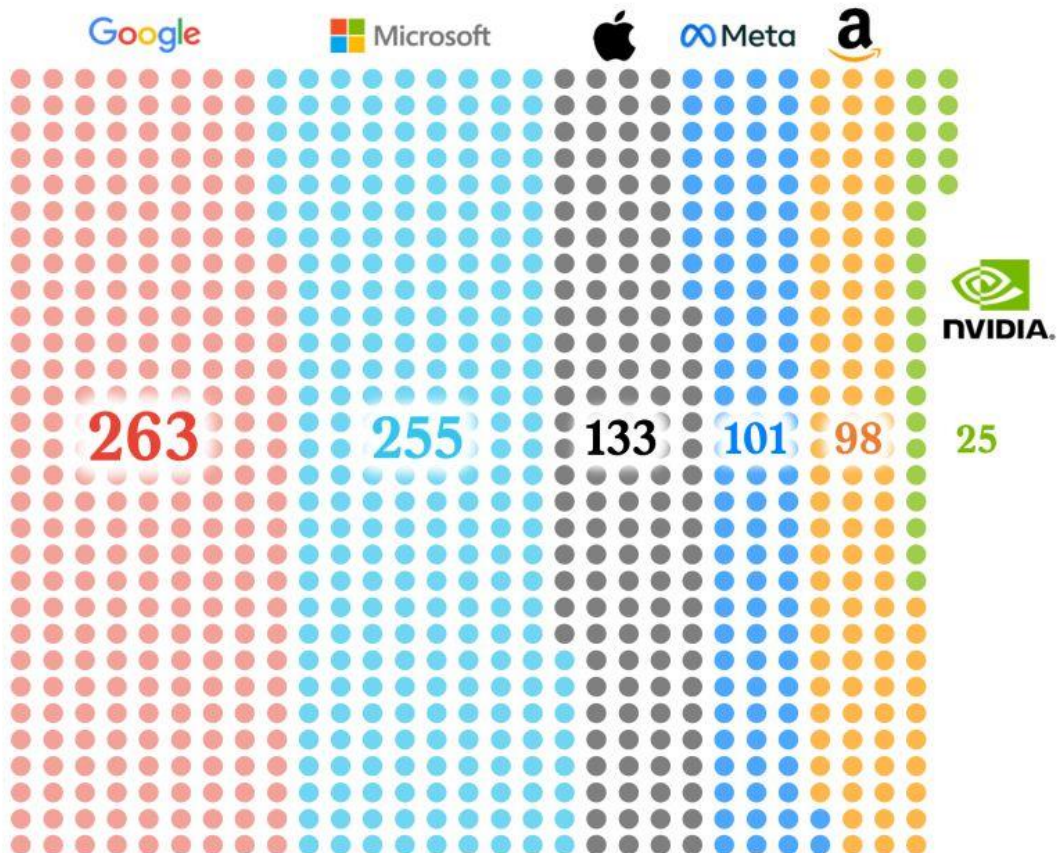
#food-for-thought

#big-tech #public-companies

The number of public companies has fallen fast

WEB OF DEALS
Big Tech Has Acquired 870+ Companies

Acquisitions by Selected Companies [Each dot = 1 acquisition]



CHARTR


Source: Crunchbase

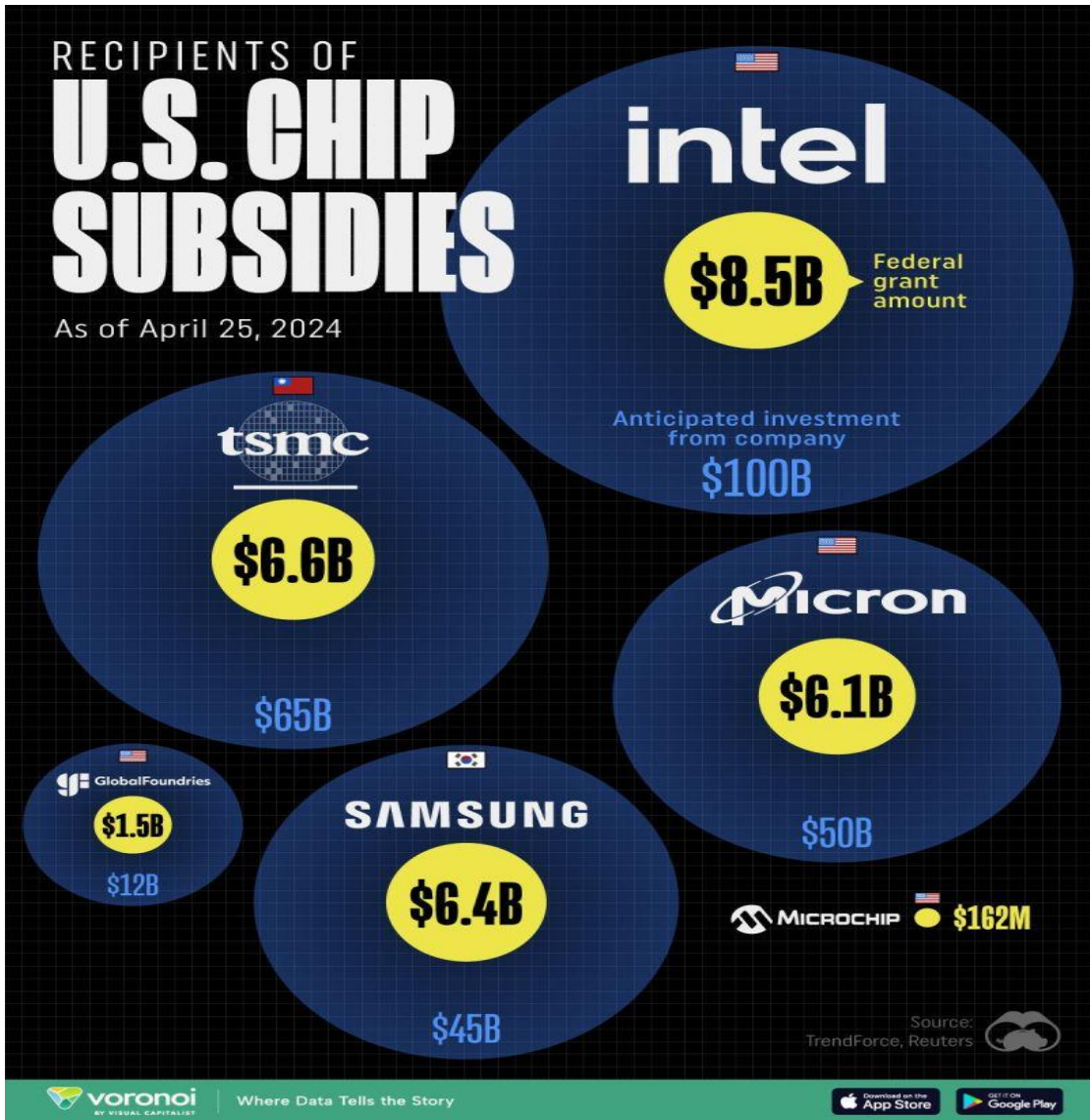
Source: Barry Ritholtz, Chartr



#food-for-thought

#us #chips-act

All of the Grants Given by the U.S. CHIPS Act 

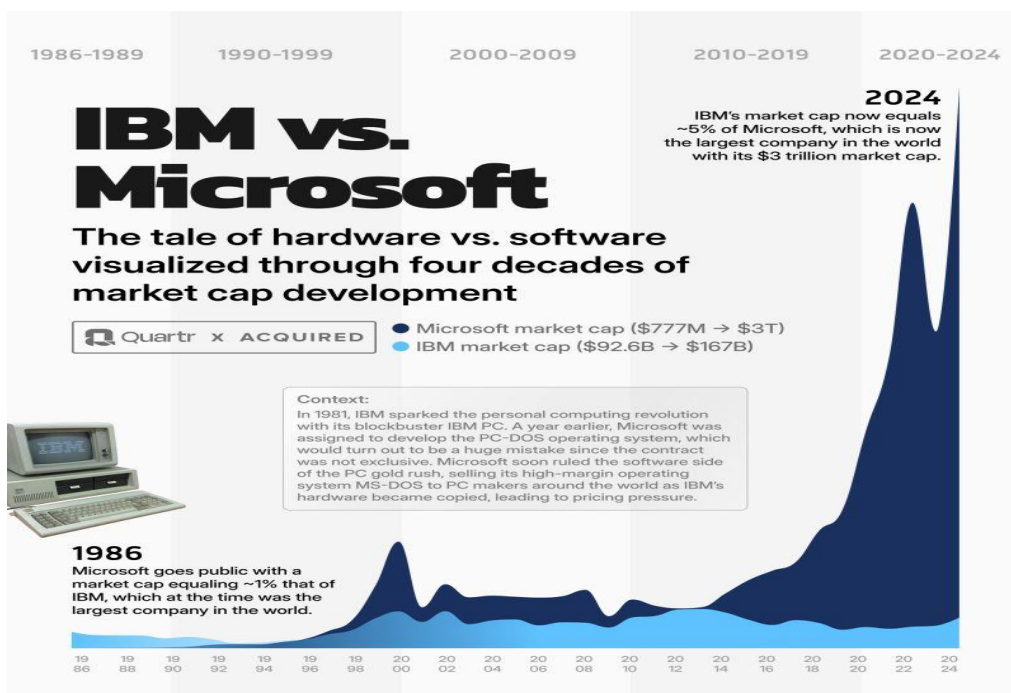


Source: Visual Capitalist

#food-for-thought

#ibm-microsoft #hardware-software

The tale of hardware vs. software visualized through four decades of market cap development by Quartr. In 1981, \$IBM sparked the personal computing revolution with the release of its blockbuster IBM PC. \$MSFT was assigned to develop the operating system under a non-exclusive deal, instantly catapulting the company into a market-leading position in software. In 1986, Microsoft went public with a market cap equaling 1% of IBM's, which at the time was the largest company in the world. IBM's market cap now equals ~5% of Microsoft's, which now is the largest company in the world with a market cap exceeding \$3 trillion.



#food-for-thought

#apple #ai #google

Apple has poached dozens of artificial intelligence experts from Google and has created a secretive Swiss laboratory in Zurich, as the tech giant builds a team to battle rivals in developing new AI models and products. According to a FT analysis of hundreds of LinkedIn profiles as well as public job postings and research papers, the \$2.7tn company has undertaken a hiring spree over recent years to expand its global AI and machine learning team. The iPhone maker has particularly targeted workers from Google, attracting at least 36 specialists from its rival since it poached John Giannandrea to be its top AI executive in 2018.

Apple targets Google staff to build artificial intelligence team

iPhone maker has also created a secretive Zurich lab as it prepares fightback against rivals



Apple has been tight-lipped about its AI plans but industry insiders suggest the company is focused on deploying generative AI on its mobile devices © FT montage/Getty Images

#food-for-thought

#apple #ai

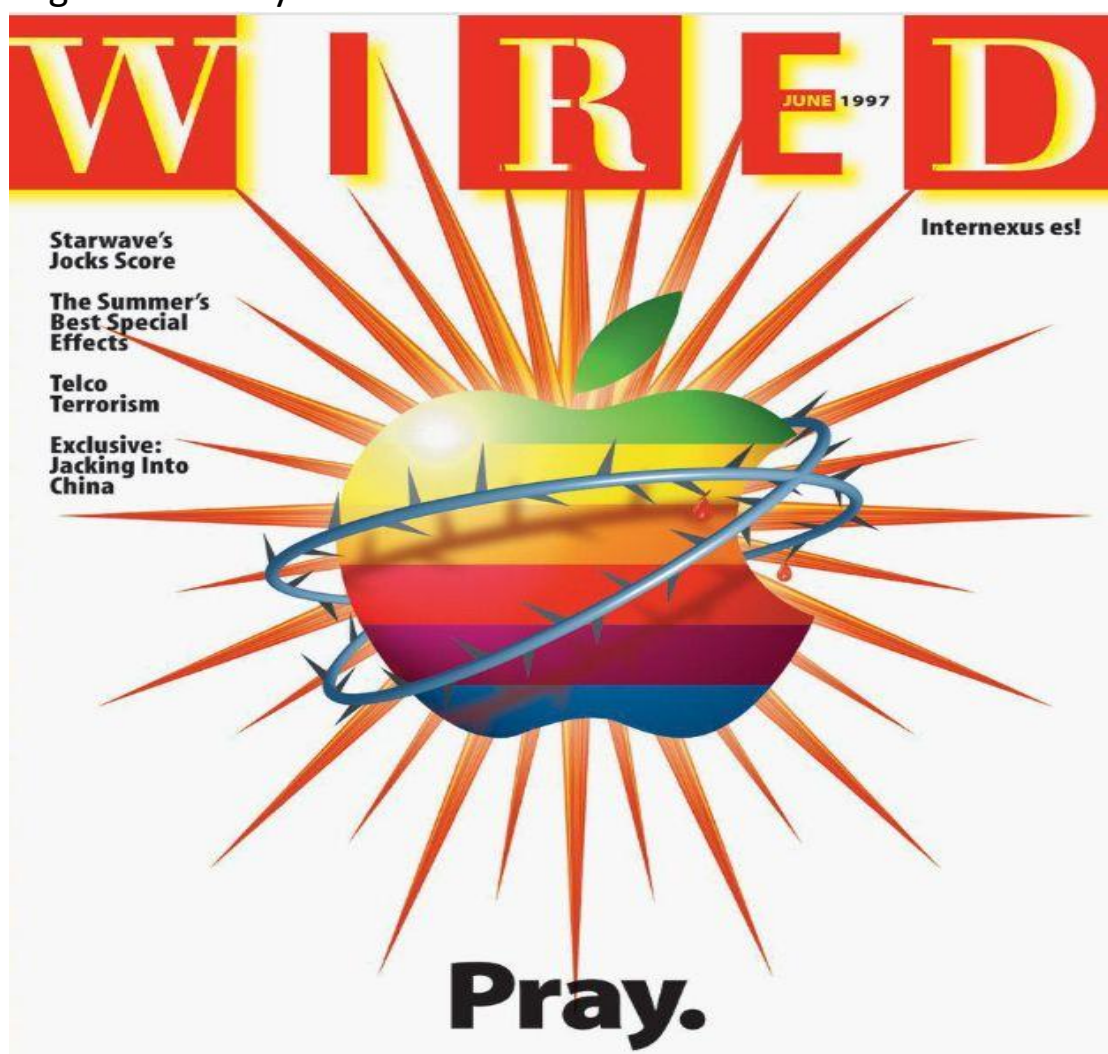
Apple \$AAPL CEO Tim Cook during earnings conference: Apple has “big plans to announce” from an “AI point of view” during its iPad event next week as well as at the company’s annual developer conference in June - CNBC



#food-for-thought

#apple #profit

Twenty-seven years ago, Apple was losing \$1 billion per day. Today, it makes \$1 billion in profit every three days. Additionally, Apple has announced a \$110 billion share buyback, which is the largest in history.

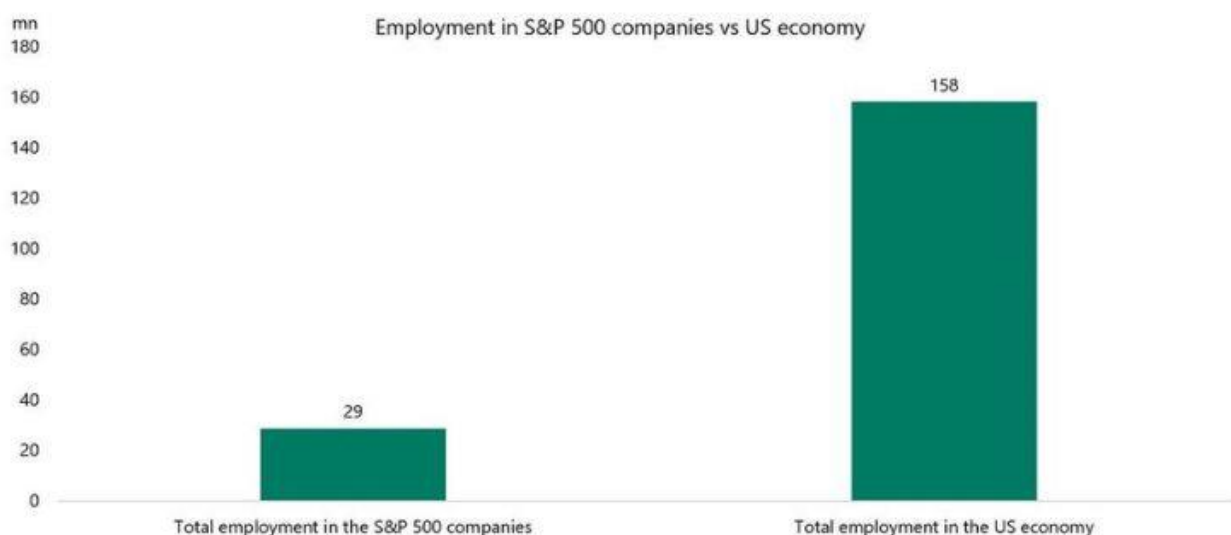


#food-for-thought

#us #employment #sp500-companies

More than 80% of total employment in the US economy is outside the S&P 500 companies.

Employment in S&P 500 companies is 18% of total US employment

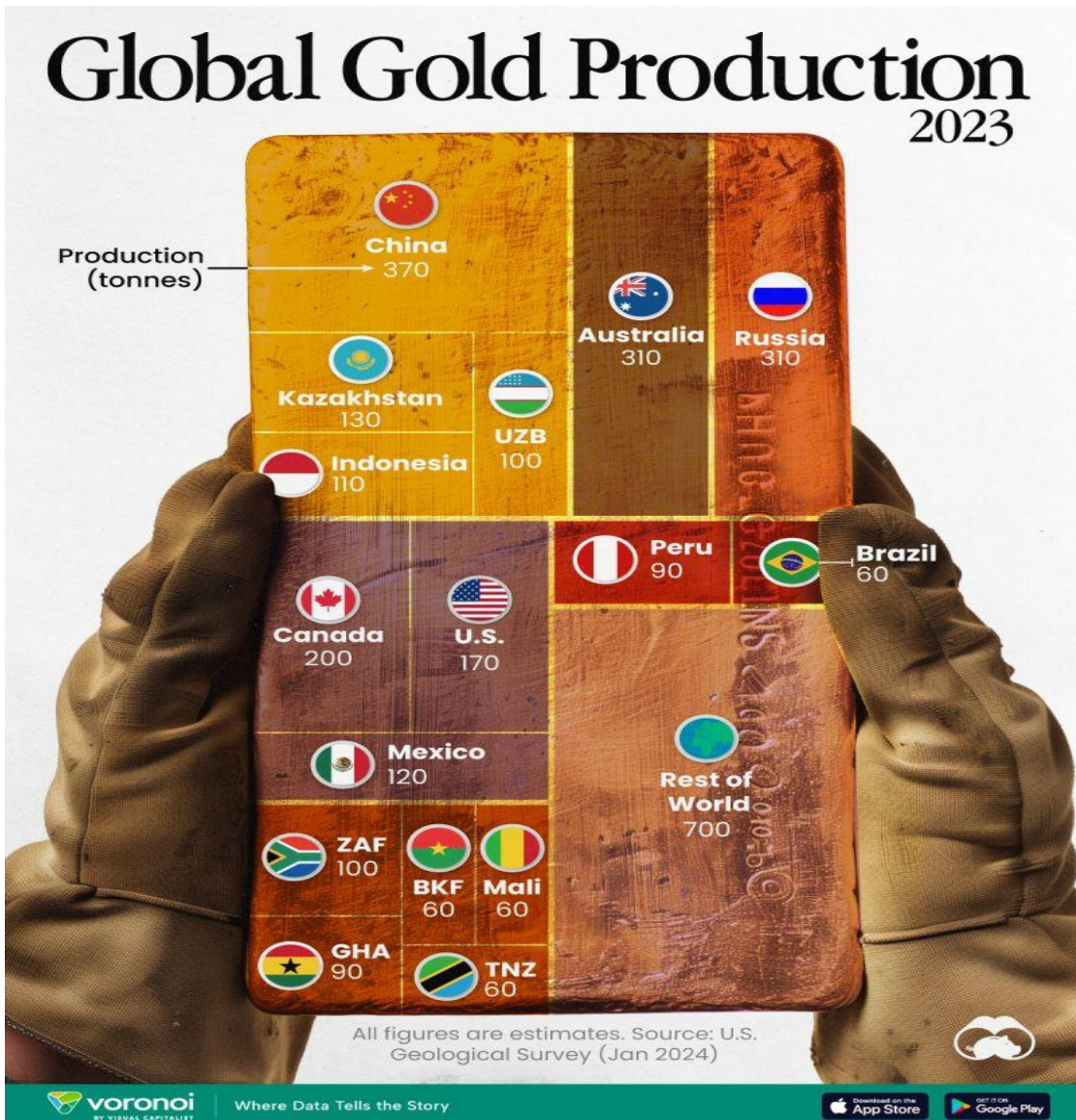


Source: dailychartbook

#food-for-thought

#gold #production

Global Gold Production 2023.

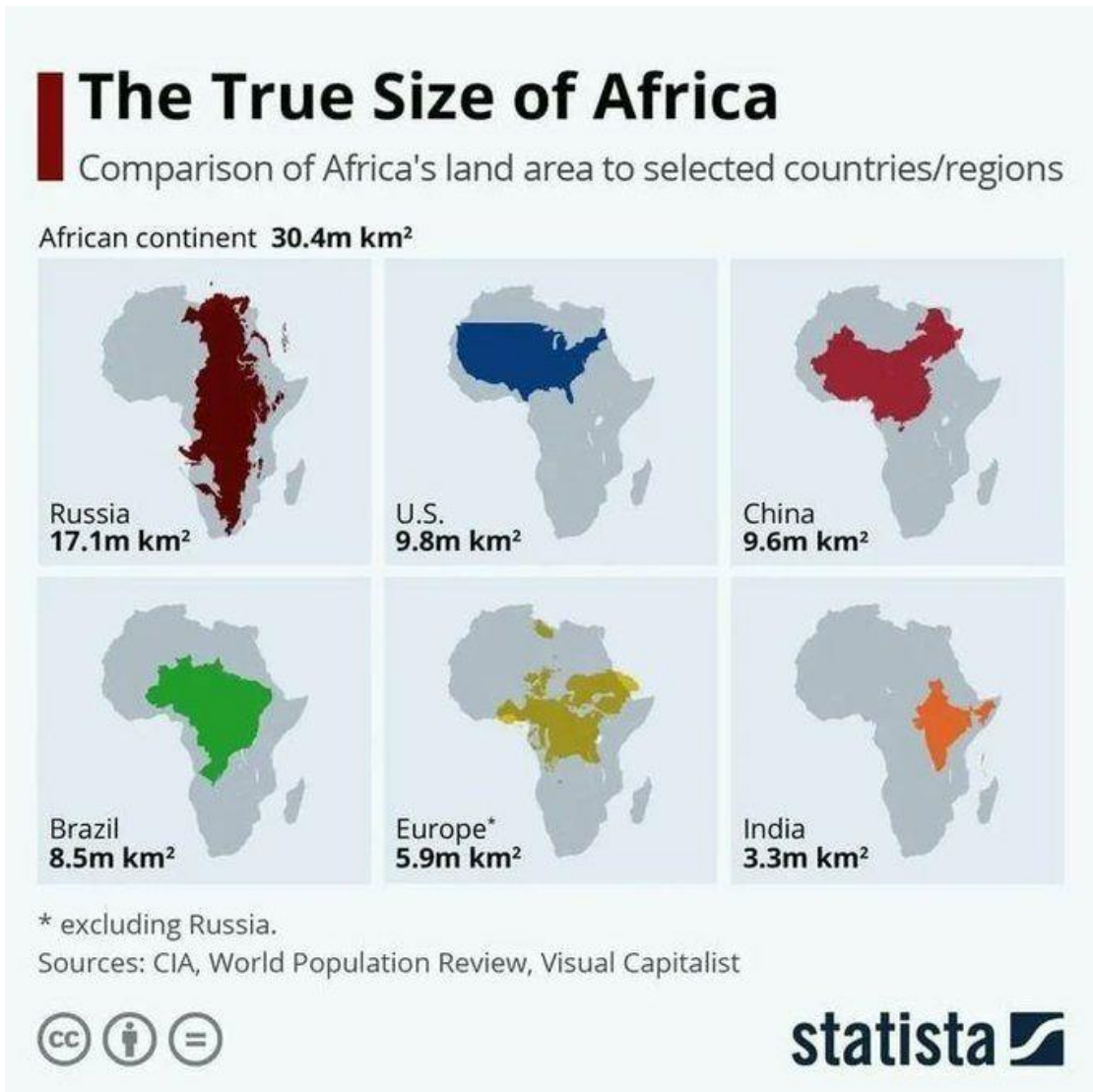


Source: visualcapitalist, voronoi

#food-for-thought

#africa #size-comparison

The true size of Africa.



Source: statista

#food-for-thought

#billionaires

Which City Has The Most Billionaires In 2024?




Source: visualcapitalist

#food-for-thought

#apple-watch #rolex

This ended up being pretty accurate 🎯



Why the Apple Watch Won't Destroy the Rolex

Some might think that the debut of the Apple Watch will cause the demise of the Rolex. However, an expert says comparing the two is "a little bit like comparing apples and watches." He predicts that the introduction of the new wearable will generate demand for wristwear in general. Either way, it is premature to conclude what ripple effect Apple Watches might have on the watch industry.

CNBC News Apr. 23, 2015

Source: Leandro - invesquotes

#food-for-thought

#password-strength

Is your password strong enough?



Source: market&mayhem

#food-for-thought

#change #leadership



Source: successpictures, [Compounding Quality](#)

#food-for-thought

#amazon #aws

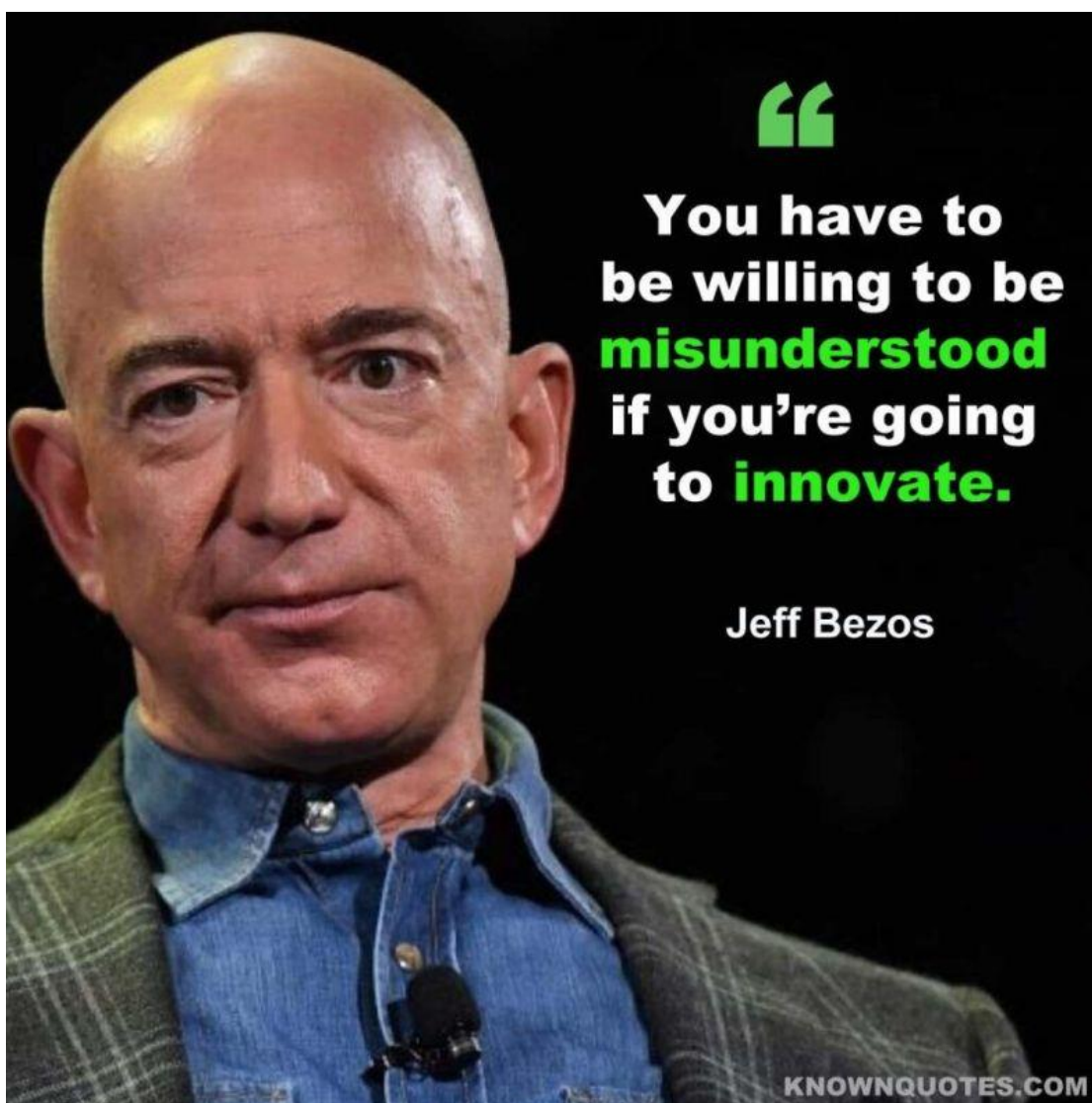
Amazon Web Services launched in 2006. Sales that year were \$21 million. Today, it's \$21 million in LESS THAN TWO HOURS...



Source: Jon Erlichman

#food-for-thought

#bezos #quotes

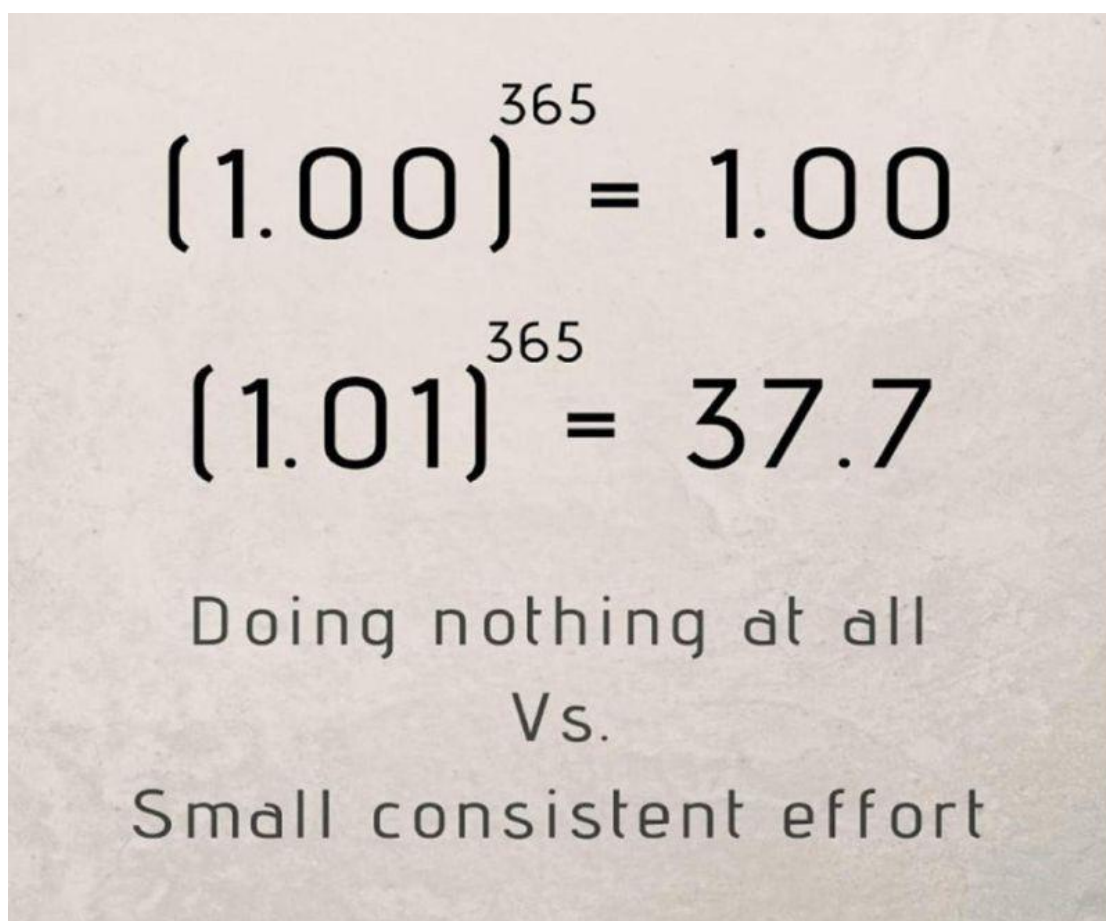


Source: knownquotes

#food-for-thought

#compounding

The power of small consistent effort.



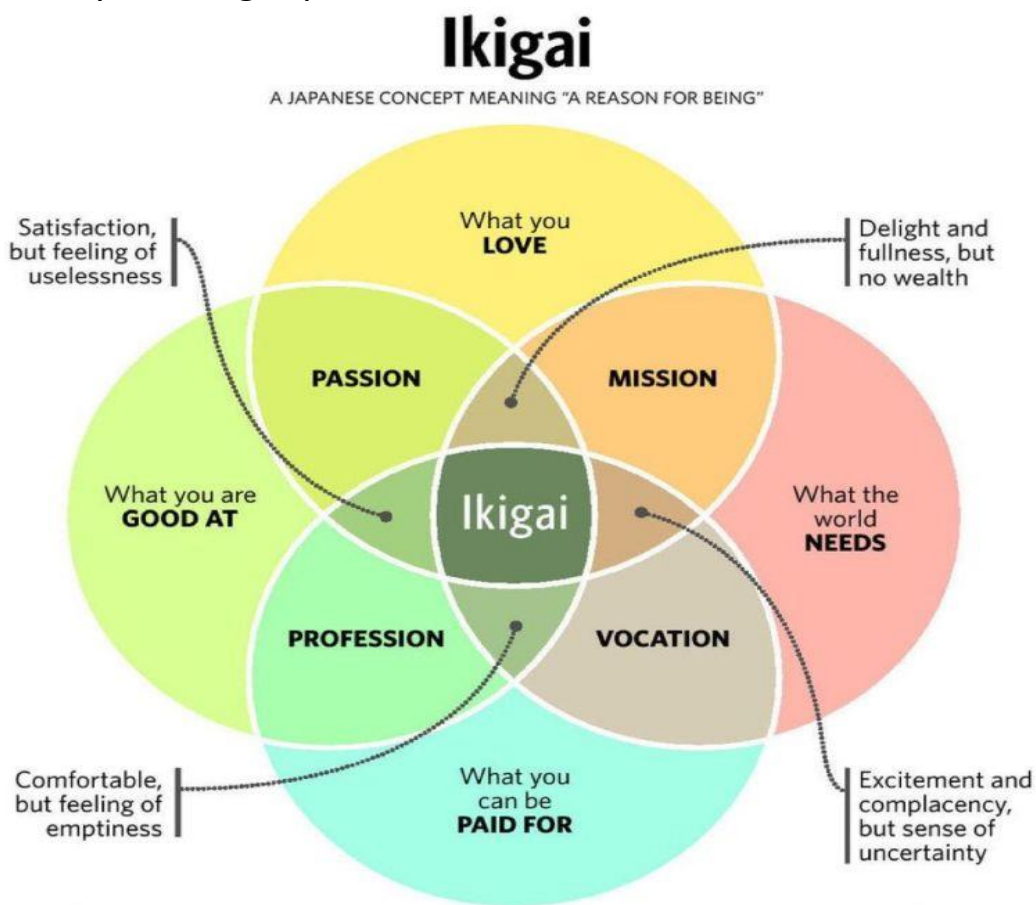
Source: [Compounding Quality](#)

#food-for-thought

#ikigai #lifestyle

The Japanese secret to a long, happy and meaningful life: Ikigai
Ikigai: passion | mission | vocation | profession

- What you love
- What you are good at
- What the world needs
- What you can get paid for



SOURCE: dreamstime

TORONTO STAR GRAPHIC

Source: Vala Afshar, Dreamstime

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For the future...