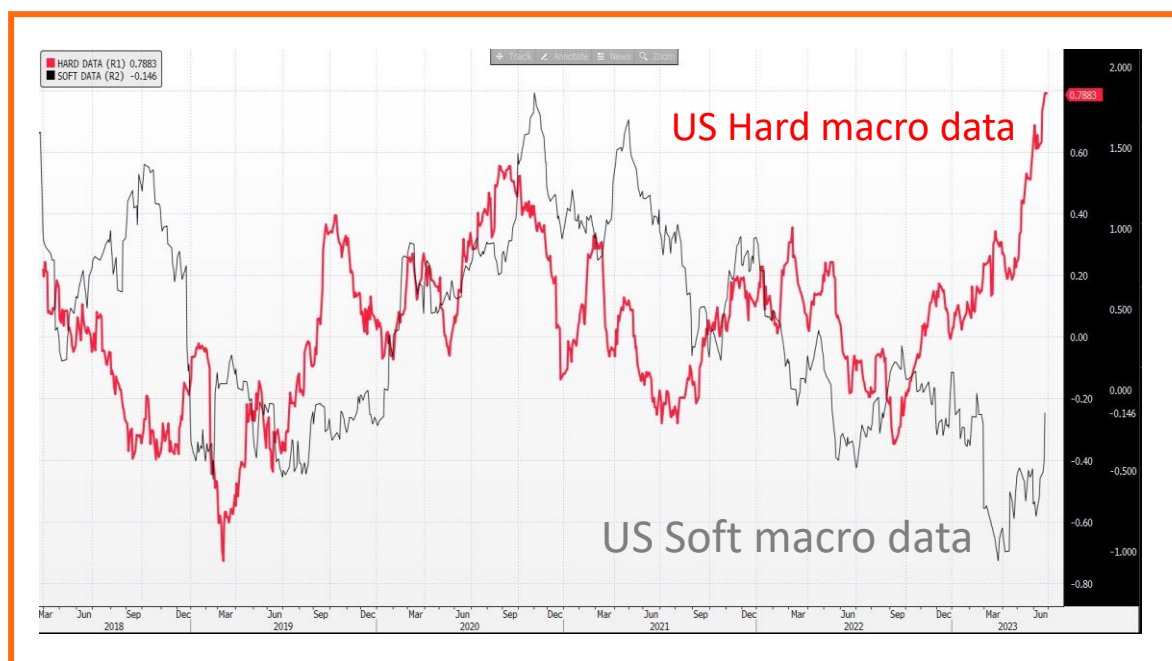


## Chart of the week

### WILL “SOFT MACRO DATA” CLOSE THE GAP?

In the US, “hard macro data” and “soft macro data” have been sharply diverging over the last year. In other words, the «hard» data (coincident indicators) have been indicating that the US economy is CURRENTLY doing fine but «soft» data (leading indicators) have been pointing towards a deterioration of economic growth in the near-term. We note however that “soft data” are now closing part of the gap. Will it last?



---

## H1 ends strongly as Apple hits \$3T Market Cap

Positive growth and inflation surprises helped equity markets to end Q2 and H1 strongly. The S&P 500 Index recorded its best weekly gain since the end of March. The rally also broadened, with small-caps and value shares outperforming. Still, the Nasdaq remains by far the best performer year-to-date, up nearly 32%, its best start to the year since 1983. Apple closed the week with a market cap above USD 3 trillion, marking a first for a publicly traded company. Inflation data released Friday appeared to provide the biggest boost to sentiment. US PCE price index had increased by 0.1% in May, bringing its yoy increase down to 3.8%, its lowest level since April 2021. The core PCE index fell back to 4.6% on a yoy basis, still well above the Fed's 2% target, but lower than expectations. Other macro data boosted sentiment: Private sector incomes rose 0.5% in May, weekly jobless recorded their sharpest drop since October 2021, durable goods orders rose 1.7% in May (versus -1% expected) while May new home sales easily outpaced estimates. In Fixed Income, US Treasuries 10-year yield spiked to 3.87%, its highest level since March 9. In Europe, the STOXX 600 Index rallied 1.94% on hopes that China would do more to boost consumption and that lower-than-expected inflation data could mean that interest rates are near their peak. China stocks ended mixed, as weak economic indicators offset optimism that the government might implement additional measures to bolster economic growth. Cryptos were volatile.



## #global #equities #h1 #performance

The Nasdaq established itself as the world's leading stock market index this year, closely followed by the Nikkei 225, which soared by 27%. The broader Topix index, with its greater focus on domestic banks and companies, also enjoyed substantial growth, up 21% This was its best half-year performance since 2016.



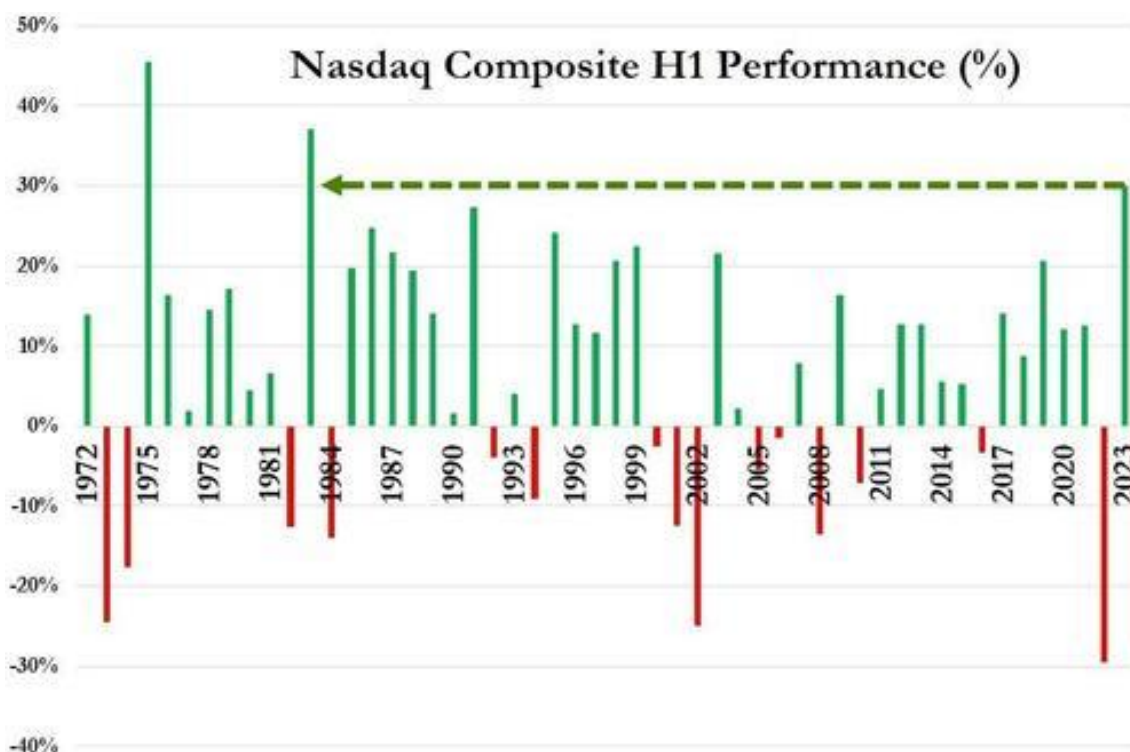
Source: FT





## #us #equities #nasdaq #h1 #performance

The Nasdaq Composite rose around 31% in the first half of 2023 - its biggest H1 gain since 1983 (outpaced only by the even more concentrated Nasdaq 100 which rose 37% - its best H1 ever). Last year was the second worst H1 in history and this year is the 3rd best ever for the composite...



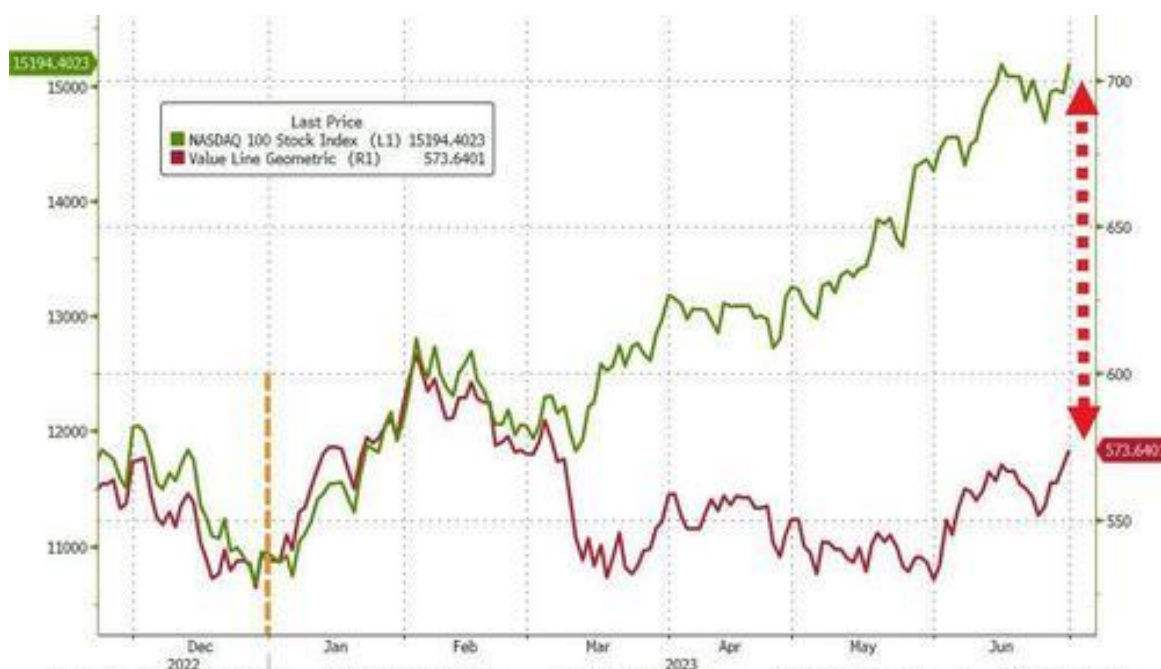
Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg





## #us #equities #median #h1 #performance

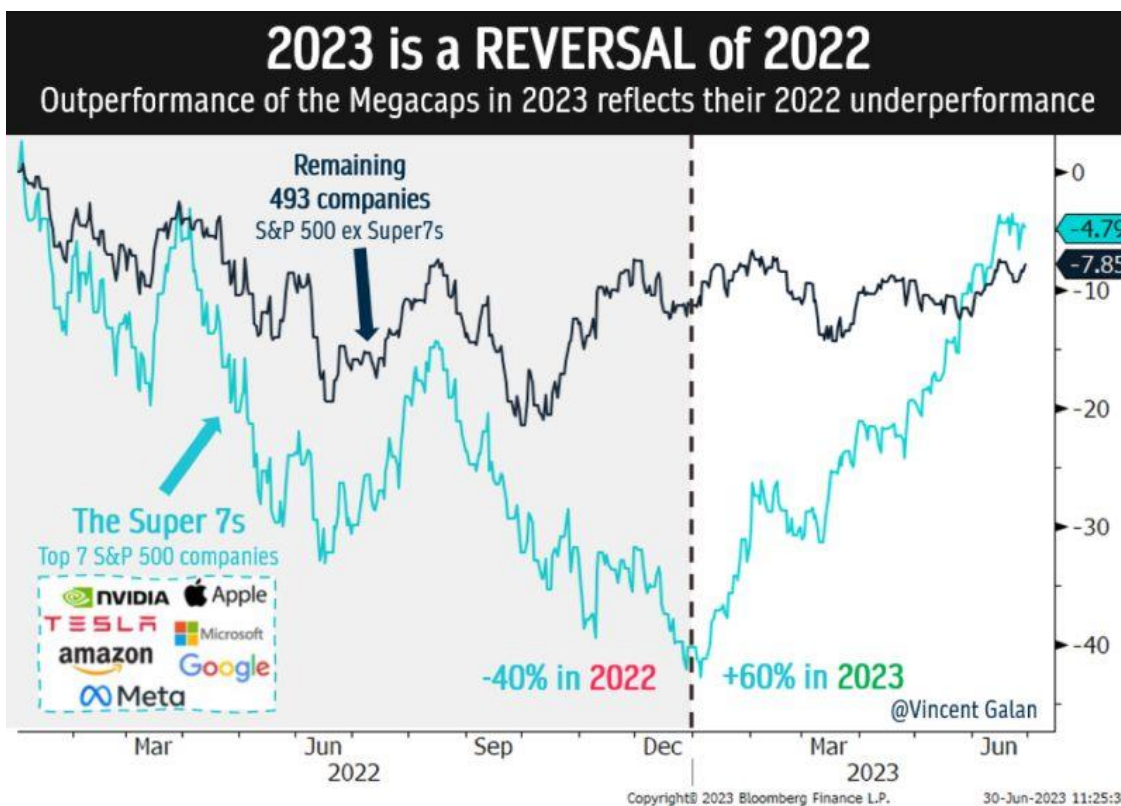
The median US stock rose 6% in H1 (based on the ValueLine Geometric Index)...





## #us #equities #h1 #performance

The MASSIVE outperformance of the Super 7s is just a reflection of their equally MASSIVE underperformance in 2022. Also known as the Magnificent Seven: Apple, Nvidia, Tesla, Microsoft, Amazon, Alphabet, Meta have been the biggest driver of return in the US market. However, both the Super 7s and the S&P 500 (or 493) are still negative since the start of 2022: -5% and -8% respectively



Source: Vincent Galan, Bloomberg

# #GLOBALMARKETS WEEKLY WRAP-UP

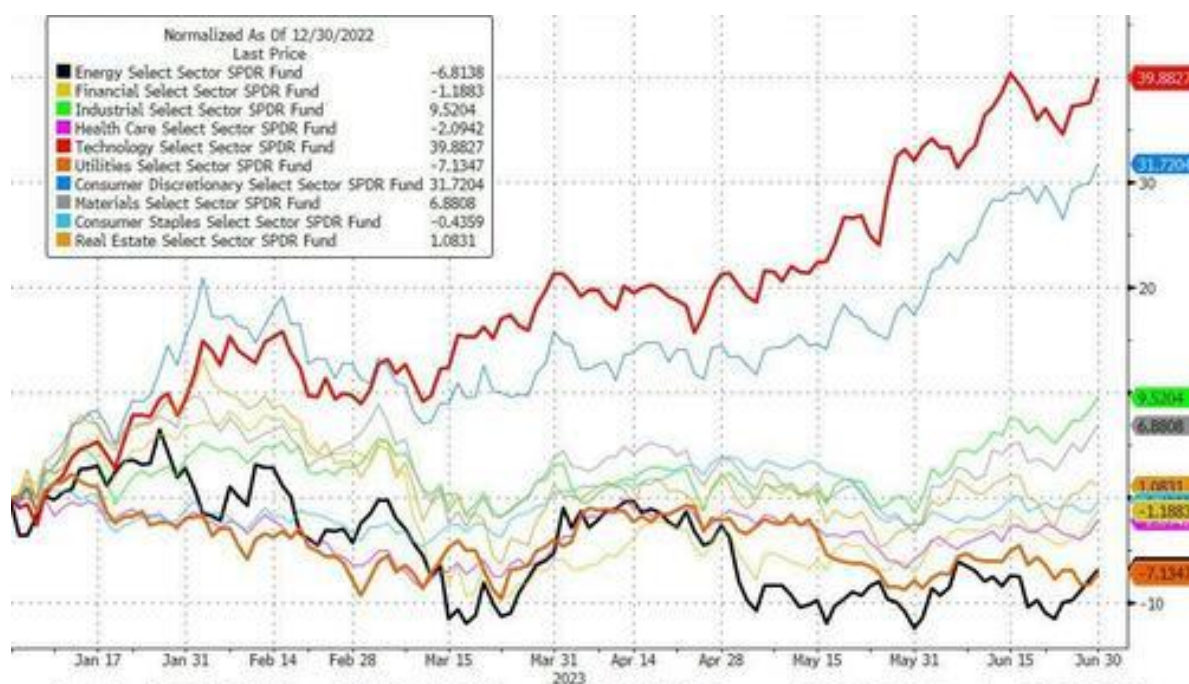
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## #us #equities #sectors #h1 #performance

Tech and Discretionary stocks outperformed dramatically in H1 while Energy and Utilities tumbled...

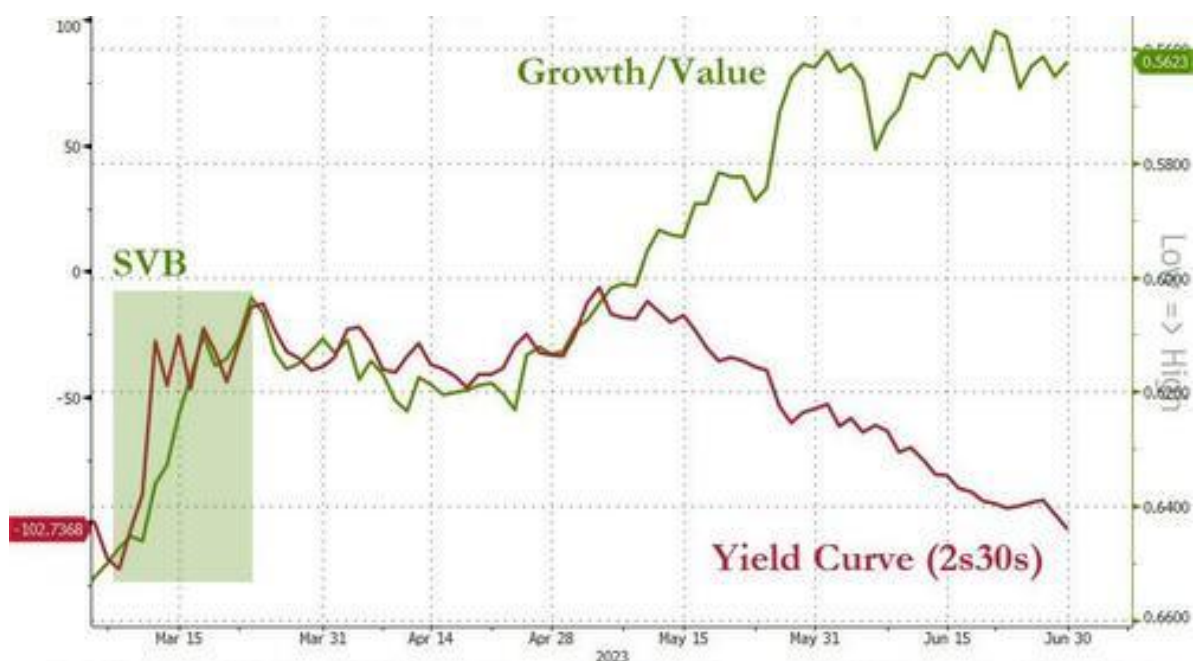


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg

#markets

## #us #equities #style #h1 #performance

H1 2023 saw the biggest outperformance of Growth over Value since H1 2020, completely decoupling from the yield curve...



# #GLOBALMARKETS WEEKLY WRAP-UP

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#markets

## #us #equities #credit #h1 #performance

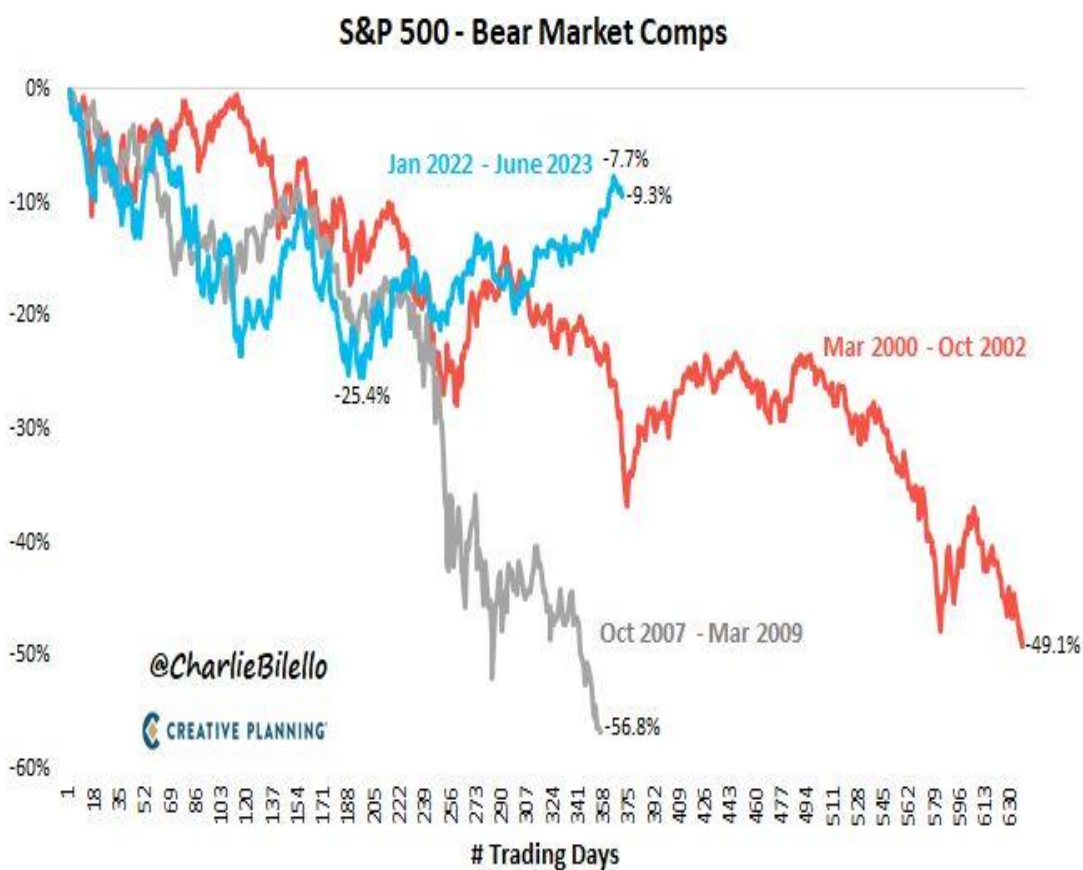
Equities decoupled from the credit market in Q2...





## #us #equities #sp500

S&P 500 peak in January 2022 vs. peaks in October 2007 and March 2000...



Source: Charlie Bilello





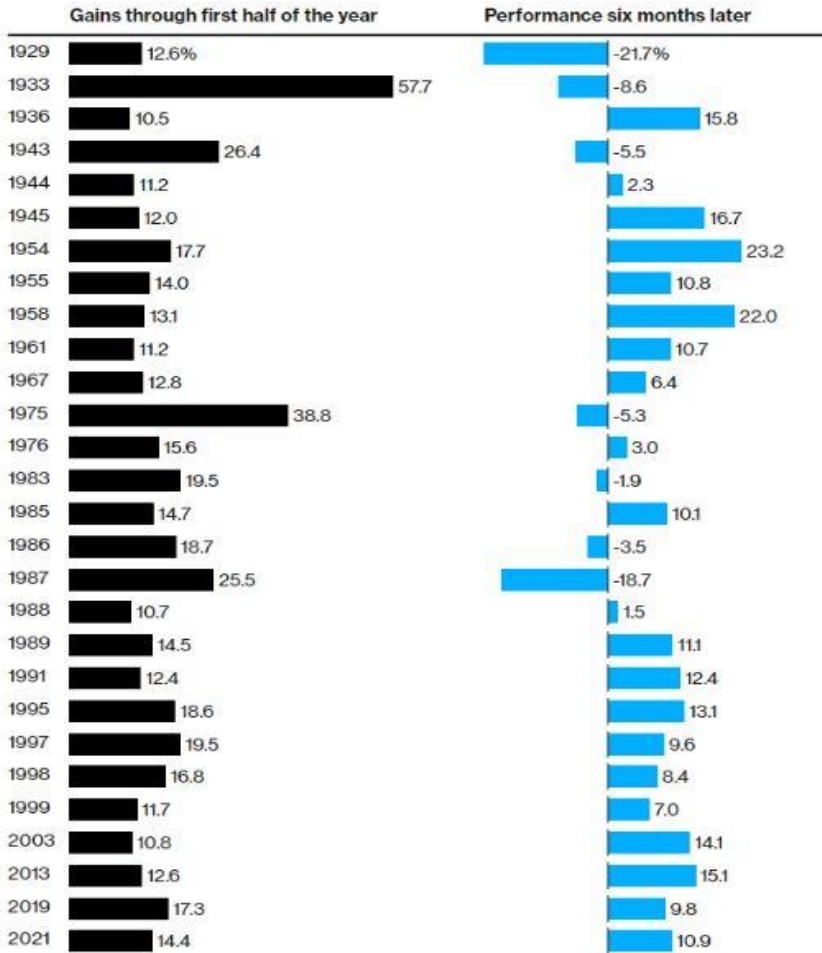


## #us #equities #sp500 #statistics

The S&P 500 is profitable when the benchmark index rises by at least 10% through June. It has historically risen by a median of 10% in the second half of the year.

### Strong First Half Historically Bodes Well for Investors

S&P 500 returns when the benchmark index climbs at least 10% through June



Source: Bloomberg



Source: Bloomberg





## #us #equities #july #performance

July has emerged as the most lucrative month for U.S. stocks in the last ten years, defying the traditional belief that summer is a slow period for markets. According to a study conducted by Carson Group, the S&P 500 index has shown an average increase of 3.3% between 2012 and 2022 during this particular month. Furthermore, the performance of equities, particularly in the NDX, has been notably robust over the past 15 years.

July Performance over the last 15 years.			
Year	SPX	NDX	RTY
Average	3.01%	4.64%	2.18%
2022	9.11%	12.55%	10.38%
2021	2.27%	2.78%	-3.65%
2020	5.51%	7.37%	2.71%
2019	1.31%	2.32%	0.51%
2018	3.60%	2.72%	1.69%
2017	1.93%	4.13%	0.69%
2016	3.56%	7.07%	5.90%
2015	1.97%	4.37%	-1.22%
2014	-1.51%	1.12%	-6.11%
2013	4.95%	6.21%	6.94%
2012	1.26%	1.02%	-1.45%
2011	-2.15%	1.62%	-3.67%
2010	6.88%	7.18%	6.79%
2009	7.41%	8.54%	9.53%
2008	-0.99%	0.66%	3.61%



Source: Marketwatch, Cantor Fitzgerald



#us #equities #nasdaq #july #performance

Nasdaq 100 has been green in July for 15 consecutive years with an average return of +4.64%...

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
20 Yr Avg	.07	.25	1.45	2.41	1.42	-.25	3.57	1.01	-.30	2.12	1.69	.31
2023	10.62	-.49	9.46	.49	7.61	6.60						
2022	-8.52	-4.64	4.22	-13.37	-1.65	-9.00	12.55	-5.22	-10.60	3.96	5.48	-9.06
2021	-.29	-.12	1.41	5.88	-1.26	6.34	2.78	4.16	-5.73	7.90	1.80	1.14
2020	2.96	-5.89	-7.66	15.19	6.17	6.29	7.37	11.05	-5.72	-3.20	11.00	5.05
2019	9.11	2.76	3.96	5.46	-8.40	7.62	2.32	-2.01	.76	4.31	3.96	3.92
2018	8.65	-1.38	-3.99	.37	5.48	1.05	2.72	5.84	-.35	-8.66	-.26	-8.91
2017	5.20	4.17	1.99	2.71	3.68	-2.45	4.13	1.84	-.16	4.50	1.87	-.48
2016	-6.84	-1.82	6.73	-3.18	4.21	-2.35	7.07	.86	2.19	-1.53	.20	1.10
2015	-2.07	7.04	-2.41	1.86	2.13	-2.47	4.37	-6.85	-2.19	11.19	.34	-1.53
2014	-1.95	4.95	-2.72	-.38	4.32	3.01	1.12	4.88	-.81	2.69	4.32	-2.34
2013	2.65	.26	2.93	2.44	3.27	-2.42	6.21	-.53	4.70	4.96	3.26	2.99
2012	8.35	6.29	5.04	-1.15	-7.30	3.60	1.02	4.91	.97	-5.40	1.13	-.63
2011	2.89	3.03	-.51	2.78	-1.31	-2.00	1.62	-5.15	-4.54	10.33	-2.75	-.76
2010	-6.41	4.46	7.68	2.16	-7.41	-6.11	7.18	-5.18	13.05	6.33	-.34	4.75
2009	-2.59	-5.36	10.74	12.72	2.96	2.90	8.54	1.36	5.77	-3.02	6.02	5.26
2008	-11.68	-5.22	2.10	7.62	5.99	-9.62	.66	1.26	-14.84	-16.30	-11.17	2.18
2007	2.01	-1.71	.61	5.38	3.24	.31	-.11	2.93	5.15	7.07	-6.69	-.20
2006	3.98	-2.35	1.98	-.17	-7.12	-.28	-4.18	4.66	4.71	4.74	3.39	-1.92
2005	-6.26	-.57	-1.89	-4.16	8.58	-3.18	7.47	-1.46	1.26	-1.40	5.91	-1.64
2004	1.71	-1.52	-2.17	-2.58	4.63	3.44	-7.66	-2.26	3.22	5.24	5.70	3.16
2003	-.13	2.72	.88	8.58	8.30	.32	6.26	5.03	-2.80	8.64	.55	3.07



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

# #GLOBALMARKETS WEEKLY WRAP-UP

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## #us #equities #apple #market-cap

Apple's market cap topped \$3 trillion on Friday, passing the \$190.73 share price required to hit the milestone. Apple was the first company to hit a \$3 trillion market cap during intraday trading in January 2022, but it failed to close at that level. It has another shot to do that on Friday..



Apple Inc  
NASDAQ: AAPL

Mkt cap	3.03T
P/E ratio	32.70
Div yield	0.50%



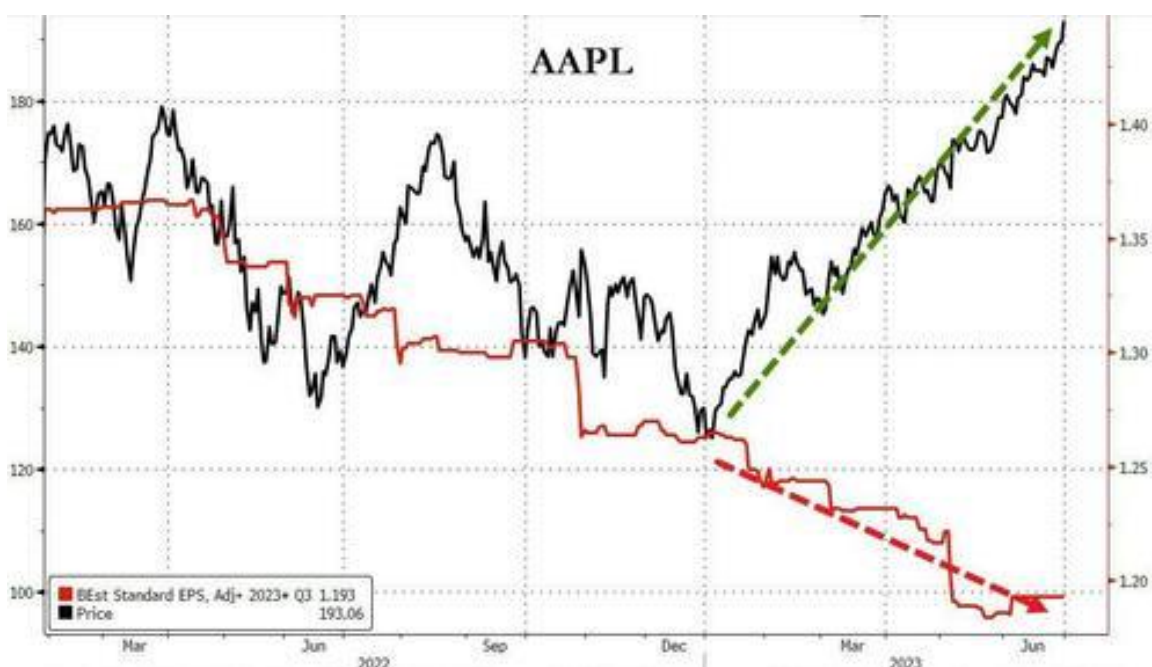
Source: HolgerZ, Bloomberg





## #us #equities #apple #earnings

Apple stock price action is diverging from 2023 earnings estimates.

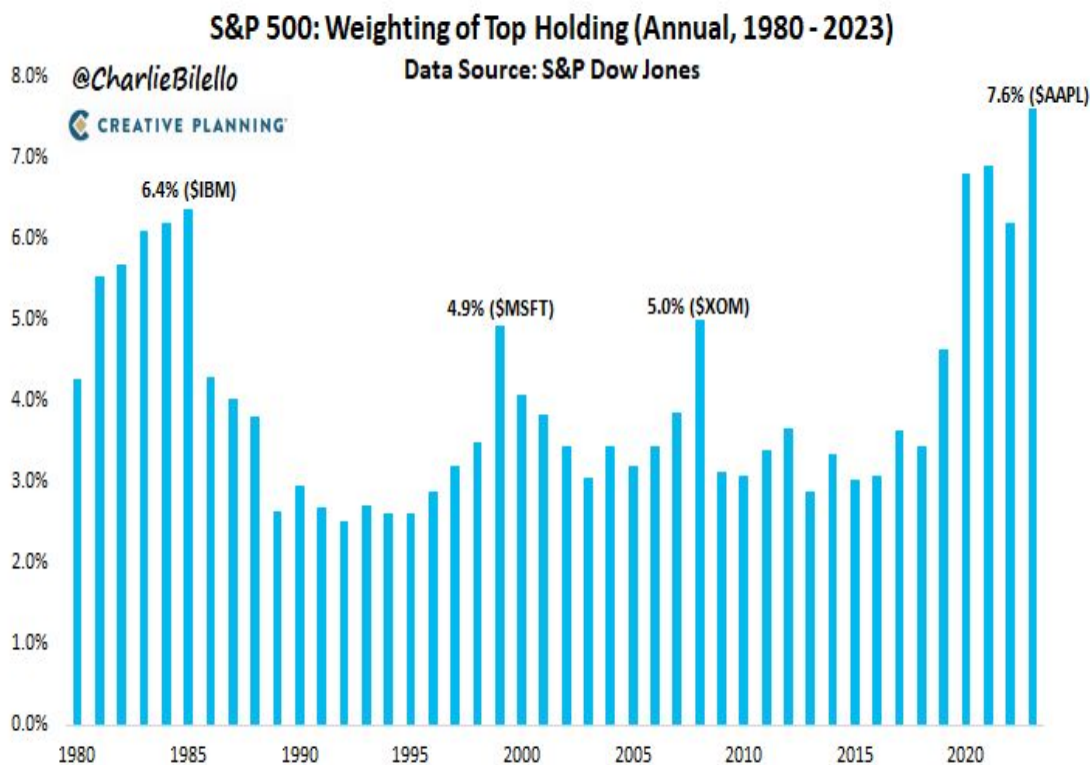


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #us #equities #apple #sp500

Apple's 7.6% weighting in the S&P 500 is the largest for any single company in the index with data going back to 1980. \$AAPL



Source: Charlie Bilello

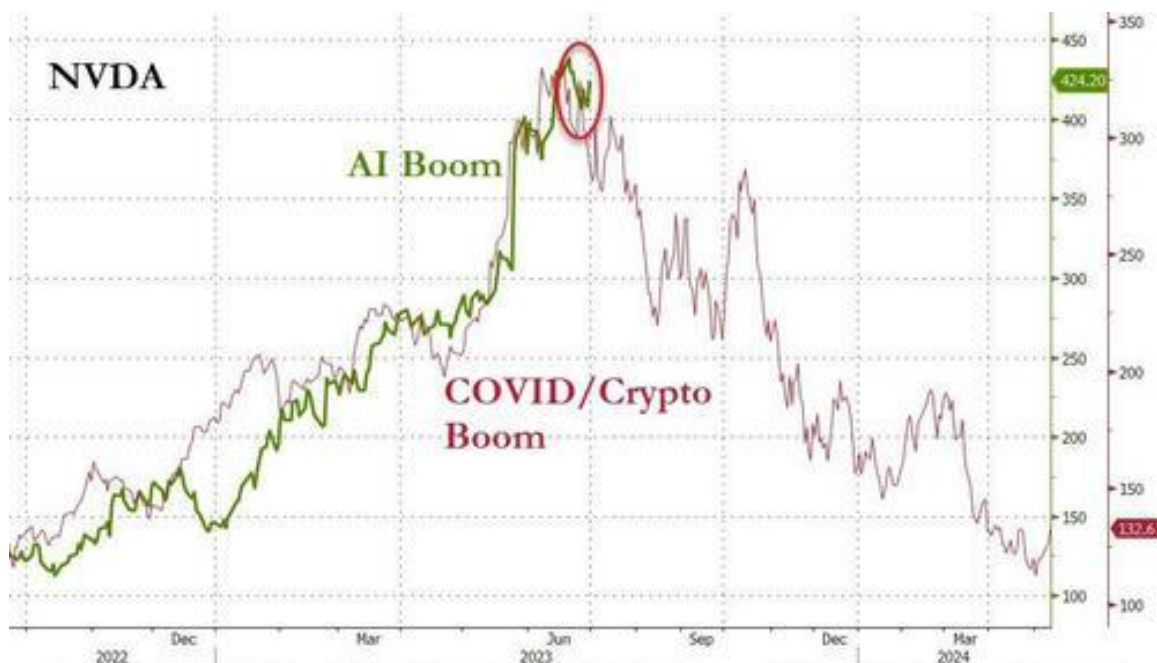






## #nvidia

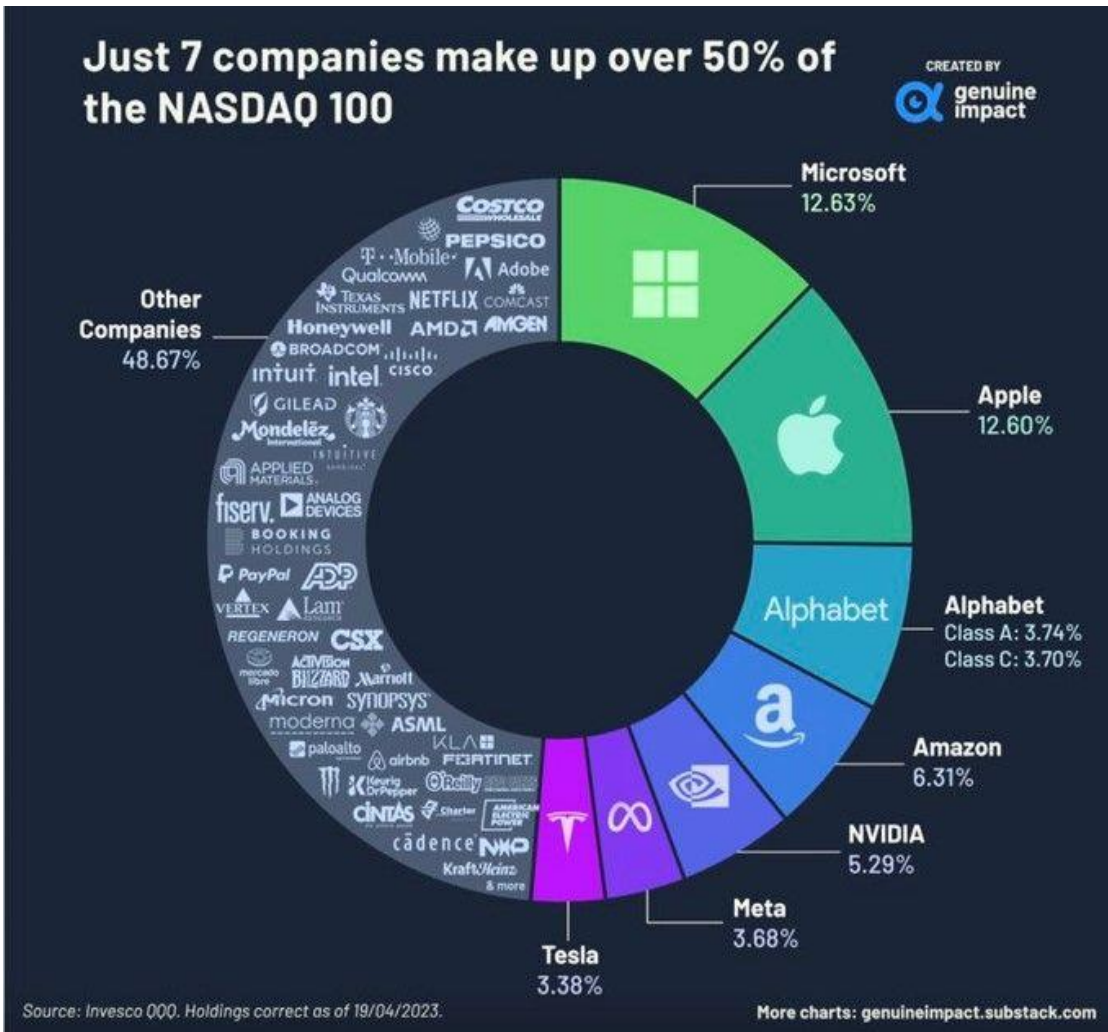
What happens next with the AI-boom?





#us #equities #nasdaq

Nasdaq concentration



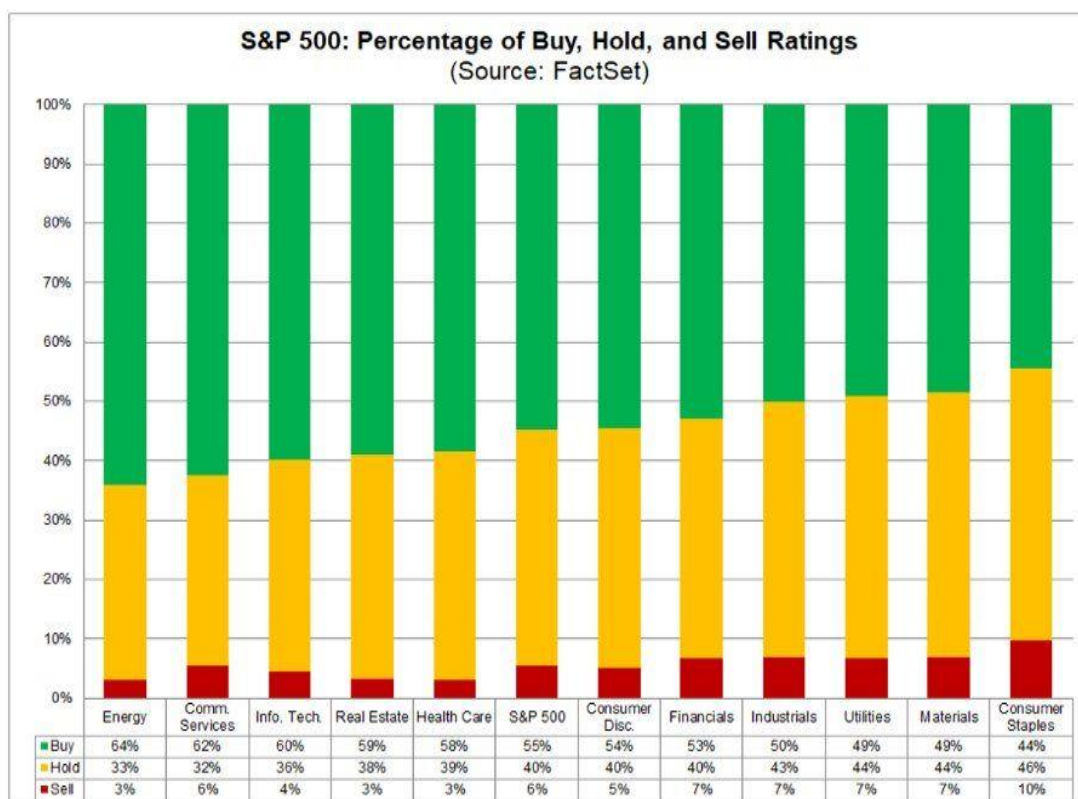
Source: Genuine Impact





#us #equities #sp500 #sector #sell-side #ratings

Where are analysts most optimistic on ratings for SP&500 companies heading into Q3?



Source: Factset, C.Barraud





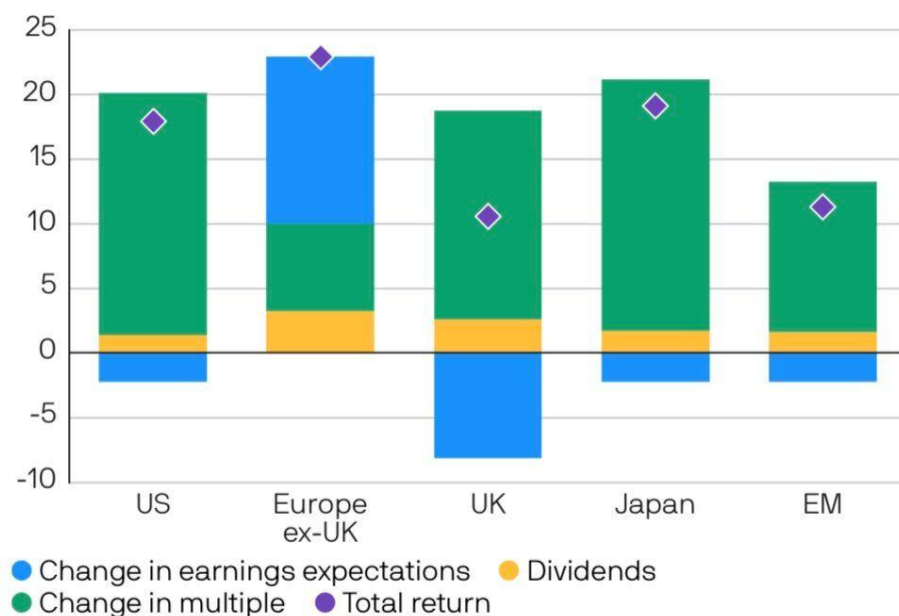
## #us #equities #valuations

The rally in US stocks since the October '22 trough has been entirely driven by multiple expansions, while forward earnings estimates have declined.

### Exhibit 8: Multiple expansion has been the key driver of recent equity returns

#### Return decomposition since 30 September 2022

Sources of equity market return, %



Source: FTSE, MSCI, S&P Global, Refinitiv Datastream, J.P. Morgan Asset Management. MSCI indexes used for Europe ex-UK, Japan and EM. US is S&P 500 and UK is FTSE All-Share. Returns shown in local currency, with the exception of EM which is in US dollars. Past performance is not a reliable indicator of current and future results. Data as of 31 May 2023.

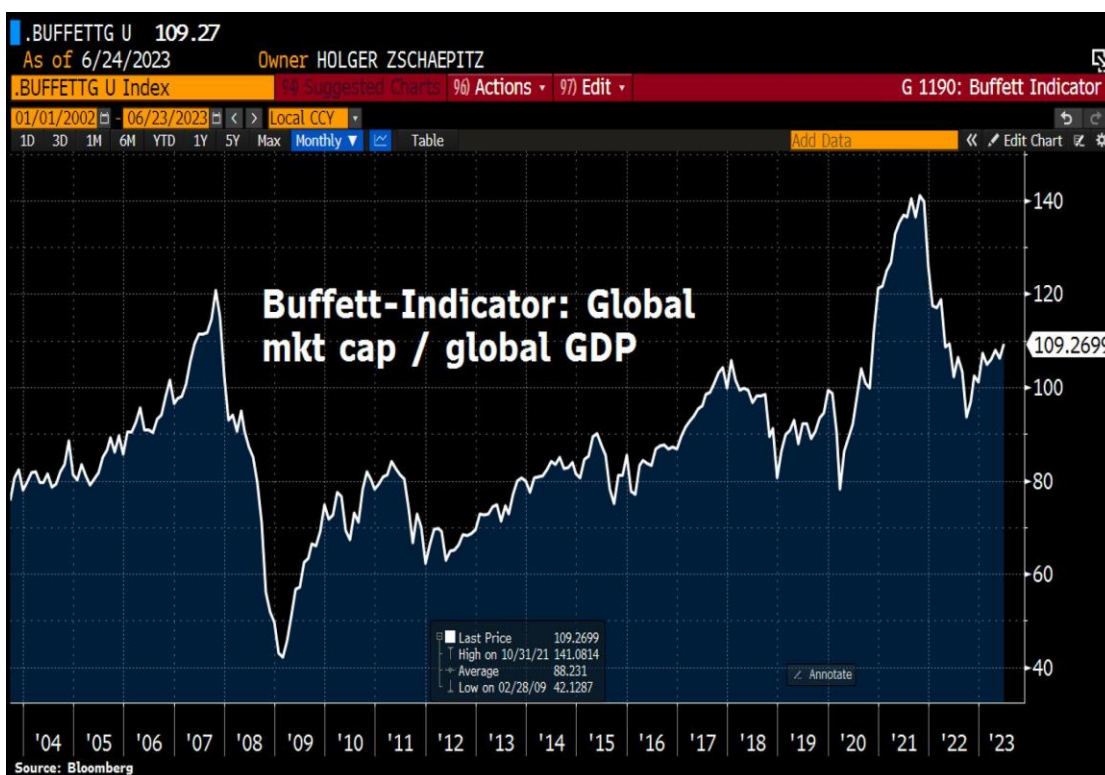
Source: David Marlin, Marlin Capital





## #us equities #valuation

The Buffett crash indicator is sounding the alarm again after stocks have soared too much this year. Global stocks are now worth more than the global GDP.



Source: Bloomberg, HolgerZ

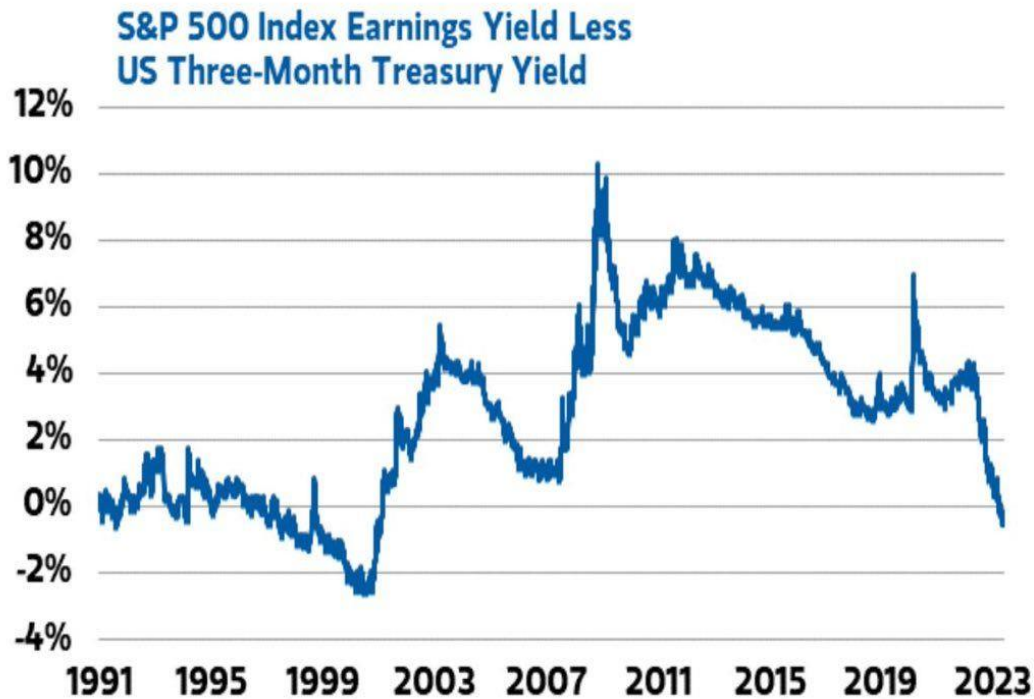




#us #equities #sp500 #relative-valuation

S&P 500 earnings yield low hits extreme low versus cash

### US Stocks Earnings Yield Extremely Low Versus Cash



Source: Bloomberg as of June 16, 2023

Source: Bloomberg

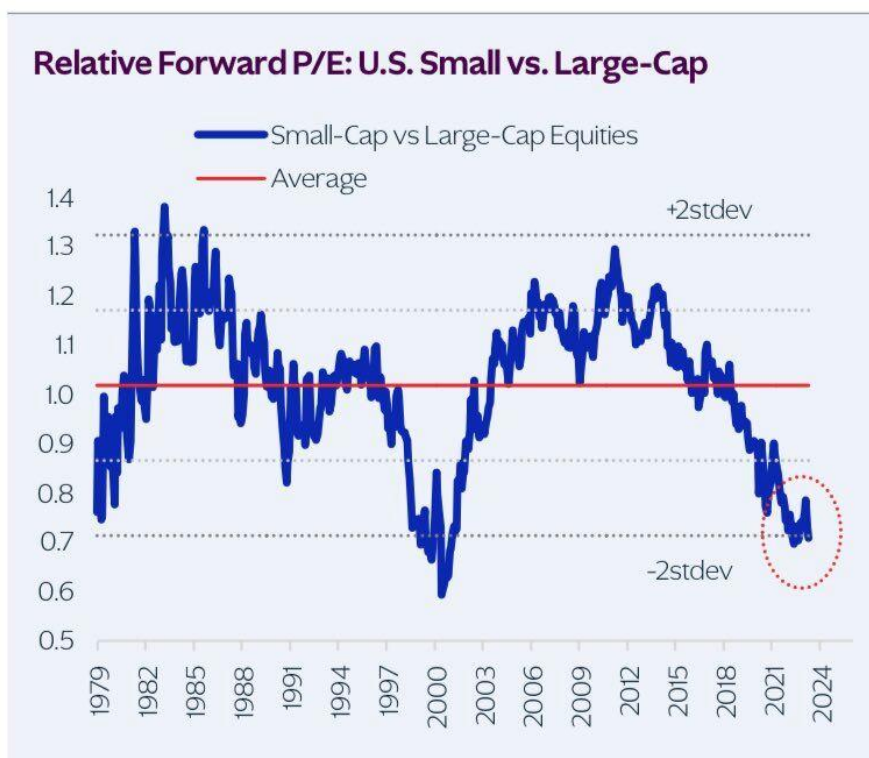




## #us #equities #relative-valuation

US small-cap stocks are trading at their biggest discount to Large Cap stocks in over 20 years. The only larger valuation gap over the past 50 years was during the Dot Com Bust.

**EXHIBIT 88:** Small-Cap Stocks Remain Historically Cheap vs. Large-Cap Stocks, Trading at 20-Year Lows (-30% Below Long-Term Average)



Note: Valuation analysis excludes outliers and non-earners. Data as at April 30, 2023. Source: BofAML Global Research, FactSet.



Source: BofAML, David Marlin

#markets

## #us #equities #tech #sp500 #p/s

The Price-to-sales ratio of tech stocks is at historic levels last seen during the Dot Com bubble.



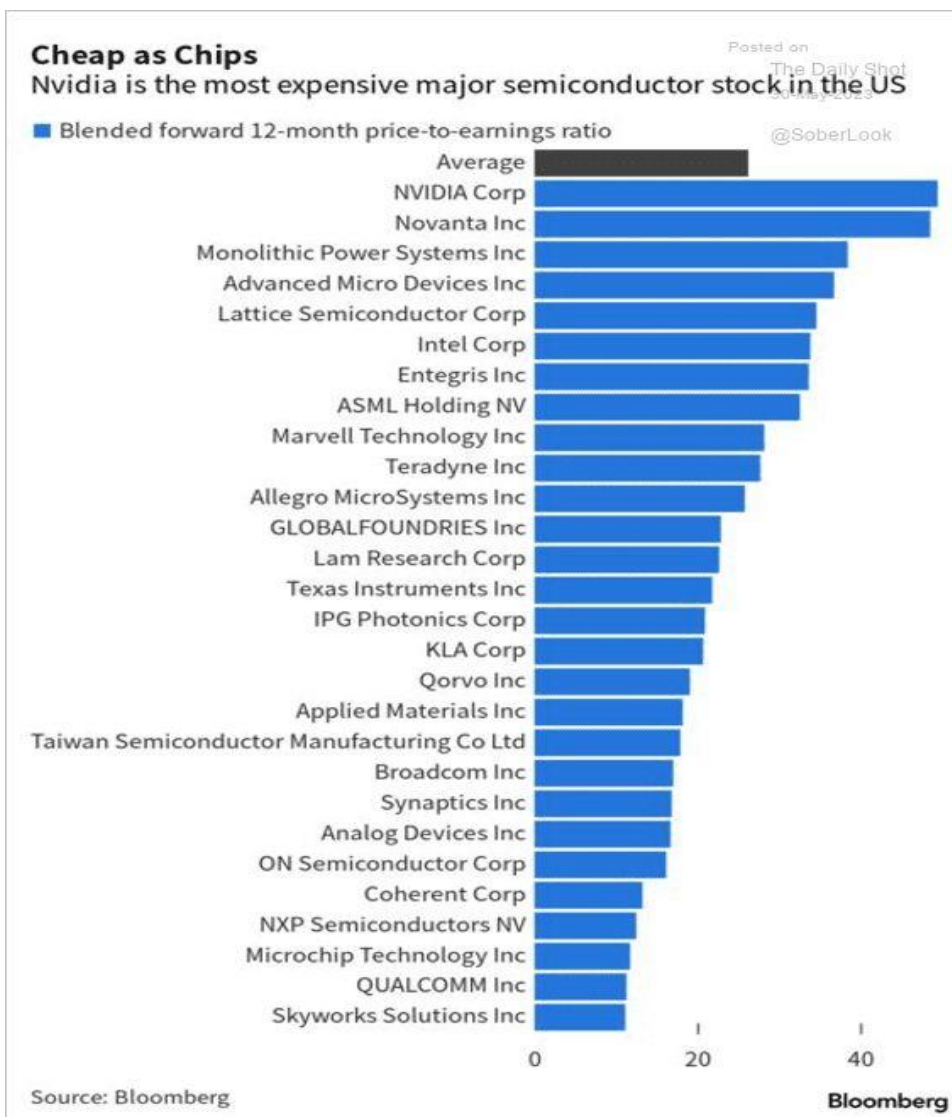
Source: Christof Leisinger, Kailash Capital Research





#us #equities #semiconductors #nvidia

Cheap as chips. A list of global semiconductor stocks ranked according to their forward P/E.



Source: The Daily Shot, Bloomberg

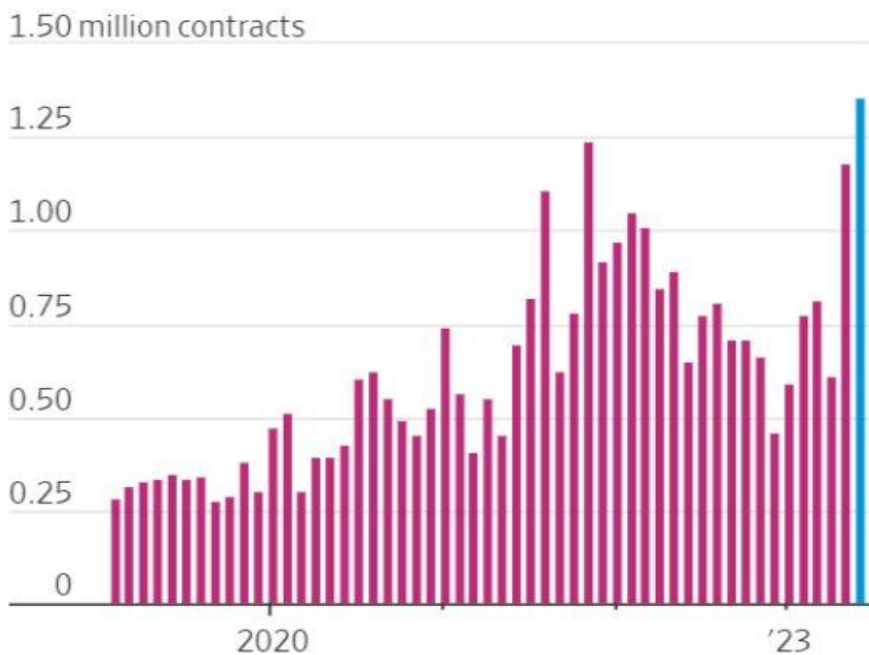




## #ai #bullish #call-options

Bullish Bets on Artificial Intelligence. More than 1.3 million call contracts on Nvidia, AMD and Intel changed hands on an average day in June, on track for the highest monthly total on record.

### Chip stocks\* average daily call options volume



Note: Monthly, through June 23

\*Includes shares of Nvidia, Advanced Micro Devices and Intel

Source: Cboe Global Markets

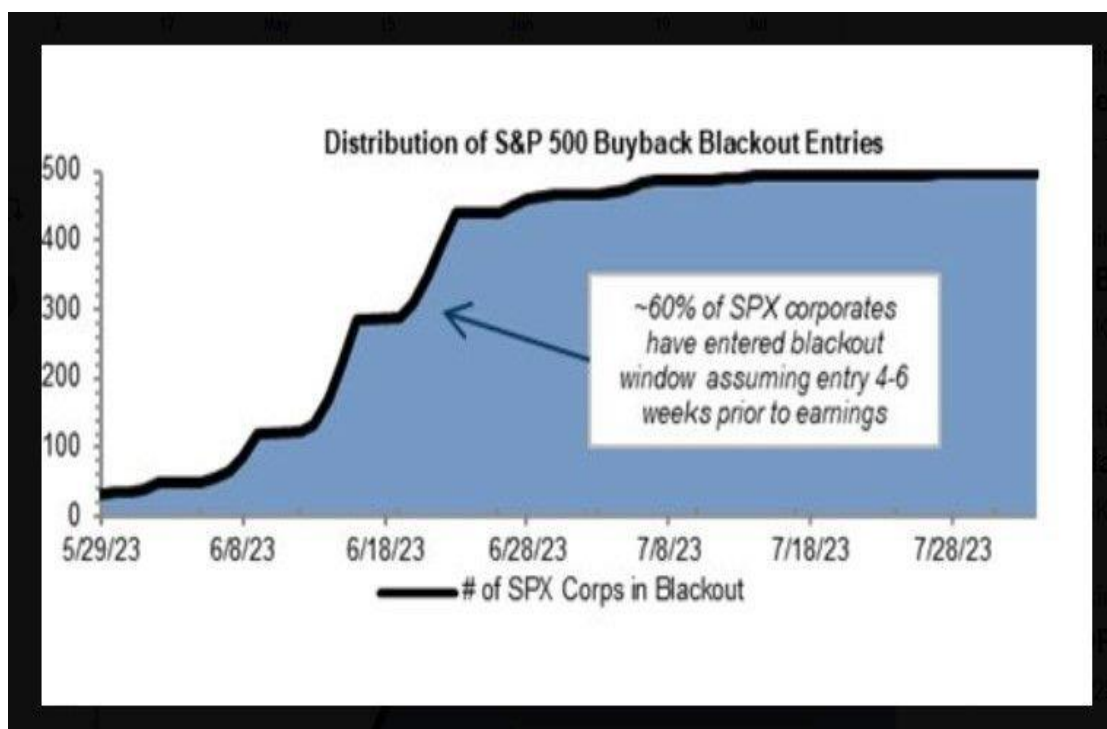
Source: wsj





## #us #equities #sp500 #buyback-blackout

Last week 60% of sp500 members were in corporate buyback blackout window (which ends 7/28). 27.06.2023, it jumped to 85%.



Source: Carl Quintanilla

#markets

### #us #ipo #nyse

The U.S. IPO market is back with three new listings. After CAVA's recent entry into the IPO market, other companies are now following suit. This week, the New York Stock Exchange (NYSE) will see the debut of three new listings from different sectors. Kodiak Gas Services, Savers Value Village, and Fidelis are aiming to raise approximately \$300 million each, with valuations ranging from \$1.5 billion to \$3.0 billion. There is also a pair of new filings on Friday, again from companies operating in different markets.



Source: Axios



## #us #treasuries #h1

US Treasuries are very mixed in H1 with the short-end monkey-hammered over 40bps higher in yield while the 30Y yield is down over 10bps...



Source: www.zerohedge.com, Bloomberg





## #us #yield-curve

One of bond market's most reliable gauges of impending US recessions is back in solidly triple-digit negative territory as investors absorbed disappointing US manufacturing-sector data & a spate of European central bank interest-rate hikes. The 2s/10s yield spread drops < -100bps.



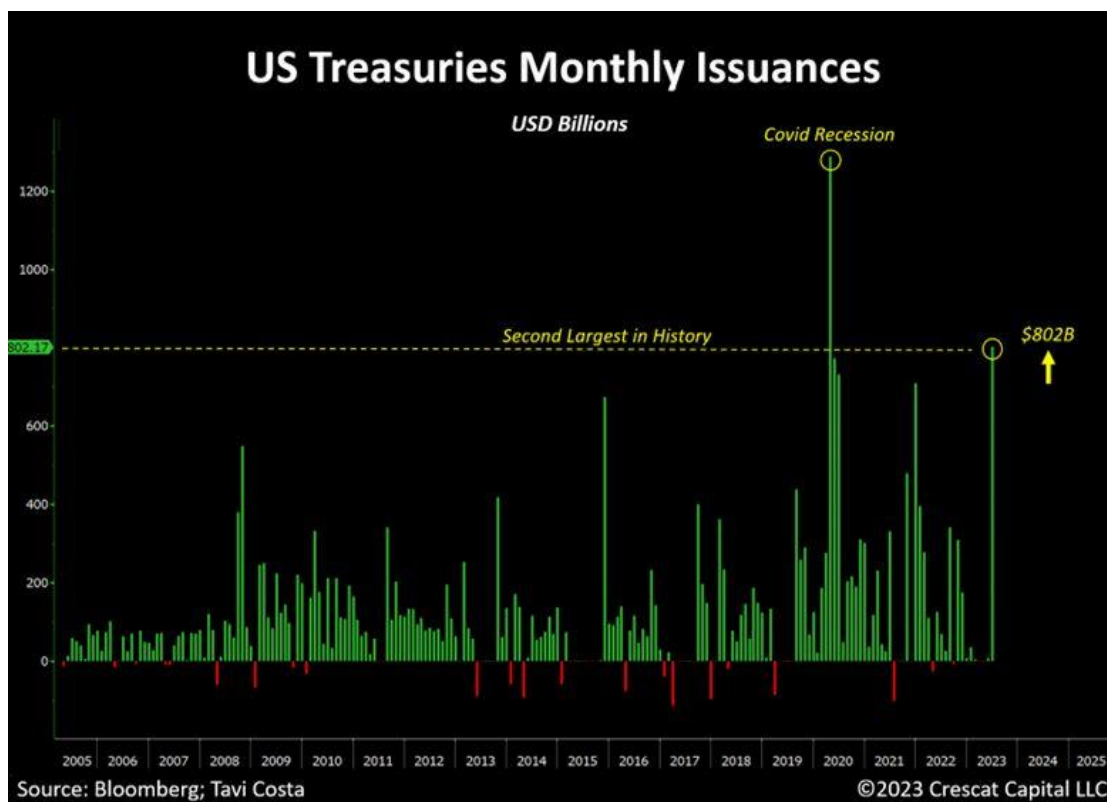
Source: HolgerZ, Bloomberg





## #us #treasuries #issuance

One of bond market's most reliable gauges of impending US recessions is back in solidly triple-digit negative territory as investors absorbed disappointing US manufacturing-sector data & a spate of European central bank interest-rate hikes. The 2s/10s yield spread drops < -100bps.



Source: Tavi Costa, Crescat Capital, Bloomberg



#markets

## #bonds #rating #bbb

Half a Trillion Dollars of BBB Bonds Face Ratings Risk, BI Says. \$500 billion of BBB rated bonds — including those of Amgen Inc., Boeing Co. and Rogers Communications Inc. — stand at risk of downgrade, Bloomberg Intelligence analysts

The screenshot shows the Bloomberg website interface. At the top left is the 'Bloomberg' logo, and at the top right is 'US Edition'. Below the logo is a navigation menu with items: Live Now, Markets (highlighted), Economics, Industries, Tech, AI, Politics, Wealth, Pursuits, Opinion, Businessweek, Equality, and Green. The main content area features the word 'Markets' on the left and a large headline: 'Half a Trillion Dollars of BBB Bonds Face Ratings Risk, BI Says'. Below the headline are two bullet points: 'Amgen, Boeing are among names at risk of ratings cuts, BI says' and 'Analysts say leverage ratios steady or have modestly improved'.

Source: bloomberg



## #GLOBALMARKETS WEEKLY WRAP-UP

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












































1 JULY 2023


#markets

### #forex #returns

The changes in the value of global currencies since the beginning of 2023.

**Major Currencies' Returns (relative to \$): Year-to-Date**

 Colombian Peso COP +18%	 Indonesian Rupiah IDR +3%	 Qatari Rial QAR -0%	 Thai Baht THB -2%	 South African Rand ZAR -9%
 Mexican Peso MXN +14%	 Canadian Dollar CAD +3%	 Emirati Dirham AED -0%	 Australian Dollar AUD -2%	 Norwegian Krone NOK -9%
 Brazilian Real BRL +10%	 Swiss Franc CHF +3%	 Jordanian Dinar JOD -0%	 Israeli Shekel ILS -3%	 Kenyan Shilling KES -11%
 Hungarian Forint HUF +10%	 Danish Krone DKK +2%	 Philippine Peso PHP -0%	 Swedish Krona SEK -3%	 Ghanaian Cedi GHS -11%
 Polish Zloty PLN +8%	 Romanian Leu RON +2%	 Bahraini Dinar BHD -0%	 New Zealand Dollar NZD -3%	 Russian Ruble RUB -13%
 British Pound Sterling GBP +5%	 Euro EUR +2%	 Omani Rial OMR -0%	 South Korean Won KRW -3%	 Egyptian Pound EGP -20%
 Moroccan Dirham MAD +5%	 Indian Rupee INR +1%	 Ukrainian Hryvnia UAH -0%	 Bangladeshi Taka BDT -4%	 Pakistani Rupee PKR -21%
 Chilean Peso CLP +5%	 Tunisian Dinar TND +1%	 Hong Kong Dollar HKD -0%	 Chinese Yuan CNY -5%	 Turkish Lira TRY -28%
 Peruvian Sol PEN +5%	 Vietnamese Dong VND +0%	 Kuwaiti Dinar KWD -1%	 Malaysian Ringgit MYR -6%	 Argentine Peso ARS -30%
 Czech Koruna CZK +4%	 Saudi Riyal SAR +0%	 Singapore Dollar SGD -1%	 Japanese Yen JPY -8%	 Nigerian Naira NGN -41%

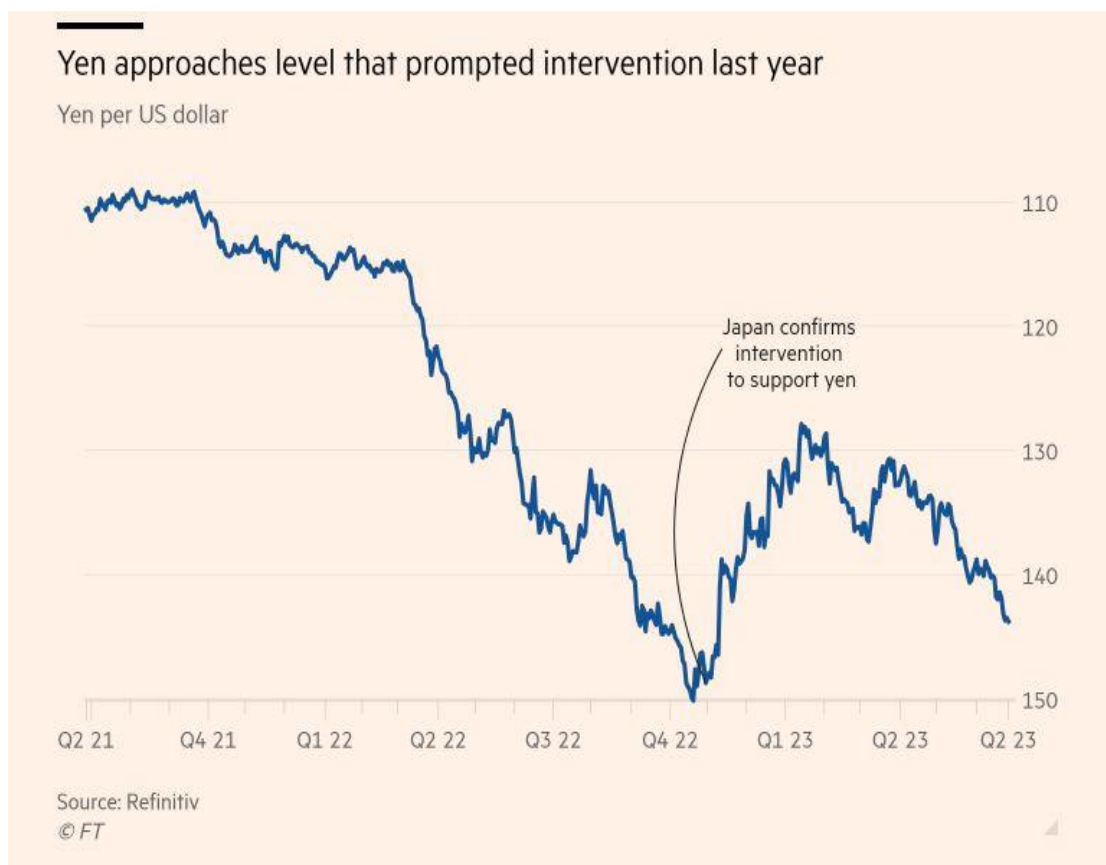
 @bastion\_manager

Source: Vlad Bastion



## #forex #yen #boj

Yen approaches level that prompted intervention last year. Japanese authorities promise to 'respond appropriately' if currency drop becomes excessive.



Source: FT



# #forex #china #yuan #us #dollar

Chinese Yuan continues to get crushed by the U.S. Dollar as it has now fallen to a 7-month low.

## U.S. Dollar/Chinese Yuan (^USDCNY)

7.2132 +0.0334 (+0.47%) 22:17 CT [FOREX]

7.2121 7.2141

INTERACTIVE CHART for Mon, Jun 26th, 2023

My Charts Alerts Watch Help

^USDCNY 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: Daily 6M Date:

tutorial



Source: barchart



# #GLOBALMARKETS WEEKLY WRAP-UP

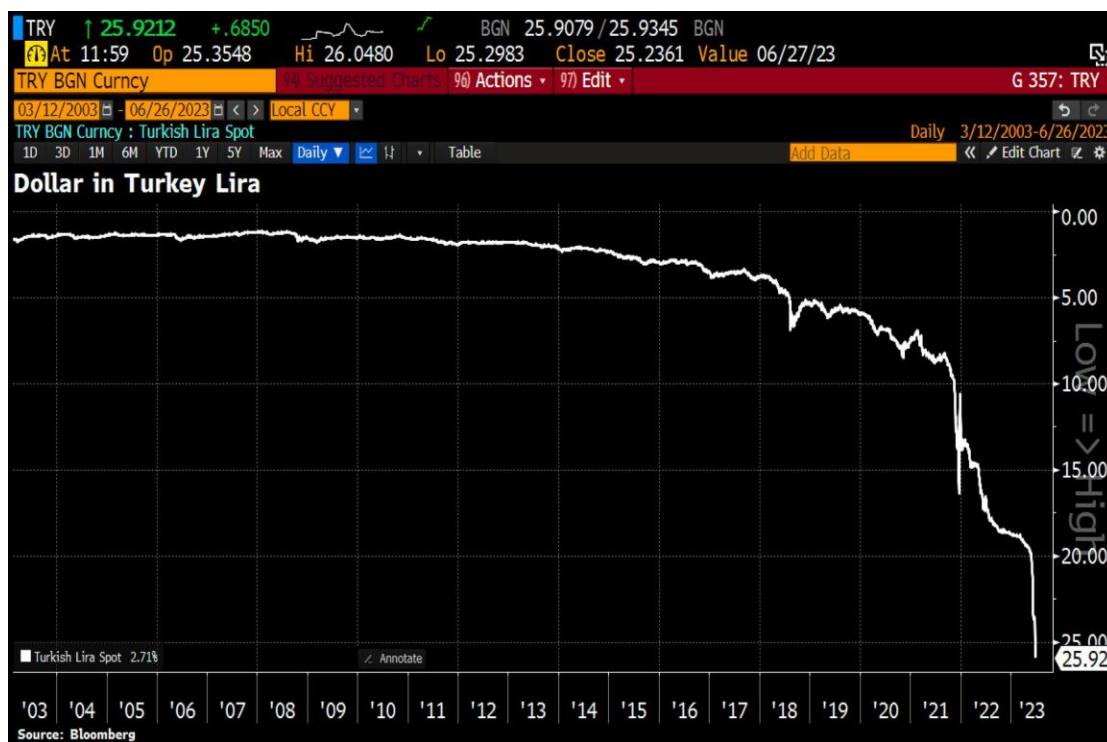
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## #forex #turkish-lira #us-dollar

Turkey Lira hit another All-Time Low as Turkey unwinds FX support mechanism. Lira is now down 28% YTD vs Dollar, 2nd worst currency in the world after Argentine Peso which plunged 30% YTD. Turkey FinMin Simsek needs some good news - NATO deal on Swedish NATO membership at the summit on July 11-12, or new Gulf money, Tim Ash from RBC Global Asset Management says. Simsek was in the UAE last week and relations seem to be massively improved of late.



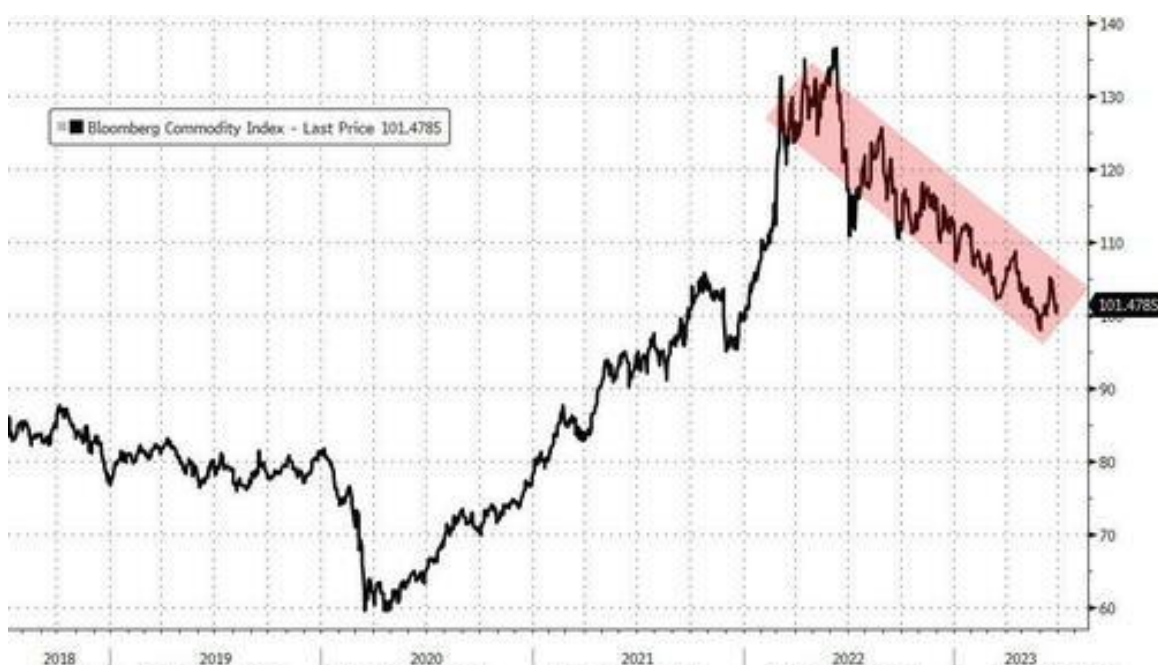
Source: HolgerZ, Bloomberg





## #commodities #h1 #performance

Commodities are down for the 4th quarter of the last 5...

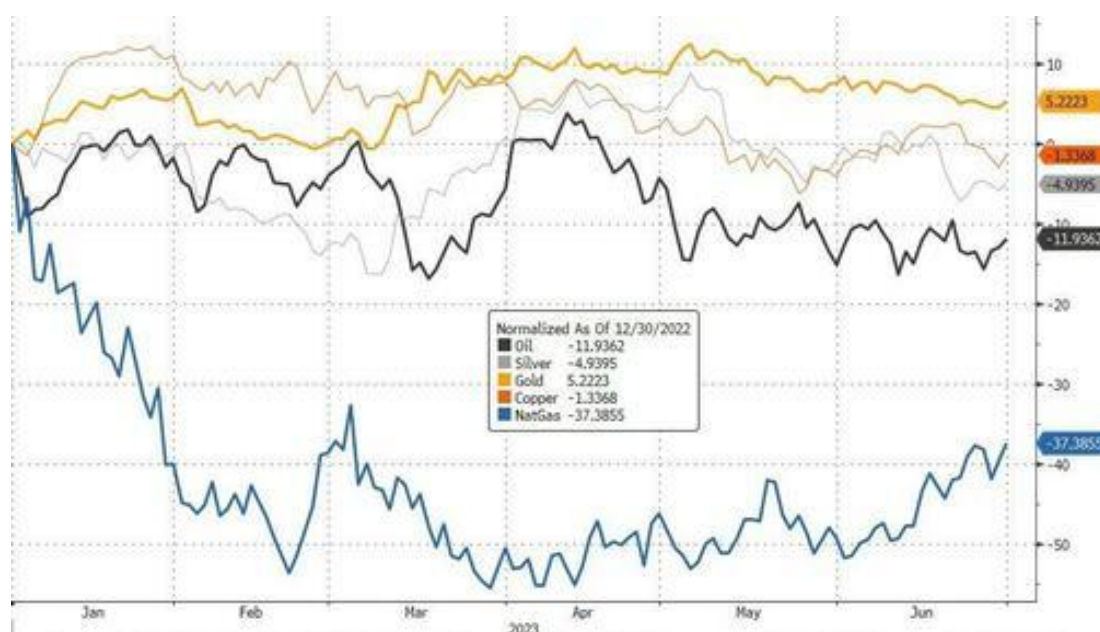


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #commodities #h1 #performance

Oil fell for the 2nd quarter in a row while gold managed gains in H1. NatGas was hammered in H1...



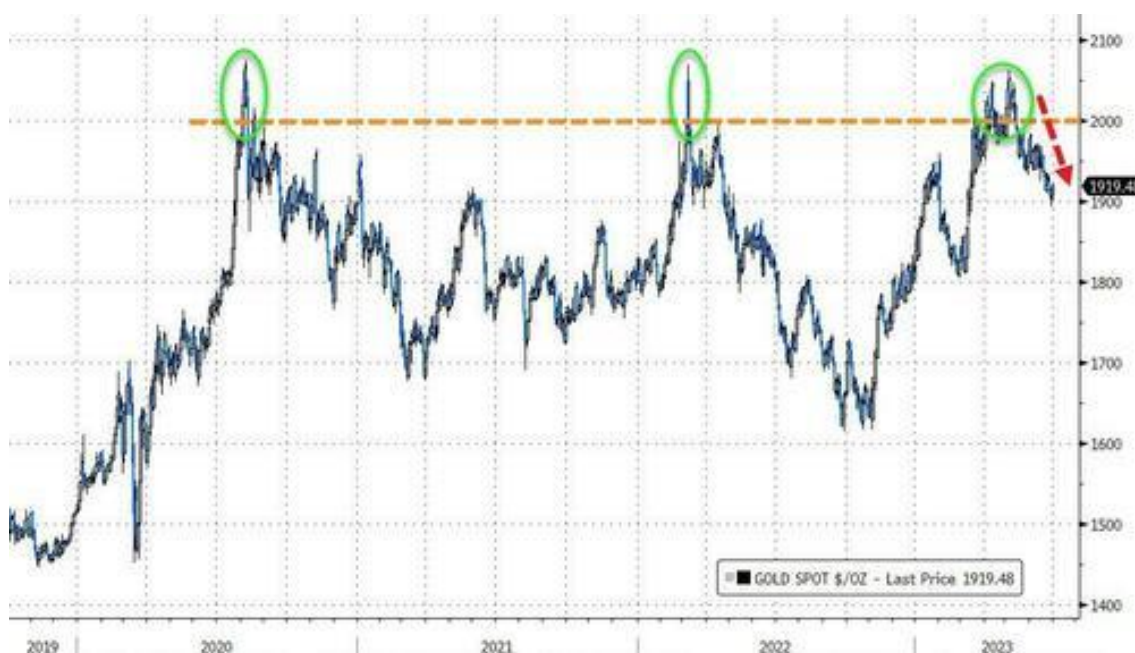
Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg





## #gold

Gold has fallen for the last two months, after tagging near record highs over \$2000 (and was down 2.5% in Q1), but for now is holding above \$1900.



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

#macro

## #global #economy #surprise-index

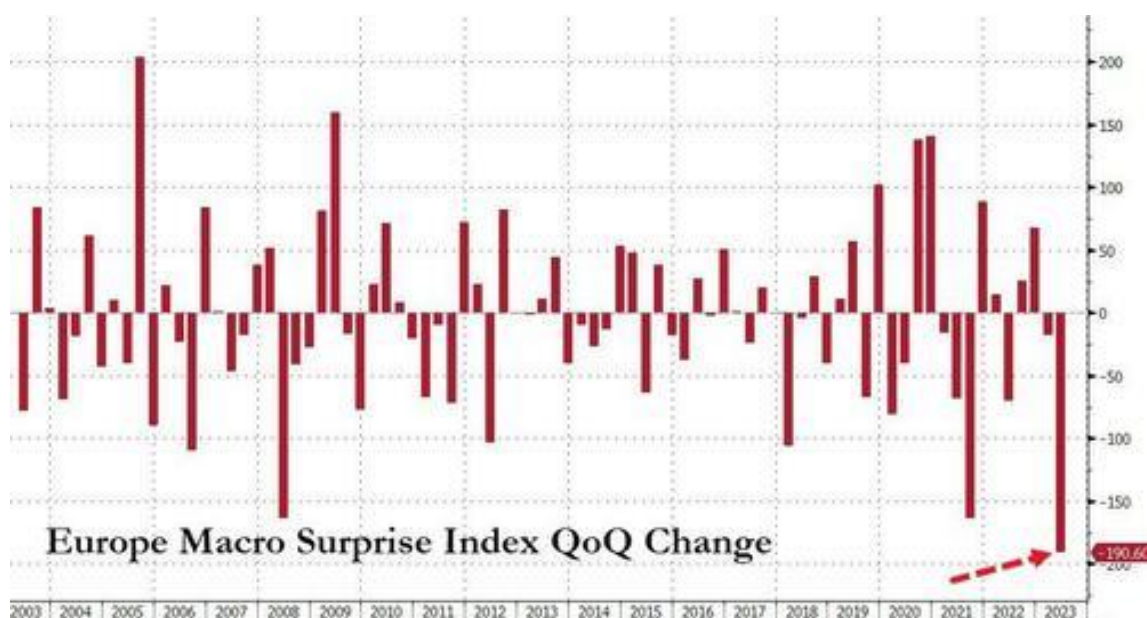
The last month has seen a massive divergence between macro data reported in US and Europe (the latter collapsing as the former accelerates). The Global Macro surprise index, however, fell back into negative territory...



#macro

## #eurozone #economic #surprises

Q2 saw the biggest collapse in Europe's macro data on record...



#macro

## #us #economy #surprise-index

Bloomberg's U.S. Economic Surprise Index is at a two-year high.



#macro

## #us #eurozone #economic #surprises

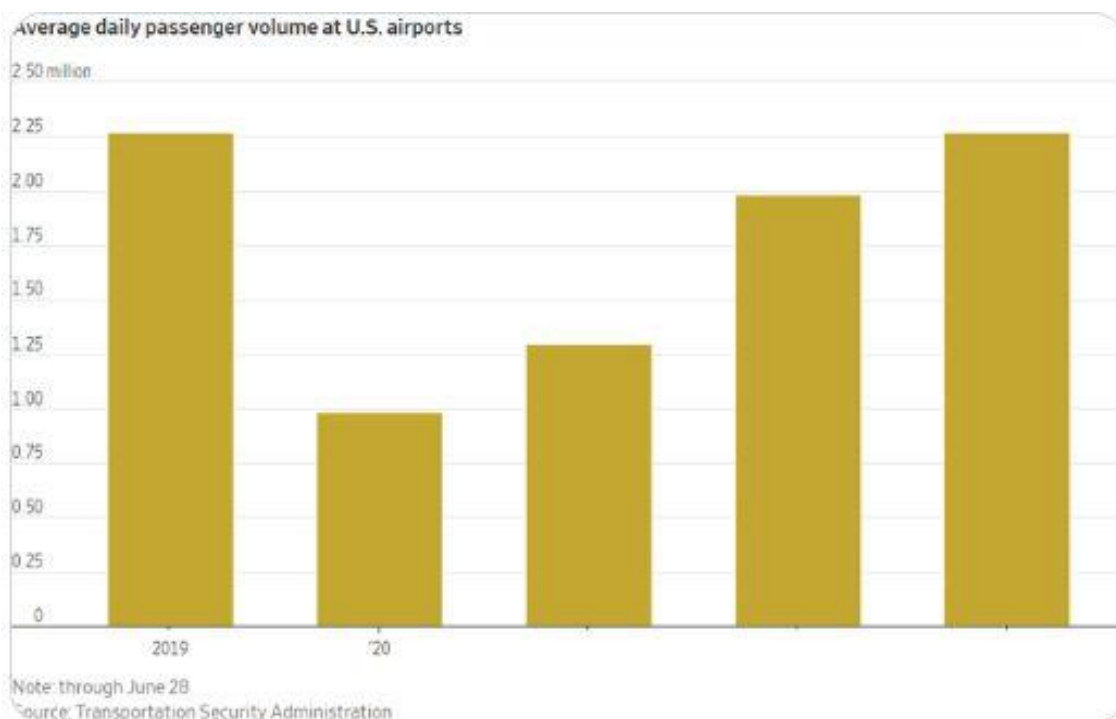
The gap between US and European macro is dramatic, but we note this has tended not to be a 'decoupling' but a lead-lag series (so either US is about to serially disappoint, or Europe is set to soar versus expectations)...



#macro

## #us #planes #passengers

Passengers are packing planes like it's 2019. On average, about 2.3 million people have passed through security checkpoints at U.S. airports each day this year through Wednesday, according to TSA data. That is on par with pre-pandemic averages and nearly double the daily average in 2021.

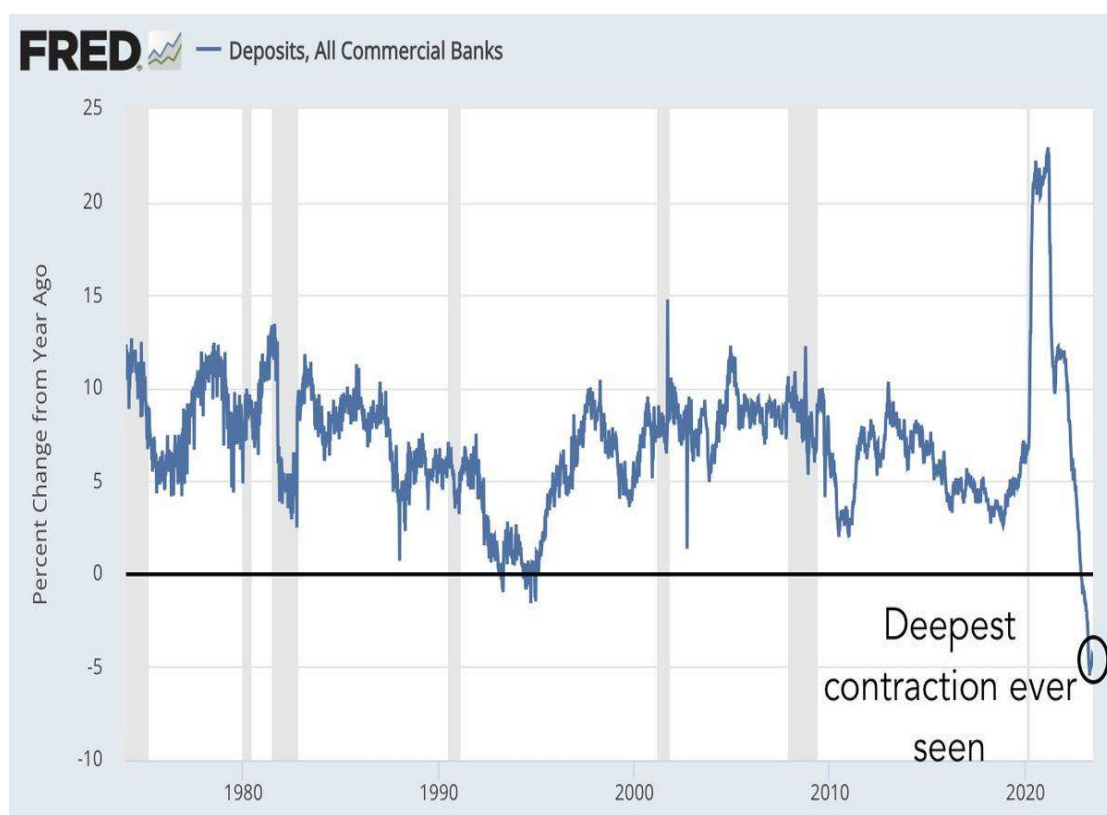




#macro

## #us #bank-deposits

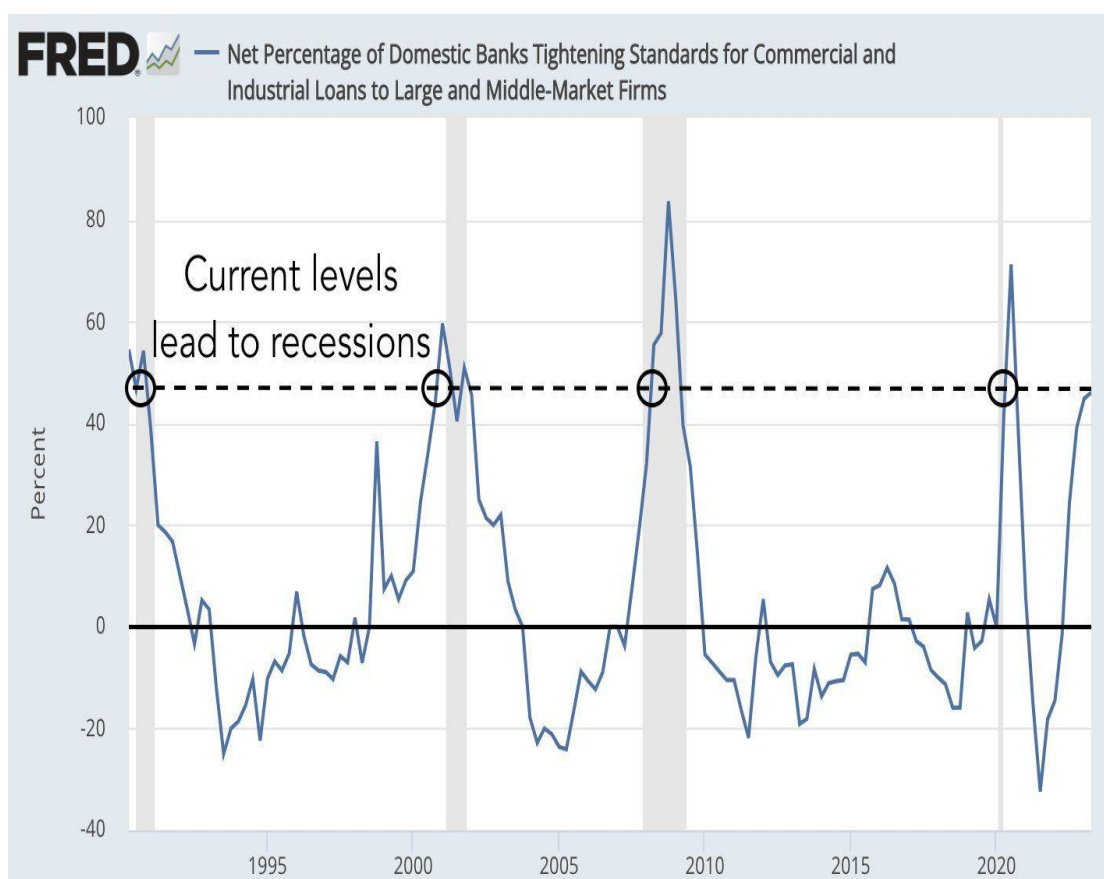
US bank deposits are still contracting at an unprecedented rate.





## #us #banks #lending

US Banks are rapidly tightening their lending standards. Current levels have a 100% hit rate in leading to recessions since 1990.



Source: FRED, Game of Trades

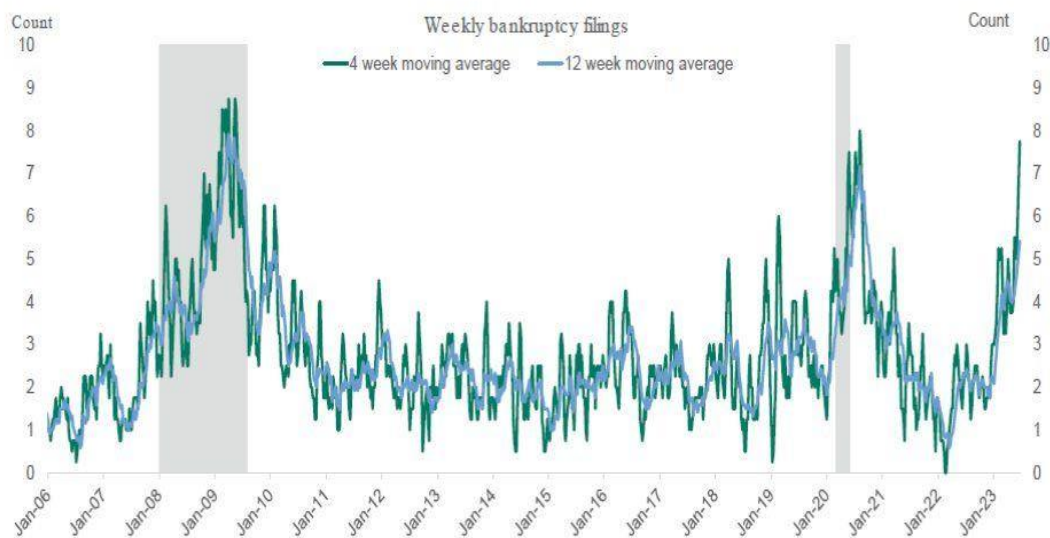


## #us #bankruptcy

Bankruptcy filings in the us have been picking up recently. This is long overdue given the long period of artificially low interest rates driving zombification (Apollo) thru Michel Arouet

Bankruptcy filings moving up in recent weeks

APOLLO



Source: Bloomberg, Apollo Chief Economist. Note: Filings are for companies with more than \$50mn in liabilities. For week ending on June 21, 2023.



Source: Michel Arouet

#macro

## #us #airbnb #housing

Is Airbnb collapsing in the US? What could be the effects on the US macro and the consumer?

<b>Airbnb Revenue Collapse - Top 10 Cities</b>				
% Chg in Revenue Per Available Listing from May 2022-2023 (Source: AllTheRooms)				
Rank	Metro, State	RevPAL May 2022 ..	RevPAL May 2023..	% Drop
1	Sevierville, TN	\$6,228	\$3,266	-47.6%
2	Phoenix, AZ	\$5,569	\$2,939	-47.2%
3	Austin, TX	\$4,625	\$2,491	-46.1%
4	Myrtle Beach, SC	\$3,125	\$1,717	-45.1%
5	San Antonio, TX	\$3,346	\$1,879	-43.8%
6	Asheville, NC	\$3,360	\$1,932	-42.5%
7	Salisbury, MD	\$1,490	\$904	-39.3%
8	Nashville, TN	\$5,755	\$3,510	-39.0%
9	Denver, CO	\$3,374	\$2,071	-38.6%
10	Breckenridge, CO	\$4,193	\$2,633	-37.2%
11	New Orleans, LA	\$4,172	\$2,626	-37.0%
12	Lakeland, FL	\$3,413	\$2,195	-35.7%
13	Seattle, WA	\$2,783	\$1,802	-35.2%
14	Panama City, FL	\$3,404	\$2,215	-34.9%
15	Orlando, FL	\$3,534	\$2,305	-34.8%

\*Calculated as 3-month average revenue per listing for May 2023 compared to May 2022



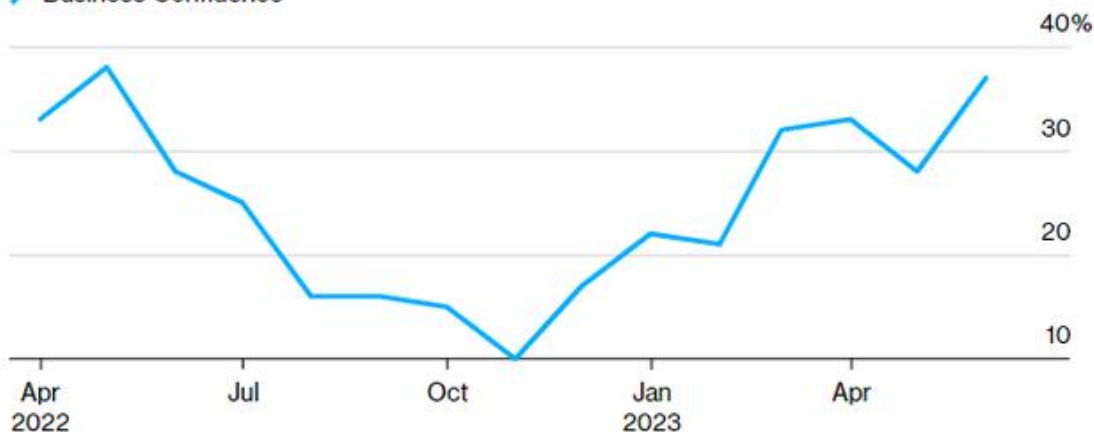
## #uk #business-confidence

UK business confidence rebounds to a 13-month high, Lloyds says.

### Lloyds Bank Business Barometer

Overall confidence hits 13-month high

Business Confidence



Source: Lloyds Bank, BVA BDRC.

Note: 1,200 UK companies, with a £250,000 minimum turnover, sampled online. Results weighted to reflect the UK's overall business population.



Source: Lloyds

#macro

## #germany #economy

German business outlook plummets as shadow of longer & deeper recession lingers. Ifo institute expectations fall much more than forecast. Economy is nearing 'turbulent waters,' Ifo's chief says. (via BBG).



Source: HolgerZ

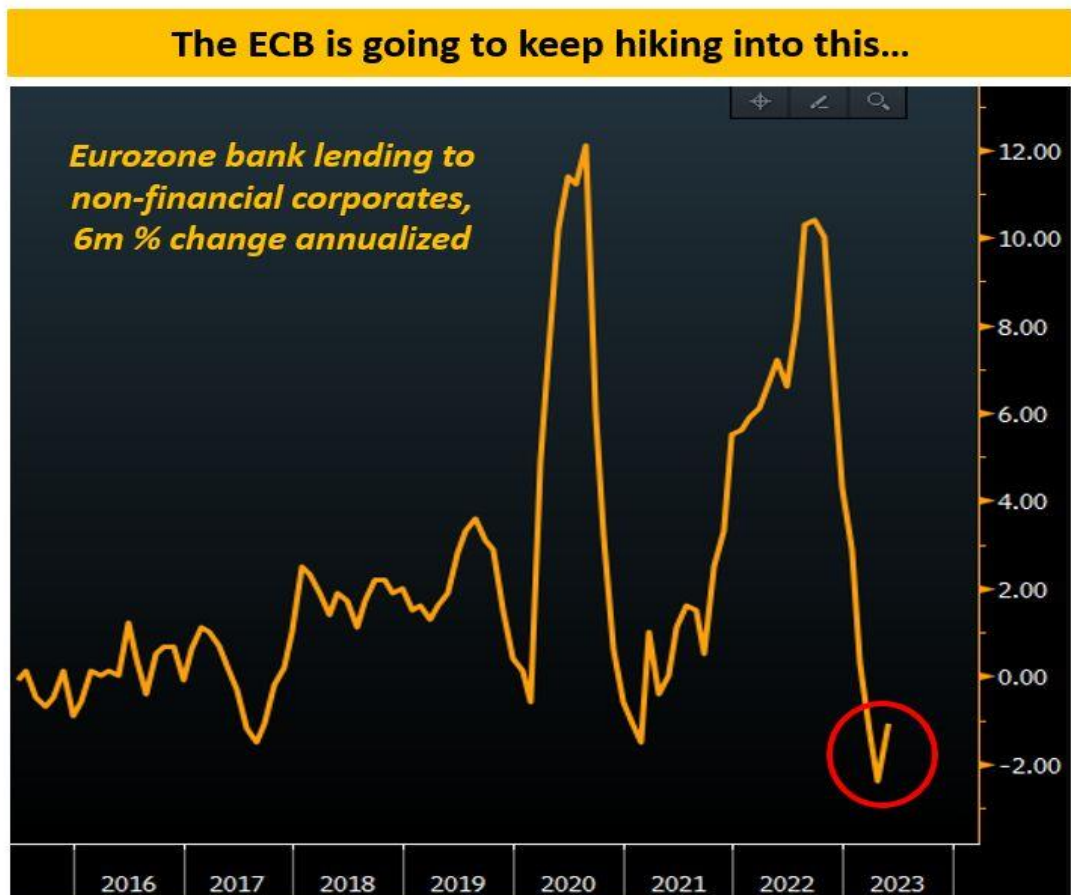


#macro

## #eurozone #banks #lending

As highlighted by Macro Alf: Bank lending in the Eurozone is an important credit channel for the real economy. Recently, banks are paring back lending as loan demand falters due to high borrowing costs.

Yet, the ECB will keep hiking into this..



Source: TheMacroCompass.com

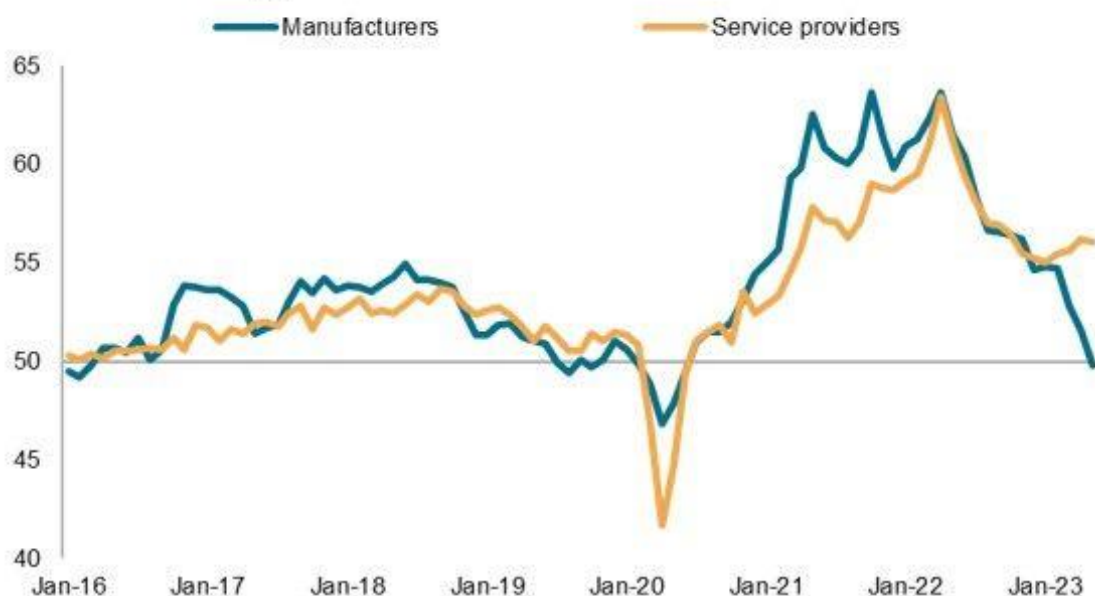
Source: TheMacroCompass.com



## #global #pmi #selling-prices

Global PMI selling prices show a strong divergence between Service providers and Manufacturers. As the economy is getting increasingly more dependent on the former, we should not draw too many conclusions from the former.

Global PMI selling prices



Data compiled Jun. 06, 2023.

PMI (Purchasing Managers' Index) value of 50 = no change on prior month.

Source: S&P Global PMI, JPMorgan, S&P Global Market Intelligence

© 2023 S&P Global.

Source: S&P Global



#macro

#us #inflation #pce #headline #core

Fed-preferred inflation gauge shows lowest US inflation rate since April 2021. PCE deflator dropped to 3.8% YoY in May from 4.3% in Apr as expected. Core PCE deflator unexpectedly slowed to 4.6% YoY in May (from 4.7% prior) although it remains 'stuck' at very high levels.



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

#macro

## #us #inflation #pce #services-ex-shelter

Services inflation ex-Shelter, and the PCE-equivalent shows that is very much stuck at high levels...



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



#us #inflation #pce #wages

More problematically, wage growth is re-accelerating: Private worker wages rose 5.8% Y/Y, highest since Oct 2022 while government worker wages rose 5.5%, highest since May 2022

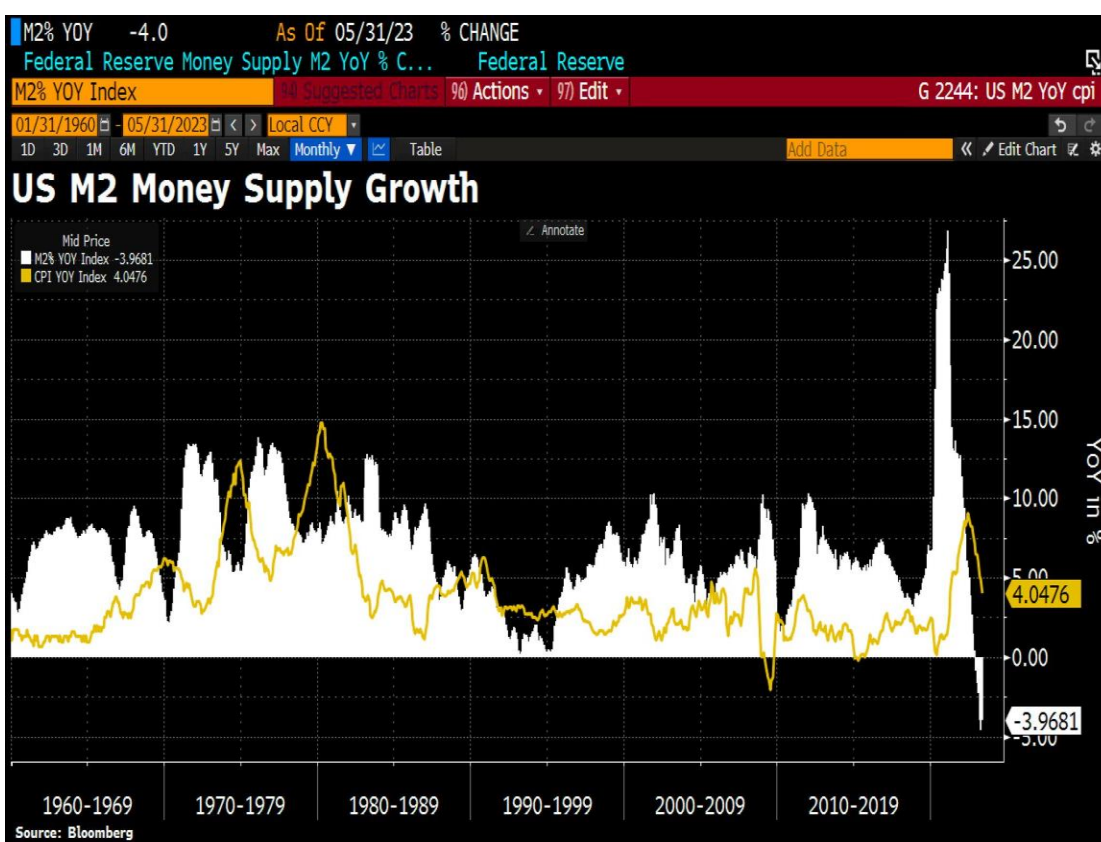


Source: Bloomberg, [www.zerohedge.com](http://www.zerohedge.com)



## #us #inflation #m2

Fed's Powell says at ECB forum in Sintra: Don't see us getting back to 2% inflation in 2023 or 2024. The M2 Money Supply trend signals otherwise.



Source: Bloomberg, HolgerZ



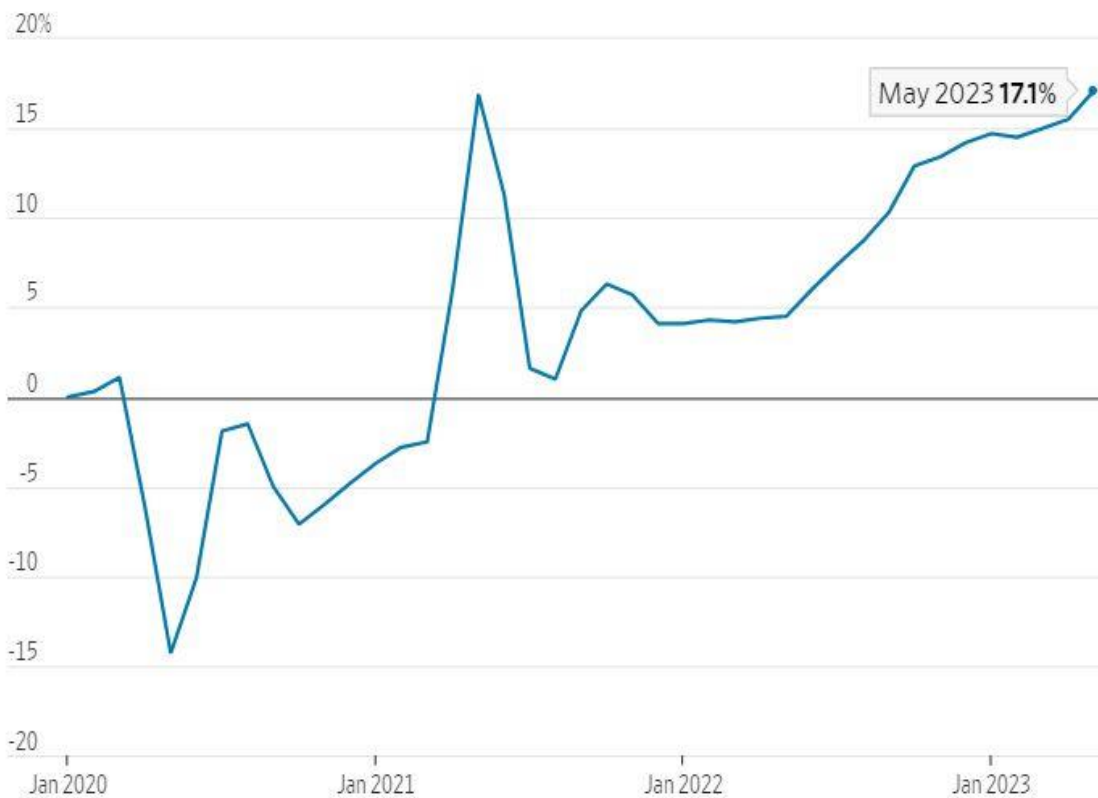
#macro

## #us #inflation #car-insurance

There is still new sources of inflation in the us, e.g Car insurance rates in the US increased 17% over the last year, more than 4x higher than the overall rate of inflation (4% CPI).

### Road Risk

Annual increase in car insurance rates



Source: Labor Department

Source: Charlie Bilello, Labor department

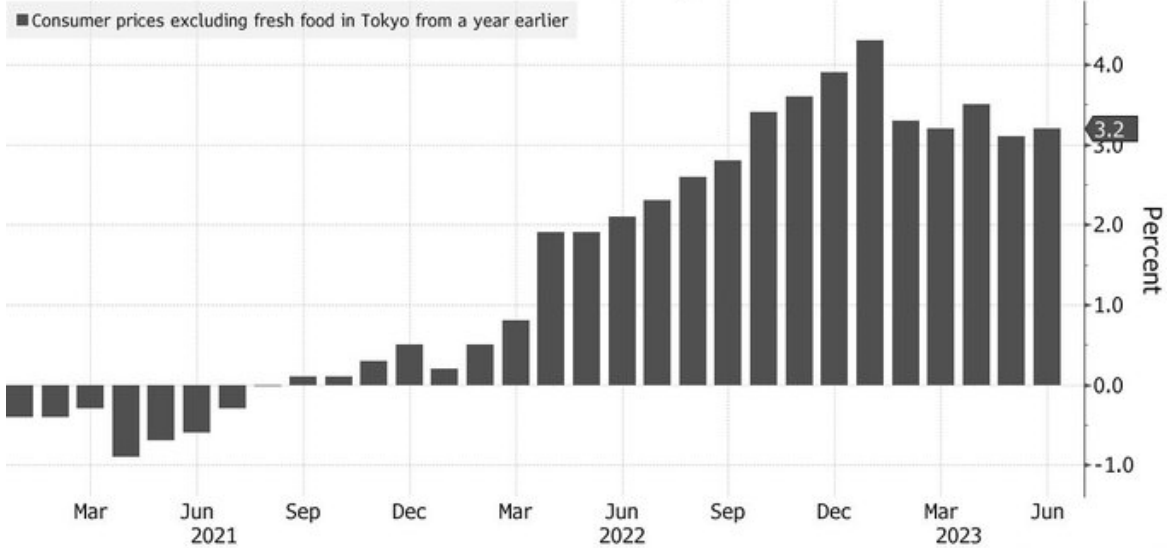
#macro

## #tokyo #inflation

Tokyo inflation speeds up again as Japan's output sputters - Bloomberg.

### Tokyo Inflation Accelerates

Price growth in the capital stays above BOJ's target of 2%



#macro

#inflation #us #eurozone #uk #sticky

Core inflation remains sticky in most countries. Nice chart comparing the US, EZ and UK.



#macro

#inflation #uk #china #switzerland #japan

Inflation.

Annual inflation in UK, China, Switzerland & Japan (%)





## #eurozone #inflation #cpi

Eurozone inflation fell more than expected in June as energy prices fell further & food price inflation eased, but Core CPI ticks higher. CPI slows to 5.5% YoY in June from 6.1% in May, its lowest rate since the start of last year, below expectations of 5.6%. BUT Eurozone core inflation rose to 5.4% in Jun from 5.3% in May due to a base effect caused by the anniversary a discounted railway ticket and subsidized gasoline offered in Germany in the summer 2022, which propped up this year's reading.

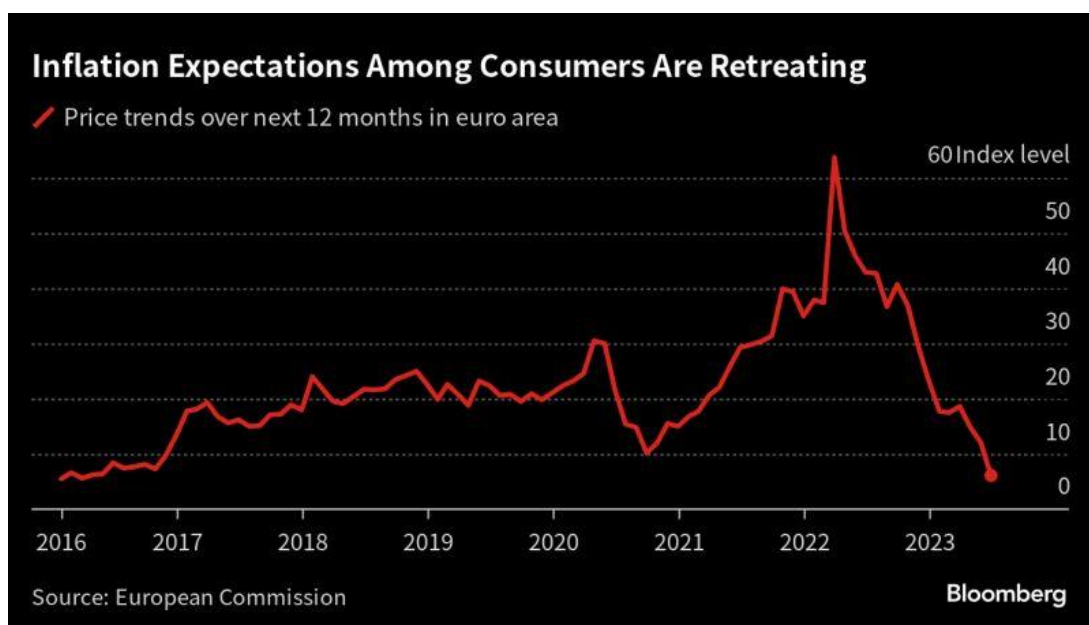


Source: HolgerZ, Bloomberg



## #eurozone #inflation #expectations

Eurozone consumers' inflation expectations dropped to lowest since 2016, suggesting price increases aren't becoming entrenched in econ. Measure fell to 6.1 in Jun, down from 12.1 in May. Index reflects survey responses on households' views of where inflation will be in 1 year's time.



Source: HolgerZ, Bloomberg





## #germany #inflation #cpi

Inflation re-accelerated in Germany again due to base effects. The comparison effect from last year, when the Berlin govt offered citizens ultra-cheap rail tickets & subsidized gasoline, pushed up consumer-price growth to 6.4% in June from 6.1% in May and vs 6.3% expected. Food price inflation slowed to 13.7% in Jun from 14.9%.

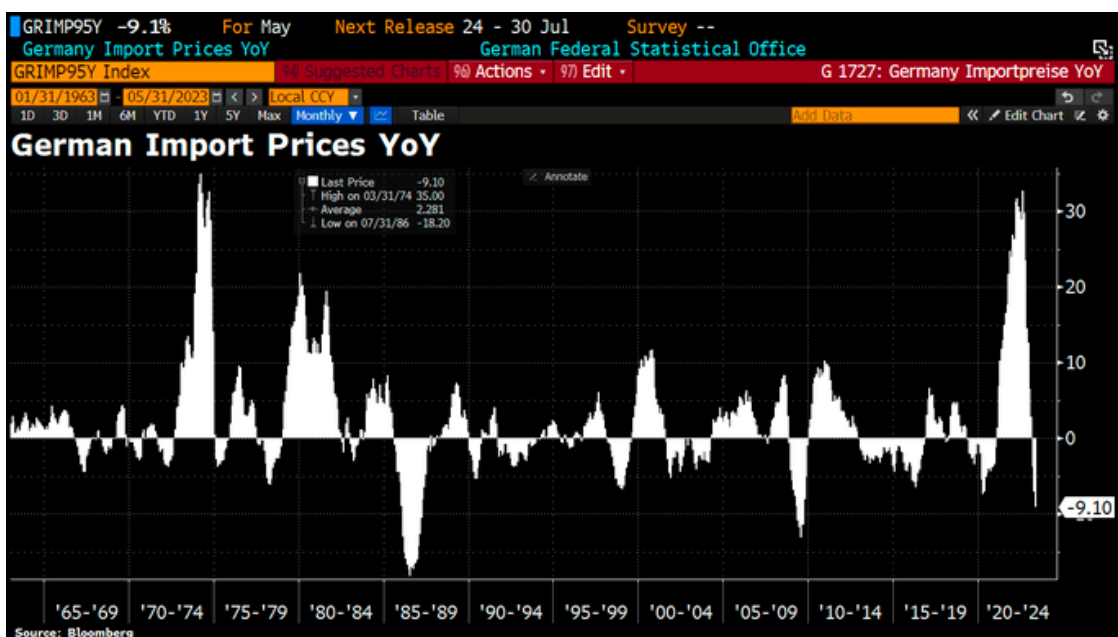


Source: HolgerZ, Bloomberg



## #germany #inflation #import-prices

Deflationary pressures in Germany keep rising. Import prices were 9.1% lower in May YoY, biggest drop since Sep2009. Main reason for decline was base effect from high price level in previous year due to the war in Ukraine. Energy imports were 37.6% cheaper YoY.



Source: HolgerZ, Bloomberg



## #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

1 JULY 2023

#macro

### #spanish #inflation #cpi

Spanish inflation is now under 2% ECB goal and at a two-year low.



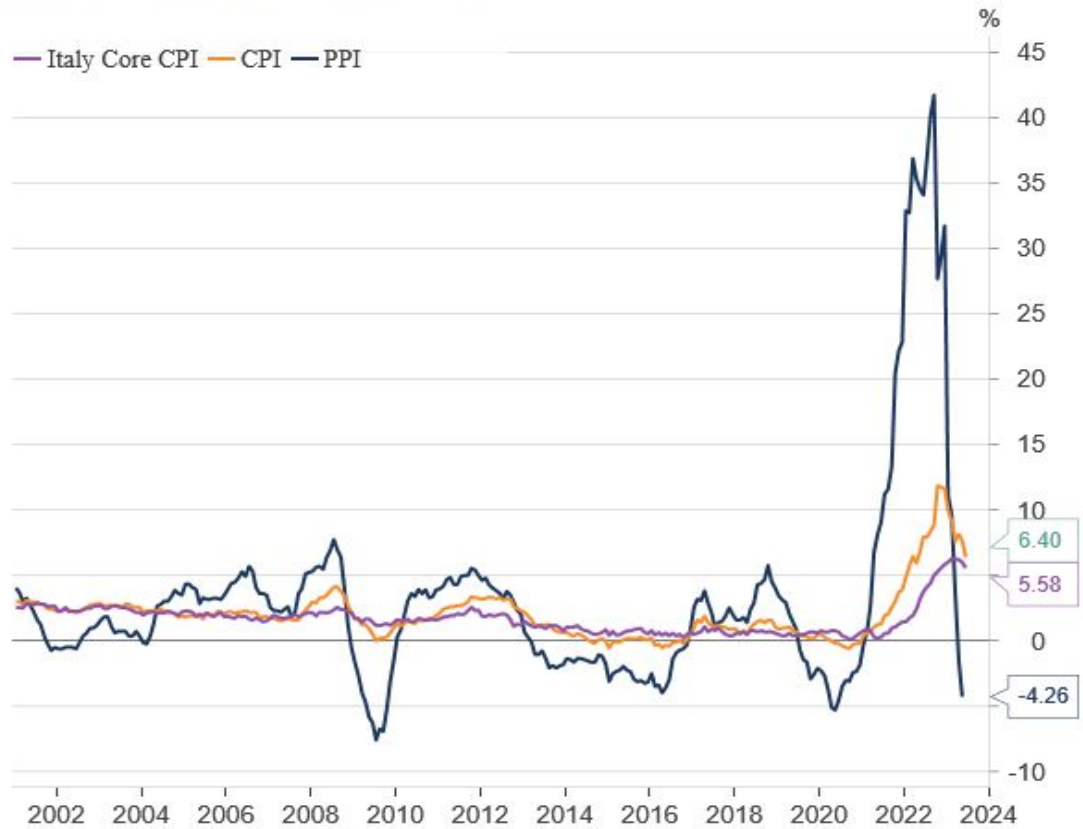
#macro

## #italy #inflation #ppi #cpi

Italy PPI is now in the negative territory. CPI is back to around 6%. Core CPI is still sticky, around 5.5%.

### Italy Inflation

Source: Italian National Institute of Statistics (Istat)

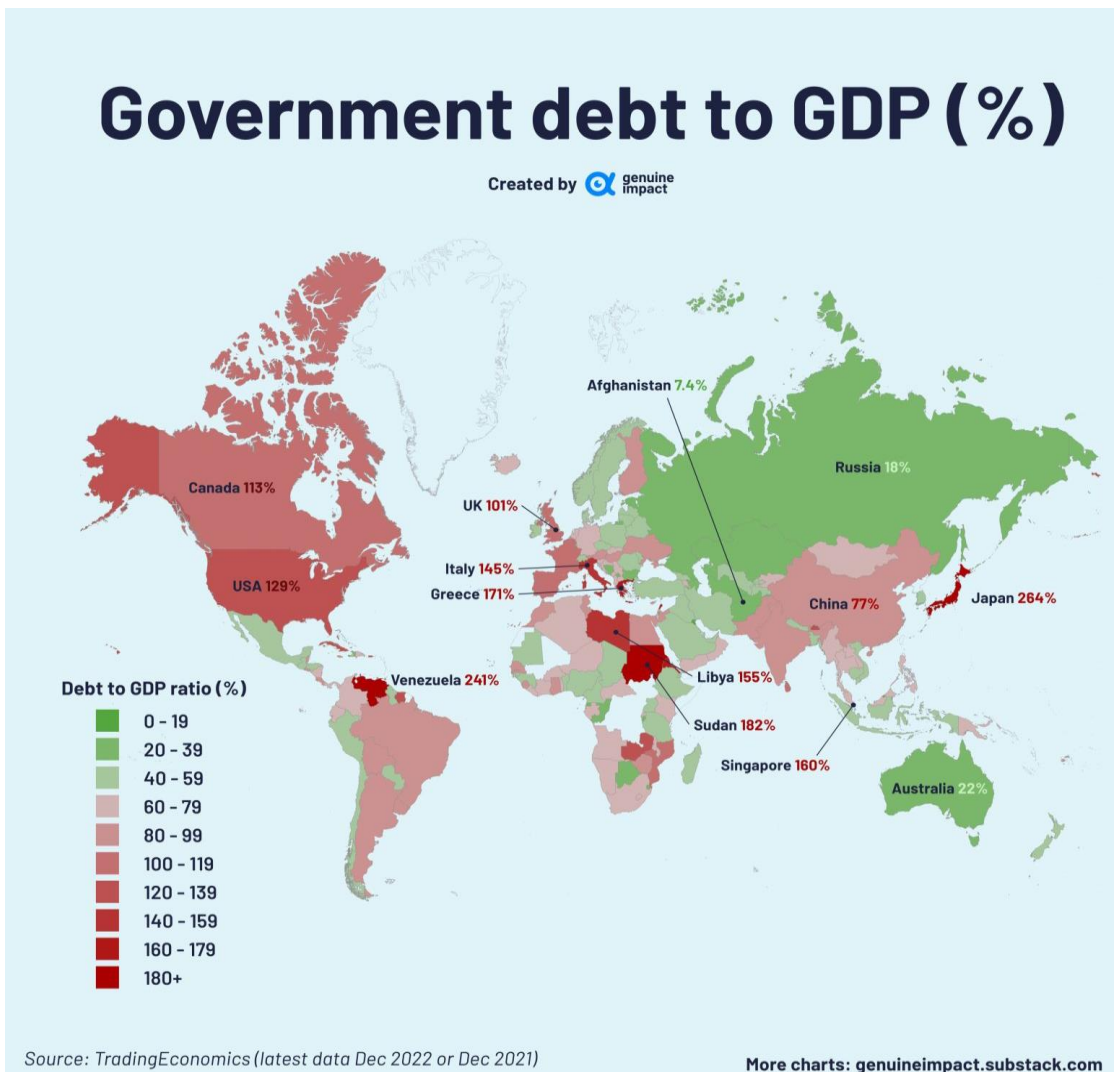


Marquee Finance By Sagar MACROBOND



## #government #debt #gdp

Debt as a percentage of GDP world by country - map by Genuine Impact. Worldwide, many countries have debt that is more than their GDP.



Source: Genuine Impact

#macro

## #us #national #debt

\$800 billion increase in US National Debt since the debt ceiling was suspended just a few weeks ago.

Record Date	Debt Held by the Public	Intragovernmental Holdings	Total Public Debt Outstanding
6/27/2023	\$25,361,694,924,458.65	\$6,904,932,744,036.02	\$32,266,627,668,494.67
6/26/2023	\$25,301,524,659,262.37	\$6,893,802,910,067.72	\$32,195,327,569,330.09
6/23/2023	\$25,300,770,075,189.85	\$6,871,806,491,457.76	\$32,172,576,566,647.61
6/22/2023	\$25,300,472,765,476.35	\$6,868,177,132,827.59	\$32,168,649,898,303.94
6/21/2023	\$25,229,448,283,990.68	\$6,866,294,081,506.81	\$32,095,742,365,497.49
6/20/2023	\$25,228,858,760,169.95	\$6,876,344,438,162.73	\$32,105,203,198,332.68
6/16/2023	\$25,178,190,392,307.09	\$6,866,158,484,695.55	\$32,044,348,877,002.64
6/15/2023	\$25,178,340,697,038.00	\$6,860,903,777,199.54	\$32,039,244,474,237.54
6/14/2023	\$25,102,753,092,893.82	\$6,851,694,167,283.85	\$31,954,447,260,177.67
6/13/2023	\$25,103,112,337,735.63	\$6,872,182,398,142.32	\$31,975,294,735,877.95
6/12/2023	\$25,068,366,483,285.59	\$6,857,917,652,737.93	\$31,926,284,136,023.52
6/9/2023	\$25,067,359,532,394.48	\$6,853,789,232,442.51	\$31,921,148,764,836.99
6/8/2023	\$25,067,556,730,313.10	\$6,853,700,851,167.14	\$31,921,257,581,480.24
6/7/2023	\$25,047,345,441,645.83	\$6,809,660,294,701.74	\$31,857,005,736,347.57
6/6/2023	\$25,047,398,385,875.44	\$6,808,582,354,756.38	\$31,855,980,740,631.82
6/5/2023	\$25,032,142,794,296.03	\$6,793,536,028,933.41	\$31,825,678,823,229.44
6/2/2023	\$24,702,383,053,957.66	\$6,764,716,867,070.85	\$31,467,099,921,028.51
6/1/2023	\$24,690,309,627,385.24	\$6,777,329,660,509.15	\$31,467,639,287,894.39
5/31/2023	\$24,630,686,283,413.55	\$6,833,771,182,109.43	\$31,464,457,465,522.98

+\$800 Billion Increase

Debt Ceiling Suspended



#macro

### #us #mortgage #crisis

Central banks actions always affect the economy with a lag -> Mortgage catastrophe brews in Britain as millions are pushed toward insolvency.

- The Bank of England's surprise 50-basis-point hike will affect millions of homeowners as the interest rates on many mortgages in the U.K. are directly linked to the central bank's base rate.

- Finance Minister Jeremy Hunt on Friday met with major banks and building societies to discuss the deepening mortgage market crisis.



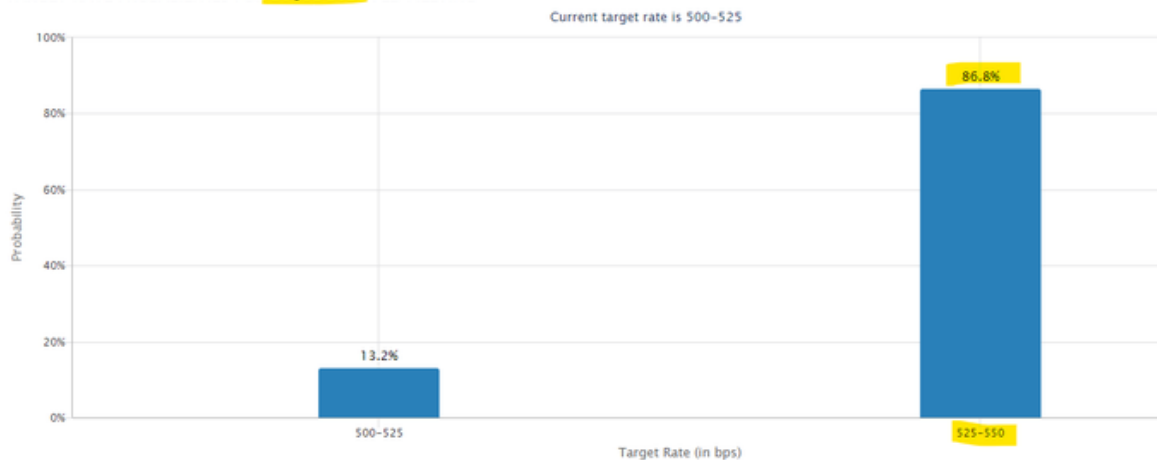
Source:CNBC



## #fed #interest-rates #expectations

Despite the lower inflation trend, market is still pricing in an 87% probability that that Fed hikes again at the July meeting, 25 bps increase to 5.25-5.50%.

TARGET RATE PROBABILITIES FOR 26 JUL 2023 FED MEETING

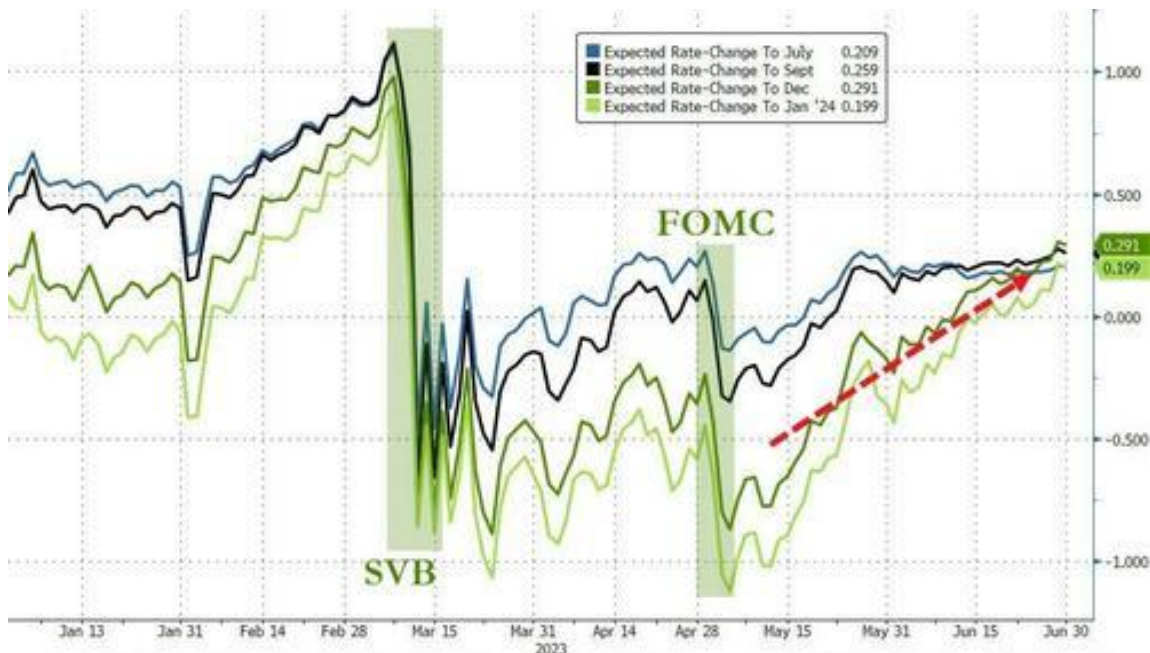


Source: Charlie Bilello

#centralbanks

#fed #interest-rates #expectations

Rate-change expectations are close to unchanged on the year - despite the massive dovish shift after the SVB collapse (and on the May FOMC 25bps hike). Since then, the hawks are back in control, pricing in no rate-cuts to year-end...



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

#centralbanks

### #fed #powell #interest-rates-hike

Federal Reserve Chairman Jerome Powell talked tough on inflation Wednesday, saying at a forum that he expects multiple interest rate increases ahead and possibly at an aggressive pace. “We believe there’s more restriction coming,” Powell said during a monetary policy session in Sintra, Portugal. “What’s really driving it ... is a very strong labor market.”

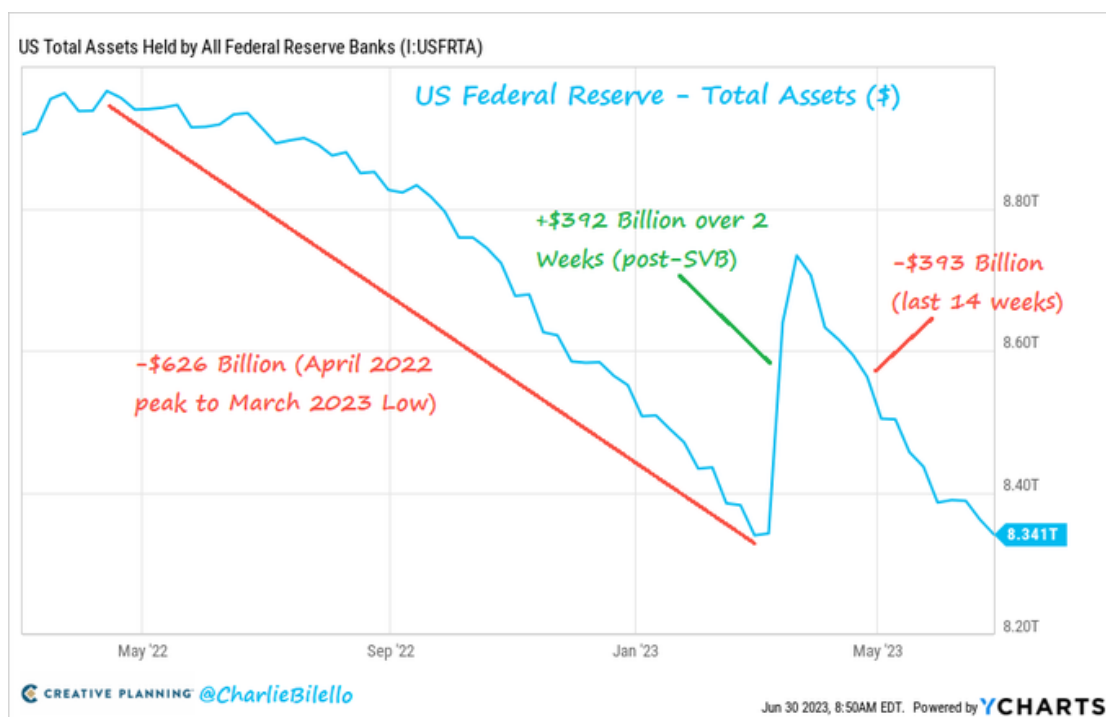


Source: CNBC

#centralbanks

## #fed #balance-sheet

Over the last 14 weeks, the Fed's balance sheet has declined \$393 billion, reversing all of the post-SVB liquidity injections (+\$392 billion).



Source: Charlie Bilello



#centralbanks

### #germany #bundesbank

Germany's federal audit office has warned the Bundesbank may need a bailout to cover losses arising from the European Central Bank's bond-buying scheme, potentially throwing a spanner in the ECB's plans to carry out similar programs in the future. "The possible Bundesbank losses are substantial and could necessitate a recapitalisation of the [bank] with budgetary funds," said the report by the audit office, the Bundesrechnungshof, which has been seen by the Financial Times.



Source: FT





## #cryptocurrencies #h1 #performance

Bitcoin rallied to its best H1 since 2019, up over 80% to \$31,000; with Ethereum up over 60%...







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



## #bitcoin #etf #blackrock

BlackRock's recent filing of a Bitcoin ETF generated a lot of attention last week. However, it is important to note that many major financial institutions in the US are actively engaged in efforts to facilitate access to bitcoin and other cryptocurrencies. These institutions collectively manage an impressive \$27 trillion in client assets.

Firm	AUM, B	Activity	Build or Partner
<b>BlackRock</b>	9,090	Bitcoin spot ETF	Partner - Coinbase
 <b>Fidelity</b> INVESTMENTS	4,240	Bitcoin and Ether trading and custody, full stack crypto wealth management solutions	Build - Fidelity Digital Assets
JPMORGAN CHASE & CO.	3,300	Tokenized USD and EUR transfers via JPM Coin	Build – Onyx private blockchain platform
Morgan Stanley	3,131	Access to three bitcoin funds	Partner – Galaxy, NYDIG
<b>Goldman Sachs</b>	2,672	OTC crypto trading	Partner - Galaxy
 <b>BNY MELLON</b>	1,910	Hold, transfer Bitcoin & Ether	Partner - Fireblocks
 <b>Invesco</b>	1,484	Bitcoin ETF in Europe, filed for Bitcoin ETF in US	Partner – CoinShares, Galaxy
<b>BANK OF AMERICA</b> 	1,467	Bitcoin futures trading	Partner - CME Group
<b>Total Assets</b>	<b>27,294</b>		

Source: Meltem Demirors



#cryptos

#bitcoin #spot-etf #fidelity

Crypto / Bitcoin institutional adoption continues to make progress. For once, there is an opportunity for any investor to front-run the big guys...

JUST IN: \$4.5 trillion Fidelity preparing to file for spot #Bitcoin  ETF - The Block

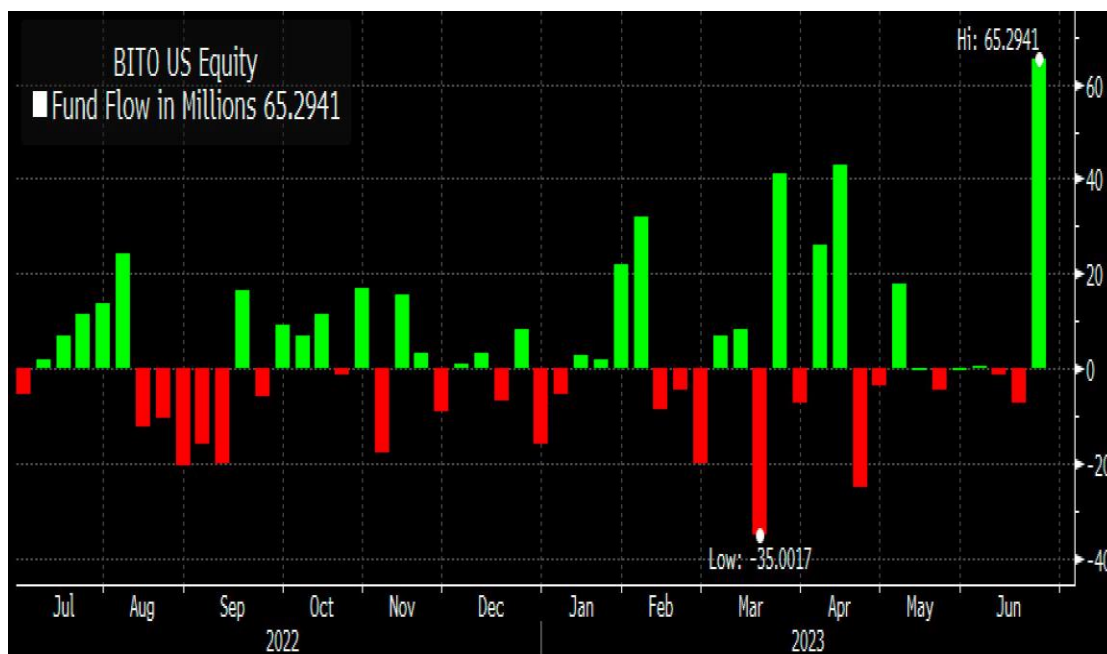


Source: Bitcoin magazine



## #bitcoin #futures #etf

The Bitcoin Futures ETF \$BITO had its biggest weekly inflow in a year as assets top \$1b again. It also traded half a billion in shares on Friday, which it's only done about 5 times before.



Source: Eric Balchunas, Bloomberg





## #bitcoin #ethereum #hsbc

Not a bitcoin spot etf but another signal that large institutions are willing to offer access to digital assets to their clients. And yet another proof that Honk-Kong wants to be a player in the space.



Tyler Winklevoss   
@tyler

...

The East/West Crypto Flipping is accelerating. Hong Kong has just beat the USA to the punch on a bitcoin ETF...and ether ETF.

### HSBC Hong Kong Offers Bitcoin and Ethereum ETF to Clients

Currently, HKEX has three crypto ETFs available, namely CSOP Bitcoin Futures ETF, CSOP Ethereum Futures ETF, and Samsung Bitcoin Futures Active ETF.

BY PAVAN SURYA · PUBLISHED ON · JUNE 26, 2023 18:55 · UPDATED ON · JUNE 26, 2023 18:55 · 2 MINUTE READ



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



#cryptos

### #bitcoin #miners

The bitcoin miners are getting prepared for the upcoming BTC halving. Riot Platform (\$BTC) just announced they purchased 33,000 bitcoin miners for \$163 million ahead of btc halving.

Riot purchases 33,000 bitcoin miners for \$163 million . ahead of Btc Halving



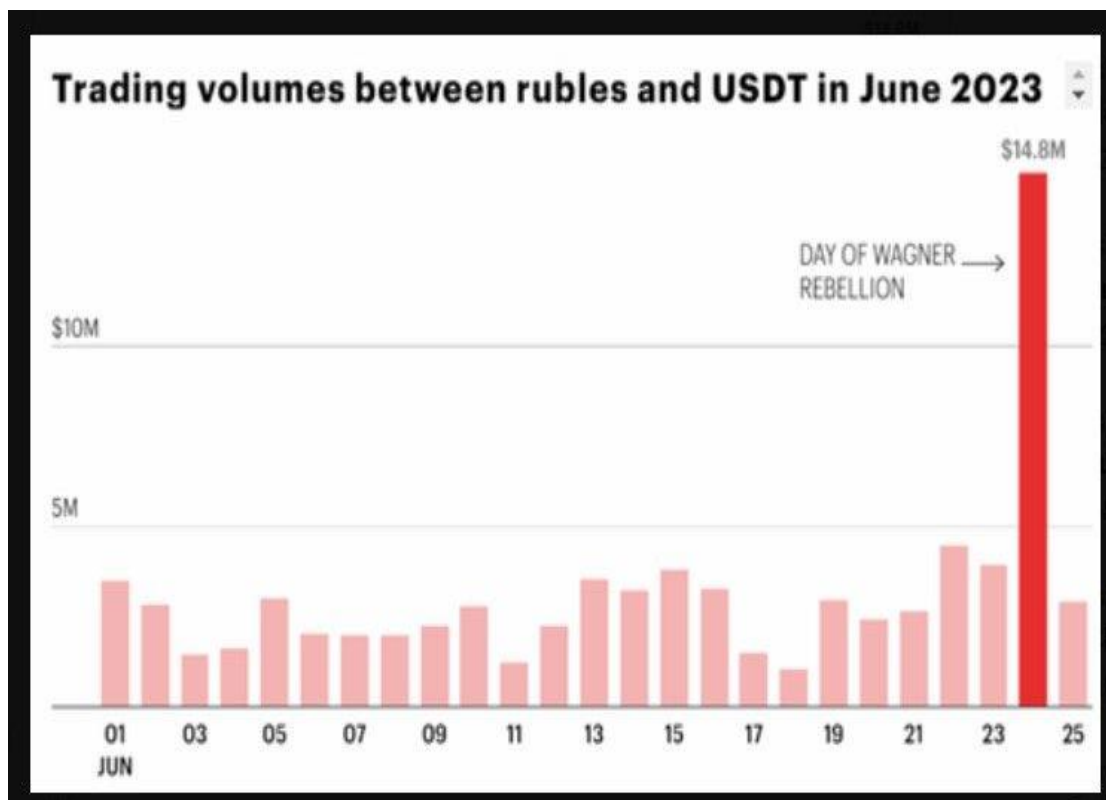
Source: Bitcoinlfg





## #russia #ruble #us #usdt

The rebellion which Wagner Group (a Russian private military company comprised of mercenaries) led against Putin’s regime seems to have caused an increased interest in trading Ruble against USDT. According to data presented by Kaiko, the USDT-Russian ruble trading volume has surged to its highest level since December 2022.



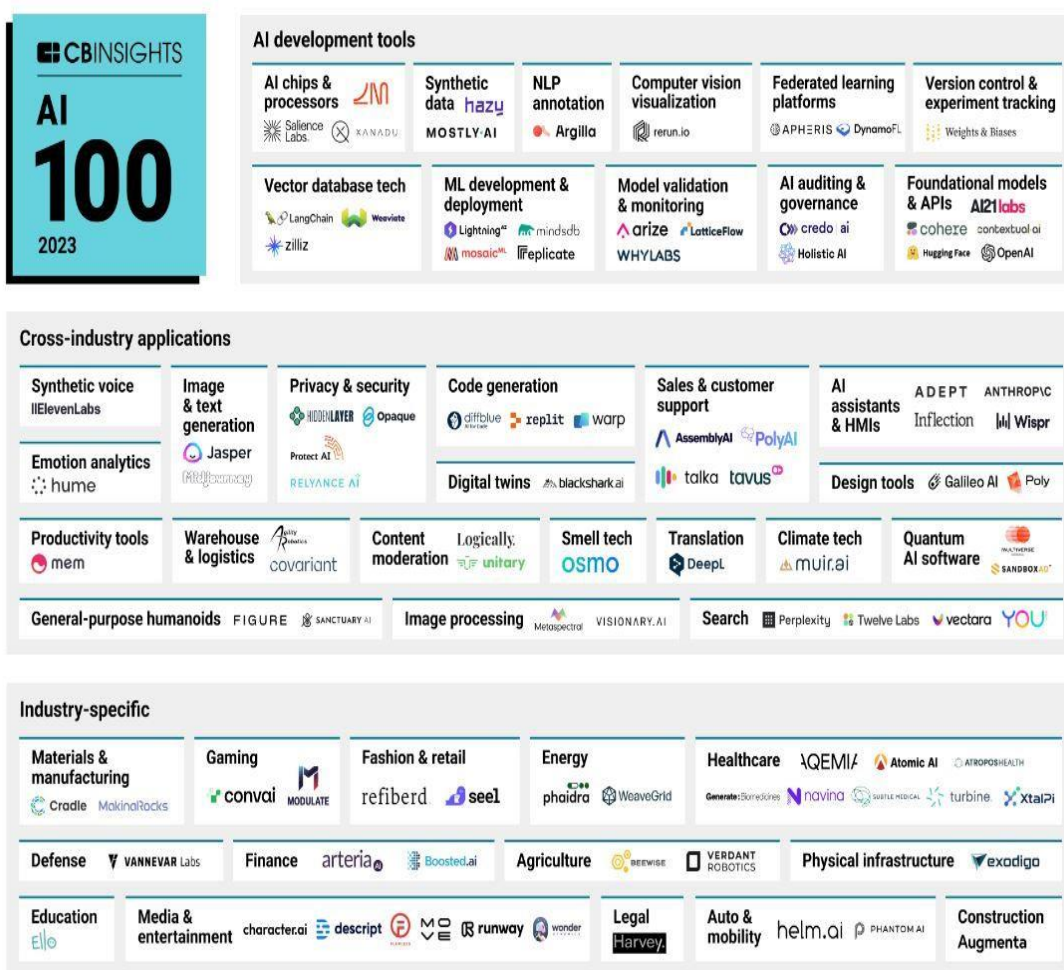
Source: Jim Bianco



#food-for-thought

#ai #startups

AI 100: The most promising artificial intelligence startups of 2023 by CB Insights.



Note: Companies are private as of 6/20/23.

CBINSIGHTS

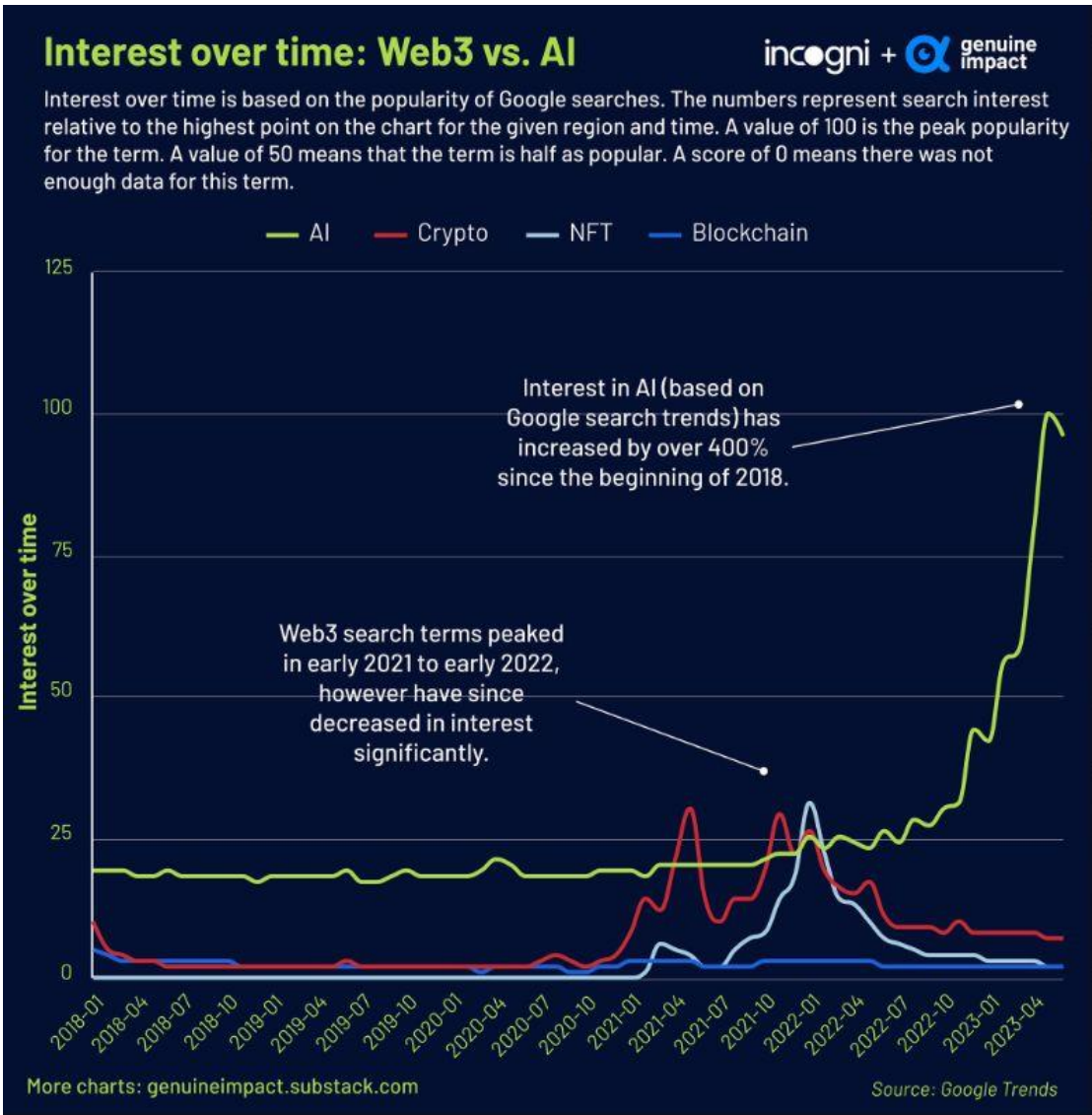


Source: CB Insights  
<https://lnkd.in/eHn2M2fz>

#food-for-thought

#ai #web-3 #google-search

Interest Over Time: AI vs Web3



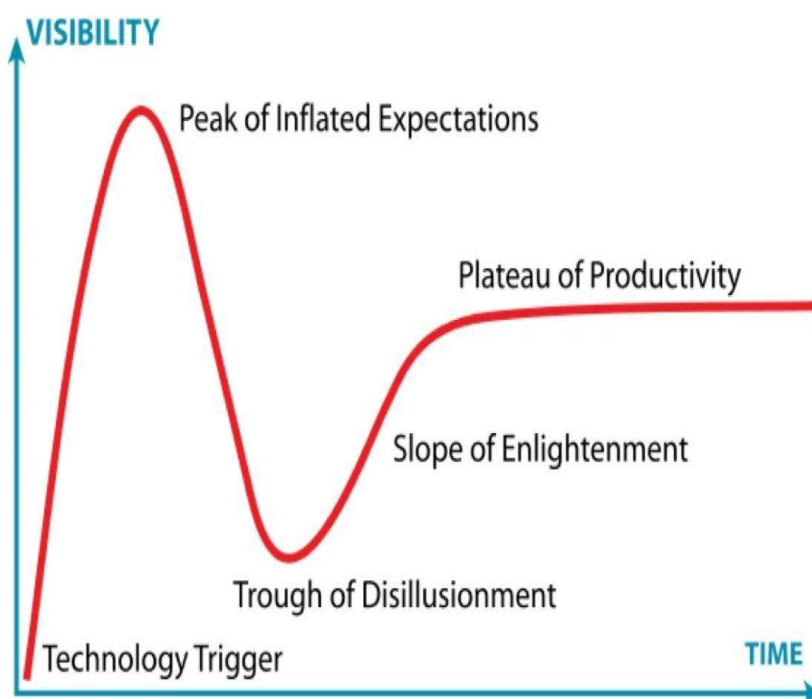
Source: Genuine Impact and incogni

#food-for-thought

#ai #investment

Should AI investors study this image more closely?

# Gartner Hype Cycle



Source: Brian Feroldi

#food-for-thought

#ai #market-buzz #nvidia

NVIDIA is enjoying the AI gold rush. When everyone is digging for gold, sell shovels.

# WHEN EVERYONE DIGS FOR GOLD



Source: Nils Schmed

#food-for-thought

#big-tech #cash-piles

Big Tech Cash Piles and how they defy the gravity of rising interest rates. While it's known that higher rates usually depress valuations, Big Tech holds a secret weapon - **CASH PILES**. Something the previous tech bubble lacked.

With a net cash position of \$238 billion for the largest (Apple, Microsoft, Alphabet and Meta), these giants collectively rake in an extra \$10 billion in interest annually if placed in one-month T-bills. PLUS, rising rates = less funding for capital-hungry startups, meaning **less competition** for Big Tech!



Source: Graphite Asset Advisory / John Haslett, CA(SA), FRM



#food-for-thought

## #global #market-caps #leaders

Companies with the largest Market Cap by country.



Source: : Cerv Knowledge

#food-for-thought

#brands #value

Most valuable global brands - App Economy Insights

**App Economy Insights** @EconomyApp

Most valuable global brands:

- Apple \$AAPL
- Google \$GOOG
- Microsoft \$MSFT
- Amazon \$AMZN
- McDonald's \$MCD
- Visa \$V
- Tencent \$TCEHY
- LVMH \$LVMUY
- Mastercard \$MA
- Coca-Cola \$KO

Source: Kantar BrandZ (based on financials & consumer insights).

Surprised by any?

Brand	Brand Value (in \$ billion)
Apple	880
Google	578
Microsoft	502
Amazon	469
McDonald's	191
Visa	169
Tencent	141
LVMH	125
Mastercard	111
Coca-Cola	106

Source: Kantar BrandZ (2023)

Source: App Economy Insights

# #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

1 JULY 2023

## #food-for-thought

### #innovation

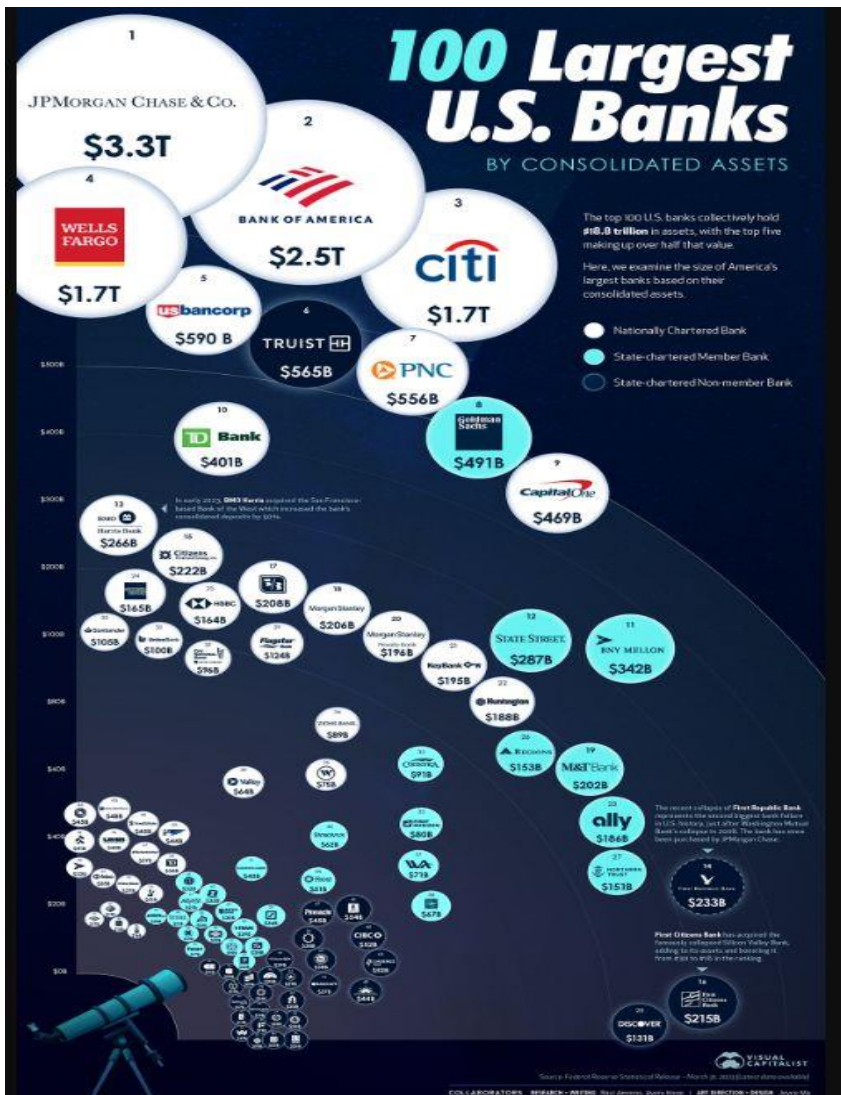


Source: visualcapitalist

#food-for-thought

#us #banks #assets

The largest 100 banks in the U.S. hold a combined \$18.8 trillion in consolidated assets.



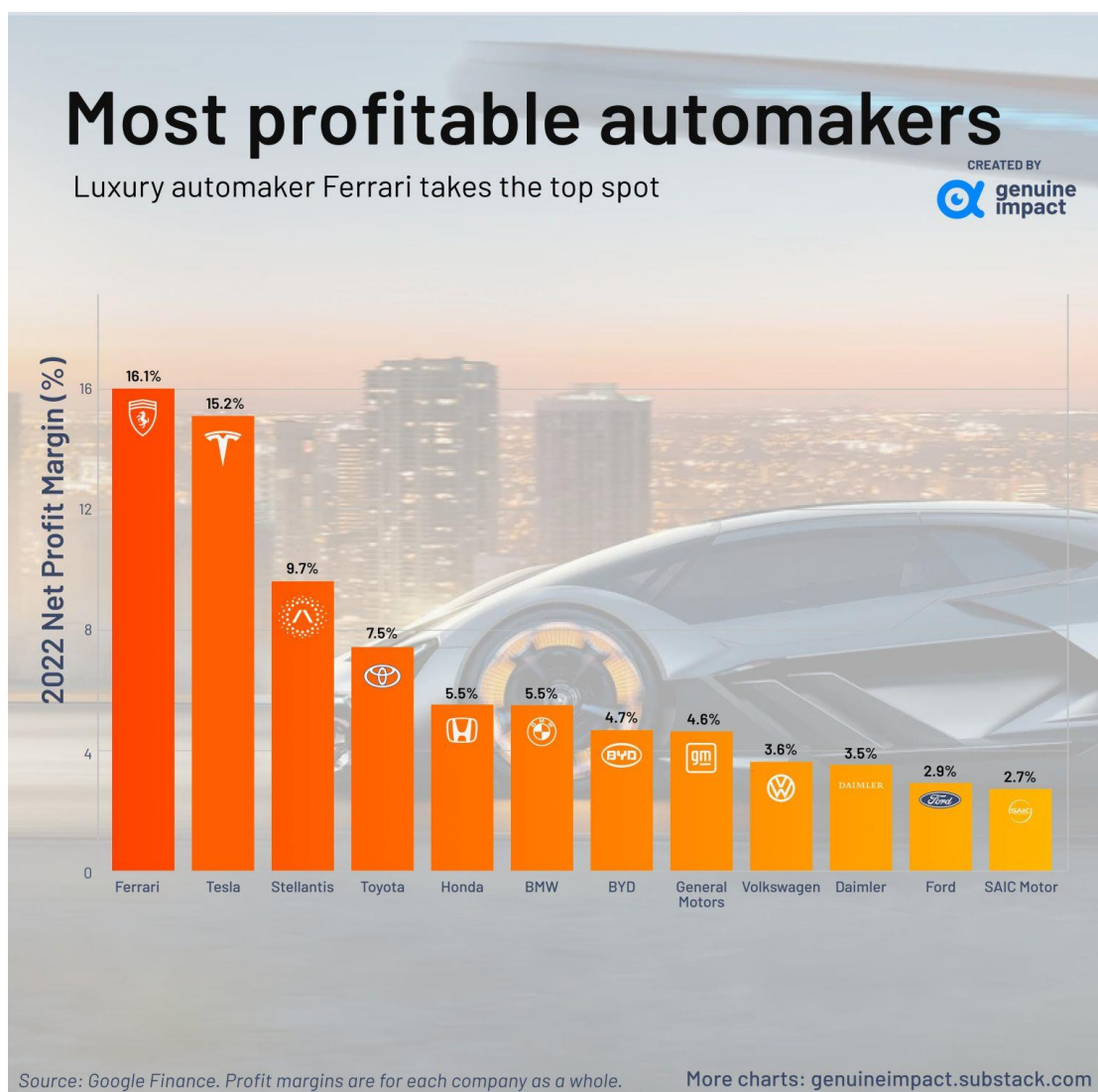
Source: visualcapitalist



#food-for-thought

#automakers #profitability

Most profitable automakers by Genuine Impact. Ferrari has the pole position...



Source: Genuine Impact

## #food-for-thought

### #ev #drawdowns

All of these were supposed to be the next Tesla killers. Rest in peace.

Company	Performance (from highs)	Current value of 10'000\$ invested	Description
 ARCIMOTO	-100%	24 USD	Tesla Killer 1
 NIKOLA™	-99%	75 USD	Tesla Killer 2
 LORDSTOWN	-99%	65 USD	Tesla Killer 3
 Faraday Future	-98%	158 USD	Tesla Killer 4
 - C A N O O -	-98%	210 USD	Tesla Killer 5
 WORKHORSE	-98%	199 USD	Tesla Killer 6
 HYLIION	-97%	295 USD	Tesla Killer 7
 PROTERRA	-96%	383 USD	Tesla Killer 8
 LION ELECTRIC	-94%	582 USD	Tesla Killer 9
 RIVIAN	-92%	773 USD	Tesla Killer 10
 LUCID	-90%	957 USD	Tesla Killer 11
 NIO	-88%	1 154 USD	Tesla Killer 12
 PENG	-88%	1 191 USD	Tesla Killer 13
 FISKER	-82%	1 799 USD	Tesla Killer 14

Source: Vincent Galan



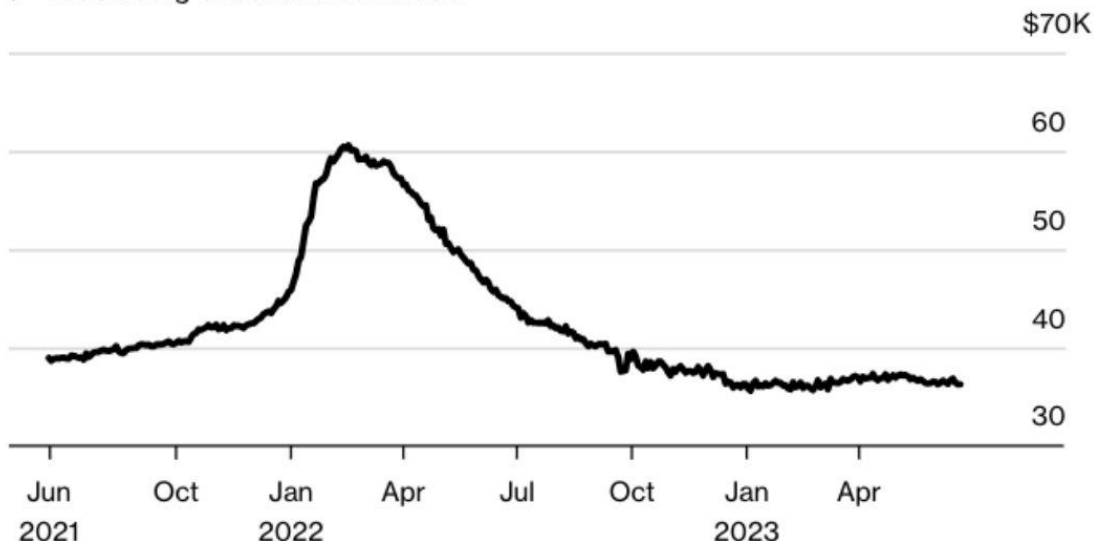
#food-for-thought

#luxury #prices #watches

Rolex and Patek Prices Fall as Subdial Index Nears Two-Year Low. Bloomberg's Subdial Watch Index, which tracks the 50 most-traded pre-owned watches, has fallen roughly 19% over the last 12 months. For example, in the last year, the price of the Audemars Piguet Royal Oak Jumbo Ultra Thin, which currently sells for an average of \$71,692, has declined more than 35%. Meanwhile, the Patek Philippe Nautilus Travel Time has fallen 28%, and the Rolex Daytona 116506 has dropped 25%.

### Rolex and Patek Prices Near 2-Year Lows

✓ Bloomberg Subdial Watch Index



Sources: Subdial, Bloomberg

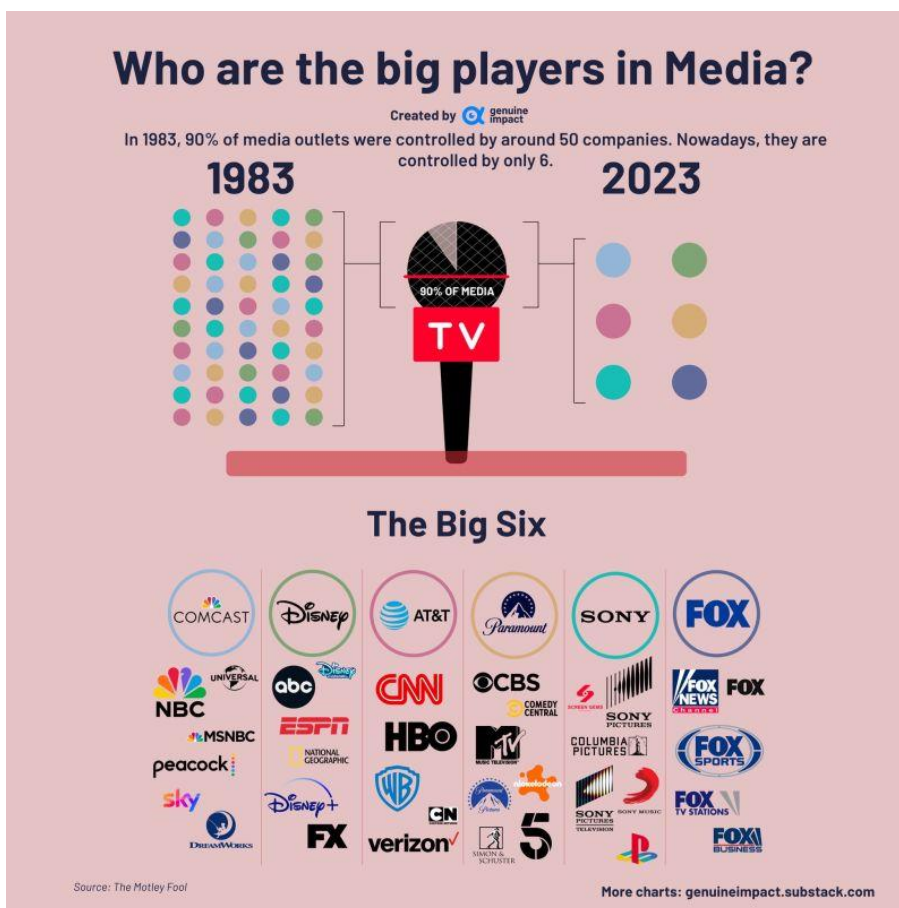
Source: marketinsider, bloomberg



#food-for-thought

#media #players

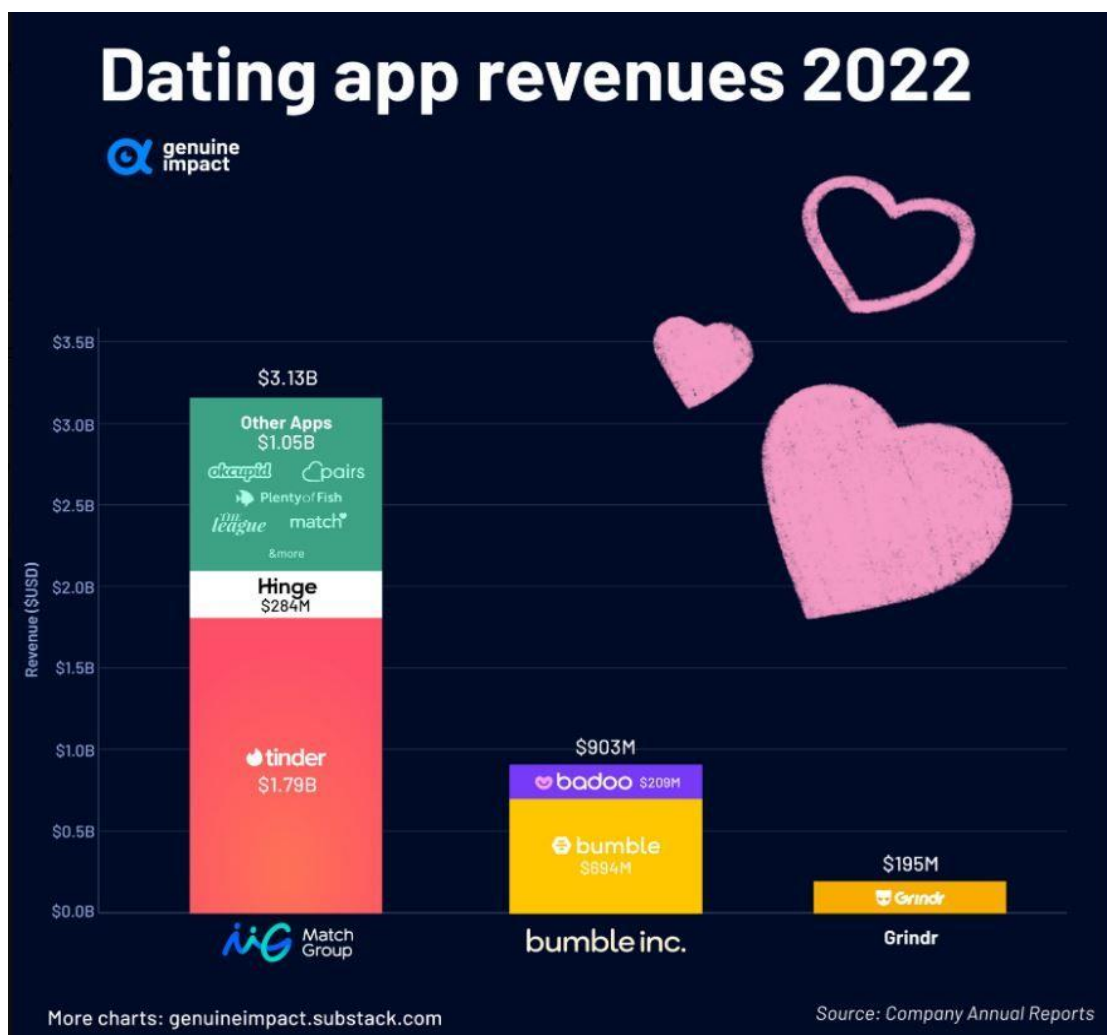
Back in 1983, there was a lot more competition and around fifty companies in the media space. However, as time has gone on the number of media companies has gone down, while their size has grown hugely. Nowadays, there are only six , usually referred to as 'The Big Six', consisting of Comcast, Disney, AT&T, Paramount, Sony, and Fox.



#food-for-thought

#dating-apps #tinder #bumble

A wave of dating apps released in the last 30 years has revolutionized the meet-cute. Two big conglomerates, Match Group and Bumble Inc., are leading the way.



Source: Genuine Impact

#food-for-thought

# #aluminum-production-by-country

## Aluminum production in one chart by Elements

### ALUMINUM PRODUCTION

Besides alumina and a mineral called cryolite, electricity is a key ingredient in aluminum production. Alumina is poured into electrolytic reduction cells, where electric currents break the bond between aluminum and oxygen atoms, resulting in pure liquid aluminum settling at the bottom.



1 2 STAGE 3

Aluminum Smelter Production by Country, 2021 (tonnes)



Sources: USGS, U.S. ITC, Aluminum Leader, S&P Global Market Intelligence, GlobalData, OEC, Wood Mackenzie, Alcoa, Rio Tinto

Rusal, the third-largest global aluminum producer based in Russia, also makes bauxite and alumina.

ELEMENTS

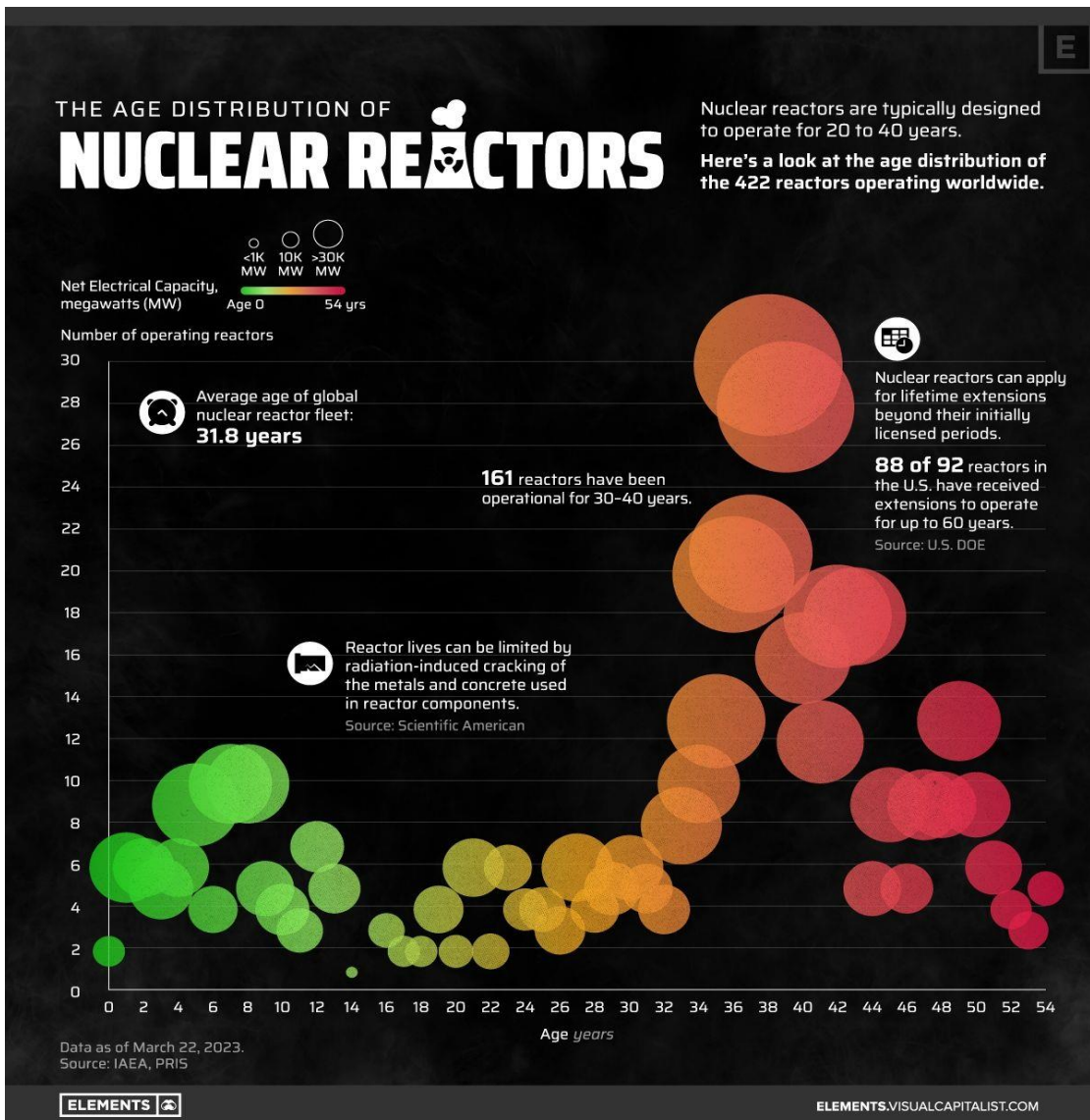
ELEMENTS.VISUALCAPITALIST.COM

Source: Elements

#food-for-thought

#uranium #nuclear

Age distribution of nuclear reactors



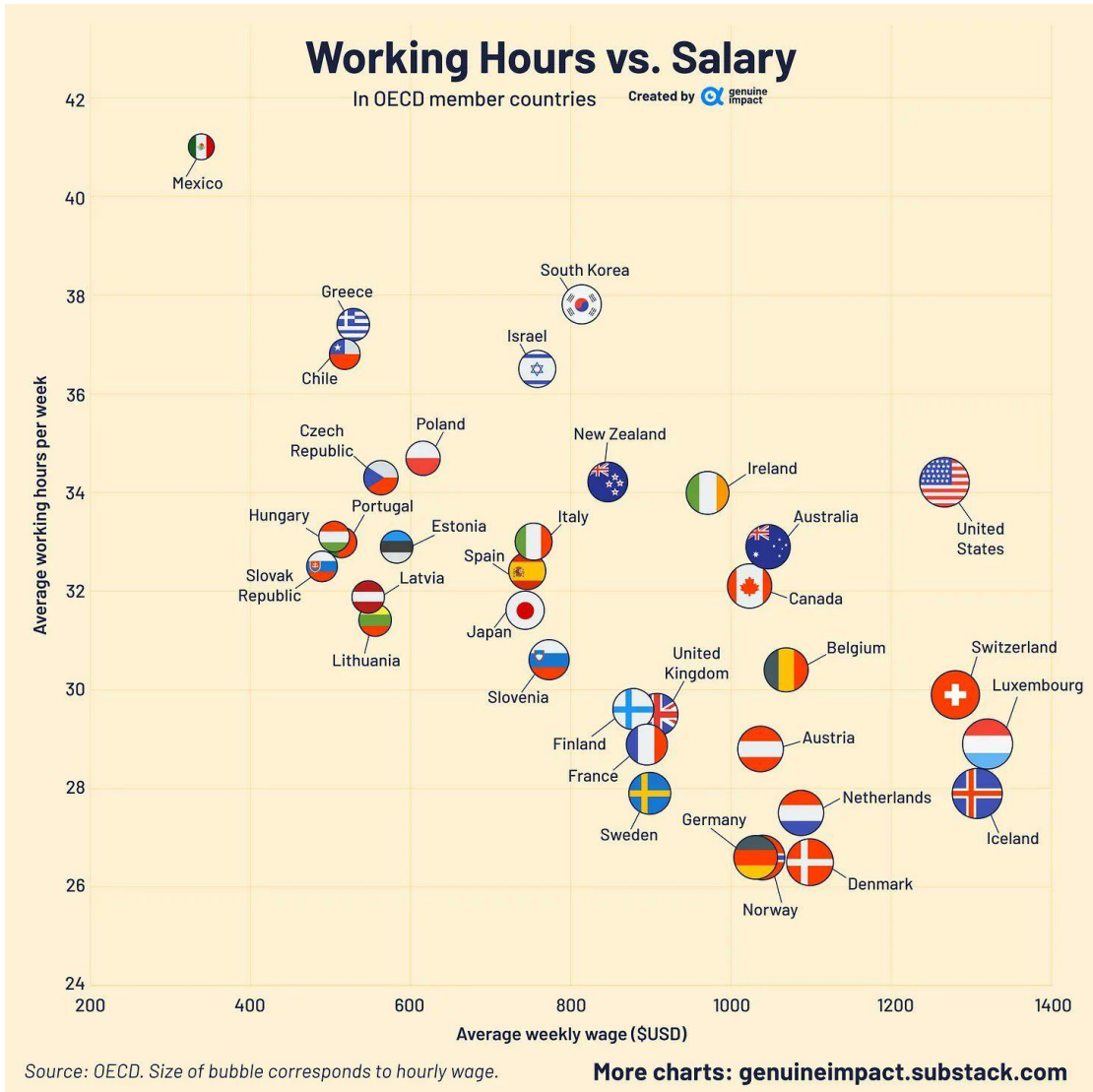
Source: Elements



#food-for-thought

#world #working-hours #salary

Working Hours vs. Salary by Genuine Impact



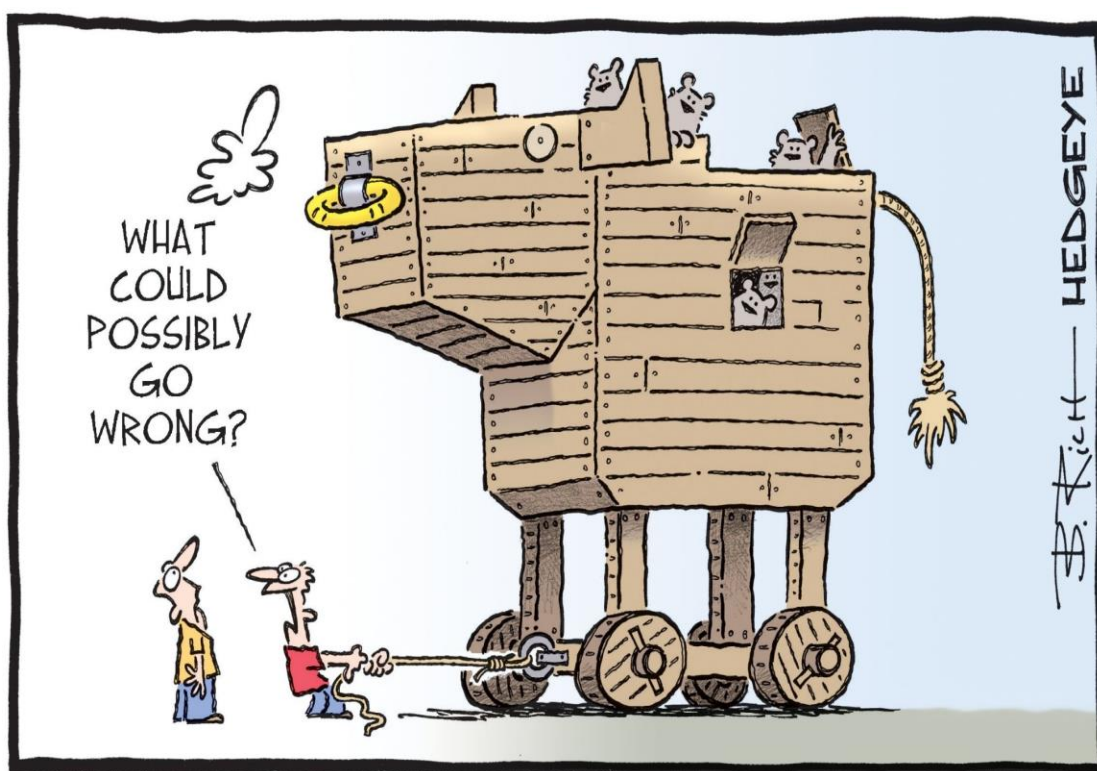
Source: Genuine Impact



#food-for-thought

#cartoon #bull-market

Cartoon of the day by hedgeye

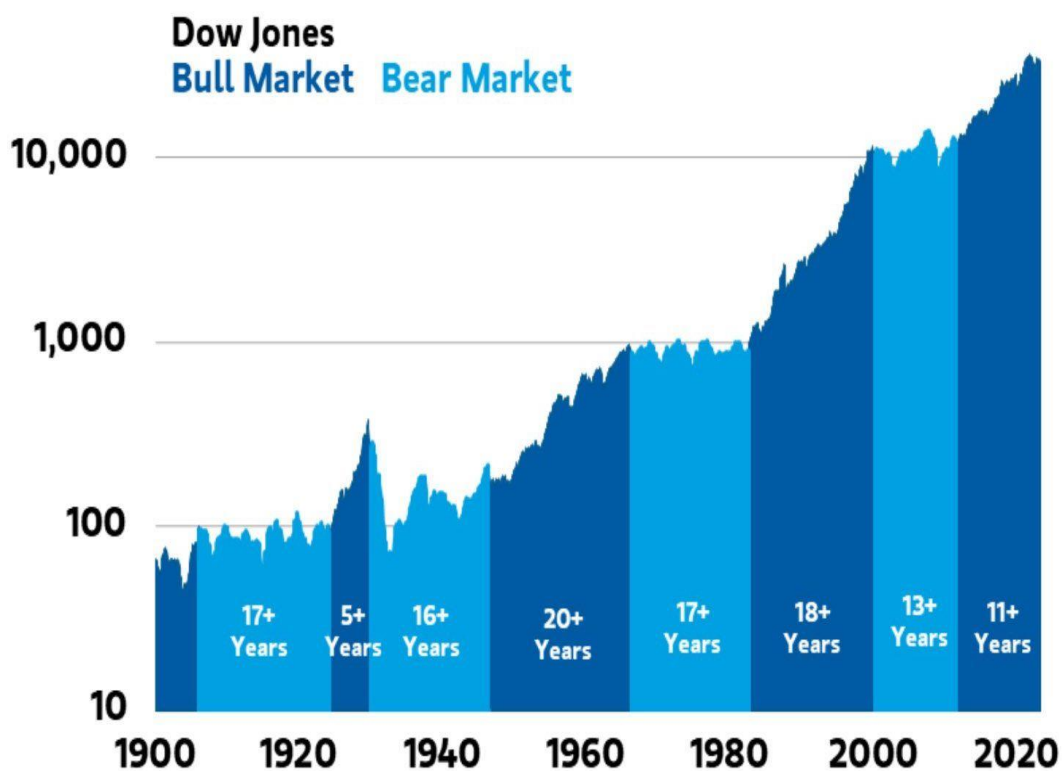


Source: hedgeye

#food-for-thought

#us #equities #bull #bear

## Structural Bull and Bear Markets Happen



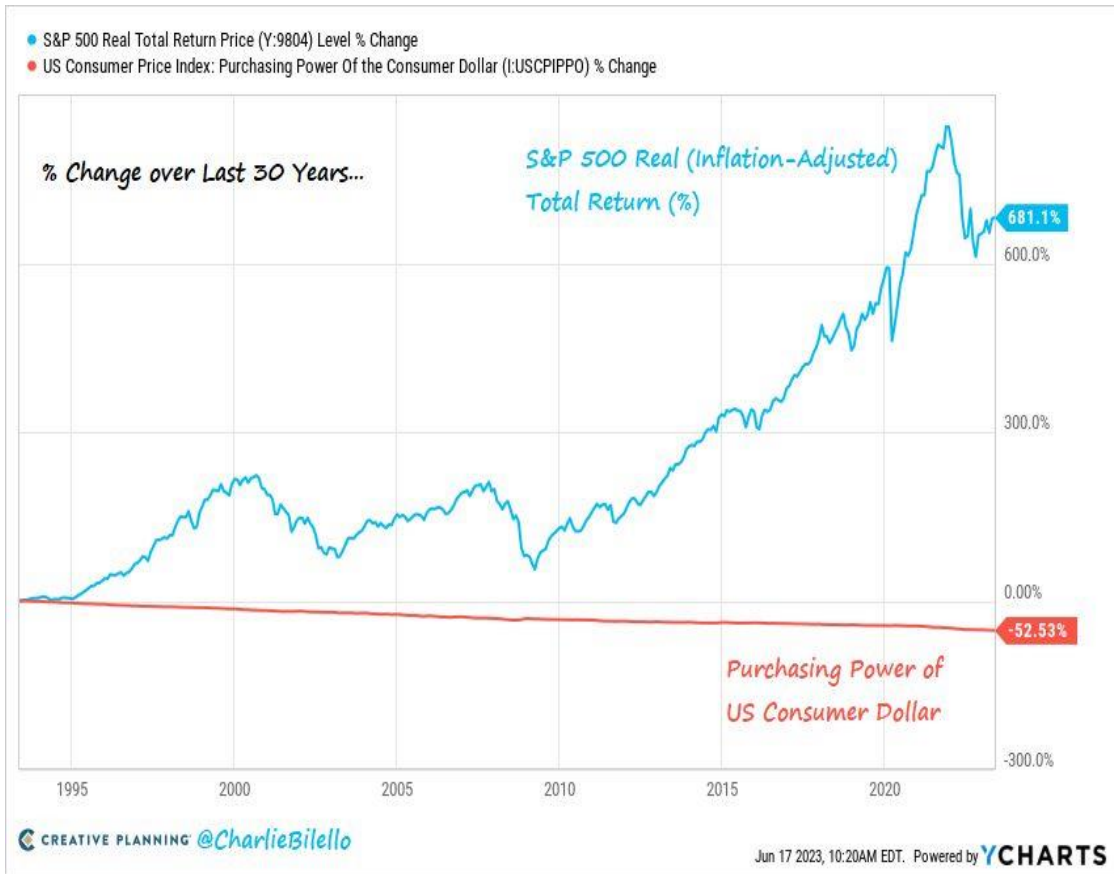
Note: Logarithmic scale  
Source: Bloomberg as of May 31, 2023

Source: Bloomberg

#food-for-thought

#us #equities #sp500 #purchasing-power

Why investing into equities is a must to protect the purchasing power of your assets. The chart below shows the real total return of the sp500 vs. Purchasing Power of the consumer dollar over the last 30 years...



Source: Charlie Bilello

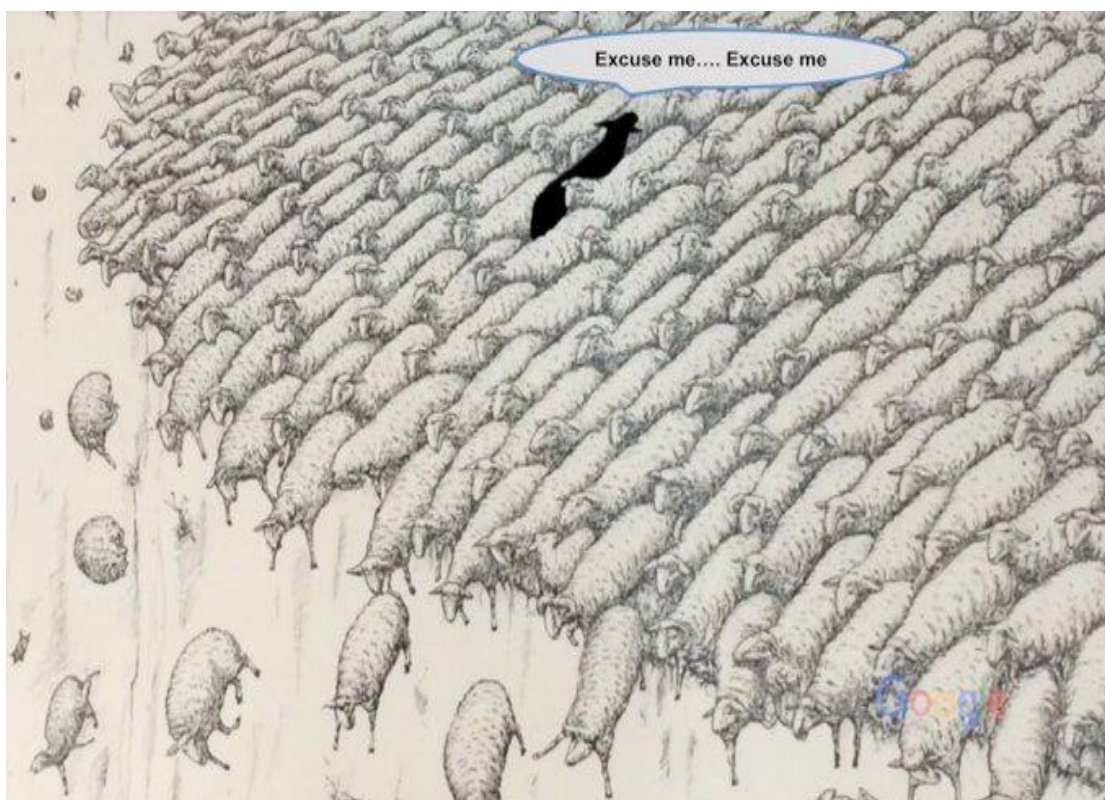


#food-for-thought

#don't-follow-the-path-blaze-the-trail

“We keep this picture in the office to remind our people that one should always look for opportunity away from where the crowd is going.”

-Bruce Flatt, CEO Brookfield Asset Management



Source: Compounding Quality

#food-for-thought

#stocks #sell

Most investors know how to find attractive #stocks to buy. But when should you sell a stock? Find out some clues in this visual made by Safalniveshak and shared by Compounding Quality.

**WHEN TO SELL A STOCK**  
Vishal KhandeIwal, safalniveshak.com

SELL FOR ONE OR MORE OF THESE REASONS

<b>WRONG FACTS</b> Bad management, bad business, weak moat	<b>CHANGING FACTS</b> Deteriorating business, poor capital allocation, worsening management quality	<b>NO CASH FOR BETTER OPPORTUNITY</b> Found a better opportunity, but do not have cash to invest	<b>NEED CASH</b> Need cash for meeting a financial commitment
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Do not invent new reasons to continue when the original reasons are no longer available. If you realize you made a mistake, accept it. Swallow your pride, and move on.

DO NOT SELL FOR ANY OF THESE REASONS

<b>STOCK IS OVERPRICED</b> <ul style="list-style-type: none"><li>- What is 'overpriced'? A good business with expanding earning power will mostly look overpriced. Stop looking at price to earnings multiples etc. only. Consider expected returns over the next 10 years from current levels.</li><li>- Your original purchase cost does not matter. What matters is where the stock may go from today over the next decade or more.</li><li>- If the company might quadruple in size in 10 years, does it matter if the stock is overpriced by 50% or 100%?</li><li>- No one can say with any precision what is 'overpriced' for an outstanding business that earns return on capital more than cost of capital.</li></ul>	<b>OTHER REASONS</b> <ul style="list-style-type: none"><li>- Stock has gone up from my buying price.</li><li>- Stock has surged 50% in last one month.</li><li>- I expect a correction. Sell now and buy again at lower price.</li><li>- Sell before I lose my paper profits.</li></ul>
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"If the job has been correctly done when a common stock is purchased, the time to sell it is - almost never." - Philip Fisher

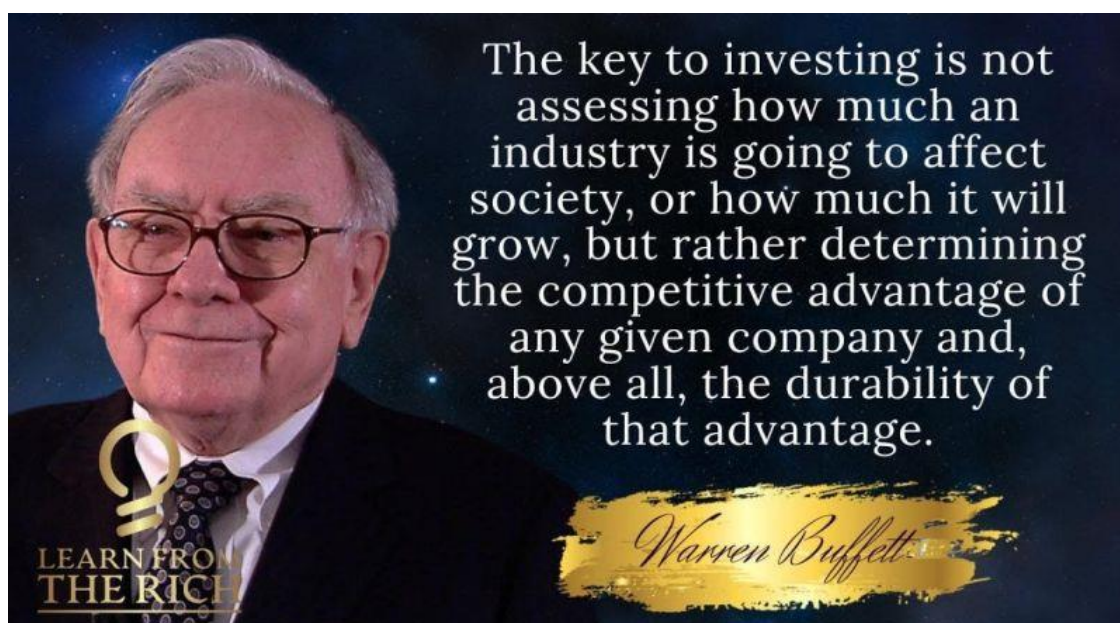
Source: Compounding Quality



#food-for-thought

## #warren-buffet #competitive-advantage

For quality investors, a moat is essential. Determining the existence and durability of a competitive advantage is key to make good investment decisions.



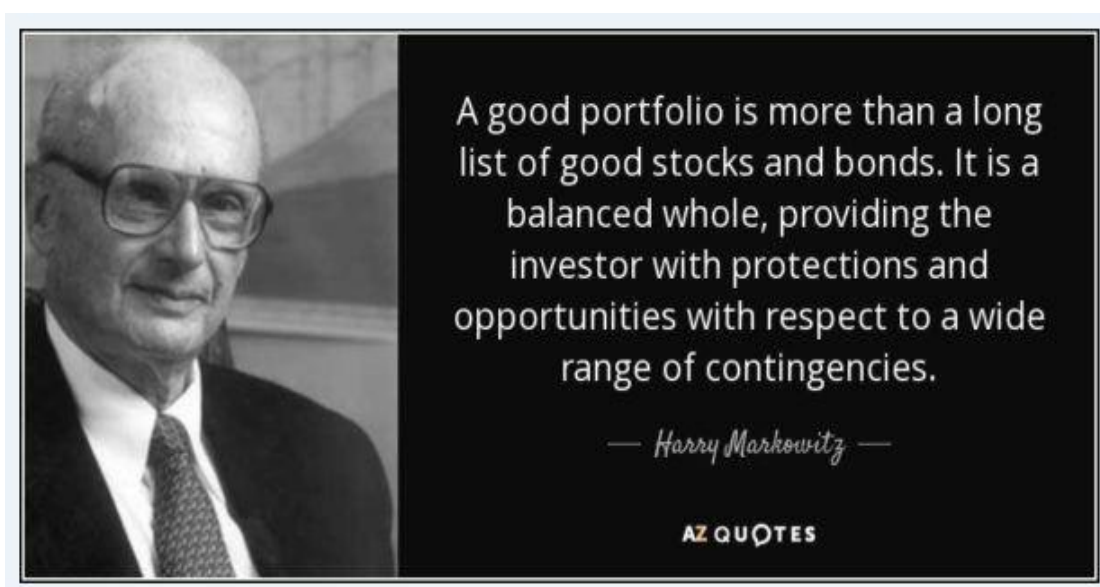
Source: Compounding Quality



#food-for-thought

#finance #markowitz

#rip Harry Markowitz



Source: AZ Quotes

#food-for-thought

#leadership

# What I can control and what I can't

Data source: @mindfulenough | Infographic design by @agrassoblog for educational and motivational purposes



Source: Dr. Joerg Storm

#food-for-thought

#leadership

Surround yourself  
@WeinsteinEdu  
with people who  
fight for you in  
rooms you aren't in.

-Unknown

@WeinsteinEdu

Source: Adam Danyal

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**For the future...**