

## Chart of the week

### URANIUM PRICES HIT A 12-YEAR HIGH

Uranium prices have surged to highest level in more than a decade 🚨

The FT reports that yellowcake prices - uranium concentrate used in nuclear generation - have gained 12% over the past month alone, hitting \$65.50 per pound, which is the highest since 2011, before the Fukushima disaster.



Source: FT

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### WTI Crude oil prices rose above \$90

US stocks had a mixed week, with value stocks leading the market as U.S. WTI oil prices rose above \$90 per barrel for the 1st time since November 2022. Tech and growth stocks lagged after Apple's new product introduction event on Tuesday that featured a price increase on its top-of-the-line iPhone 15. However, broad market sentiment received a boost from the largest IPO of 2023 as shares of Arm started trading on the Nasdaq on Thursday. Wednesday's release of the August CPI data showed that the Fed has made progress in its fight against inflation, but rising energy prices may prompt the central bank to further tighten monetary policy. The headline CPI numbers showed the largest monthly increase since August 2022, due to the effect of higher gasoline prices. The core (excluding food and energy) CPI increase was slightly higher than expected, but markets took the news in stride. Headline producer prices index (PPI) climbed more than expected while core PPI was in line with expectations. Retail sales for August were strong. U.S. Treasury yields increased modestly over most maturities. The STOXX Europe 600 Index ended 1.60% higher after the ECB raised interest rates but signalled that borrowing costs may have reached a peak. Better economic data out of China also appeared to lift investor sentiment. In Asia, Japan's Nikkei 225 Index finished up 2.8% while Chinese equities were mixed. The dollar index closed higher for a 9th week in a row, its longest winning streak since 2014!

## #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

16 SEPTEMBER 2023

#markets

### #weekly #stats

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	34,619	0.1%	4.4%
S&P 500 Index	4,450	-0.2%	15.9%
NASDAQ	13,708	-0.4%	31.0%
MSCI EAFE*	2,100	1.2%	8.0%
10-yr Treasury Yield	4.33%	0.1%	0.5%
Oil (\$/bbl)	\$91.10	4.1%	13.5%
Bonds	\$95.51	-0.3%	0.8%

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## #us #equities #technicals

All the majors fell back below their key technical levels on Friday...



Source: xxx

# #GLOBALMARKETS WEEKLY WRAP-UP

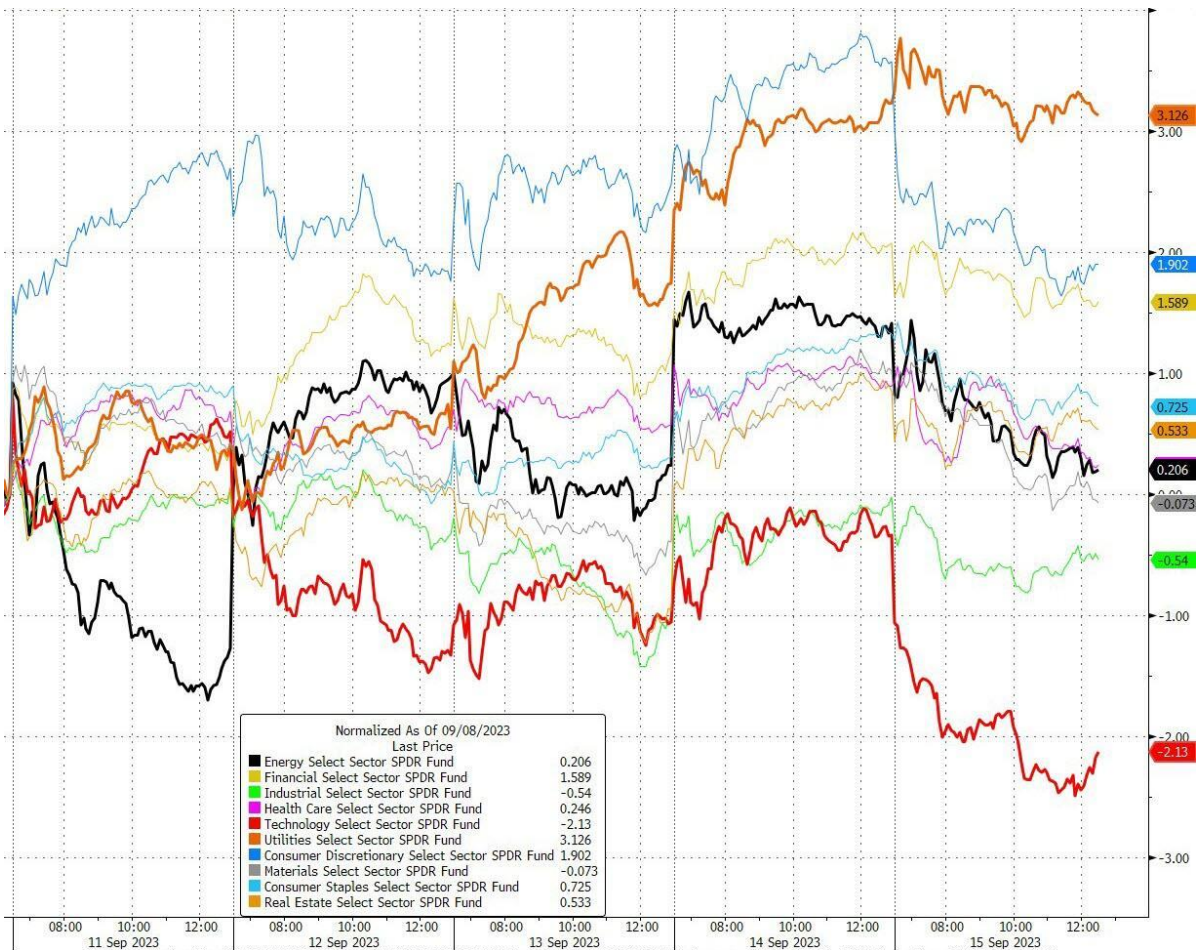
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## #us #equities #sector #leadership

Tech stocks suffered the most this week, while Utes outperformed (even with rising rates). Energy ended around unchanged...



Source: [www.zerohedge.co](http://www.zerohedge.co), N



## #vix #seasonality

The VIX closed at 12.82 on Thursday -- a new YTD low, and the lowest reading since early-2020..... it gives an air of deep complacency, especially as we're just about to head into what has historically been the most volatile time of the year...

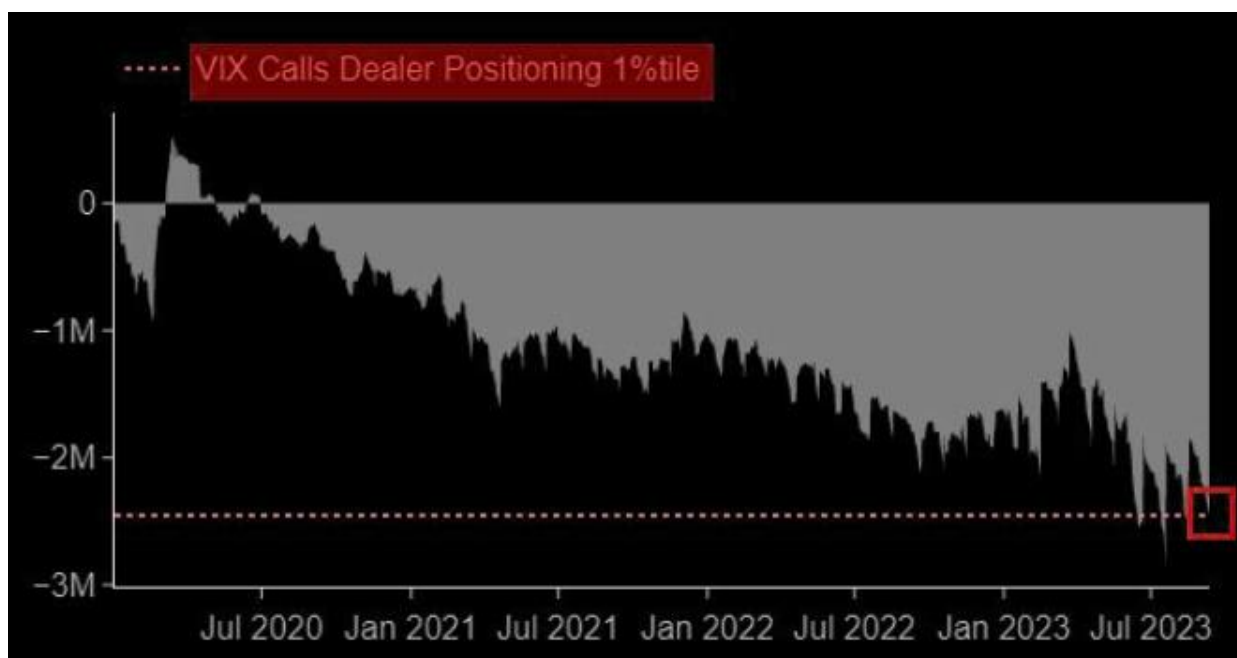


Source: xxx

#markets

## #vix #dealers #positioning

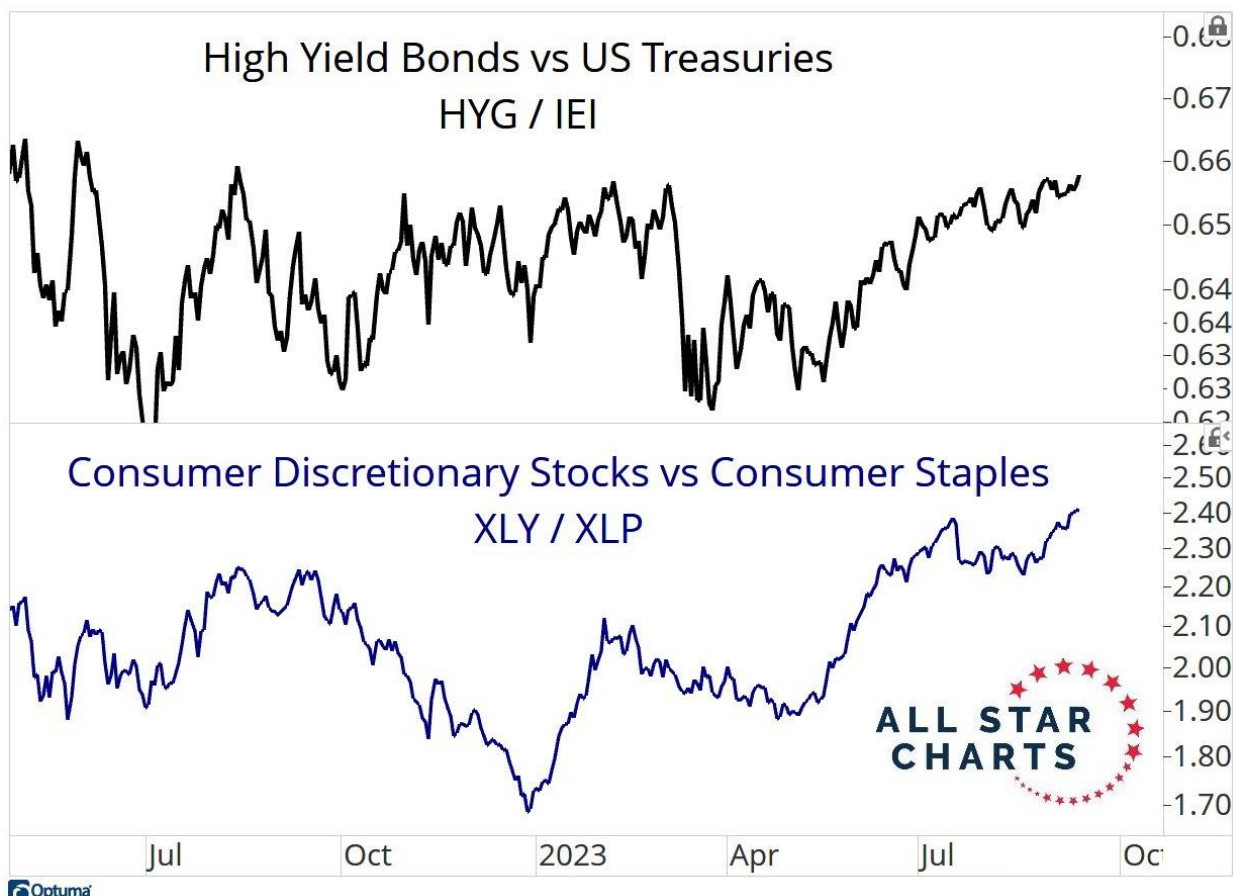
Dealers are short VIX. Things could easily get a bit "fluid" should VIX move higher quickly...





## #cyclicals #leadership

If S&Ps were going to resolve this range lower, I would expect these lines to be trending down, not up



Optima



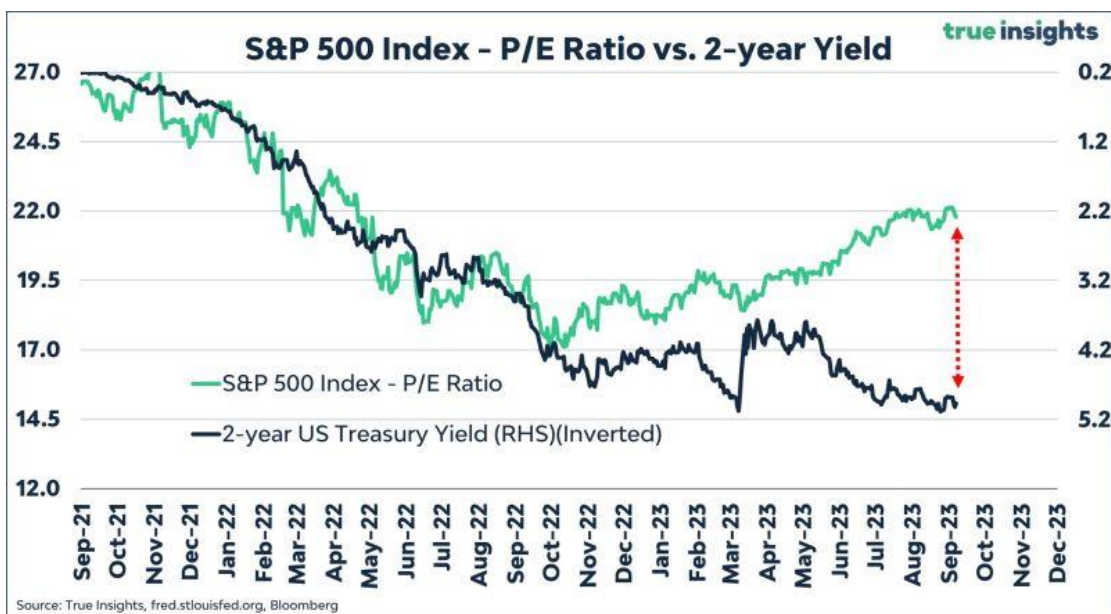
Source: J-C Parets





## #us #sp500 #yield #p/e-ratio

As highlighted by Jeroen Blokland, the sp500 P/E ratio used to be tightly correlated to the US 2 year yield (inverted on the chart), i.e the lower the 2 year yield, the higher the P/E ratio and vice versa. Well, this is no longer the case as a giant crocodile jaw has been forming. Which of the 2 will bind first?



Source: Jeroen Blokland, [True Insights](#)





## #sp500 #yield #treasury

The S&P 500 earnings yield minus risk-free cash rate (3-month treasury bill) has dropped to its lowest level (-90 basis points) in 23 years.

**Chart 9: 'EY < cash yield' has historically led to equity sell-offs**  
S&P 500 earnings yield – UST 3-month yield



Source: BofA Global Investment Strategy, Bloomberg

Source: BofA



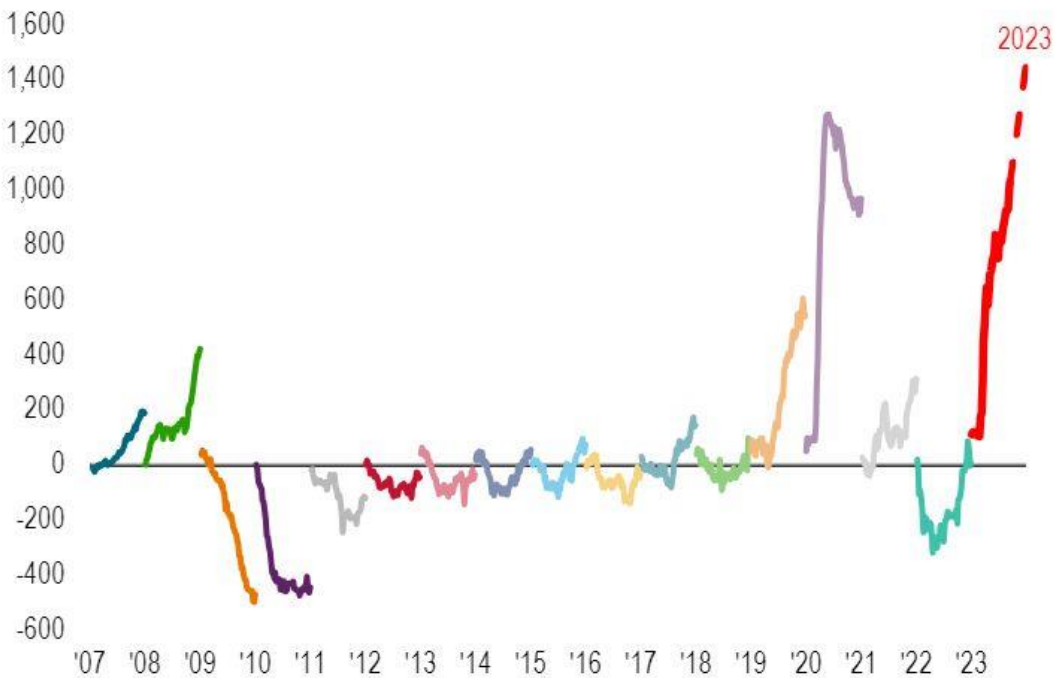


## #money-markets #fund #flows

Money Markets funds are on course for record \$1.5 trillion inflow in 2023.

### MMFs on course for record \$1.5tn inflow in 2023

Cumulative inflows to money market funds by year (\$bn)



Source: BofA Global Investment Strategy, EPFR. 2023 inflows annualized as of September 13<sup>th</sup>.



Source: BofA

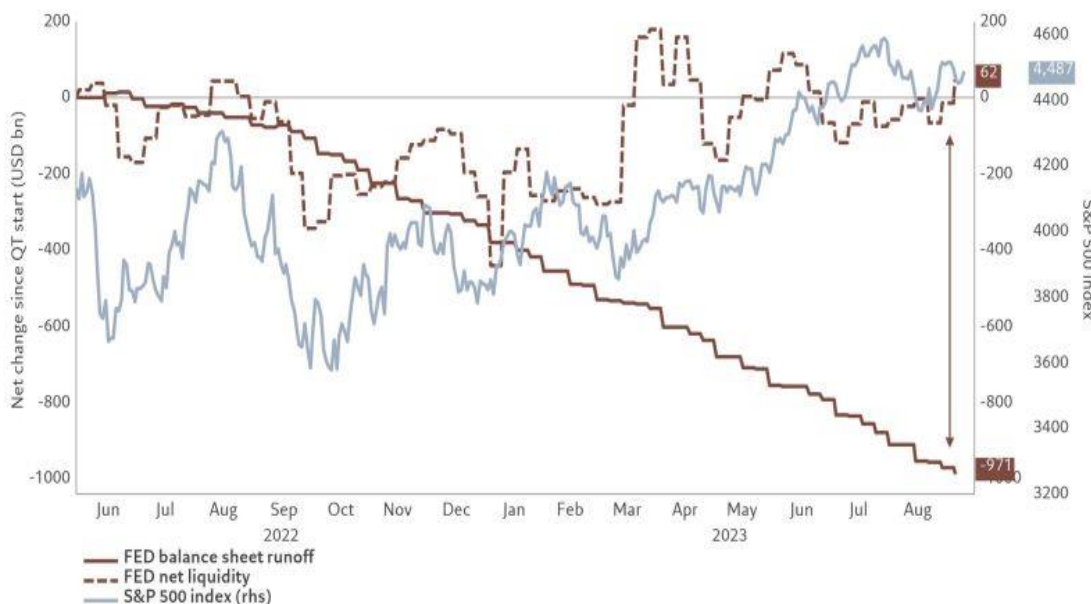


## #fed #quantitative-tightening #liquidity

Despite QT of almost 1T\$, Fed net liquidity\* actually increased fueling the rally in big tech. Remarkable chart from Steve Donze at Pictet Asset Management thru Michel A.Arouet.

\*Net liquidity is a term that refers to the amount of cash and credit available for transactions, purchases, or investments. It is calculated by adding up the money supply and the outstanding credit in a given currency or region.

FED net liquidity & S&P 500 index since QT inception



Source: Refinitiv, Pictet Asset Management

Source: Pictet Asset Management, Michel A.Arouet





#sp500 #stocks #ai

Stock Market: "We don't need central banks anymore, we have AI"

S&P 500 vs S&P 500 predicted by central bank\* balance sheets



Source: Charles Schwab, Macrobond, ECB (European Central Bank), Bank of Japan (BOJ), Bank of England, Federal Reserve, National Bank of Switzerland (Schweizerische Nationalbank), People's Bank of China (PBoC), Central Bank of Sweden (Riksbanken), Reserve Bank of Australia, Statistics Canada, Reserve Bank of New Zealand, S&P Global as of 9/13/2023  
Forecasts contained herein are for illustrative purposes only, may be based upon proprietary research and are developed through analysis of historical public data.  
Indexes are unmanaged, do not incur management fees, costs and expenses, and cannot be invested in directly. Past performance is no guarantee of future results

Source: Jeffrey Kleintop





#sp500 #stocks #ai

All S&P 500 gains this year came from the AI boom/mania, all other stocks are flat reflecting concerns about global economic slowdown.

**S&P 500 performance ytd vs. S&P 500 ex-AI boom stocks ytd**



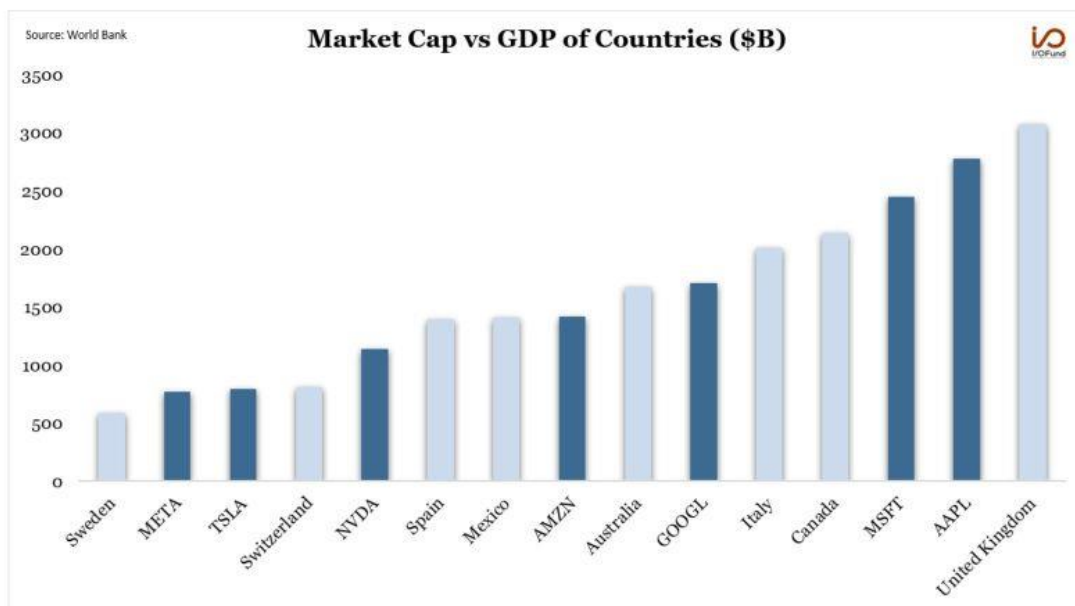
Source: Michael A. Arouet





## #market-cap #big-tech #gdp

Comparing the market capitalization of Big Tech stocks to the GDP of nations, Apple and Microsoft emerge as giants. They would rank 8th and 9th respectively if they were countries. \$AAPL \$MSFT \$GOOGL \$AMZN \$NVDA \$TSLA \$META



Source: Beth Kindig



## #nvidia #technicalanalysis #50dma

For the 3rd time in a month, Nvidia NVDA has fallen below its 50D moving average. This comes after it hadn't fallen below its 50D moving for the entirety of 2023.



Source: barchart

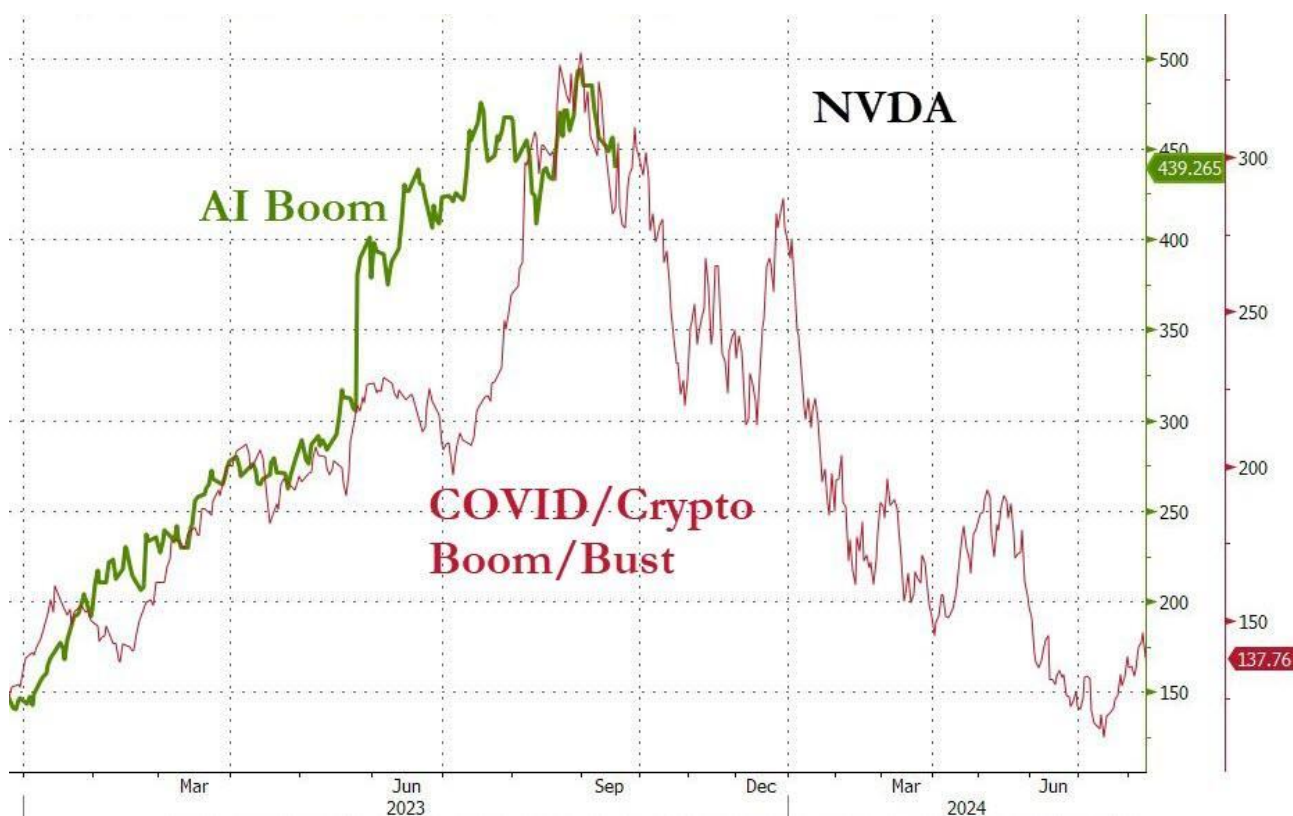






# #nvidia

The analog remains...



Source: [www.zerohedge.com](http://www.zerohedge.com)



## #nvidia #trading #ceo

Nvidia Insider Trading Alert 📢 Nvidia CEO Jensen Huang dumped another \$27 million worth of \$NVDA shares. He has now sold almost \$100 million worth of shares over the last week.

**Nvidia Corp (NVDA)**  
 458.23 +3.38 (+0.74%) 11:08 ET [NASDAQ]  
 458.19 x 900 458.36 x 400 REALTIME by (Cboe BZX)  
 INSIDER TRADES for Thu, Sep 14th, 2023

Alerts Watch Help

1-Year Performance for NVDA 52 WK High 502.66 52 WK Low 108.13

**Insider Transaction Discretionary Trades Summary**

Time Period	Buy	Sell	Shares
Last 3 Months	0 Buys	7 Sells	383,856 Shares
Last 6 Months	0 Buys	18 Sells	770,607 Shares
Last 12 Months	0 Buys	31 Sells	1,349,162 Shares

**Insider Transactions**

Latest Data --All Transaction Types-- --All Transaction Sizes-- Include Politicians [download](#)

Insider Name	Transaction	Date	Shares	@Price	Trans Total	Shares After	%Held After	Links
Dr Jensen Huang (CEO)	Sale Post-exercise	09/13/23	59,376	\$452.9850	\$26,896,438	94,558,590	3.8283%	📄
Dr Jensen Huang (CEO)	Exercise	09/13/23	59,376	\$4.0000	\$237,504	94,558,590	3.8283%	📄
Debora Shoquist (VP of Ops)	Given Away	09/12/23	10,000	0.00000	\$4,487,000	335,399	0.0136%	📄
Dr Jensen Huang (CEO)	Exercise	09/11/23	59,376	\$4.0000	\$237,504	86,639,715	3.5077%	📄
Dr Jensen Huang (CEO)	Sale Post-exercise	09/11/23	59,376	\$453.6462	\$26,935,697	86,639,715	3.5077%	📄
Dr Jensen Huang (CEO)	Exercise	09/08/23	118,750	\$4.0000	\$475,001	86,639,715	3.5077%	📄
Dr Jensen Huang (CEO)	Sale Post-exercise	09/06/23	89,064	\$480.8683	\$42,828,054	86,520,965	3.5029%	📄
Dr Jensen Huang (CEO)	Exercise	09/06/23	89,064	\$4.0000	\$356,255	86,520,965	3.5029%	📄

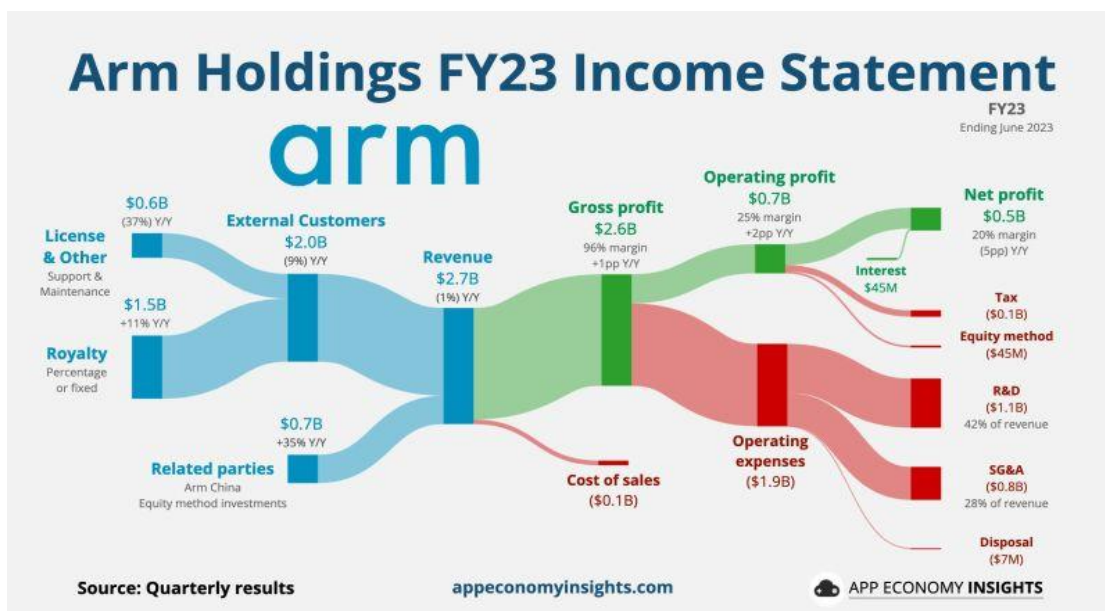
Source: barchart





## #arm #ipo

SoftBank's \$ARM IPO is coming up. The chip designer aims to raise ~\$5B, targeting a valuation of \$50B-\$55B. It's the largest US IPO since \$RIVN in 2021. Note that SoftBank's \$50bn flotation of Arm is more than five times oversubscribed, according to bankers pitching investors on the biggest initial public offering in nearly two years, as the UK-based chip designer forecast accelerating revenue growth boosted by the artificial intelligence boom.



Source: App Economy Insights



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## #arm #ipo #debut

Arm Holdings jumps 25% from IPO price in trading debut. Hotly-anticipated IPO was 12-times oversubscribed w/the top 10 clients taking half of the 95.5 million ADRs at \$51 each, the top of a marketed range.



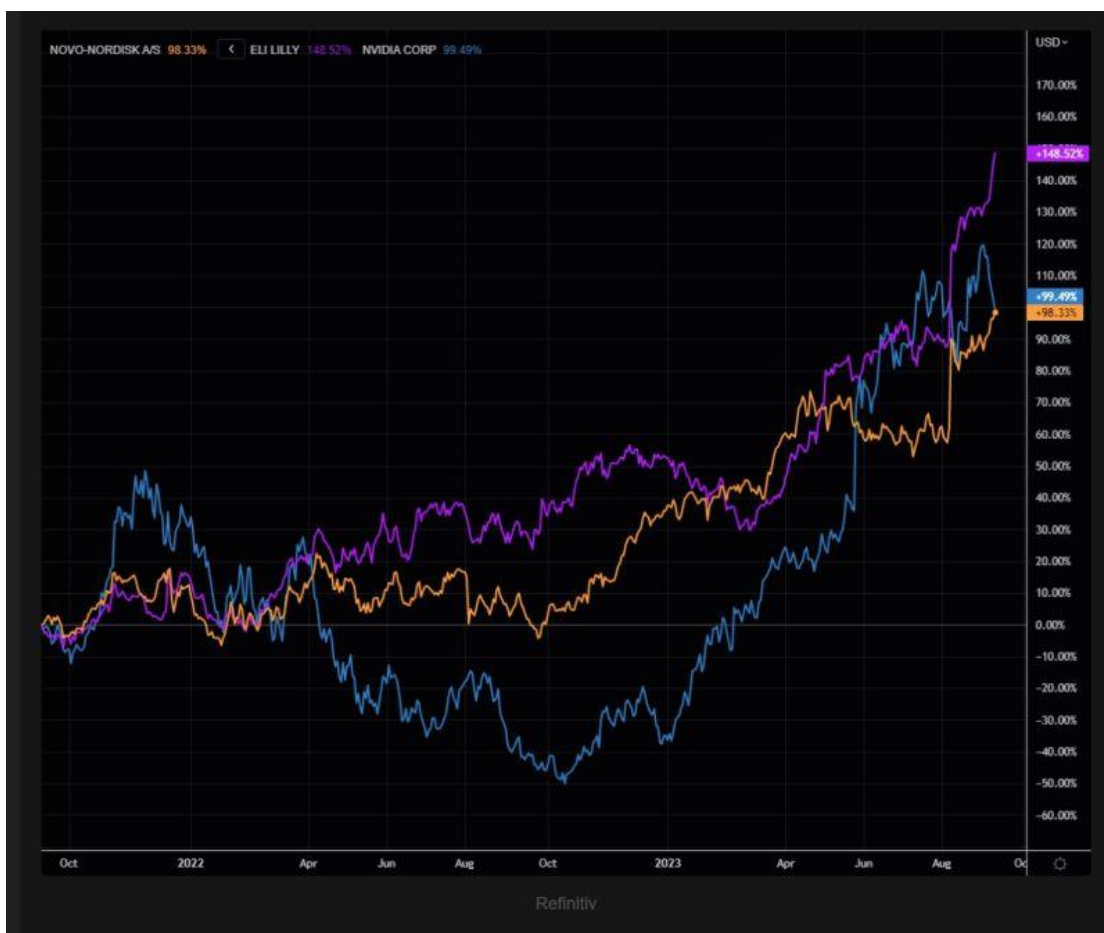
Source: HolgerZ, Bloomberg





## #ai #pharma #equities

FAT over AI: the match... while headlines are all about artificial intelligence darling Nvidia, the weight-loss drugs champions Eli Lilly and Novo Nordisk stocks performance has been spectacular as well. Two year chart shows that \$LLY is well ahead of "hot" \$NVDA...and \$NVO is practically "there"...



Source: The Market Ear, Refinitiv



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## #tesla #ms #price #forecast

Morgan Stanley raised its Tesla price target to \$400. This would represent a 61% gain from the current TSLA share price.



Source: barchart, morgan stanley



### #tesla #short #stocks

Tesla tops list of most shorted stocks for third month in August – Hazeltree. Tesla topped a list of the most shorted large-cap U.S. stocks for a third consecutive month in August, securities lending data firm Hazeltree said in a report on Tuesday. Hazeltree, which tracks 12,000 equities globally, said the second and third most shorted stocks last month were Charter Communications and Apple respectively. Hedge funds have been shorting U.S. stocks at a rapid pace in recent weeks, a Goldman Sachs note this week showed, and total short bets reached their highest value in six months. Hedge funds were net short consumer discretionary stocks, which would include Tesla, for the year ending Sept. 8, according to the Goldman note.



Source: reuters



## #twnk #sp500 #performance

Hostess Brands TWNK gained 232% from its \$10 IPO in August 2015 through its buyout by JM Smucker SJM this morning. That's 86 percentage points better than \$SPY.

Hostess Brands (TWNK) vs. S&P 500 ETF (SPY) Total Return (%) Since IPO



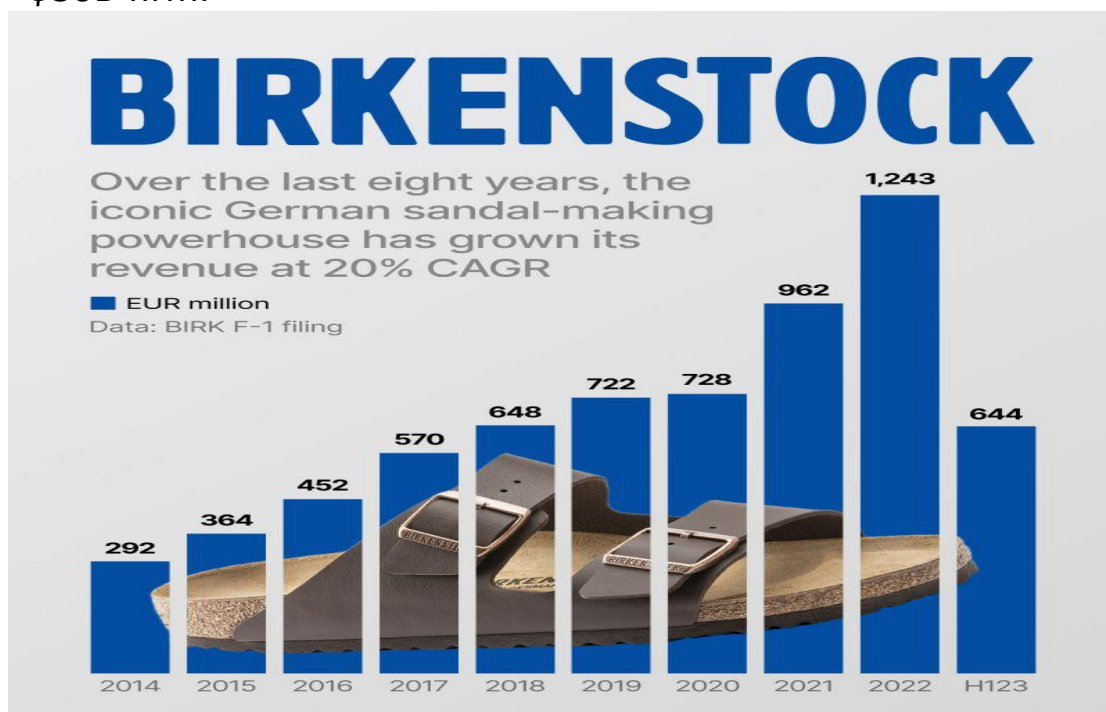
Source: bespoke





## #lvmh #ipo #birkenstock

Yesterday, the \$LVMH-backed iconic sandal-maker Birkenstock filed for its NYSE IPO! With a 250-year history and a product that has been cheaply imitated for decades, \$BIRK's 20% revenue CAGR over the last eight years is very impressive. Looking at profitability, Birkenstock actually has 60% gross margins, and its EBIT margins reached as high as 29% in FY22. In 2021, Birkenstock was acquired by the private equity firm L Catterton for \$4.3B. Together with Bernard Arnault's family holding company Groupe Arnault, LVMH owns 40% of the ~\$30B firm.



Source: Quartr

## #hard-landing #sof-landing #assets

### Hard landing vs. soft landing assets

**Table 1: What assets are positioned for 'hard'/'soft'/'no' landing ?**

Hard/Soft/No Landing pricing across asset classes

Hard Landing	Soft Landing	No Landing
UST 2s10s	IG credit spreads (IG CDX)	Magnificent Seven (NDX)
XLRE (REITS)	HY credit spreads (HY CDX)	Semiconductors (SOX)
Regional banks (KRE)	Private equity (PSP)	Industrials (XLI)
Small caps (RTY)		Homebuilders (XHB)
China (FXI)		Energy (XLE)
Australian dollar (AUD)		Broker dealers (XBD)
		Mexican peso (MXN)

Source: BofA Global Investment Strategy.

BofA GLOBAL RESEARCH

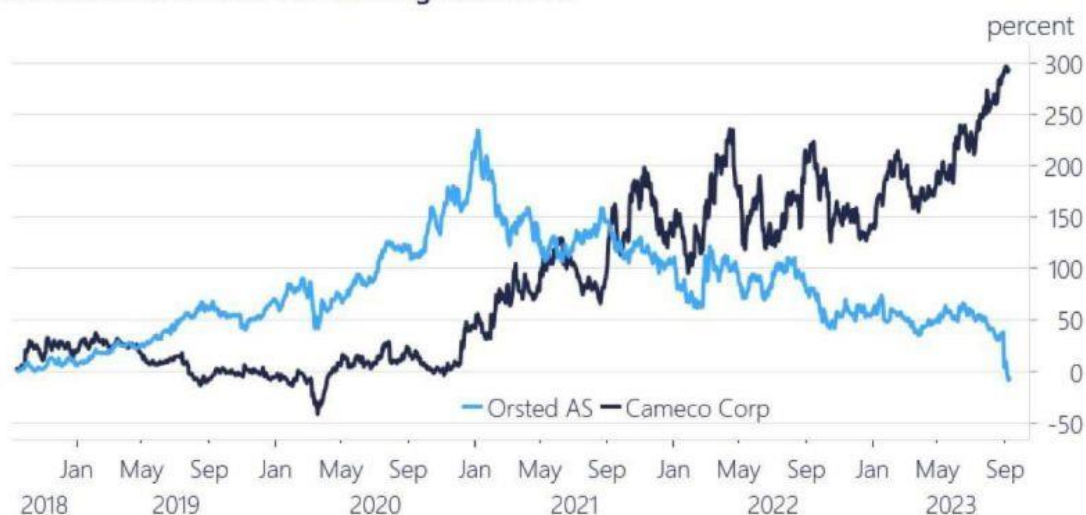
Source: BofA



#nuclear #renewables #energy

Long Nuclear short Windmills?

The Winds Of Nuclear Are Blowing Gale Force



Source: Steno Research, Bloomberg and Macrobond

Source: Steno Research & Macrobond



# #india #equities #nifty50

India Nifty 50 Index. Big picture, via 5% box size.

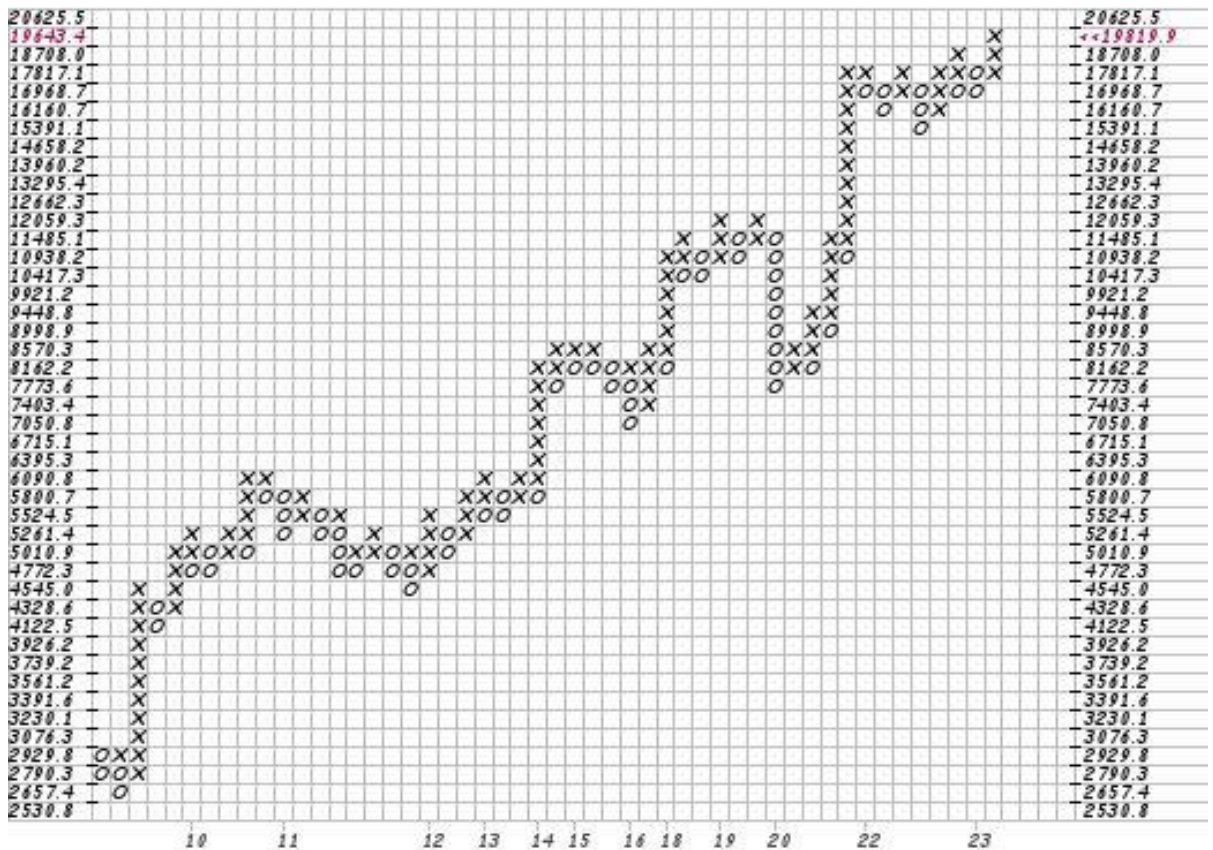
**\$NIFTY** Nifty 50 Index - India

08-Sep-2023

**P&F Pattern** Bullish Catapult Breakout on 17-Jul-2023

Scaling: Percentage [Reversal: 1, Box Size:5.0%]

(c) StockCharts.com



Source: Mark Ungewitter





## #us #treasuries #weekly

Treasuries were sold again on Friday (2nd day in a row) with the selling starting at the European open and going thru the European close. That lifted all yields higher on the week with the long-end underperforming... The 2Y Yield rose back above (and closed above) the key 5.00% level...



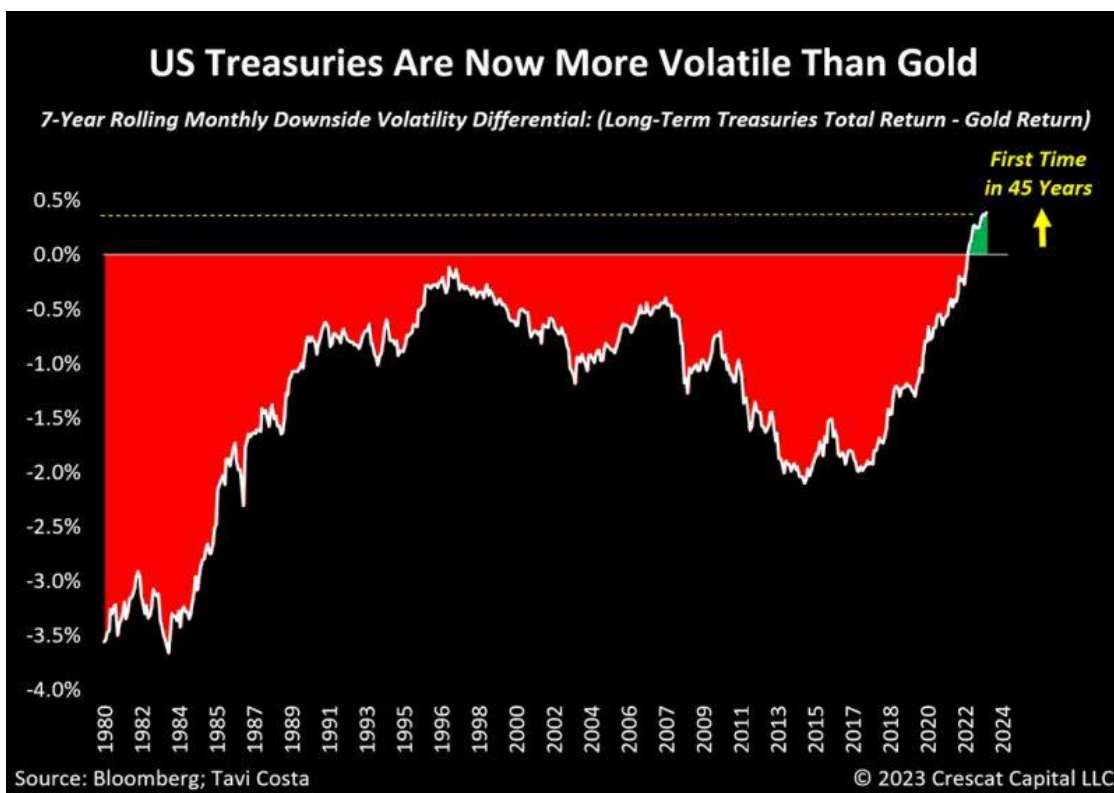
Source: [www.zerohedge.com](http://www.zerohedge.com)





## #us #treasuries #volatility

For the first time in 45 years, US Treasuries now have higher downside volatility than gold.

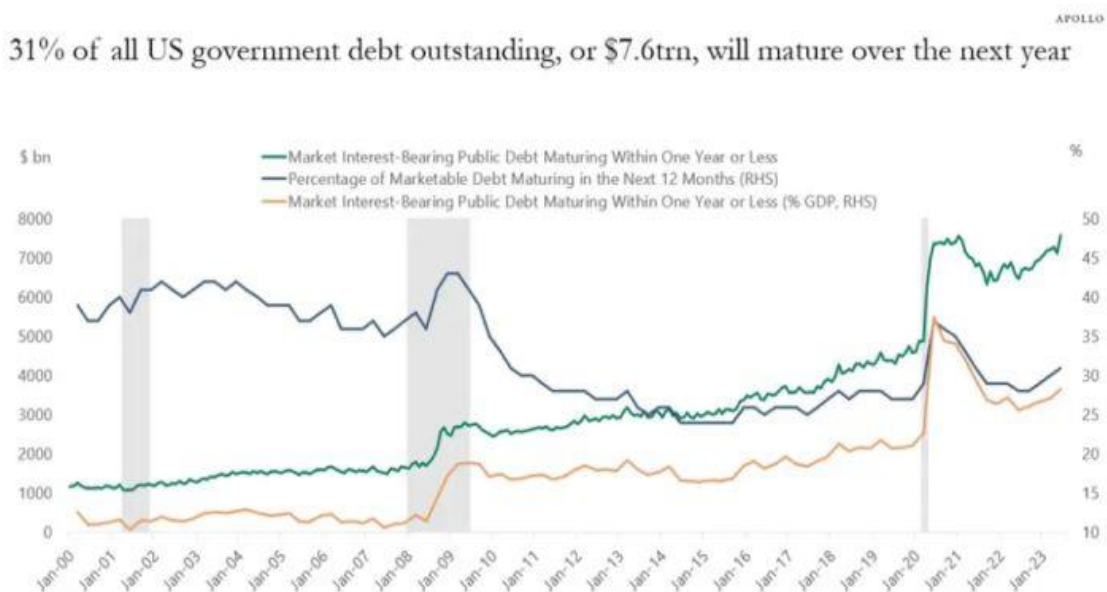


Source: Tavi Costa, Bloomberg



## #us #debt #maturity

\$7.6 trillion of US government debt will mature in the next year. Nearly 1/3 of all outstanding US government debt is set to mature in the next 12 months. A chart shows that the share of US public debt set to mature in a year or less has steadily risen toward pandemic-era levels and is now at 31%. In terms of dollar amount, that's \$7.6 trillion, a high not seen since early 2021.



Source: Treasury, BEA, Haver Analytics, Apollo Chief Economist



Source: Apollo



## #sp500 #credit-rating

The top 10 companies in the S&P 500 with outstanding credit ratings. Among them, Microsoft and Johnson & Johnson stand out as the only two companies boasting the highest AAA rating



Source: [Genuine Impact](https://genuineimpact.com)





## #italy #risk-spread #tenyear

Concerns over Italy's ability to cut the budget deficit have increased Italy's 10y risk spread over German bunds. The risk spread may expand more if the ECB raises rates 25bps on Thursday. As highlighted by HolgerZ, Italian banks' €380bn of BTPs are central to the €1.6tn so-called sovereign "doom loop."

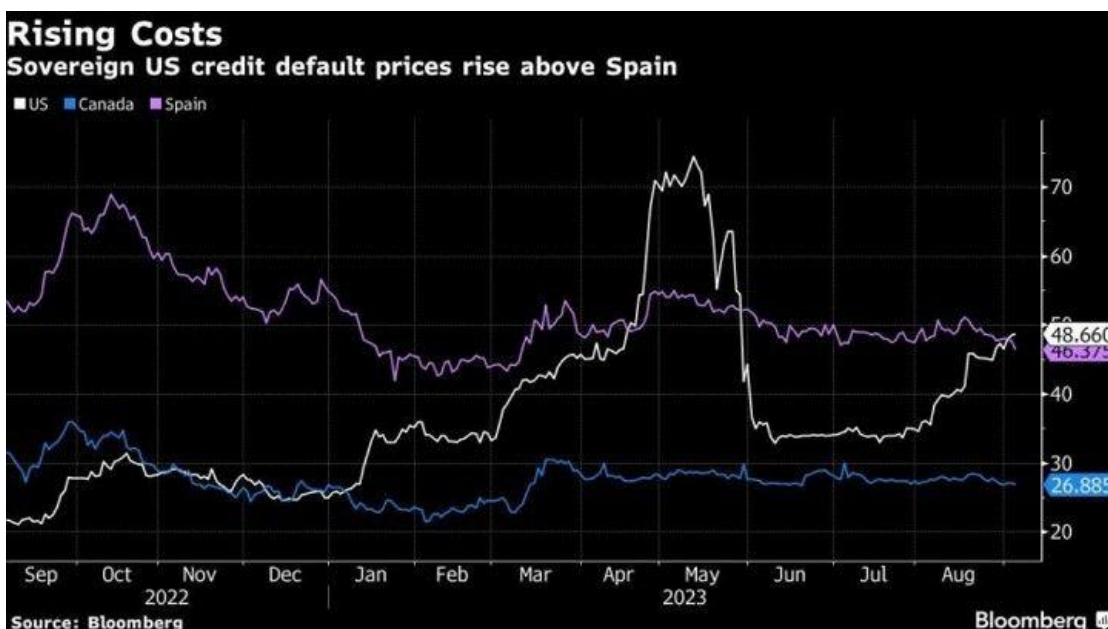


Source: Bloomberg, HolgerZ



## #us #cds #risk #spain

In case you missed it... The credit default swap (CDS) prices for the US rose sharply during the small banks crisis back in spring, and then went down as the crisis subsided quickly. These prices have been rising steadily since early summer. US CDS are now above Spain, which is considered a higher risk country from a sovereign credit risk perspective.



Source: Bloomberg

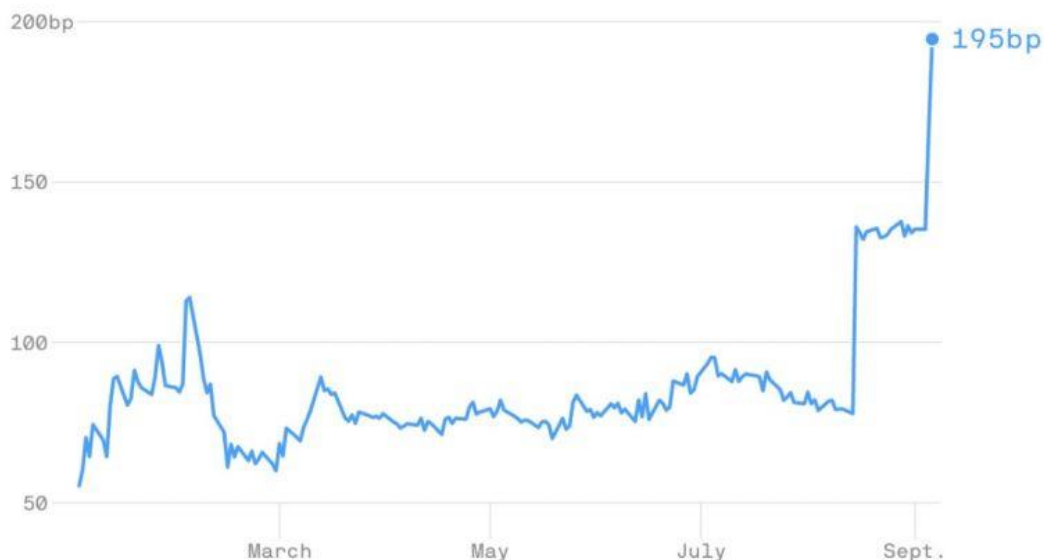


## #uk #birmingham #bond

Birmingham City Council 2030 bonds yield roughly 2ppts more than UK govt securities as Britain's second-biggest city in financial dire straits.

### Spread over Treasuries of Birmingham City Council's 2030 bond

Daily; Jan. 2 to Sept. 6, 2023



Data: FactSet; Chart: Axios Visuals

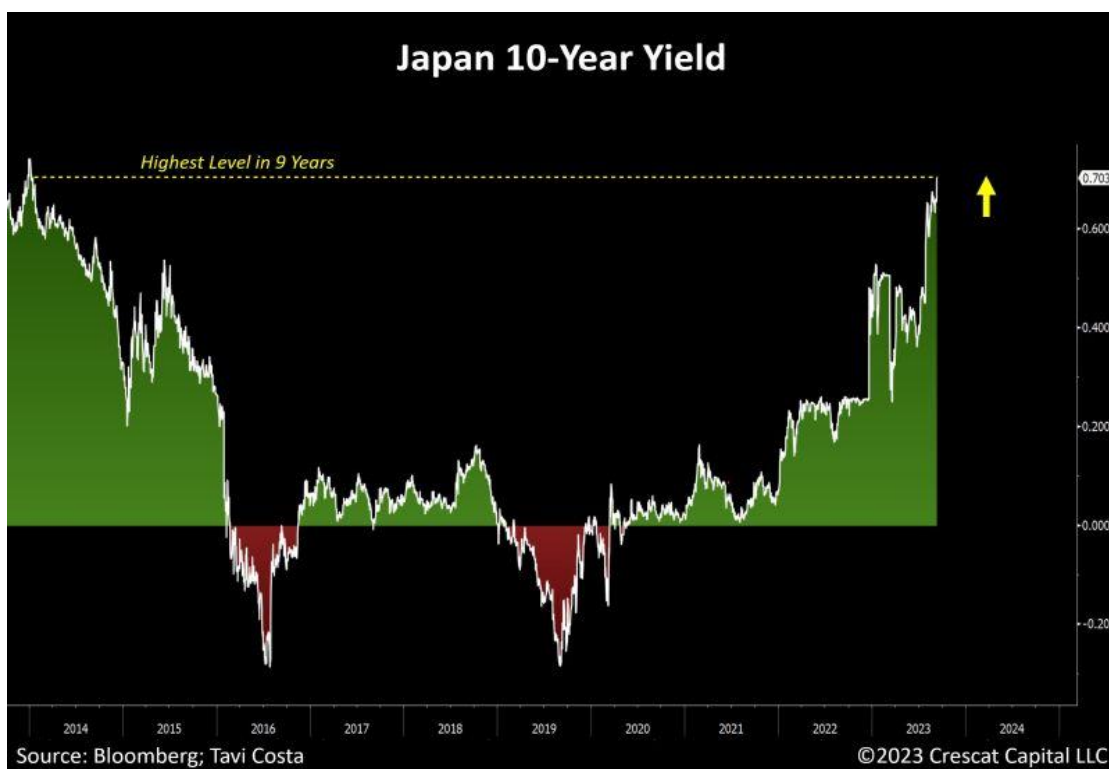


Source: HolgerZ, Axios Visuals



## #jgb #ten-year

Japan's 10-year yield surged to 0.70% on Monday, its highest level in almost a decade, following weekend comments by Bank of Japan (boj) Governor Kazuo Ueda who said the central bank's lifting of its negative interest rate policy will become an option if wages and prices rise, revealing his thinking during an interview with The Yomiuri Shimbun.



Source: The Japan News, Tavi Costa, Bloomberg

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## #us #dollar

U.S. Dollar Index \$DXY had its 9th straight green week, its longest winning streak since 2014!

### U.S. Dollar Index (\$DXY)

105.32 -0.08 (-0.08%) 16:40 ET [ICE/US]

INTERACTIVE CHART for Fri, Sep 15th, 2023

My Charts Alerts Watch Help

\$DXY GO +Study Tools Settings Compare f(x) Grid View Templates Print Clear

Range: 1D 5D 1M 3M 6M 9M 1Y 2Y 3Y 5Y 10Y 20Y MAX Frequency: Weekly 2Y Date: tutorial



Source: Barcharts



#us #china #dollar #yuan

After hitting a 16-year low against the U.S. Dollar, China's currency had its biggest gain in almost 3 weeks after the country issued a warning not to bet against its currency

### China issues strong warning against bets on renminbi depreciation

Currency rebounds from 16-year low as Beijing releases positive lending data earlier than usual



The People's Bank of China said authorities were 'capable of and feel confident in' keeping the renminbi at a stable level © Robertohunger/Dreamstime

Hudson Lockett and Cheng Leng in Hong Kong and Joe Leahy in Beijing 11 HOURS AGO



Source: Barchart, FT



## #oil #wti

US oil prices just crossed above \$91.00/barrel for the first time since November 2022. Oil prices are now up ~40% from their lows this summer. Meanwhile, oil prices are up 20% since the US said they would delay refilling reserves due to "market conditions." Gas prices up 11% over the last month and a massive 50% since 2020 with US oil reserves at their lowest since 1983. All as UAW strikes begin which are expected to drive car prices even higher.



Source: The Kobeissi Letter

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## #oil #2013 #ytd

Crude Oil closed above \$90 a barrel for the first time since last November and is now 12% higher on the year.



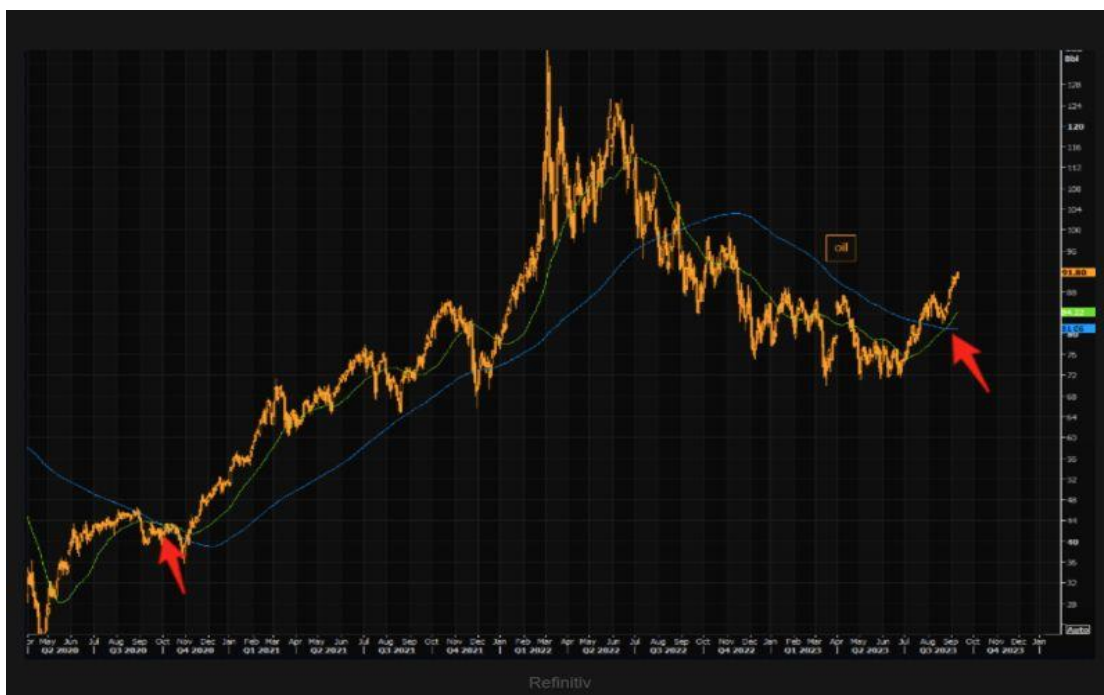
Source: Charlie Bilello, Bloomberg





## #oil #equity #commodity #rates

OIL PANIC? As shown on the chart below (courtesy of TME), big golden crosses can lead to much bigger outsized oil moves than what we are seeing now... This is becoming problematic for equity markets. As explained by Goldman, "rallying rates and commodities are derailing the goldilocks soft landing scenario. The uncomfortable combination of rallying oil and US long end breaking up is disrupting this equilibrium and triggering a rotation into the "persisting inflation & sticky rates" narrative, adding pressure on equities and valuations".



Source: GS sales desk



## #oil #goldman #timing

Thanks For the Heads Up...

The day Goldman announced they didn't expect oil to hit \$100 this year marked the lowest closing price for the commodity in 2023. Since that announcement, oil prices surged by 35%, leading the bank to revise their forecast, now suggesting oil will reach \$100.



Source: Yahoo Finance

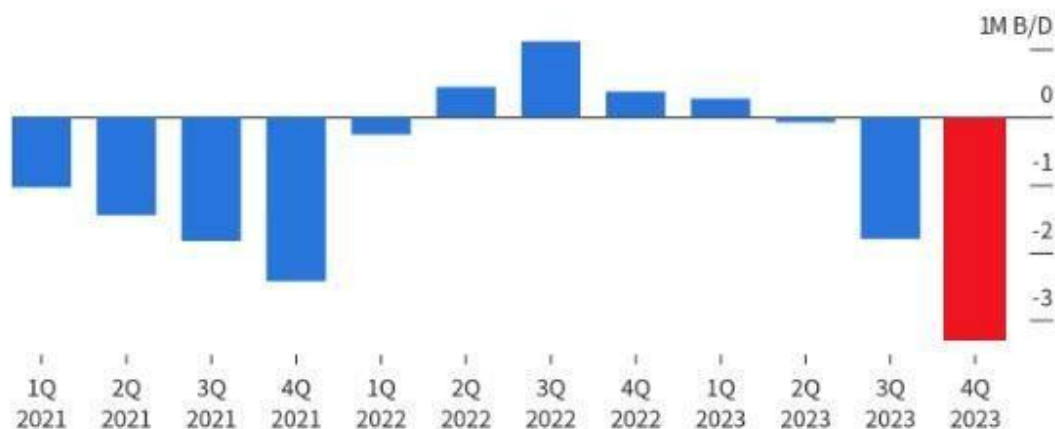


## #opec #oil #shortfall #supply

This chart from Bloomberg shows the massive supply shortfall oil markets will face next quarter. OPEC expects a supply shortfall of more than 3 million barrels per day. If OPEC is correct, it would result in the biggest inventory drawdown since 2007. Voluntary production cuts by OPEC members are removing 1.3 million additional barrels of oil supply every day. Higher oil prices are back and the US reserves are at record lows.

### Oil Supply Squeeze

OPEC data indicate a growing supply shortfall



Source: OPEC

Bloomberg

Source: Bloomberg, The Kobeissi Letter

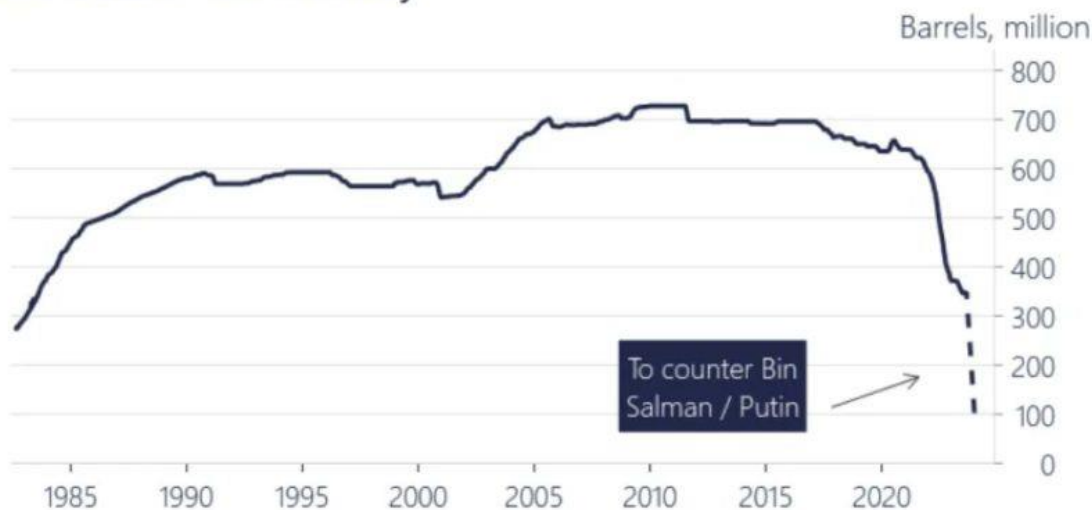




## #us #spr #oil #supply #deficit

With a supply deficit of more than 2.5mn barrels a day through Q4, it is probable that Biden administration will not draw on the SPR (Strategic Petroleum Reserve) so far ahead of the actual election date. Especially given the fact that SPR are already running low. It seems more plausible that Joe Biden will concentrate the SPR ammunition around Q2-Q4 next year. This creates another supply risk in the short-run for the oil market

United States - SPR Inventory



Source: Steno Research, Bloomberg and Macrobond

Source: Andreas Steno



## #oil #inventories #risk

Playing With Fire ?

38 days left of oil supply according to the below chart...



Source: bloomberg, convertbond



## #inflation #futures #steak #beef

Steak-flation...Cattle Futures have once again closed at an all-time high. Steaks are going to be getting expensive!

### Feeder Cattle Sep '23 (GFU23)

257.375s +2.200 (+0.86%) 09/15/23 [CME]

256,400 x 1 257,500 x 1

INTERACTIVE CHART for Fri, Sep 15th, 2023

My Charts Alerts Watch Help

GFU23 GO +Study Tools Settings Compare f(x) Grid View

Templates Print Clear

Range: 1D 5D 1M 3M 6M 9M 1Y 2Y 3Y 5Y 10Y 20Y MAX Frequency: Monthly Nearby Max Date:

tutorial



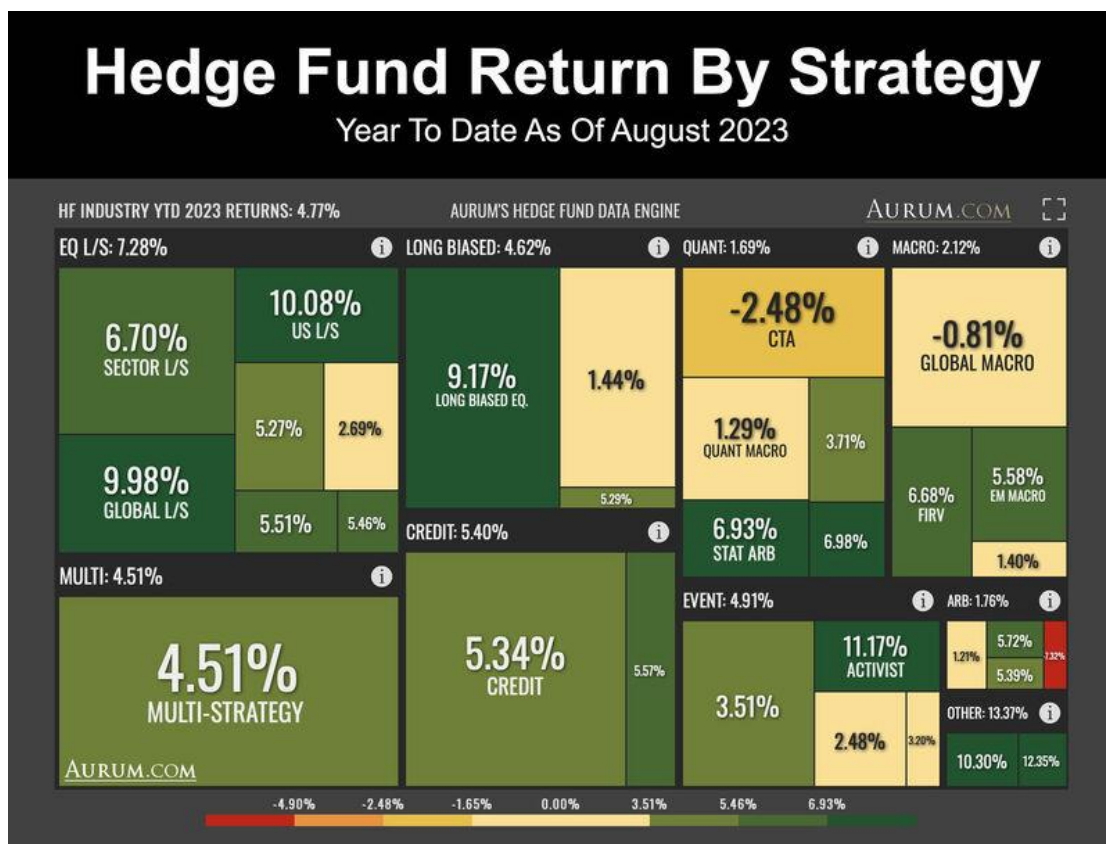
Source: Barchart





#hedge-fund #returns

Hedge Fund YTD returns by strategy as of August 2023

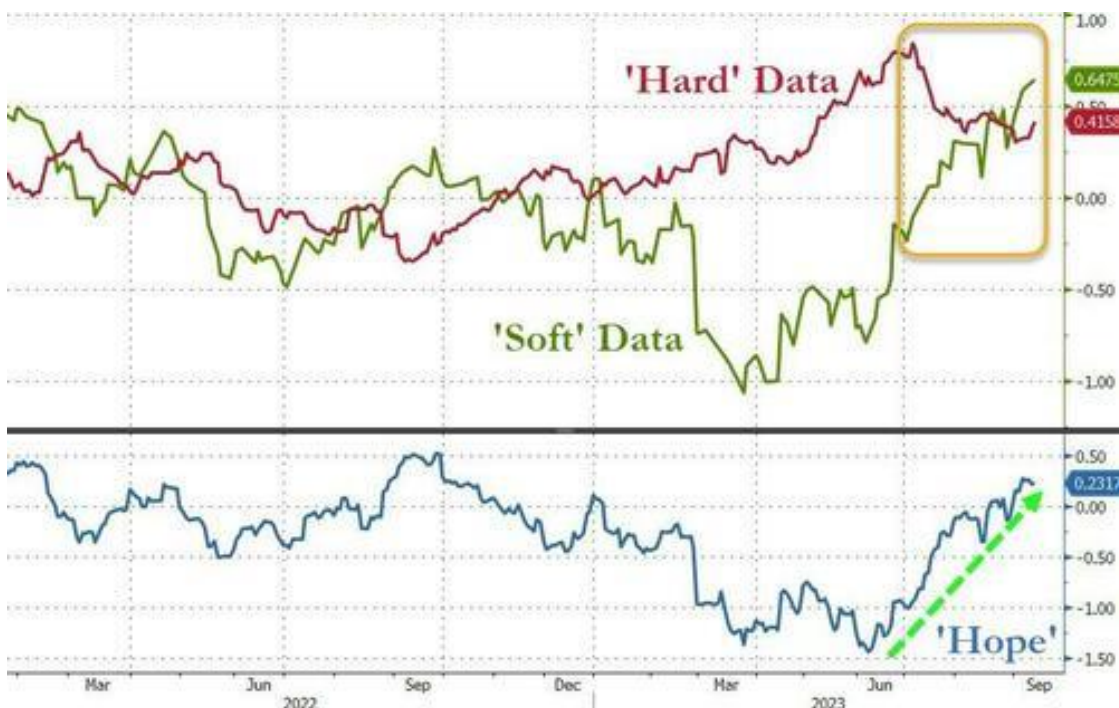


Source: [www.aurum.com](http://www.aurum.com)



## #us #macro #data

'Hope' continued to soar this week as 'soft' survey data soared to its highest since Jan 2022 while 'hard' macro data hovered near 6-month lows...





#macro

### #jpm #dimon #takeaways

JPM CEO Jamie Dimon at Barclays conference on Monday - some key takeaways:

- While the U.S. economy is doing well, it would be a “huge mistake” to believe that it will last for years.
- Topping his concerns include central banks reining in liquidity programs via “quantitative tightening,” the Ukraine war, and governments around the world “spending like drunken sailors”
- “To say the consumer is strong today, meaning you are going to have a booming environment for years, is a huge mistake,” Dimon said.
- “I would not be a buyer of Treasuries at 4.2%, nor would I be a buyer of credit spreads at these spread levels,” Dimon said at the Barclays conf. He wouldn’t be surprised to see 10yr Treasury yields at 5.5% or oil at \$120-150.

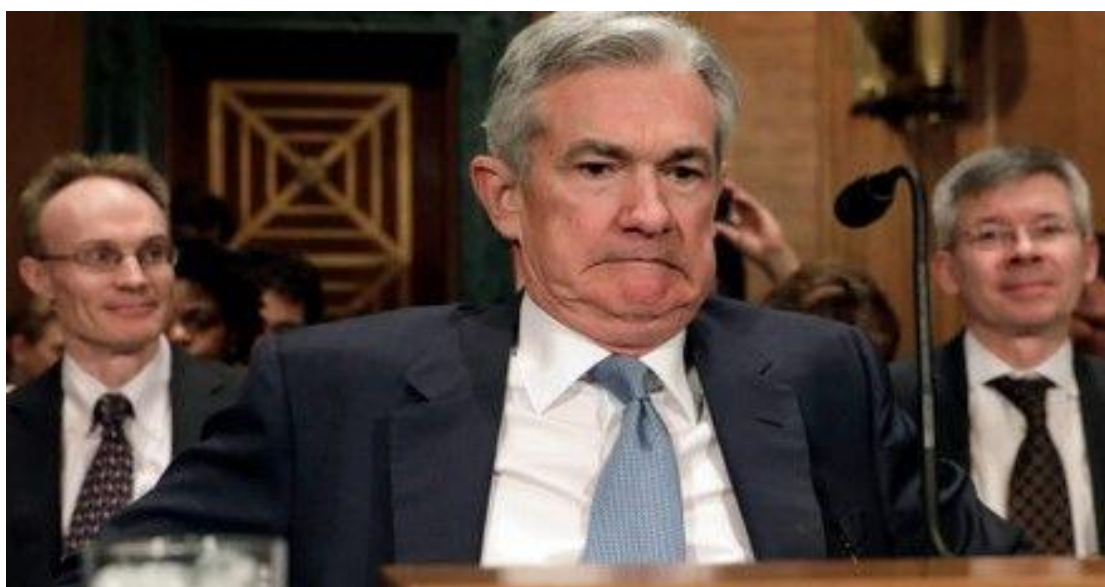


#macro

### #us #cpi

Headline inflation numbers were in-line with expectations (+0.6%). That is the biggest MoM since June 2022 and the second straight monthly increase in CPI...The energy index rose 5.6% in August after increasing 0.1% in July. There was a big turn-around in airline fares. They rose 4.9% after dropping 8.1% in each of the previous two months.

The surprise was with the core which was slightly higher than expected (+0.3% MoM), so re-accelerating vs. July. This is mainly due to the shelter index which increased 7.3 percent over the last year, accounting for over 70 percent of the total increase in all items less food and energy.

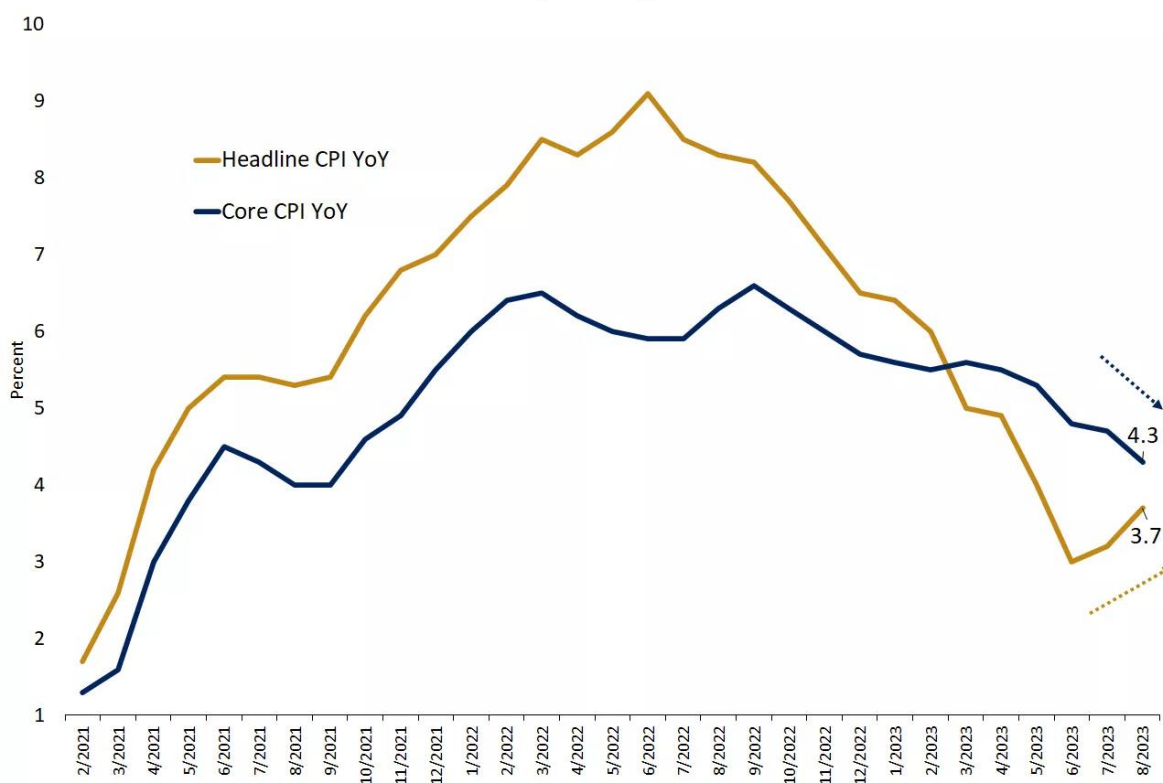




## #us #inflation

The graph shows U.S. headline and core CPI which over the past two months have moved in opposite directions driven by the recent rise in energy prices

### Headline and core inflation trends diverge in August



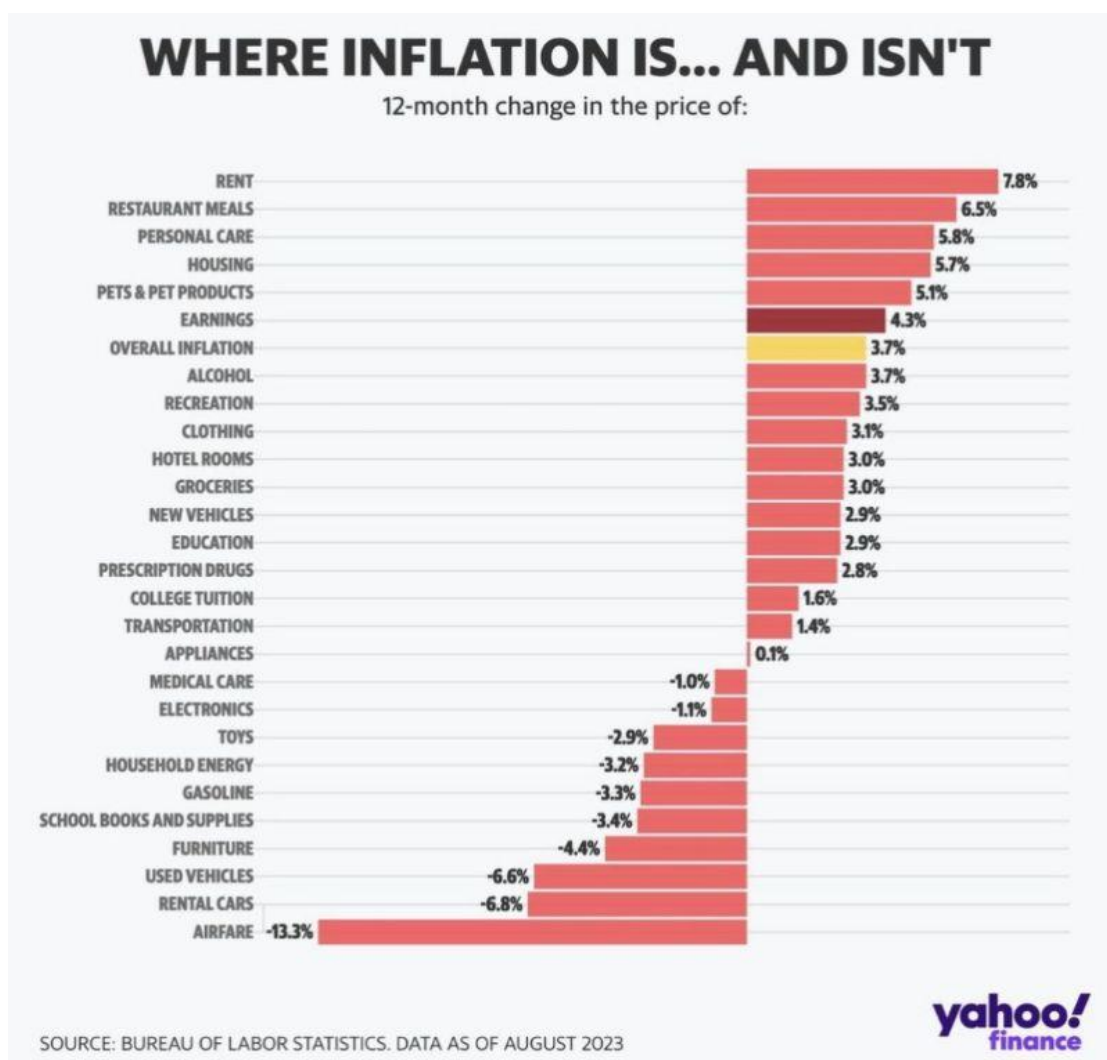
Source: Edward Jones



## #us #inflation #industries

Where Inflation is ... and Isn't

12-month change in the price of :



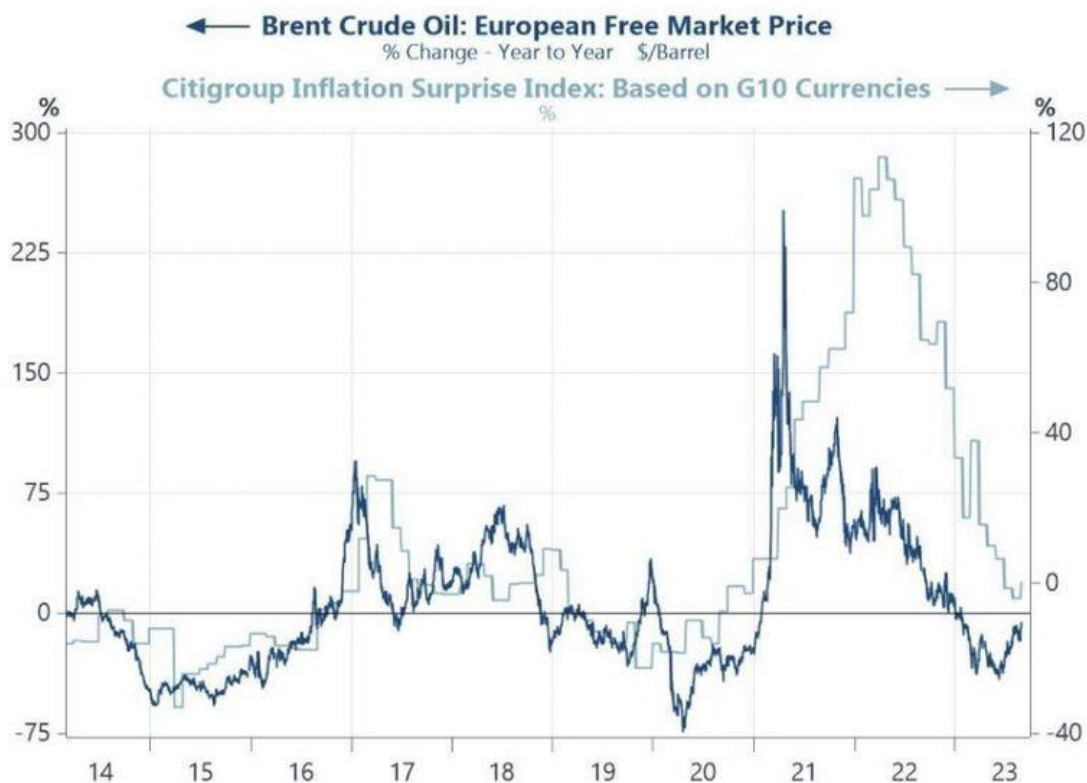
Source: yahoo! finance





## #brent-oil #inflation #surprise-index

Brent oil vs. Citigroup global inflation surprises index  
Oil price usually lead inflation 🖱️ The recent uptick in oil price will be probably not enough to materially change inflation surprises, but should oil continue to go up it would start to have an impact.



Sources: Financial Times, Citigroup/Haver Analytics

Source: Michel A.Arouet

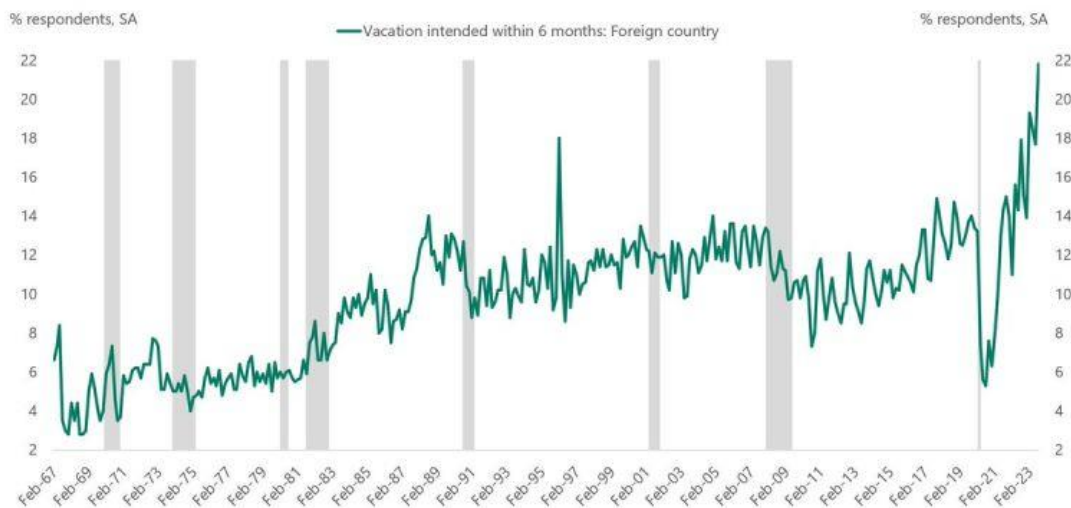




## #us #inflation #services #demand

The continued strong demand for consumer services is why the Fed is unable to contain core inflation. According to Apollo, a record 22% of US consumers are planning to vacation in a foreign country. US households want to travel on airplanes, stay at hotels and eat out. The Kobeissi Letter: "That is why inflation in the non-housing service sector continues to be so high. No wonder credit card debt is skyrocketing".

A record-high share of US consumers are planning to go on vacation to a foreign country APOLLO

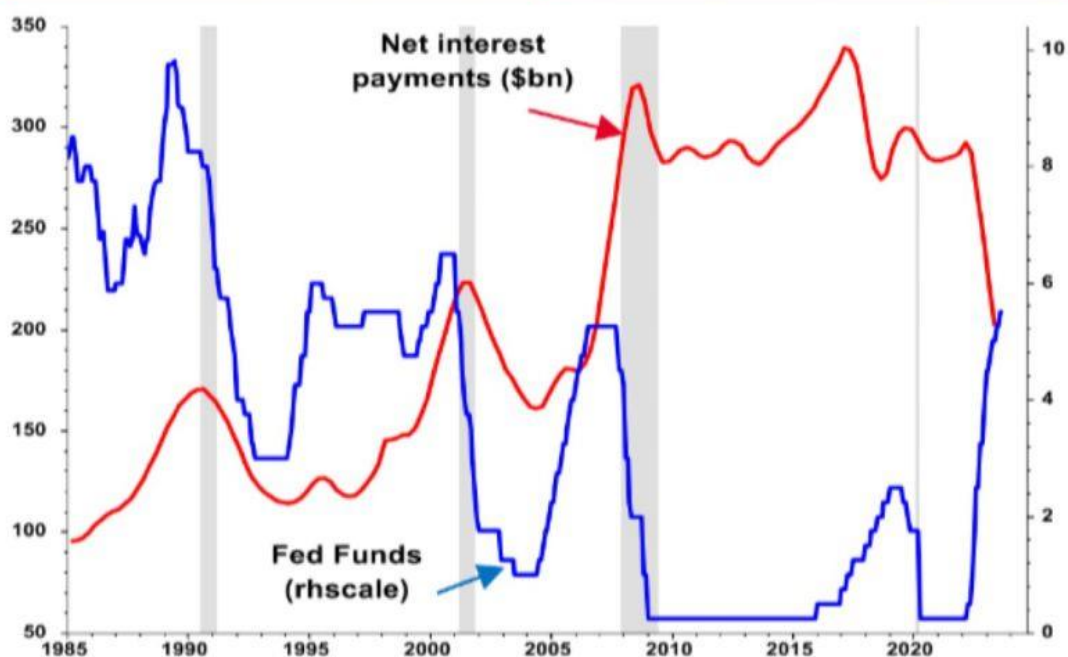




## #us #companies #interest-payment

One of the reasons we are not in recession yet. Despite rate hikes US corporate net interest payments are going down so far 🖱️

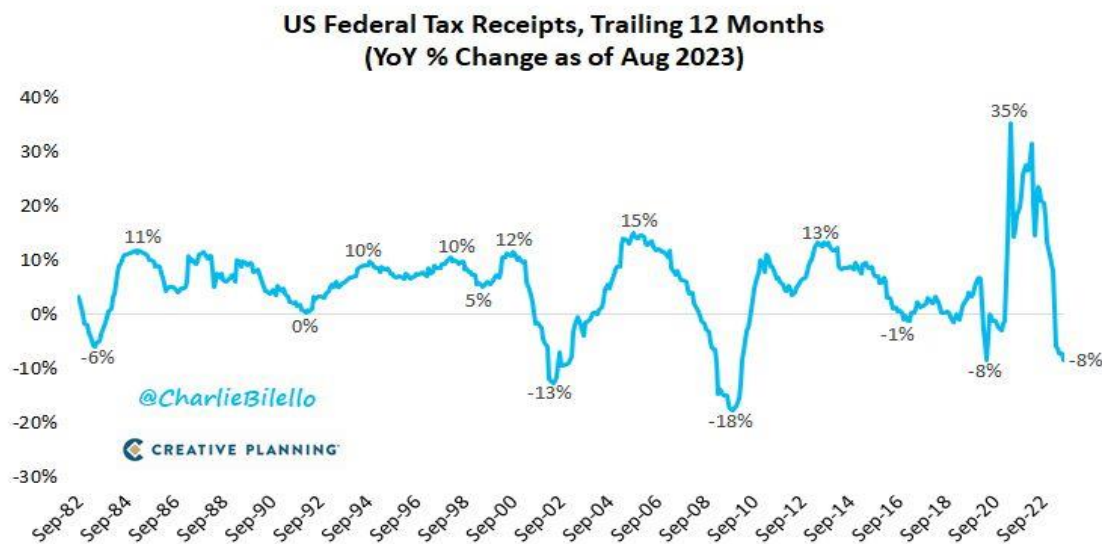
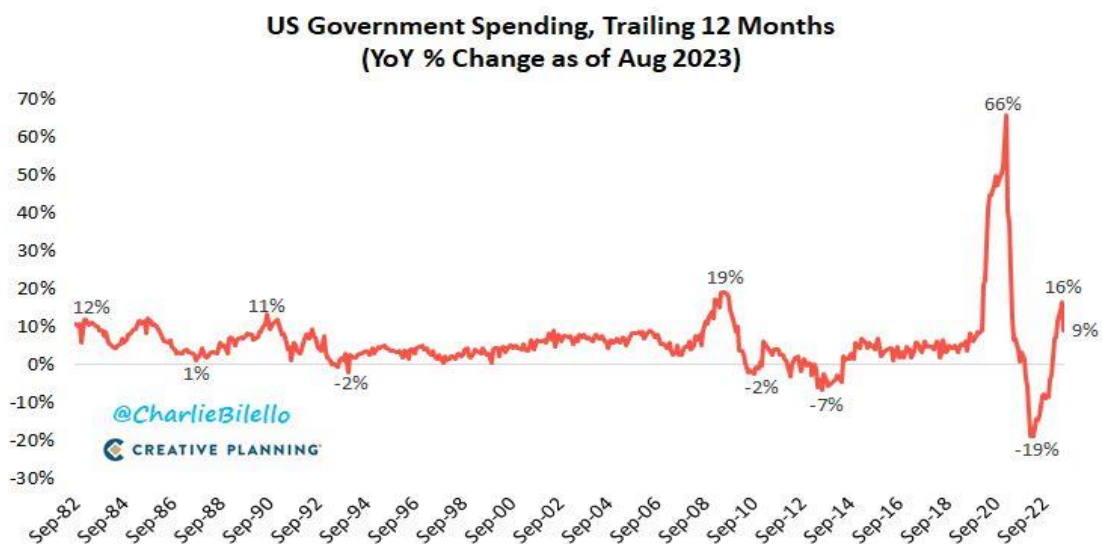
### US corporate net interest payments fell yet again...





## #us #government #spending

US government spending increased 9% over the last year while tax receipts declined 8%. What a luxury...



Source: Charlie Bilello





#macro

### #us #government #shutdown

U.S. Eyes Another Potential Government Shutdown. With just two weeks before Congress' deadline to fund the government, Wall Street is gaming out how a shutdown could hit the economy. The House of Representatives needs to pass 12 appropriations bills to fund the government by Sept. 30 — and it hasn't yet passed a single one. With just 10 working days left, that means Congress would need to pass a stop-gap "continuing resolution" to keep the government funded past the deadline.



Source: axios



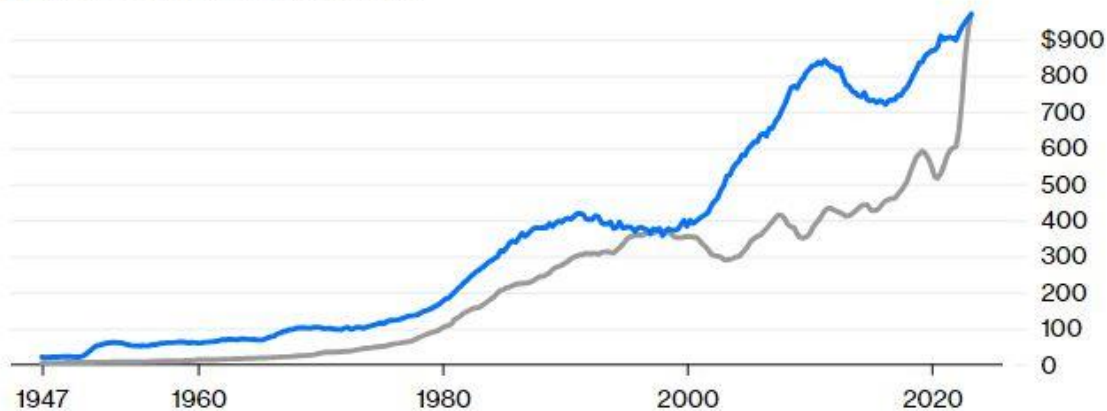
## #us #interest #military

U.S. interest payments equal military spending for the first time in 3 decades (~1.9 Trillion combined)

### Too Strapped to Fight a War?

US interest payments equal military spending for the first time in three decades (in billions)

Defense budget Debt service



Source: FRED



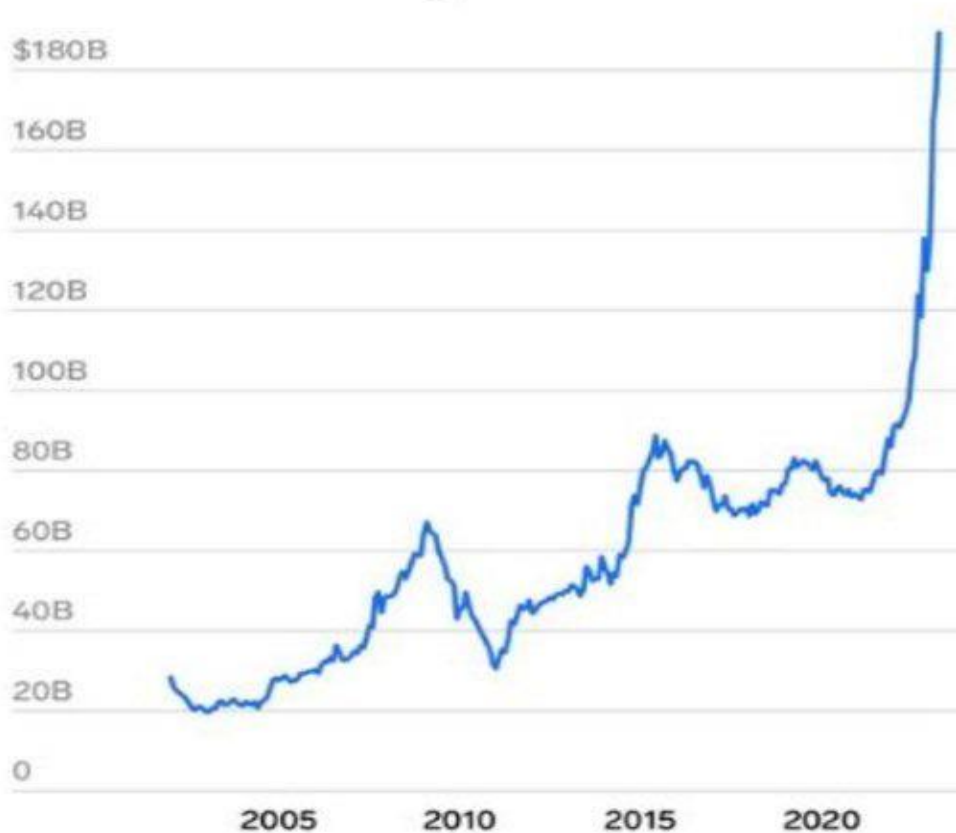
Source: Barchart, FRED

#macro

## #us #manufacturing #construction

While Germany is deindustrializing US construction spending on manufacturing is going thru the roof. Viel glück Deutschland...

### Construction spending on US manufacturing

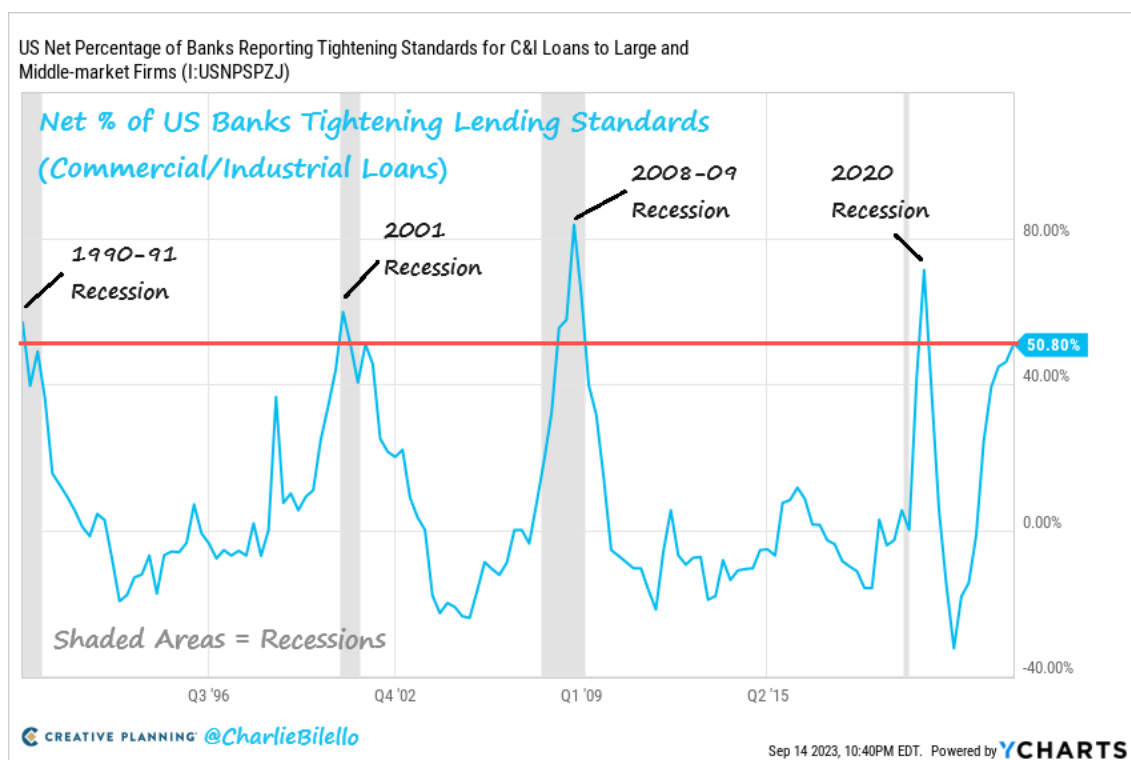


Source: Michael A. Arouet



## #us #lending #tightening

A net 51% of US Banks are now tightening their lending standards, the highest since 2020 and at levels that have coincided with recessionary periods in the past.

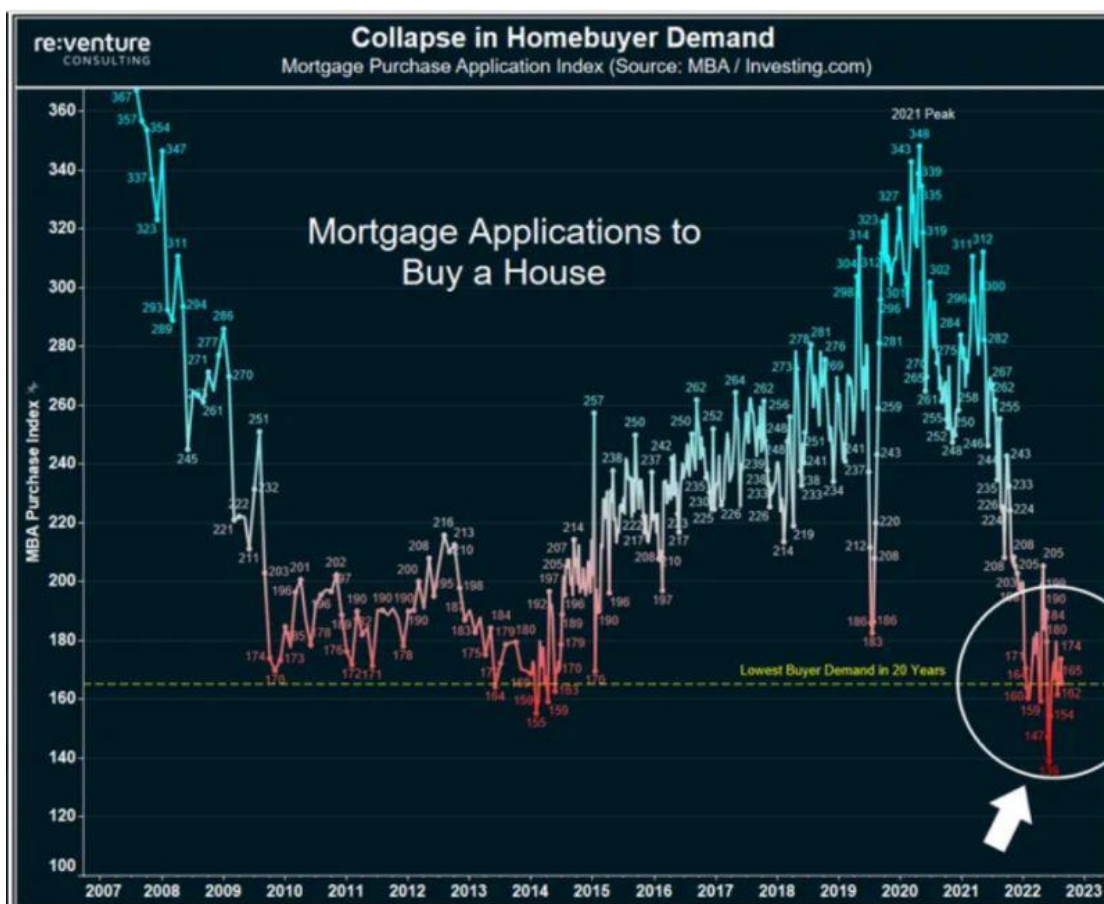


Source: Charlie Bilello



## #us #mortgage #applications #realestate

Mortgage applications are now \*lower\* than the 2008 housing crisis.



Source: profstonge, reventure consulting

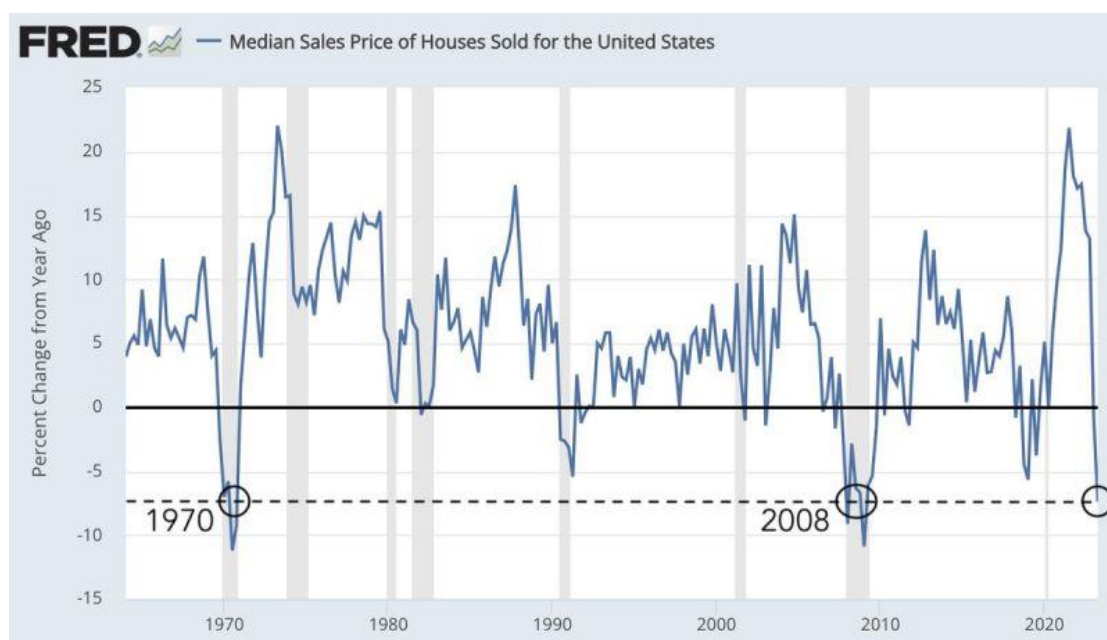
#macro

## #us #housing #contraction

Median US home prices are now contracting at a level only seen 2 times in the last 60 years:

- 1970
- 2008

Both ended in severe recessions



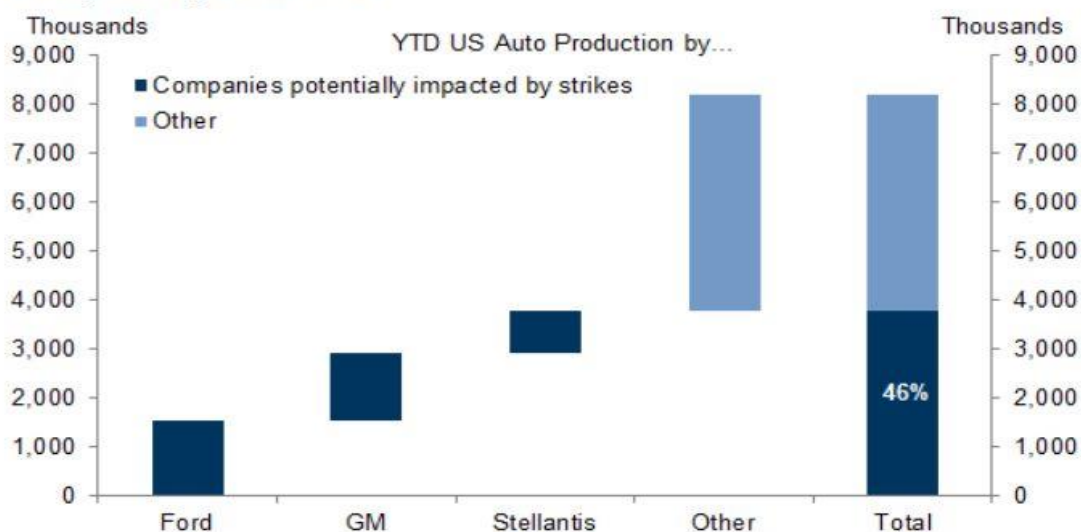


## #us #automotive #strike

UAW members go on strike at three key auto plants after deal deadline passes. Half of US auto production is going offline tomorrow

- Thousands of United Auto Workers members went on strike at three key plants, after Detroit automakers failed to reach deals with the union by a Thursday night deadline.
- The selected plants produce highly profitable vehicles for the automakers that largely continue to be in high-demand. About 12,700 workers – 5,800 at Stellantis, 3,600 at GM and 3,300 at Ford – will be on strike at the plants in total, the union said. The UAW represents about 146,000 workers across Ford, GM and Stellantis.

**Exhibit 3: Almost Half of Domestic Auto Production Comes From Companies That Could Be Impacted by a UAW Strike**



Source: Wards Intelligence, Goldman Sachs Global Investment Research



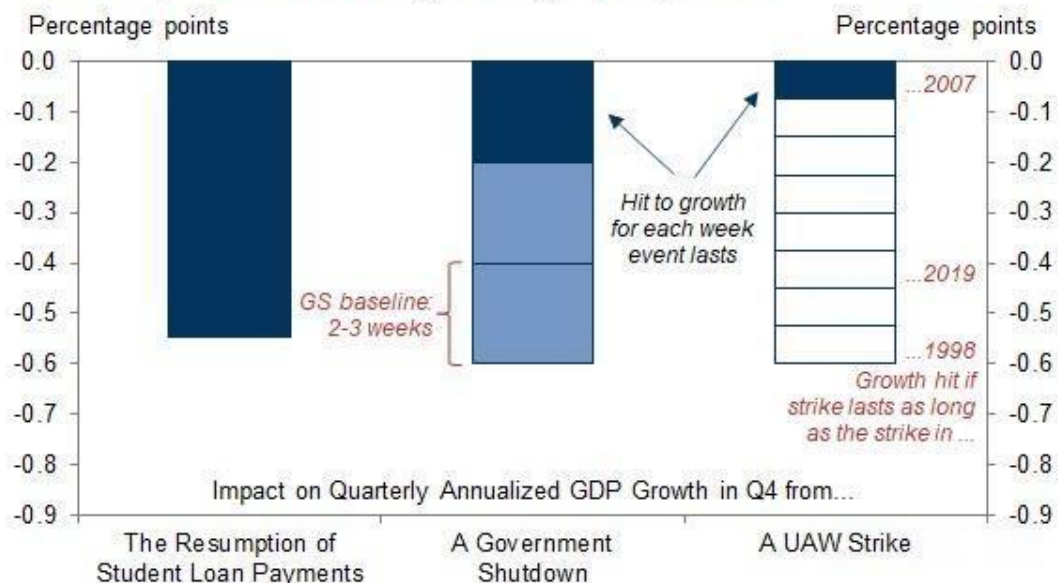
Source: Goldman, CNBC



## #us #gdp #student-loans

Goldman expects the resumption of student loan payments, a potential temporary federal government shutdown, and reduced auto production from a potential UAW strike to slow US GDP growth in 4Q23.

Three Developments Are Set to Weigh Meaningfully on Q4 Growth



Source: Goldman Sachs Global Investment Research





## #disinflation #germany

Disinflationary forces are fading right now in Germany. Wholesale prices rose 0.2% MoM in August, after 4 consecutive months of declines. Prices of mineral oil products rose markedly (+6.9%) compared w/July 2023. More headaches for the ECB?



Source: Bloomberg, HolgerZ



## #germany #crisis #construction

German builders warn of crisis as they scrap record number of projects. Cancelled building projects and financial distress among landlords and builders in Germany have hit their highest levels since reunification three decades ago, intensifying the construction crisis in the EU's biggest economy. Hit by rising interest rates, soaring costs and weaker demand, 20.7% of construction companies said they had been forced to scrap a project in August, up from 18.9% in the previous month, according to a survey of 500 businesses by researchers at the Ifo Institute.



Source: FT





## #egypt #inflation #cpi

Egypt inflation soars to 37.4% y/y in August as higher food costs add to currency angst. Another month, another record inflation number. Consumer prices in Egypt rose 37.4% in August compared with a year earlier. This is the highest number since 2010 -- higher than even the levels reached after the 2016 currency crisis. Note that food costs were up 71.4%.



### #china #retail #production #growth

China's retail sales and industrial production picked up pace in August with better-than-expected growth, according to National Bureau of Statistics data released Friday. Our take -> While China's central bank is ramping up efforts to accelerate an economic recovery, there is a risk that this set of encouraging data might be sufficient for the government to consider that the previous incremental easings/stimulus are so far sufficient and do not need immediate additional steps. Our view is that the Chinese authorities have no intention (nor interest) to engineer a strong recovery, they just aim at stabilization and avoiding too much slowdown that may unsettle social stability.



Source: CNBC

#geopolitics

#oil #us #russia #saudi-arabia #commodity

Is oil once again becoming a political commodity: Russia and Saudi Arabia are cutting oil production at the worst time for the Biden administration (hint: next year is an election year in the US)



Source: Bloomberg, HolgerZ

#geopolitics

#us #import #china #mexico

Nearshoring / Friendshoring in action... For the 1st time since 2003, the US is importing more from Mexico than from China

**Chart 4: US importing more from Mexico than China for first time since 2003**

China and Mexico as % of US imports (12-month moving average)

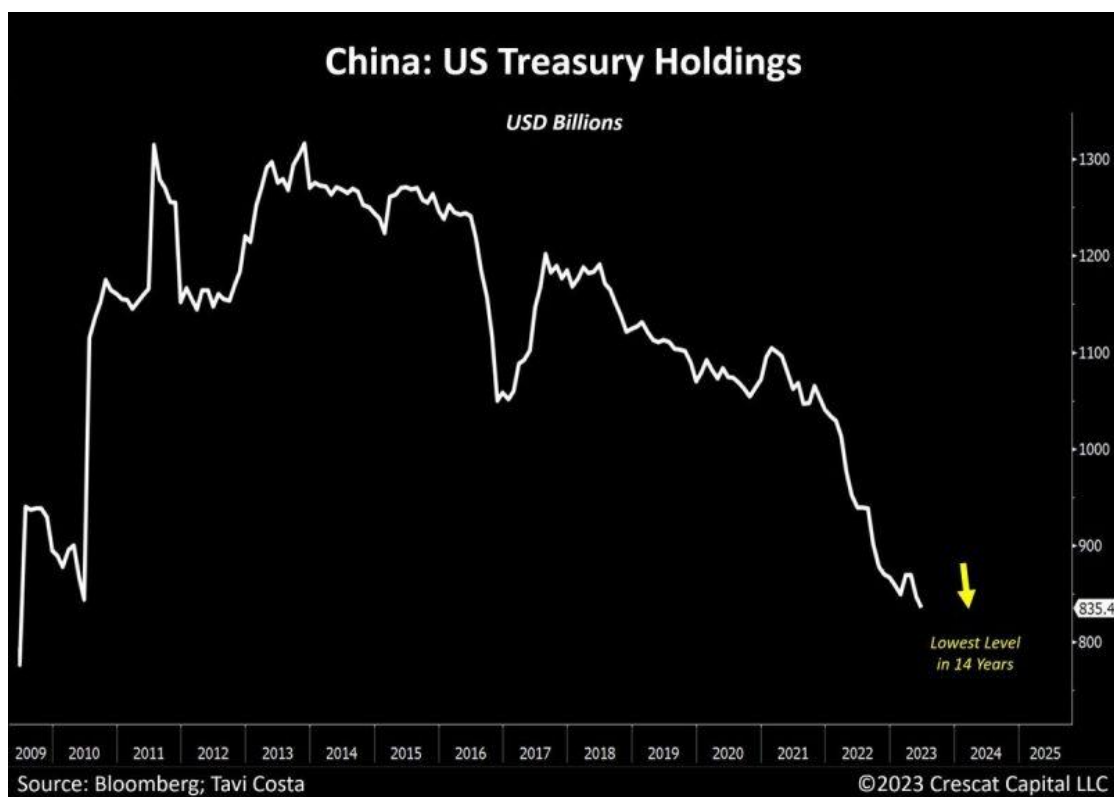


Source: BofA Global Investment Strategy, Bloomberg

#geopolitics

#china #us #treasury #new-normal

While China has been offloading US Treasuries for 10+ years, the rate has accelerated. Both Canada and Mexico also now account for a higher % of US imports than China. These stories belong to the "new normal": the East-West divide, reshoring / nearshoring / friendshoring, etc.



Source: Tavi Costa, Bloomberg, The Kobeissi Letter

## #centralbanks

### #ecb #rates

European Central Bank hikes rates to a record 4% as inflation risks outweigh economic gloom.

- The ECB just raised its key rates again today, by 25bp (main Refi rate at 4.50%, deposit rate at 4.00%)
- Concerns around the underlying inflation dynamic appear to have overwhelmed the ongoing negative (and concerning) dynamic in Europe's economic growth: "inflation continues to decline but is still expected to remain too high for too long. The Governing Council is determined to ensure that inflation returns to its 2% medium-term target in a timely manner. In order to reinforce progress towards its target, the Governing Council today decided to raise the three key ECB interest rates by 25 basis points."



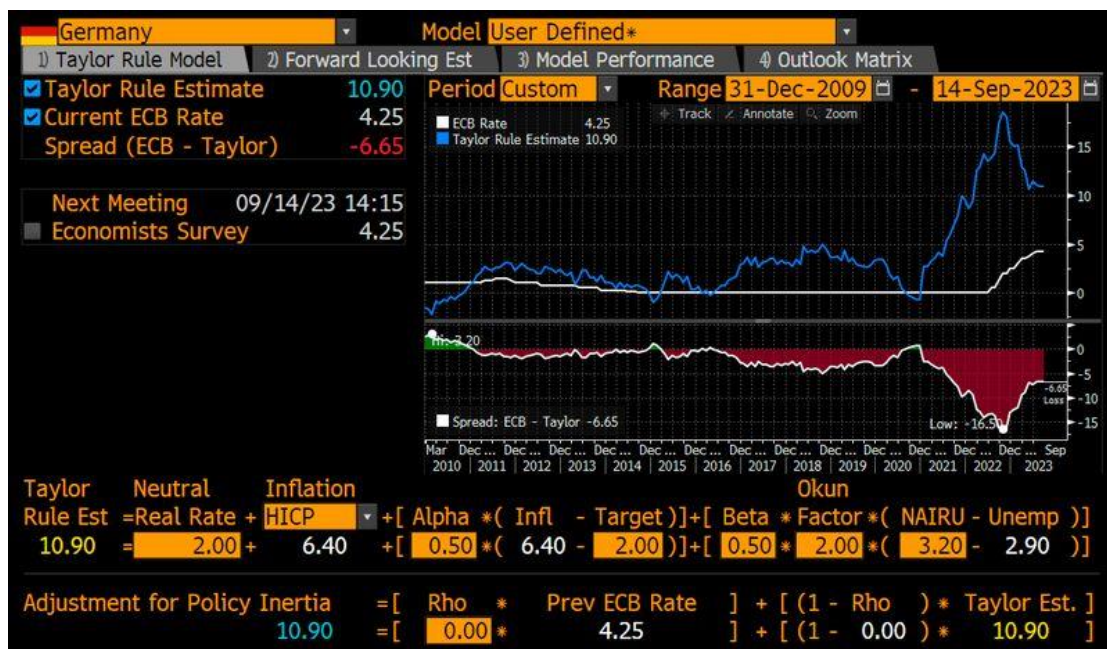
Source: Bloomberg



#centralbanks

#ecb #rates #taylor-rule

Today is ECB day. What is the Taylor rule telling us when it comes to theoretical interest rates based on German data? Key interest rate should be at 10.9%, so 6.6% higher than current rate, according to Taylor Rule with German inflation at 6.4% & unemployment below NAIRU. However, the spread between Taylor Rule rate & ECB key rate is lower than it has been since 2021. This might suggest that hike cycle could soon come to an end.

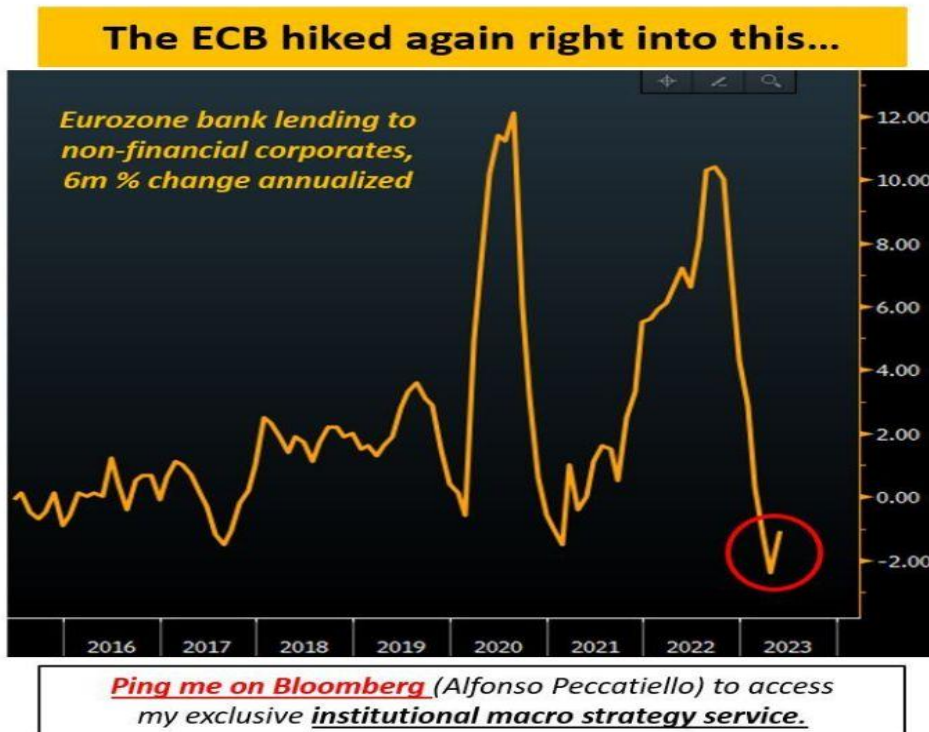


Source: Bloomberg, HolgerZ

#centralbanks

#ecb #hike #euro

Some interesting comments [Themacrocompass.com](https://www.themacrocompass.com) / [Alfonso Peccatiello](#) on yesterday's ECB hike and Lagarde's comments: "The demand for corporate loans in Europe has plummeted as borrowing costs remain prohibitively high. The Eurozone credit creation process is quite reliant on bank lending, so this matters. And indeed markets aren't reacting as if the ECB just hiked - quite the opposite: bond yields have moved lower and the EUR has taken another dip. The risks of an ECB policy mistake keep growing".

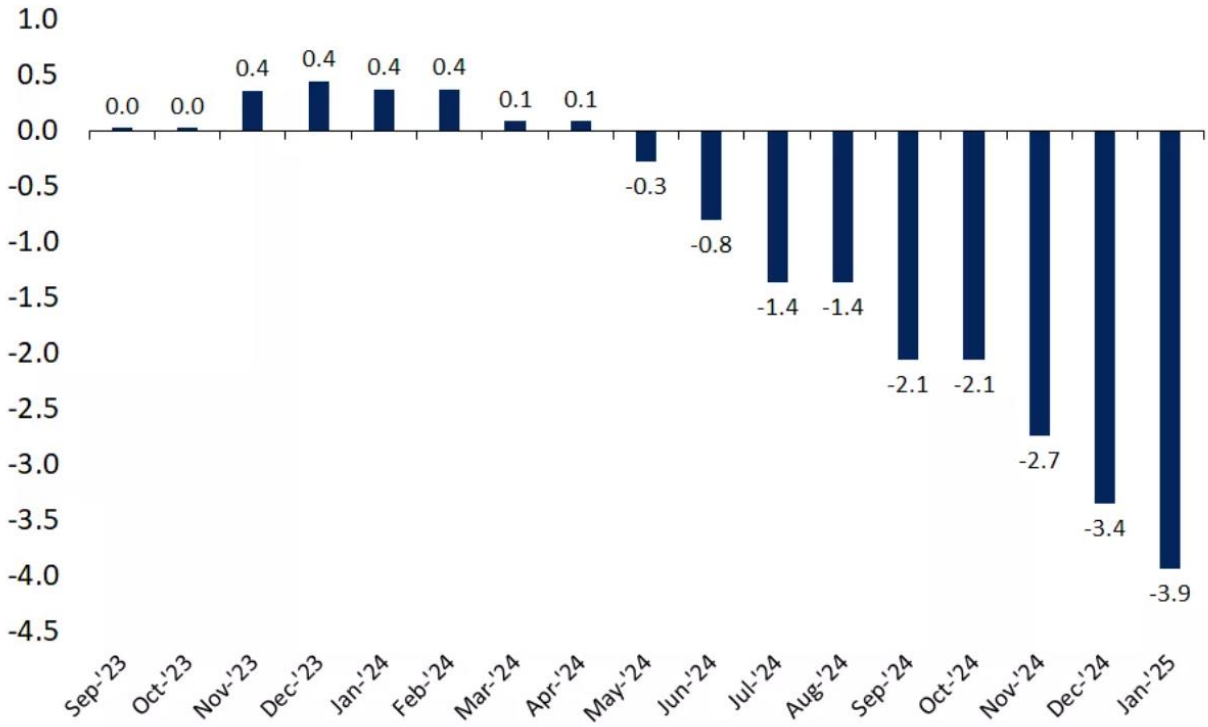


#centralbanks

## #fed #rates #expectations

The graph shows the market-implied chances of rate hikes and cuts over the next 16 months. Investors expect the Fed to deliver nearly four cuts and lower its fed funds to 4.5% by the end of next year.

### Number of market implied hikes/ cuts



Source: Bloomberg

Source: Edward Jones



#centralbanks

### #fed #powell #fomc

Blackout Periods. There will be no more Fed Presidents speaking ahead of Jerome Powell and the FOMC's September meeting.

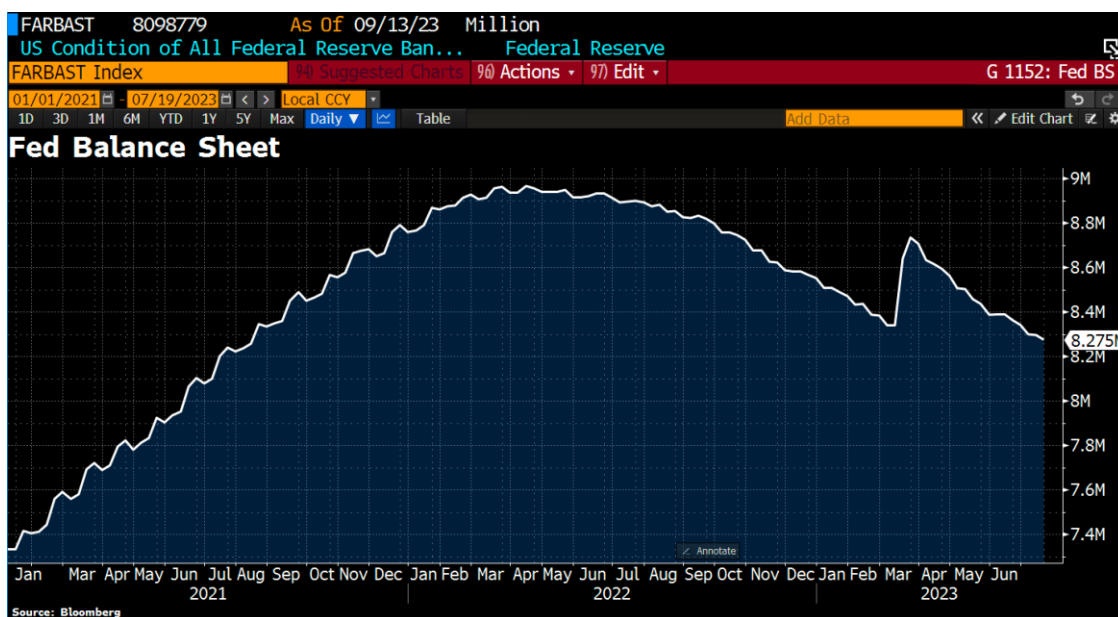
## 2023 Federal Reserve Blackout Periods

- January 21-Feb. 2
- March 11-23
- April 22-May 4
- June 3-15
- July 15-27
- September 9-21
- October 21-November 2
- December 2-14

#centralbanks

#fed #qt

#Fed QT continues w/balance sheet shrank by another \$2.5bn to \$8,098.8bn, lowest since Jul2021. Fed's total assets now equal to 30.2% of US's GDP vs ECB's 51.5%, SNB's 111.5% & BoJ's 126.8%.

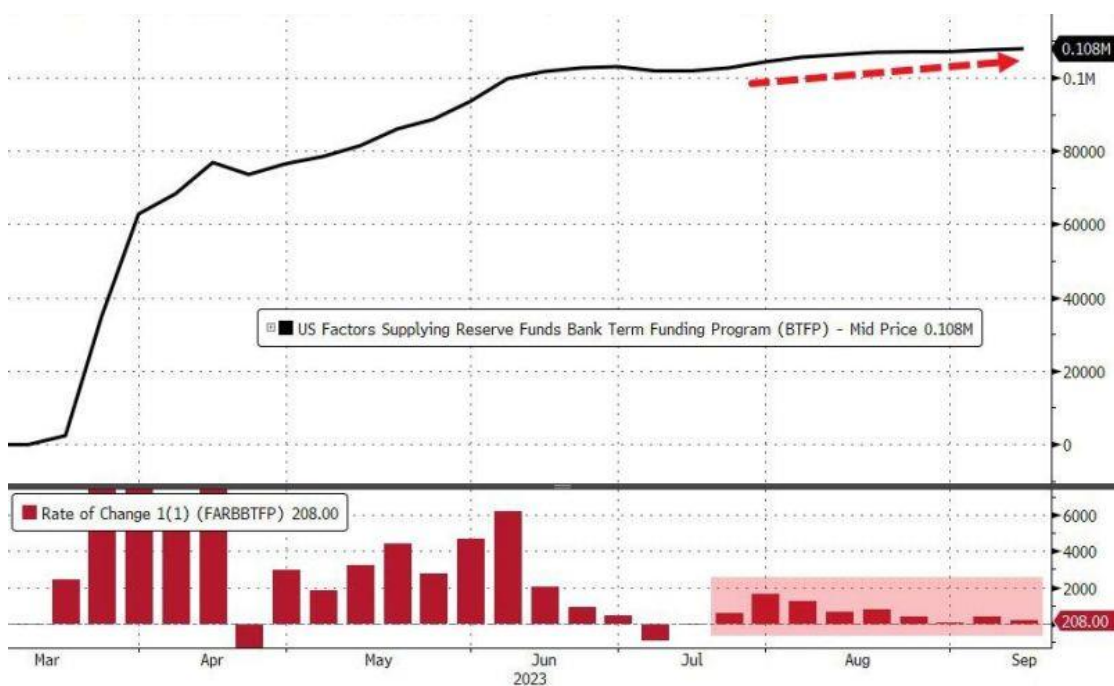


Source: HolgerZ, Bloomberg

#centralbanks

#us #fed #liquidity #caution

OOPS! A bank liquidity indicator sounds the alarm!. Usage of The Fed's emergency bank funding facility rose once again (+\$208M) to a new record high over \$108BN as long-term government bond yields keep rising...

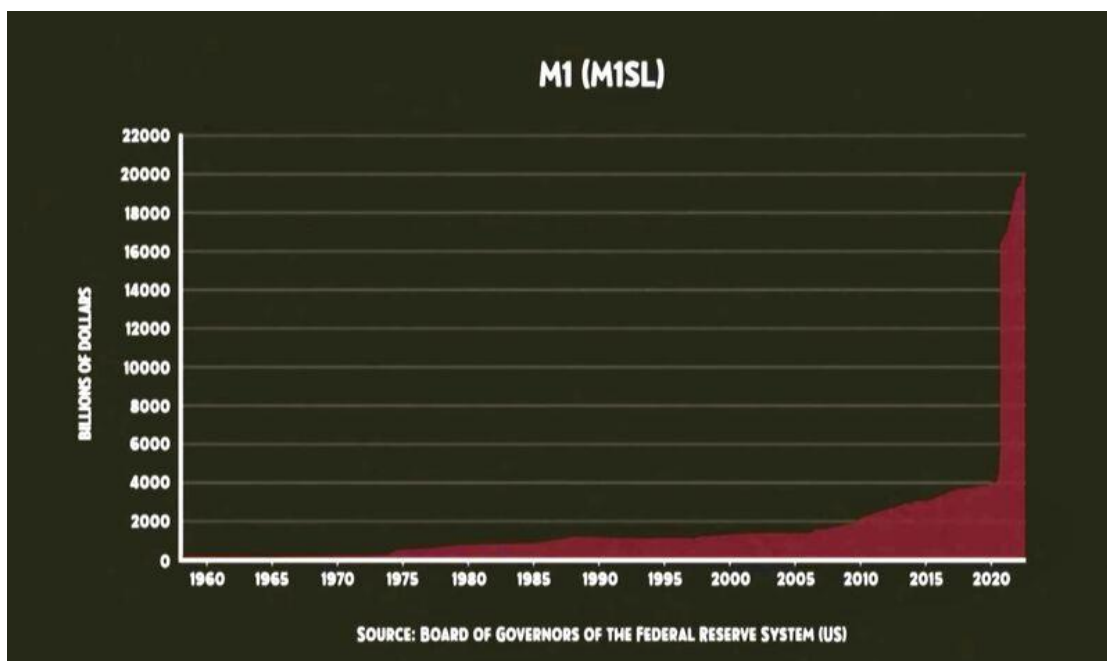


Source: Bloomberg

#centralbanks

## #us #dollars #m1 #moneysupply

Over 80% of all US money created (US Dollars printed) took place between 2020 and 2023.



## #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

16 SEPTEMBER 2023

#centralbanks

### #global #rates

Denmark hiked rates for the 10th time, 25 bps increase to 3.60%. Russia hiked rates the 3rd time, 100 bps increase to 13.00%. Peru cut rates for the first time since 2020, 25 bps decrease to 7.50%.

Global Central Bank Policy Rates							
Country	Rate	Central Bank Rate (Today)	CPI YoY	Real Central Bank Rate	YoY CPI Trend vs. Prior Reading	Last Move	Last Move Month
Japan	Policy Rate Bal	-0.10%	3.3%	-3.4%	Unchanged	Cut	Jan-16
Switzerland	Target Rate	1.75%	1.6%	0.2%	Unchanged	Hike	Jun-23
Taiwan	Discount Rate	1.88%	2.5%	-0.6%	Higher	Hike	Mar-23
Thailand	Policy Rate	2.25%	0.9%	1.4%	Higher	Hike	Aug-23
Malaysia	Policy Rate	3.00%	2.0%	1.0%	Lower	Hike	May-23
China	Loan Prime Rate	3.45%	0.1%	3.4%	Higher	Cut	Aug-23
South Korea	Repo Rate	3.50%	3.4%	0.1%	Higher	Hike	Jan-23
Denmark	Deposit Rate	3.60%	2.4%	1.2%	Lower	Hike	Sep-23
Sweden	Repo Rate	3.75%	7.5%	-3.8%	Lower	Hike	Jun-23
Eurozone	Deposit Rate	4.00%	5.3%	-1.3%	Unchanged	Hike	Sep-23
Norway	Deposit Rate	4.00%	4.8%	-0.8%	Lower	Hike	Aug-23
Australia	Cash Rate	4.10%	4.9%	-0.8%	Lower	Hike	Jun-23
Canada	Overnight	5.00%	3.3%	1.7%	Higher	Hike	Jul-23
UK	Bank Rate	5.25%	6.8%	-1.6%	Lower	Hike	Aug-23
US	Fed Funds	5.38%	3.7%	1.7%	Higher	Hike	Jul-23
New Zealand	Cash Rate	5.50%	6.0%	-0.5%	Lower	Hike	May-23
Hong Kong	Base Rate	5.75%	1.8%	4.0%	Lower	Hike	Jul-23
Indonesia	Repo Rate	5.75%	3.3%	2.5%	Higher	Hike	Jan-23
Saudi Arabia	Repo Rate	6.00%	2.0%	4.0%	Lower	Hike	Jul-23
Poland	Repo Rate	6.00%	10.1%	-4.1%	Lower	Cut	Sep-23
Philippines	Key Policy Rate	6.25%	5.3%	1.0%	Higher	Hike	Mar-23
India	Repo Rate	6.50%	6.8%	-0.3%	Lower	Hike	Feb-23
Czech Republic	Repo Rate	7.00%	8.5%	-1.5%	Lower	Hike	Jun-22
Peru	Policy Rate	7.50%	5.6%	1.9%	Lower	Cut	Sep-23
South Africa	Repo Rate	8.25%	4.7%	3.6%	Lower	Hike	May-23
Chile	Base Rate	9.50%	5.3%	4.2%	Lower	Cut	Sep-23
Mexico	Overnight Rate	11.25%	4.6%	6.6%	Lower	Hike	Mar-23
Russia	Key Policy Rate	13.00%	5.2%	7.8%	Higher	Hike	Sep-23
Colombia	Repo Rate	13.25%	11.4%	1.8%	Lower	Hike	Apr-23
Brazil	Target Rate	13.25%	4.6%	8.6%	Higher	Cut	Aug-23
Turkey	Repo Rate	25.00%	58.9%	-33.9%	Higher	Hike	Aug-23
Argentina	Benchmark Rate	118.00%	124.4%	-6.4%	Higher	Hike	Aug-23

CREATIVE PLANNING

@CharlieBilello

Data as of 9/15/23

Source: Charlie Bilello







## #cryptos #weekly

Crypto was mixed this week with Bitcoin eking out modest gains (back above \$26,500) and Ethereum slightly lower. Solana was the ugliest horse in the glue factory...



Source: [www.zerohedge.com](http://www.zerohedge.com)

#cryptos

### #bitcoin #spot #etf

Templeton just filed application for a Bitcoin spot ETF. Here's the list of Institutions which have filed for a bitcoin spot ETF (assets under management in brackets) -> Total assets managed is \$17.7 trillion...

- BlackRock (\$10T)
- Fidelity (\$4.5T)
- Franklin Templeton (\$1.5T)
- Invesco Galaxy (\$1.5T)
- WisdomTree (\$87B)
- VanEck (\$61B)
- GlobalX (\$40B)
- ARK Invest (\$14B)
- Bitwise (\$1B)
- Valkyrie (\$1B)

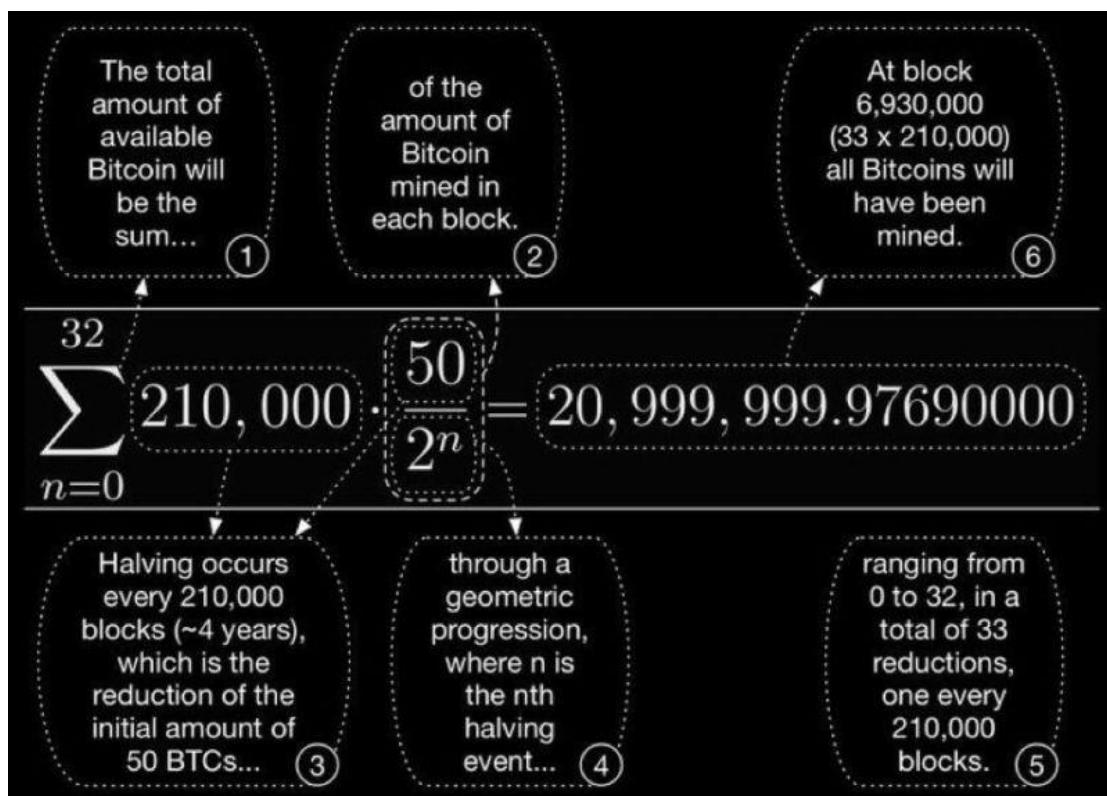
Asset manager Franklin Templeton applied with the United States Securities and Exchange Commission on Sept. 12 to launch a spot Bitcoin exchange-traded fund (ETF).

Source: Cointelegraph, Documenting Bitcoin



## #bitcoin #btc #supply #mining

### The Bitcoin Supply Formula



Source: documenting bitcoin

#cryptos

### #altcoins #ftx #fiat #sell-off

\$3.4bn of altcoins could be starting to see some selling pressure. In an April filing, FTX said it held \$3.4bn in crypto assets. In last week's filing, FTX indicated its willingness to sell \$200m of crypto assets per week as the company wants to return fiat instead of crypto to its users. This means FTX will continue to sell assets until the end of 2023. FTX holds and will potentially start selling: SOL \$685m, FTT \$529m, BTC \$268m, ETH \$90m, APT \$67m DODGE \$42m, MATIC \$39m, BIT \$35m, TON \$31m, XRP \$29m

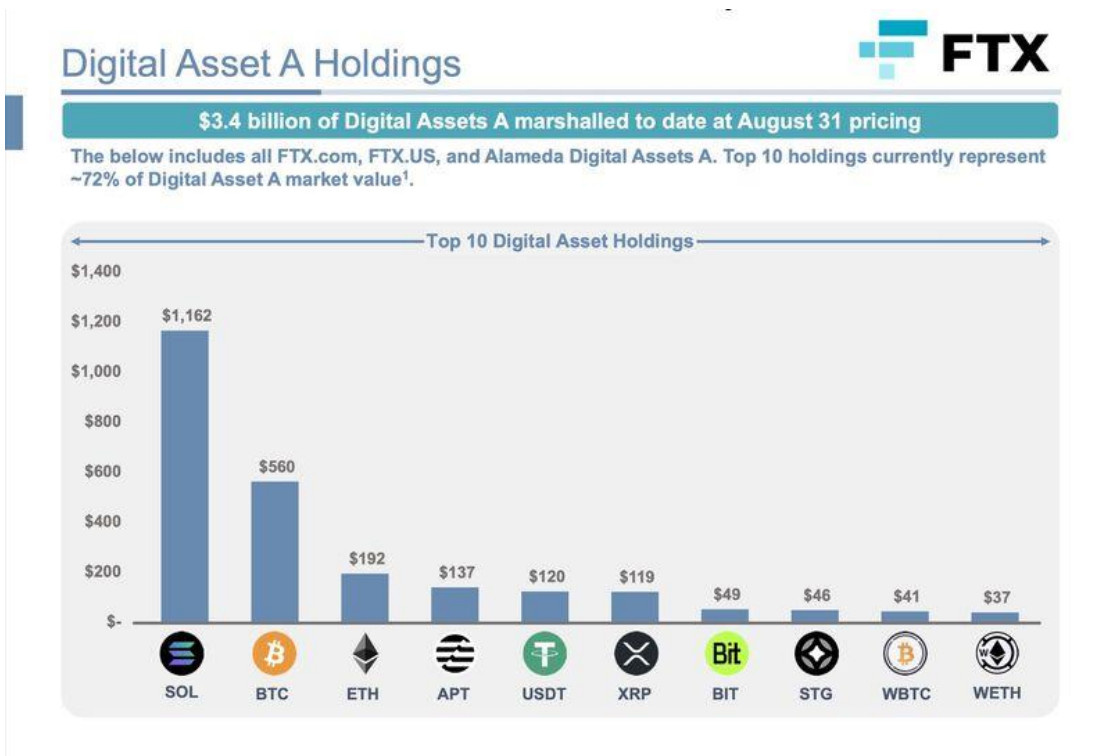


Source: [Markus Thielen](#)



## #ftx #sell-off #altcoins

The updated FTX asset report that scares the altcoins / crypto community... A \$3.4bn selling tsunami?



Source: Crypto Rower

#food-for-thought

#bearish #humor

Is this a sign that the bull market is over?



Source: oKavrak

#food-for-thought

#cartoon #oil #humor #bullish



Source: hedgeye

#food-for-thought

## #life-advice #munger #quotes

### Priceless Life Advice from Charlie Munger



*Charlie Munger*

It's so simple.

You spend less than you earn. Invest shrewdly. Avoid toxic people and toxic activities. Try to keep learning all your life. And do a lot of deferred gratification.

If you do all of those things, you are almost certain to succeed. And if you don't, you're going to need a lot of luck.

And you don't want to need a lot of luck. You want to go into a game where you're very likely to win without having any unusual luck.

@rmnth

Source: Investment Books (Dhaval)



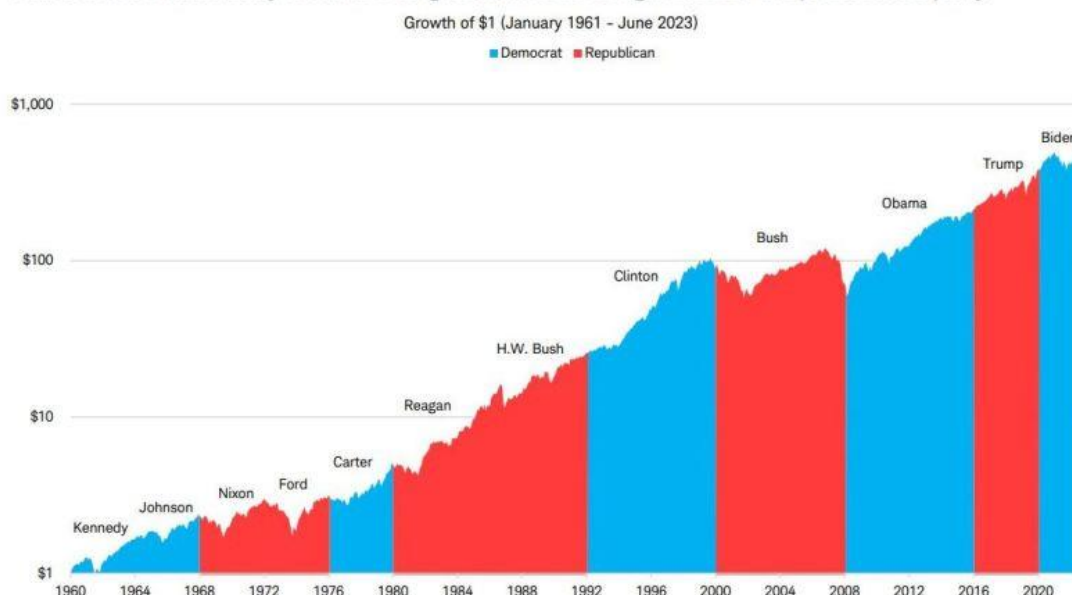
#food-for-thought

#us #stocks #politics #elections

Thankfully, the US is a country where the President has very little impact on the stock market. Stocks tend to go up during most presidencies, regardless of who is in power. Key takeaway: Don't mix politics with your portfolio.

### Politics versus sound investment principles

Markets have historically rewarded long-term investors regardless of the presidential party.



Source: Schwab Center for Financial Research, with data provided by Morningstar, Inc. The chart above shows the growth of \$1 invested in a hypothetical portfolio that tracks the Ibbotson U.S. Large Stock Index starting on January 1, 1961. January returns in inauguration years are assumed to be under the party that is being inaugurated. Returns include investment of dividends and interest. The example is hypothetical and provided for illustrative purposes only. The chart provided does not constitute and should not be interpreted as an endorsement of any political party. Indexes are unmanaged, do not incur fees or expenses, and cannot be invested in directly. Investing involves risk including loss of principal. Past performance is no guarantee of future results. 61

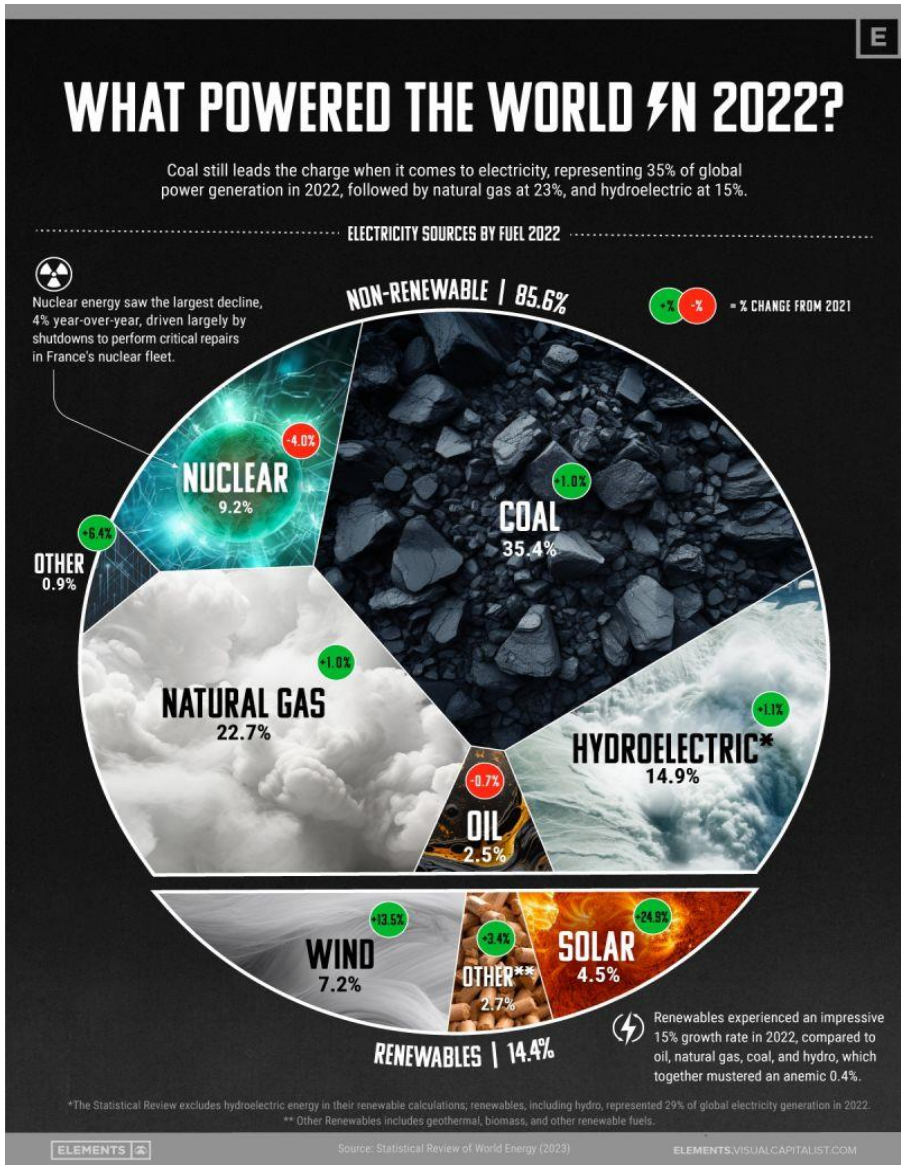
Source: Charlie Bilello



#food-for-thought

#energy #renewable #power

What powered the world in 2022



# #GLOBALMARKETS WEEKLY WRAP-UP

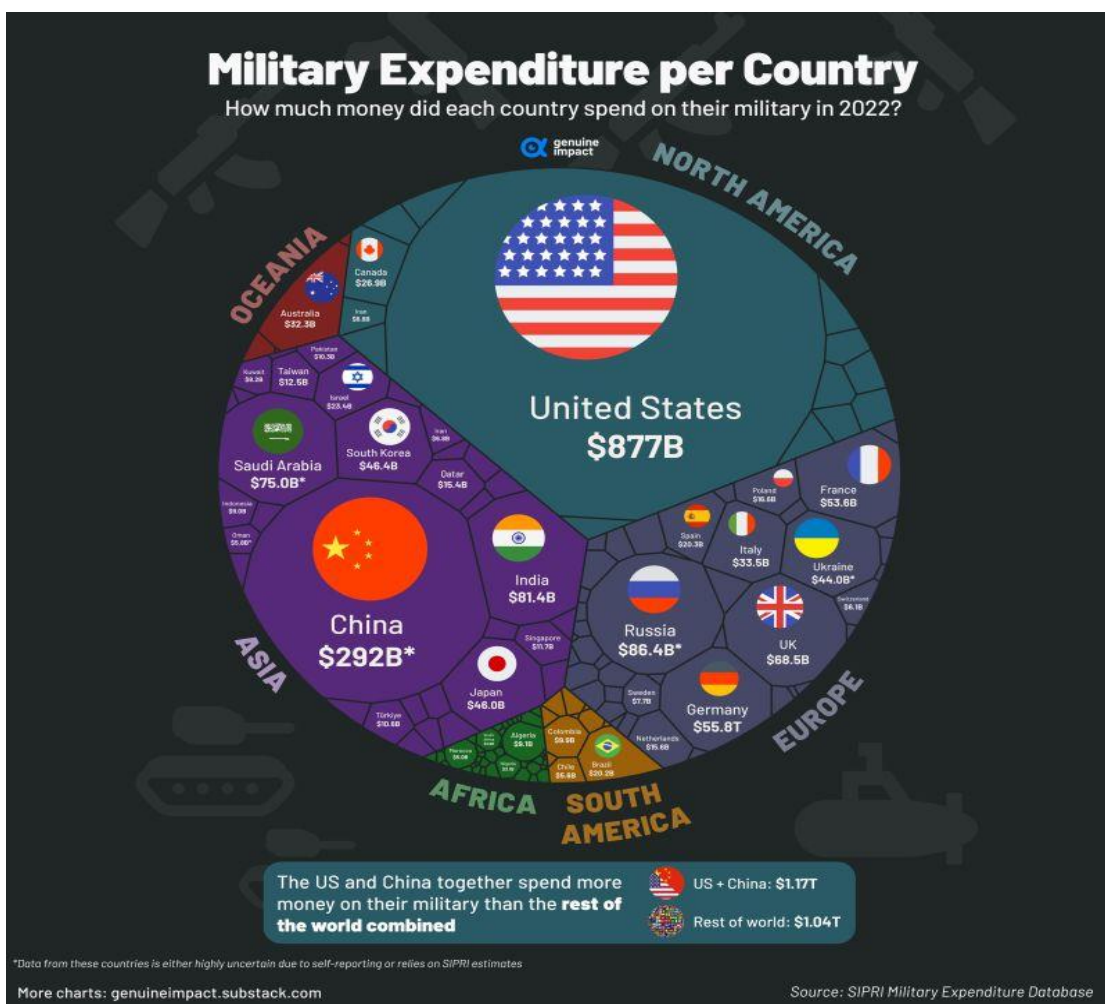
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#food-for-thought

## #us #china #military

2022 global military budgets hit an all-time high of \$2.2 trillion. When you combine the military budgets of the US and China, it surpasses the combined budgets of all other countries in the world!



Source: [Genuine Impact](https://genuineimpact.com) / [Chris Quinn](https://chrisquinn.com)

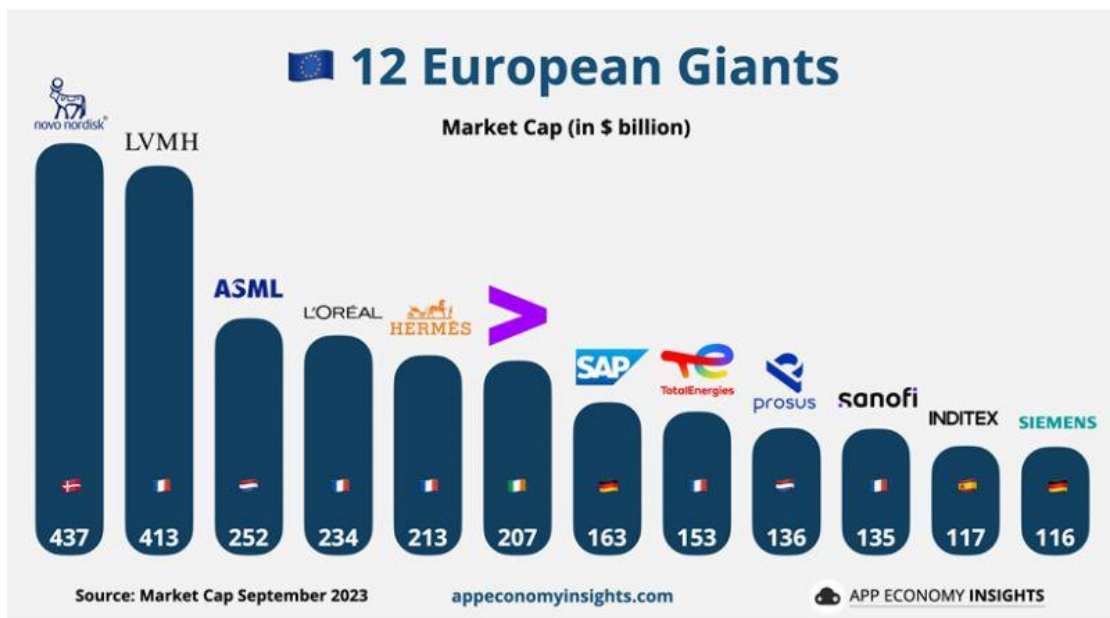
#food-for-thought

#europe #equities #megacap

Dive into EU 12 European Giants Visualized

Today at a glance:

- 1. 🩺 Novo Nordisk & Sanofi: Pharma powerhouses dissected.
- 2. 🏰 LVMH, L'Oréal, & Hermès: French Luxury and Beauty compared.
- 3. ⚙️ ASML's dominance in semiconductor manufacturing.
- 4. 🌐 Accenture & SAP: Pioneers in the digital solutions landscape.
- 5. ⚡ TotalEnergies: A look into energy transition efforts.
- 6. 🌍 Prosus: Mapping Europe's vast Internet investments.
- 7. 👗 Inditex: The fashion empire behind Zara and more.
- 8. 🔧 Siemens: Europe's industrial and tech innovation prowess



Source: App Economy Insights

#food-for-thought

#ipo #statistics

Annual IPOs, 2000-2023. The chart below shows 109 IPOs so far in 2023. There have been 6,043 IPOs between 2000 and 2023. The least was in 2009 with only 62. The full year 2021 was an all-time record with 1035 IPOs, beating the previous record of 480 in the year 2020. Now that Arm’s IPO is officially in the books, investors will be looking ahead to the Instacart and Birkenstock IPOs.

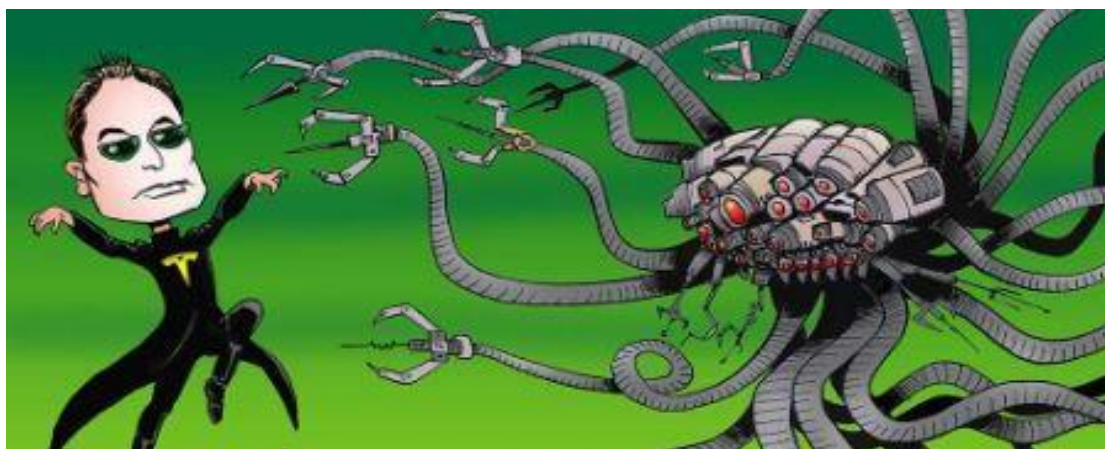


Source: stockanalysis

### #food-for-thought

#### #musk #ai #risks #capitol-hill

Elon Musk Warns of the ‘Civilizational Risk’ AI poses in meeting with tech CEOs and Senators. Elon Musk warned senators in a private gathering on Capitol Hill on Wednesday that artificial intelligence poses a “civilizational risk” to governments and societies, according to a senator in the room. Musk made his remarks at a first-of-its-kind closed-door summit on AI featuring a who’s who of Big Tech titans, who also included Mark Zuckerberg, Bill Gates, Sundar Pichai and Sam Altman. He also endorsed the idea of a new federal agency to oversee AI and repeated his warning that artificial intelligence poses a tremendous danger. : “The consequences of AI going wrong are severe so we have to be proactive rather than reactive,” .“The question is really one of civilizational risk. It’s not like ... one group of humans versus another. It’s like, hey, this is something that’s potentially risky for all humans everywhere,” he said.

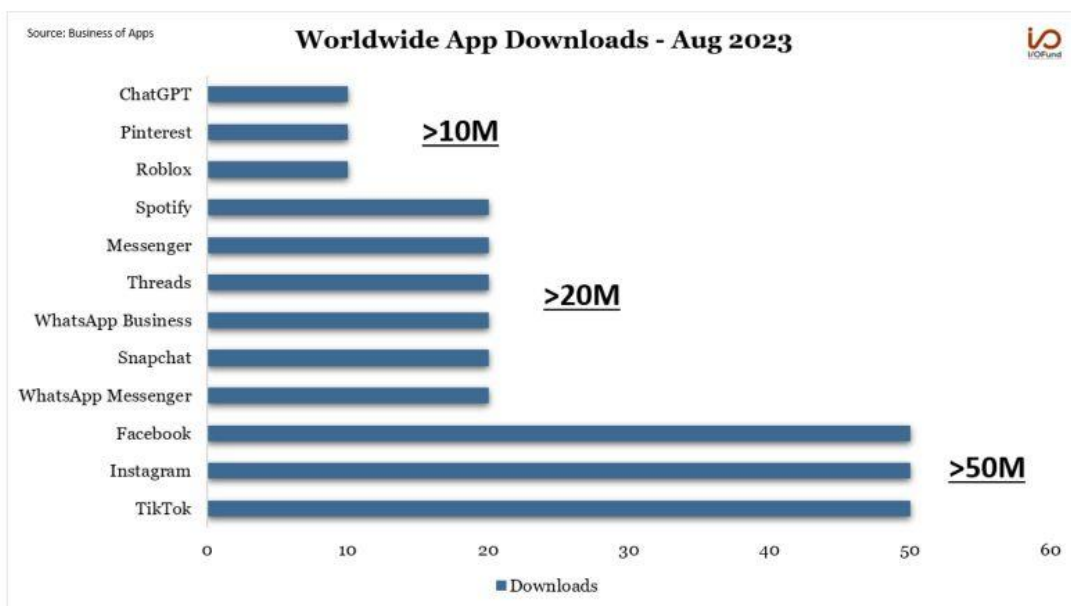


Source: nbcnews

#food-for-thought

#chatgpt #app #adoption #downloads

Despite Chatgpt's meteoric rise this year and with over 10M app downloads in August, it still lagged behind traditional giants like TikTok, Instagram, and Facebook, each of which had over 50M downloads in the same month.



Source: Beth Kindig, Business of Apps

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#ecommerce #amazon #us #china

The e-commerce market is a winner-takes-almost-all industry in each country, with Amazon being the leader in terms of e-commerce revenue. JD follows Amazon in second place, generating significantly less e-commerce revenue.



Source: CompaniesMarketCap.com

Source: App Economy Insights



#food-for-thought

#apple #iphone #bitcoin

Yes I know it is an easy one...



CoinGecko  
@coingecko



Price of iPhone in #Bitcoin Over The Years

- iPhone 4s - 162 BTC
- iPhone 5- 53 BTC
- iPhone 5s - 5 BTC
- iPhone 6 - 1.7 BTC
- iPhone 6s - 2.8 BTC
- iPhone 7 - 1.1 BTC
- iPhone 8 - 0.19 BTC
- iPhone X - 0.14 BTC
- iPhone XS - 0.15 BTC
- iPhone 11 - 0.068 BTC
- iPhone 12 - 0.051 BTC
- iPhone 13 - 0.018...

6:18 PM • Sep 12, 2023

www.pikaso.me

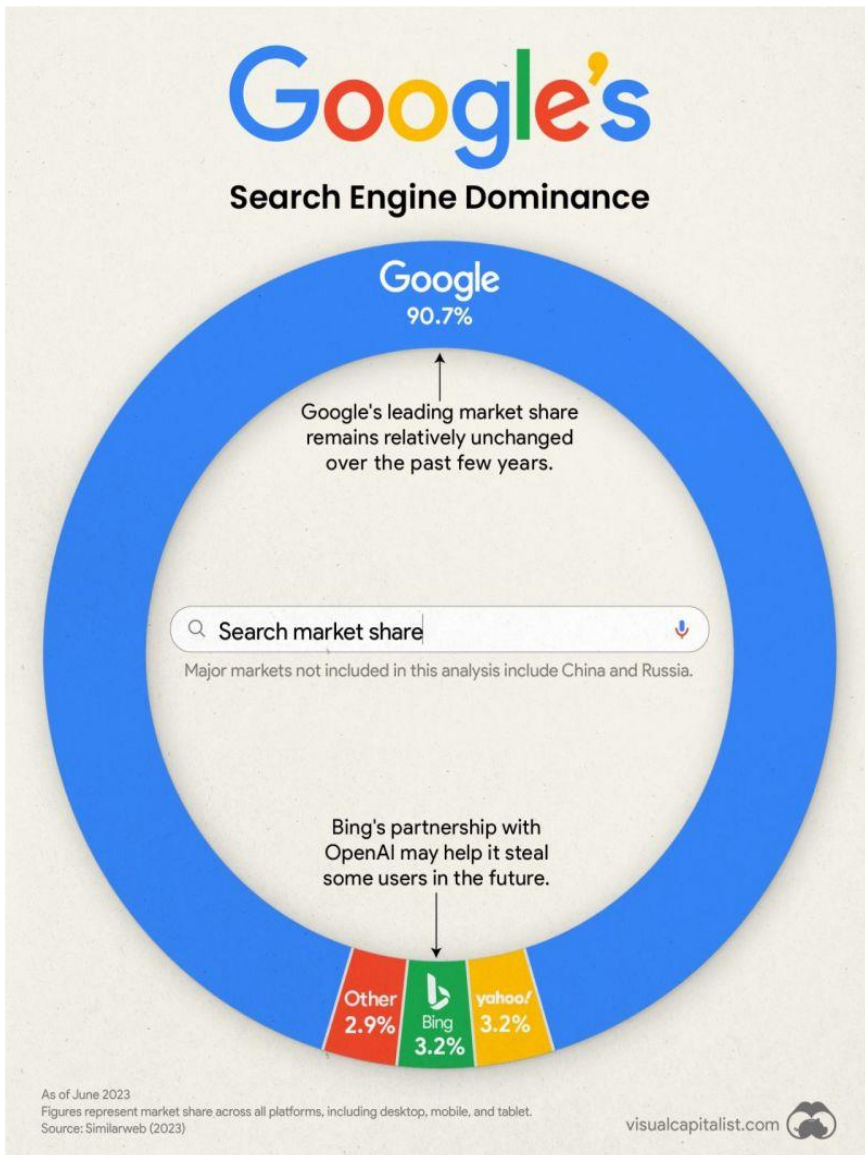


Source: coingecko, TeongH\_SR

#food-for-thought

#google #market-share #search-engines

Visualizing Google's Search Engine Market Share 🔍

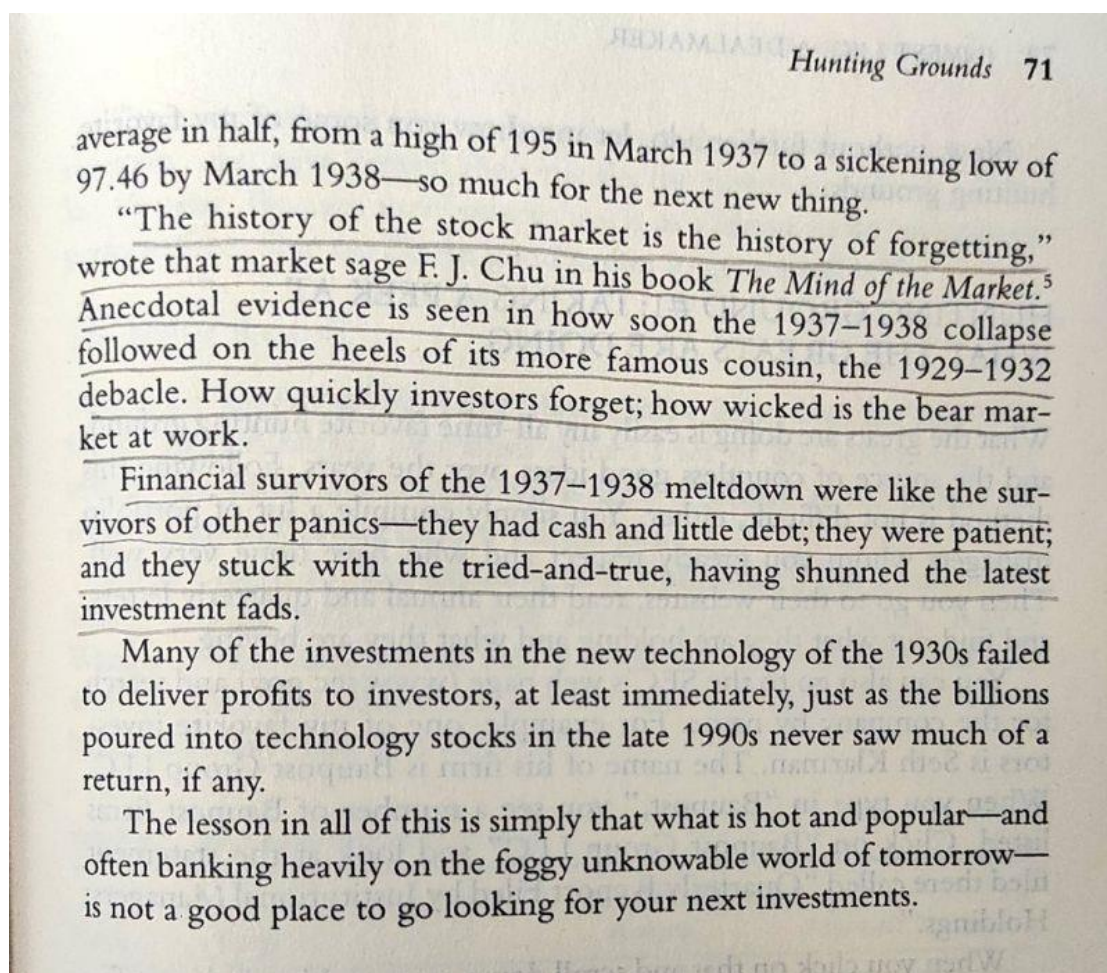


Source: <https://lnkd.in/dAbVgCFJ>

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## #history #stock-market

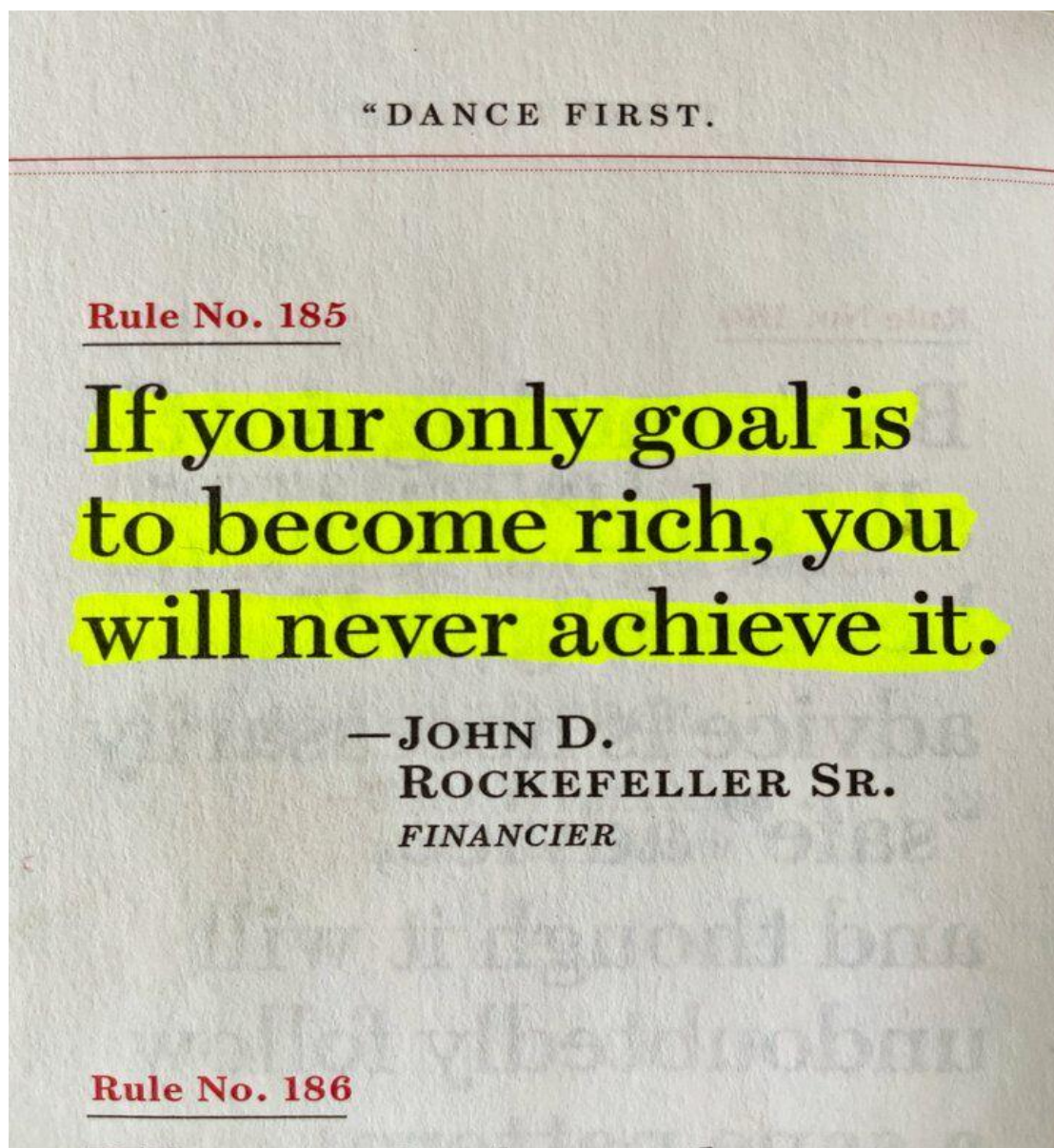
The History of the stock market is the history of forgetting!



Source: Investment Books (Dhaval)

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#mindset #wealth #goals



Source: Mind Matters Money

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#happiness



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**For the future...**