

Chart of the week

A global synchronized debasement

While bitcoin was the star of the week, Gold started March on a positive note, with prices rising to a two-month high on Friday after muted economic data and hints by Fed Governor Waller of an upcoming “operation twist”. The chart below compares gold to various fiat currencies which seem to be going through a global synchronized debasement.



Source: Tavi Costa, Bloomberg

Nasdaq at all-time high. Bitcoin is back above \$60k

The Nasdaq Composite rose to an all-time high Friday, surpassing its 2021 record while the S&P 500 closed above 5100 for the first time. The month also closed a strong February, with the S&P 500 marking its strongest beginning two months of the year since 2019. The week's gains were also broad-based, with an equal-weighted version of the S&P 500 Index modestly outperforming its capitalization version. Thursday's release of the PCE price index was a disappointment as core prices rose by 3.9%, above expectations of around 3.7%. The 12 Fed policymakers scheduled to deliver speeches over the week all seemed to echo the recent narrative that they were in no rush to cut interest rates. But on Friday, a disappointing ISM Manufacturing index (back to 47.8) and Fed Governor Waller indication that the Fed might be willing to implement a new "Operation Twist" pushed bond yields lower and gold prices higher. Meanwhile, credit spreads widened throughout the week as the sector struggled with heavy supply. Outside the US, the STOXX Europe 600 Index ended little changed but remained near record highs as Eurozone inflation declined less than expected and economic sentiment worsened. Japanese stocks had another strong week, with the Nikkei 225 gaining around 2.1%. Stocks in China rose on hopes that Beijing may boost monetary easing measures to stimulate growth. Crypto had a giant week with huge inflows to BTC ETFs, pushing bitcoin above \$60k. Ethereum also spiked, all the way above \$3500 this week.

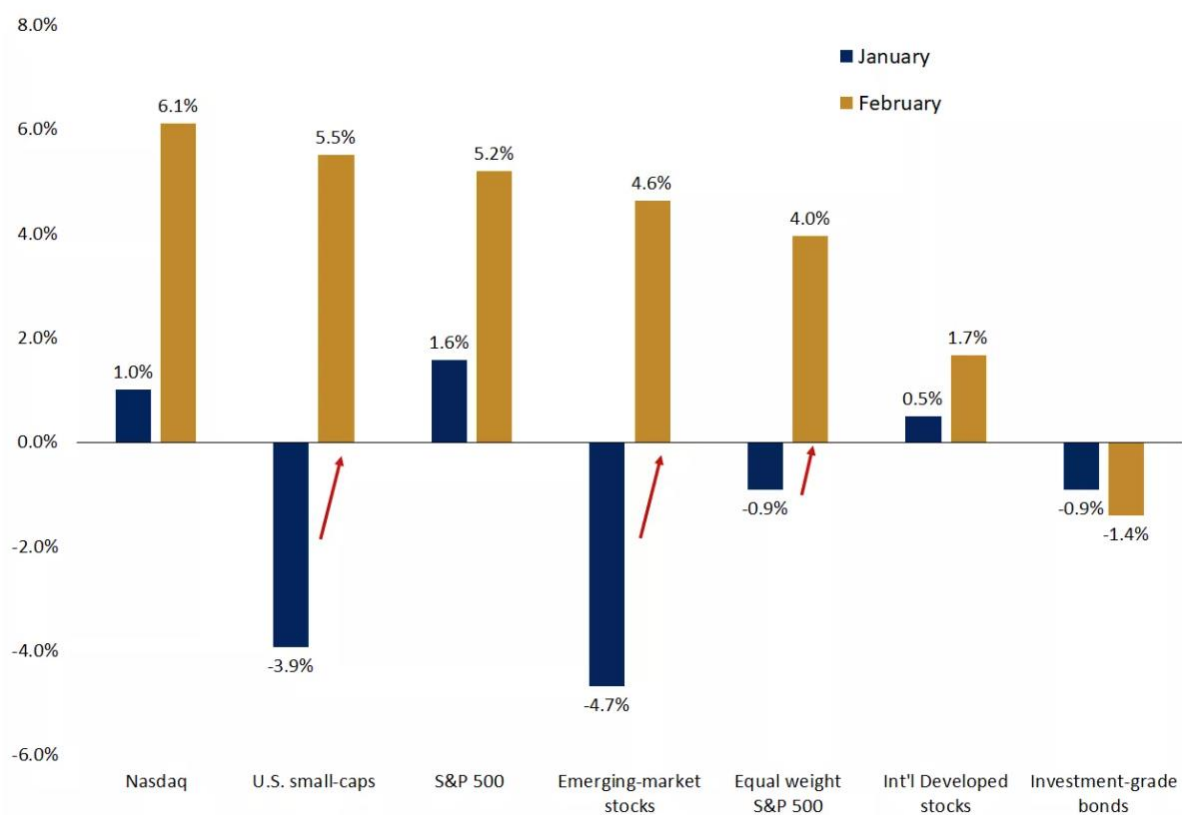


#ytd #february #returns

The graph shows the strong gains in February across several equity asset classes, though bonds remained under pressure for the second straight month.

Most equity asset classes posted strong gains in February even as bonds retreated

Price returns (%)



Source: Bloomberg.

Source: Edward Jones




#GLOBALMARKETS WEEKLY WRAP-UP

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#mag7 #performance

 February numbers are in and the Mag 7 are now the **Fantastic 4** year to date. Nvidia , Meta , Microsoft and Amazon driving all the gains while Apple , Google and Tesla fall out of the 7.

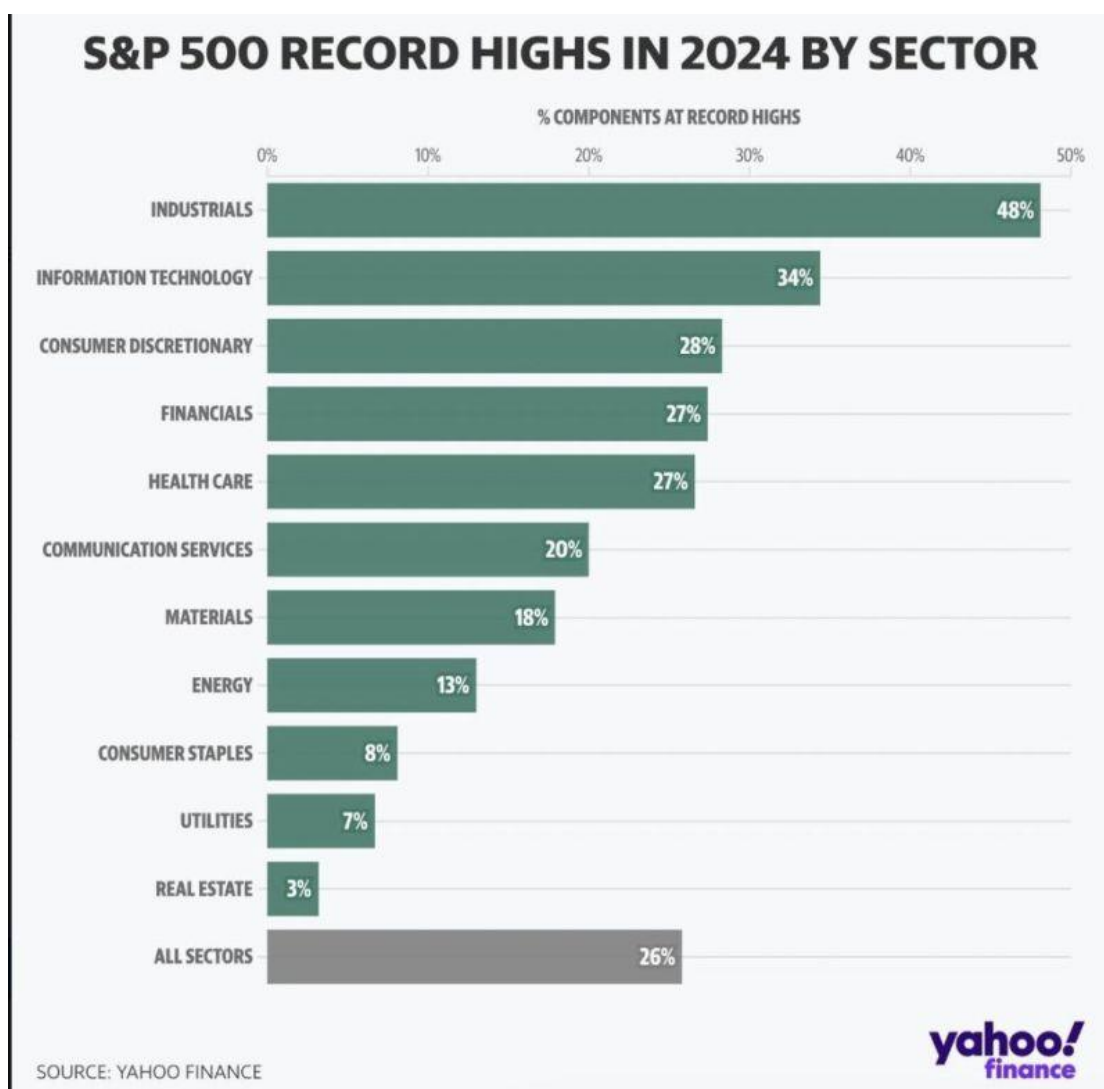


Source: [John Haslett, CA\(SA\), FRM](#)



#sp500 #sectors #ath

126 S&P 500 Stocks or 26% of the Index Hit New All Time Highs at Least One Time So far in 2024



Source: yahoo!finance



#markets

#sp500 #performance

The SP500 has now traded green in both January and February. When that has occurred (data going back to 1950), the \$SPX finished the rest of the year higher 27/28 times with the final 10 months being higher 26/28 times. Seems pretty good for Bulls! 🐮

A Higher January and February Could Mean The Bull Continues

S&P 500 Performance When Higher in January and February

S&P 500 Index Returns			
Year	March	Final 10 Months of the Year	Next 12 Months
1950	0.4%	18.6%	26.6%
1951	-1.5%	9.0%	6.7%
1954	3.0%	37.6%	40.6%
1955	-0.5%	23.7%	23.3%
1961	2.6%	12.8%	10.3%
1964	1.5%	8.9%	12.4%
1967	3.9%	11.2%	3.0%
1971	3.7%	5.4%	10.1%
1972	0.6%	10.8%	4.8%
1975	2.2%	10.5%	22.2%
1983	3.3%	11.4%	6.1%
1985	-0.3%	16.6%	25.2%
1986	5.3%	6.7%	25.2%
1987	2.6%	-13.1%	-5.8%
1988	-3.3%	3.7%	7.9%
1991	2.2%	13.6%	12.4%
1993	1.9%	5.2%	5.4%
1995	2.7%	26.4%	31.4%
1996	0.8%	15.7%	23.5%
1997	-4.3%	22.7%	32.7%
1998	5.0%	17.1%	18.0%
2004	-1.6%	5.8%	5.1%
2006	1.1%	10.7%	9.9%
2011	-0.1%	-5.2%	2.9%
2012	3.1%	4.4%	10.9%
2013	3.6%	22.0%	22.8%
2017	0.0%	13.1%	14.8%
2019	1.8%	16.0%	6.1%
2024	?	?	?
Average	1.4%	12.2%	14.8%
Median	1.8%	11.3%	11.6%
% Higher	71.4%	92.9%	96.4%
Average Year			
Average	1.1%	8.1%	9.3%
Median	1.4%	9.0%	12.0%
% Higher	64.9%	73.0%	71.6%

Source: Carson Investment Research, FactSet 2/26/2024
@ryandetrack



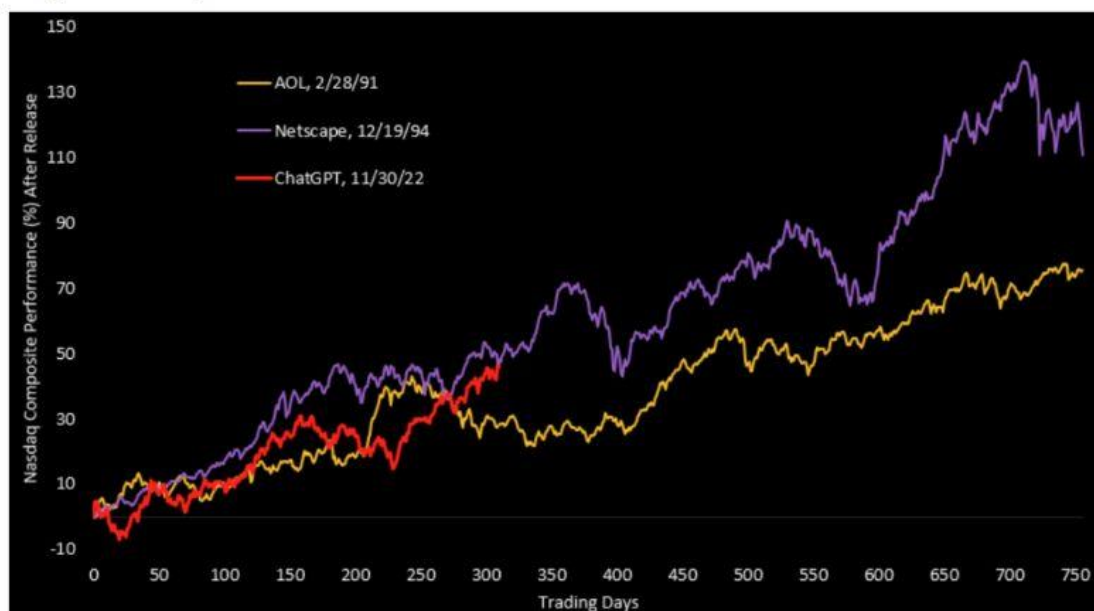
Source: Barchart, H/T Ryan Detrick



#chatgpt #nasdaq #performance

It's been 309 trading days since ChatGPT was released on 11/30/22 and the Nasdaq is up 46.07%. In the 309 trading days after Netscape (the first web browser) was released in December 1994, the Nasdaq was up 45.9%.

We got the blueprint - and it is bullish



Source: Bespoke

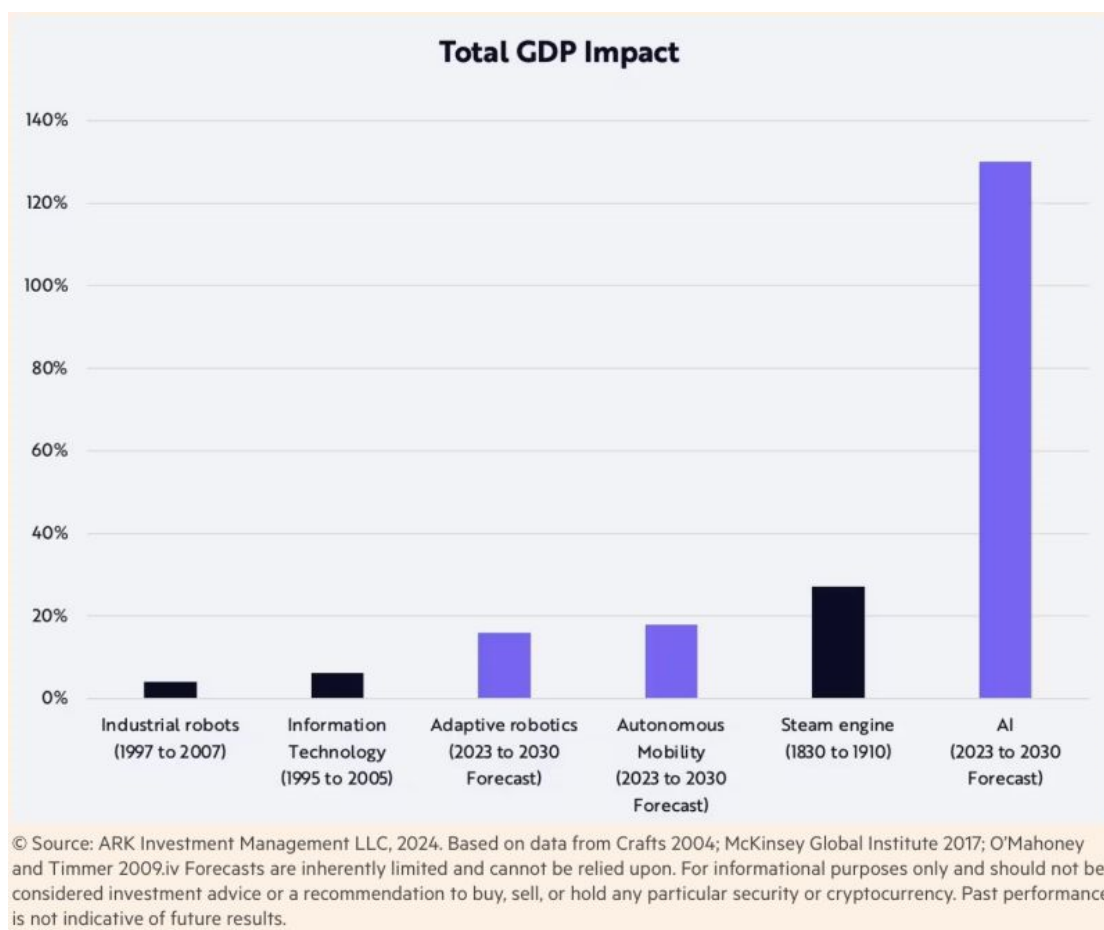
Source: TME





#ai #gdp #ark

Artificial intelligence is projected to increase the GDP by 130% according to Cathie Wood's Ark Investment Management. This is significantly higher than all major advances in technology including the Steam Engine and the Internet.



Source: Barchart, Ark Invest

#markets

#mag7 #market-cap

Mag 7 market cap is higher than India & Japan listed equities combined...



Source: r/IndianStreetBets on Reddit

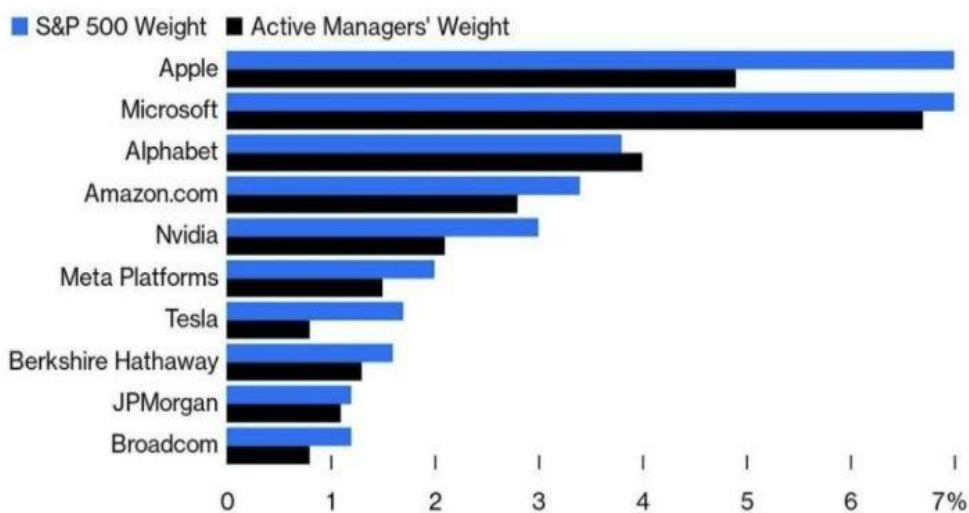


#active-funds #sp500 #positioning

Active Funds are underweight all of the S&P 500's largest 10 stocks except for Alphabet \$GOOGL. The underweights are most likely driven by diversification / regulatory rules.

Why Active Managers Hate Concentrated Markets

Active funds are underweight all bar one of the S&P 500's biggest 10 stocks



Source: UBS

Bloomberg Opinion

Source: Bloomberg



#bubbles

Bubbles out into perspectives...

What's a bubble?

BTC, NVDA or SMCI. Chart shows the 1 year perspective...



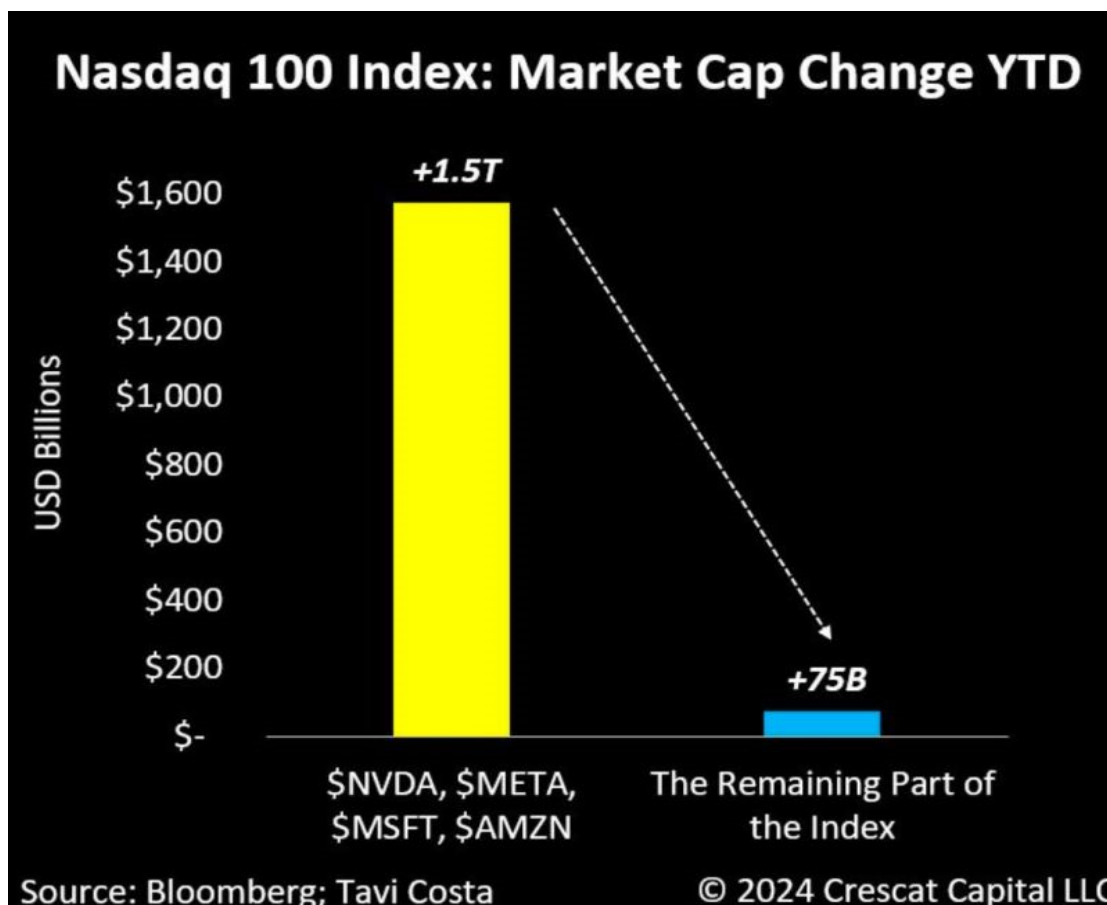
Source: Refinitiv





#nasdaq #market-cap

Tech Quartet Powers Nasdaq's \$1.6T 2024 Leap. In 2024, the Nasdaq 100 index gained about \$1.6 trillion in market cap, with Nvidia, Meta, Microsoft, and Amazon driving 95% of this increase, adding \$1.5 trillion—surpassing the total value of Australia's stock market. The other 97 companies contributed only \$75 billion.



Source: Crescat Capital, Tavi Costa





#us #earnings #concentration

Market concentration mirroring earnings concentration



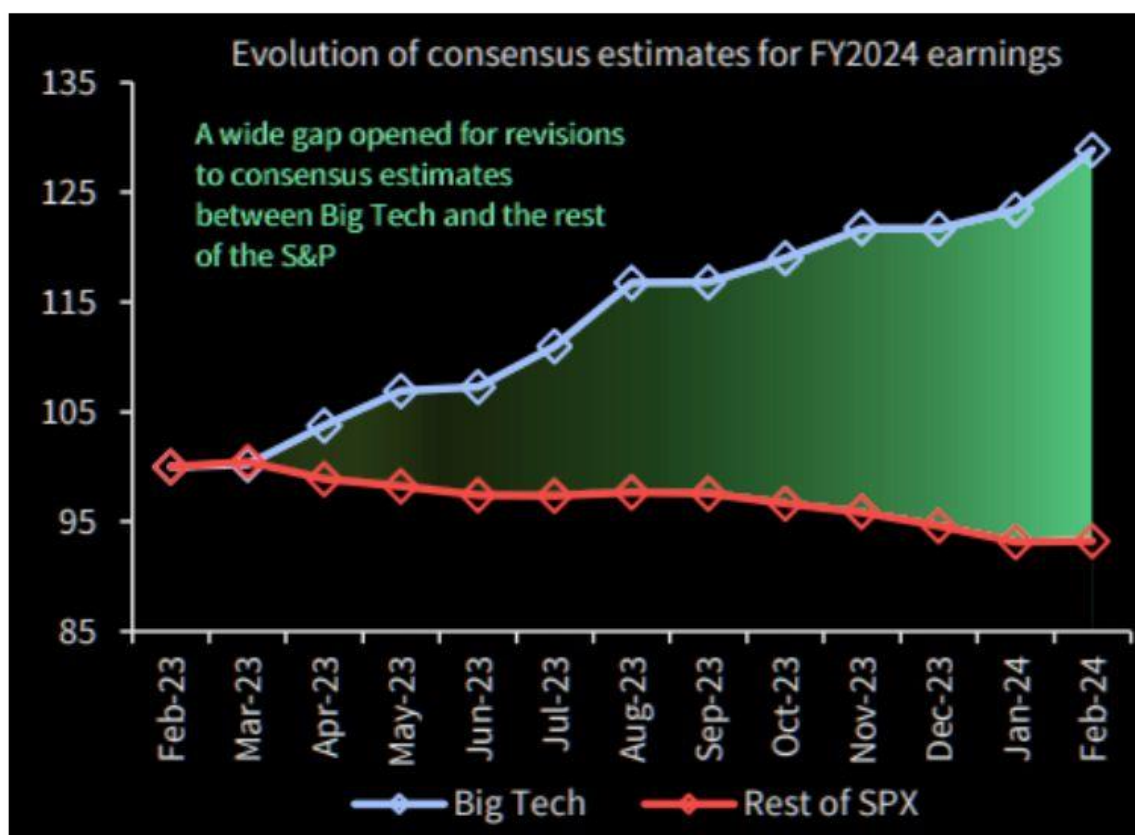
Source: BlackRock Investment Institute, with data from LSEG Datastream, February 2024. Notes: The chart shows the year-on-year earnings and sales growth for the Magnificent 7 and S&P 500 excluding the Magnificent 7.

Source: Blackrock



#us #earnings #tech

Thanks God for tech! Big tech is the only space seeing upward revisions.



Source: Barclays

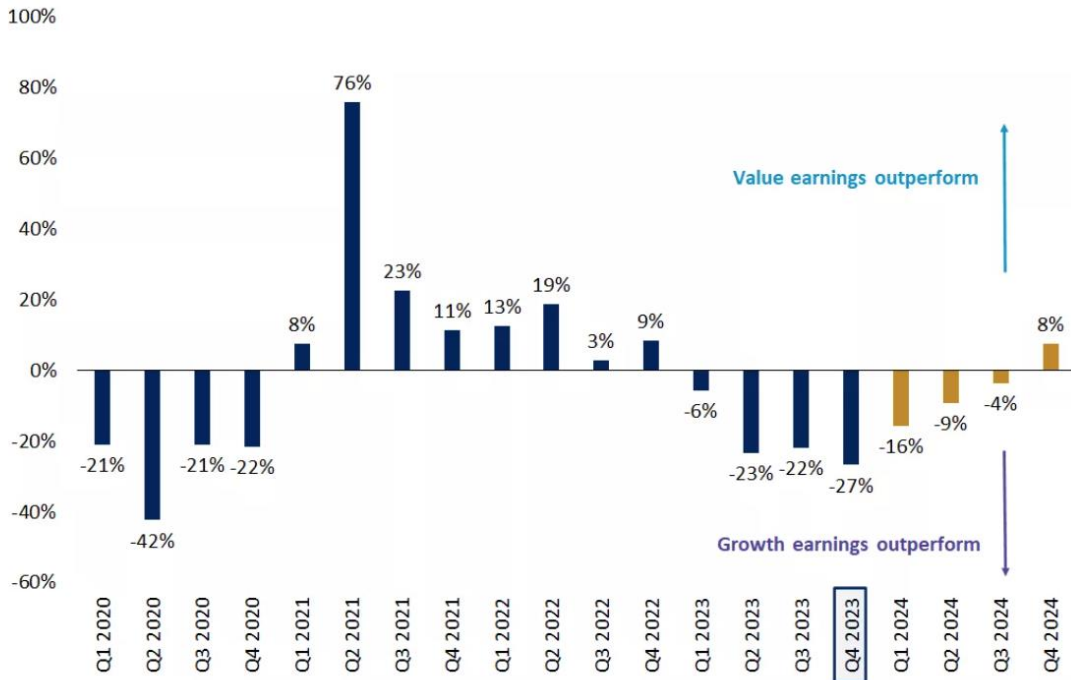
Source: TME, Barclays



#us #earnings #growth #value

The graph shows the strong gains in February across several equity asset classes, though bonds remained under pressure for the second straight month.

Q4 may mark the peak in growth earnings outperformance relative to value
Russell 1000 Growth vs. Value index earnings comparison



Source: FactSet, Edward Jones.

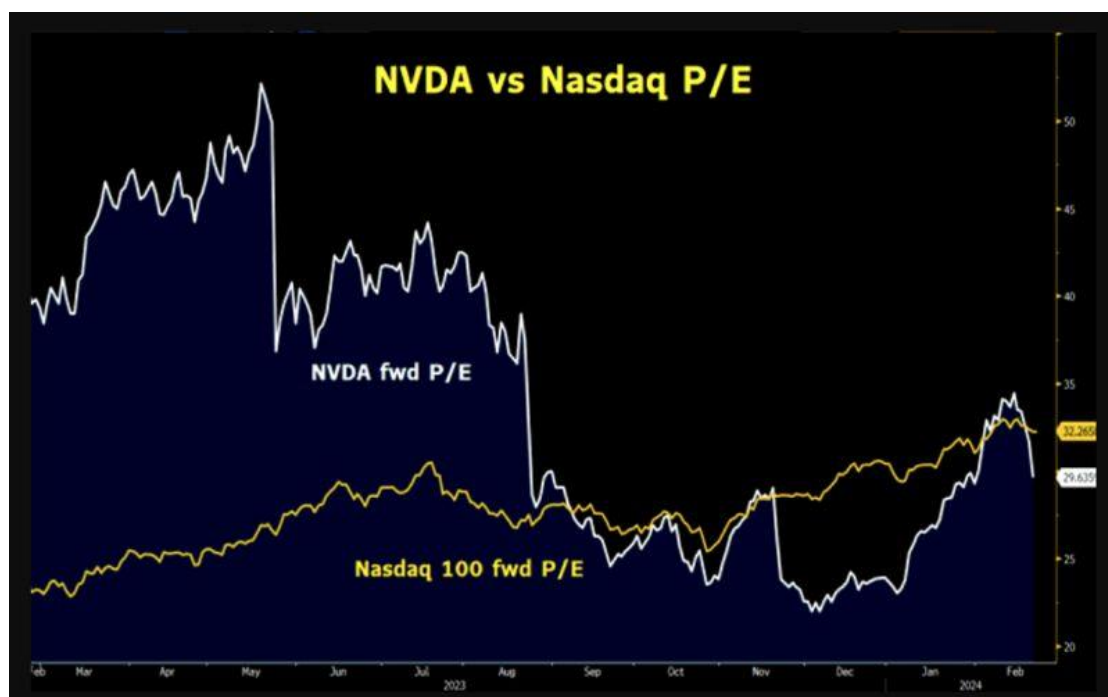
Source: Edward Jones





#nvidia #nasdaq #pe

Is Nvidia \$NVDA - cheap? Via Bear Traps: "NVDA is now trading at a lower multiple than the NDX: fwd P/E is ~29 vs 32x for the NDX. NVDA is expected to grow earnings at 78% y/y for the current year and the Nasdaq 100 EPS growth is an estimated 17%."



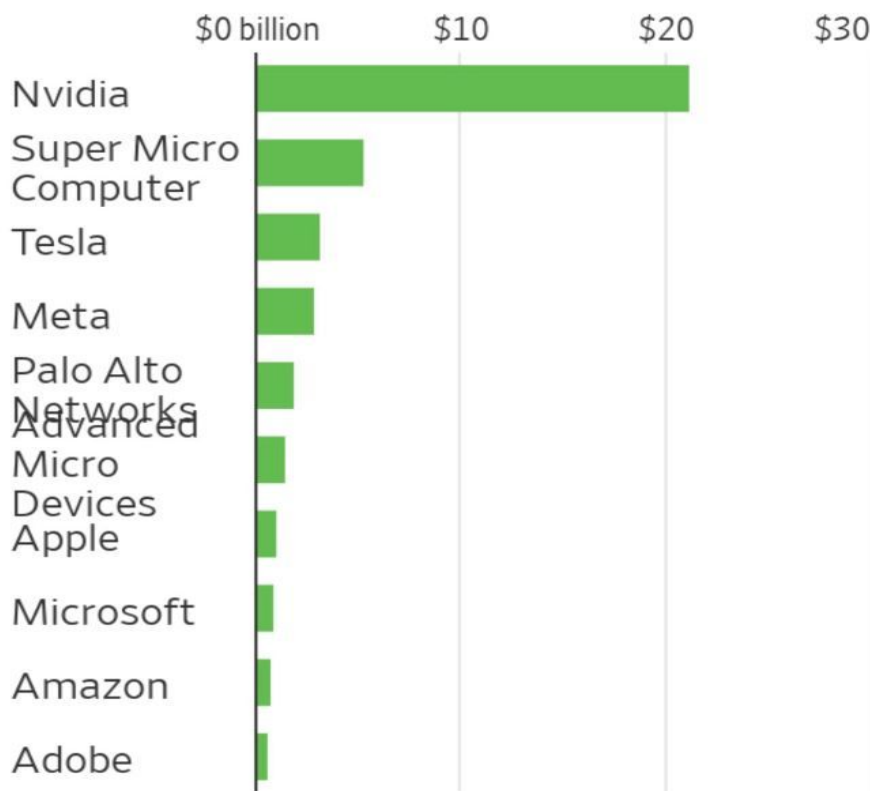
Source: TME



#options #traders

\$20 billion in options. Traders placed more than \$20 billion in stock-options bets tied to Nvidia over the past week. That was more than what they spent on Tesla, Meta Platforms, Microsoft, Apple, Amazon and Alphabet combined.

Options premium spent on top stocks for the week



Source: Cboe Global Markets

Source: wsj, cboe global data





#market-cap #trillion

Place Your Bet... Who will be the next stock to join the \$1 Trillion market cap club?



Source: stockmktnewz



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#markets

#weekly #stats

Weekly market stats

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	39,087	-0.1%	3.7%
S&P 500 Index	5,137	0.9%	7.7%
NASDAQ	16,275	1.7%	8.4%
MSCI EAFE*	2,286	-0.1%	2.2%
10-yr Treasury Yield	4.18%	-0.1%	0.3%
Oil (\$/bbl)	\$79.74	4.2%	11.3%
Bonds	\$97.53	0.2%	-1.6%

Source: FactSet, 3/1/2024. Bonds represented by the iShares Core U.S. Aggregate Bond ETF. Past performance does not guarantee future results. *4-day performance ending on Thursday.

Source: Edward Jones





#sp500 #ath

The S&P 500 hits a new all time high of 5,116 and is now trading 1,000 points above its October 27th low. Since October 27th, the S&P 500 has gained 25% or \$8 TRILLION in market cap. This means the S&P 500 has added an average of ~\$88 BILLION in market cap PER TRADING DAY since October 27th. The index is also up a whopping 130% from its March 2020 bottom.



Source: The Kobeissi Letter

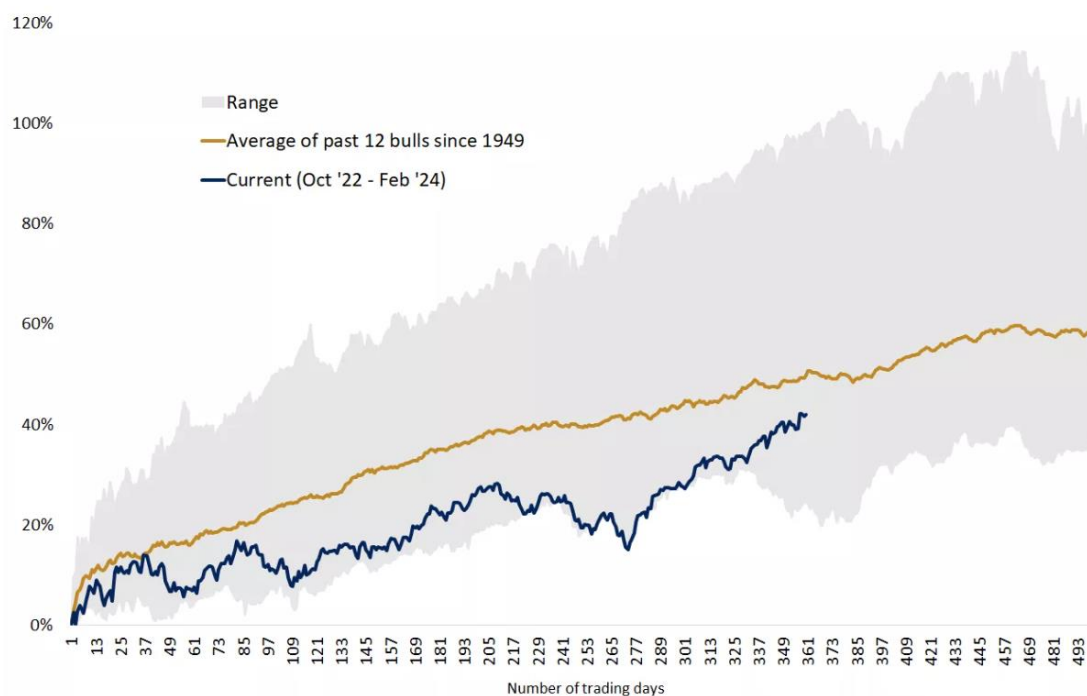




#sp500 #bull-market #history

The graph shows the cumulative returns of past bull markets during the first two years after stocks bottom. The current bull market return is running below the average of the past 12 since 1949

The current bull market gains are not outsized relative to history
S&P 500 returns in the first two years of a new bull market



Source: FactSet, Edward Jones.

Source: Edward Jones





#ndvia #2-trillion-dollars

Nvidia, \$NVDA, has passed Saudi Aramco to become the 3rd largest public company in the world with a \$2.05 TRILLION market cap. Nvidia is now up 265% over the last year and has added \$1.3 trillion in market cap since March 2023. The stock is up 70% YTD as investors continue to funnel into AI stocks. Nvidia is currently ~35% away from passing Apple, \$AAPL, as the 2nd largest company in the world. Could Nvidia become the most valuable company in the world?



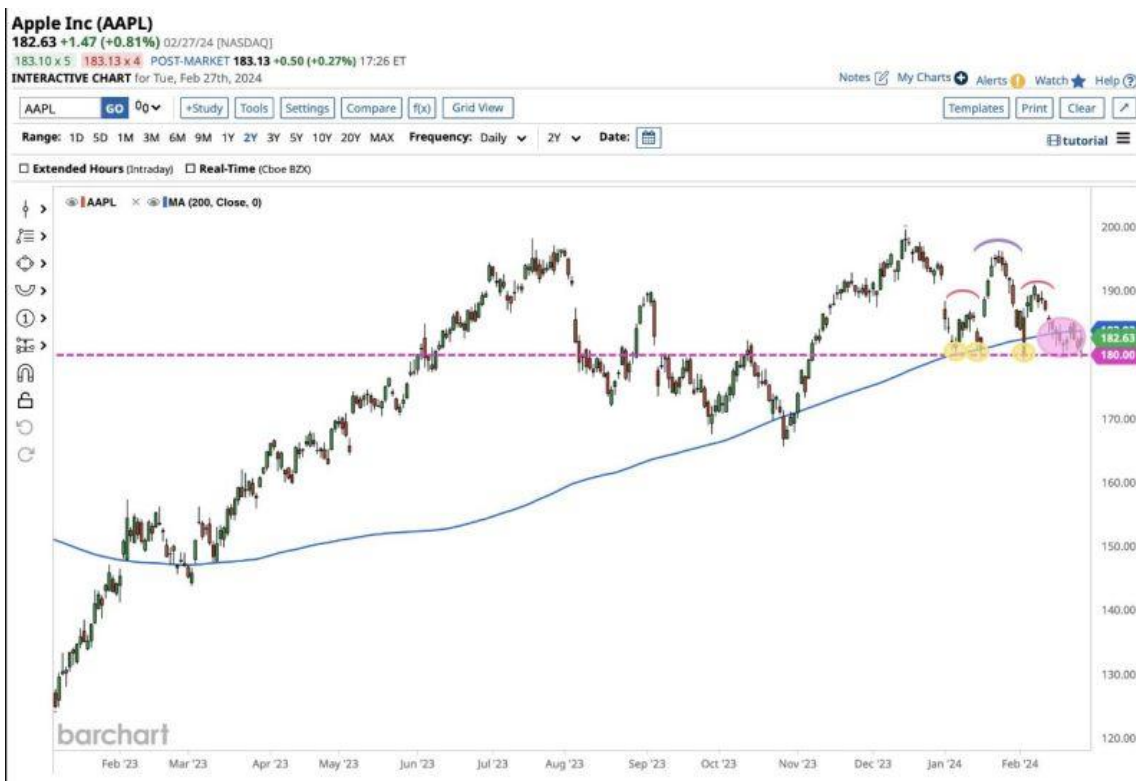
Source: The Kobeissi Letter





#apple #technical-analysis

Apple has now closed below its 200D moving average in 6 of the last 7 trading days, the longest period of time in over a year.



Source: barchart



#apple #performance

Remember when Apple was the most important company in the world? That was like just a few months ago.



Source: J-C Paretis



#apple #performance

Irrelevant ? Can we dismiss Apple, still the king of stocks and the biggest holding of the king of stocks (Buffet), as a driver of the market sentiment? (aapl vs spx)



Source: tme

#markets

#apple #car #ai

BREAKING: A strong intraday reversal by apple stock \$AAPL after they announced they have CANCELLED their work on designing an electric vehicle to focus on artificial intelligence.





#pelosi-effect #palo-alto-networks

THE NANCY PELOSI EFFECT ! Palo Alto Networks stock, \$PANW, is now up 10% today after Nancy Pelosi bought call options on the stock. The call options are reportedly worth up to \$1.25 million. This comes just days after \$PANW fell over 30% following their earnings results. Markets are effectively treating Pelosi's trades like an activist hedge fund took a stake in the company. Her track record on buying many large cap tech stocks at their lows, including \$NVDA, is largely why... Is Nancy 'Gordon Gecko' Pelosi the new Cathie Wood ???



Source: The Kobeissi Letter





#nycb #performance

New York Community Bank \$NYCB crashed 20% in after hours trading citing "material weakness in internal controls." The weakness is reportedly related to loan review resulting from ineffective oversight and risk assessment. NYCB is the same bank that acquired the collapse Signature Bank during the regional bank crisis. This comes just weeks after the bank posted an unexpected \$260 million loss in Q4 2023. The stock is now at its lowest level since 1997.



@KOBESSILETTER
TV

Source: The Kobeissi Letter





#us #banks

BREAKING: US BANK CRISIS US banks are feeling the stress as investors head to the exit.

NYCB New York Community... 3.40 x 105	3.400 100 @ 06:42 3.41 x 13	-	1.39 29.02%
WAL Western Alliance Banc... 56.89 x 11	56.10 10 @ 06:42 57.20 x 8	-	1.63 2.82%
KRE SPDR S&P Regional Ba... 46.83 x 2	46.84 100 @ 06:42 46.84 x 2	-	1.30 2.70%
CMA Comerica Incorporated 48.07 x 2	48.06 7 @ 06:42 48.12 x 1	-	1.32 2.68%
BANC Banc of California, Inc. 14.42 x 8	14.26 8 @ 06:42 14.60 x 8	-	0.37 2.53%
MTB M&T Bank Corporation 130.91 x 10	135.19 200 @ 06:42	-	3.26 2.35%
OZK Bank OZK 42.71 x 8	42.77 9 @ 06:42 43.60 x 10	-	1.03 2.35%
CFG Citizens Financial Grou... 30.90 x 30	30.71 26 @ 06:42 31.10 x 22	-	0.68 2.17%
EWBC East West Bancorp, Inc. 68.00 x 11	71.35 11 @ 06:41 115.84 x 10	-	1.51 2.07%
KEY KeyCorp 13.97 x 10	13.97 100 @ 06:42 13.98 x 14	-	0.29 2.07%
RF Regions Financial Corp... 18.27 x 4	18.27 20 @ 06:42 18.28 x 8	-	0.37 1.96%
USB U.S. Bancorp 41.24 x 3	41.25 3 @ 06:42 41.26 x 3	-	0.71 1.69%



Source: The Coastal Journal



#buybacks #etf #performance

Buybacks win again! New all-time highs for the Buyback Achievers ETF \$PKW as it resolves higher from a multi-year base.

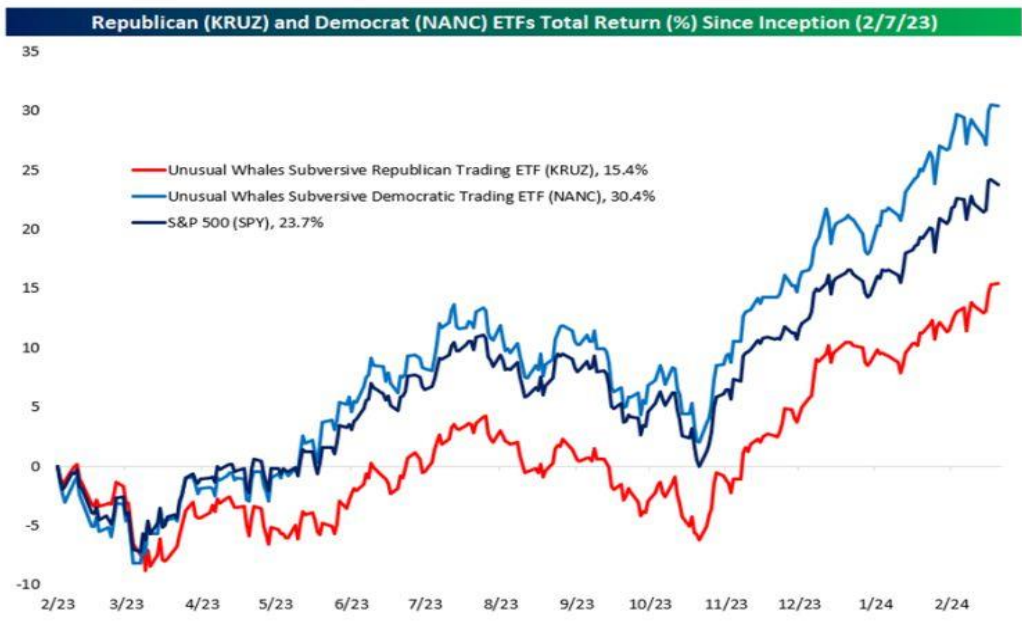


Source: Alfonso de Pablos, J-C Parets



#etf #republican #democrat

NANC vs. KRUZ. Just over a year ago, a pair of interesting ETFs debuted. The Unusual Whales Subversive Republican (KRUZ) and Democrat (NANC) Trading ETFs seek to track the performance of stock investments of sitting Congressional members. The Republican ETF (KRUZ) would track those investments of Republican members while the Democratic ETF (NANC) would track those of Democrats. As shown below, the past year has seen Democrats come out as winners. The over 30% total return for NANC is almost twice that of KRUZ and is also several percentage points stronger than the S&P 500 ETF (SPY).



Source: bespoke





#hedge-fund #japan #equities

Hedge Funds are loading up on Japanese stocks with the Nikkei at all-time highs

Trading Flows: Japanese Equities



Net Flow

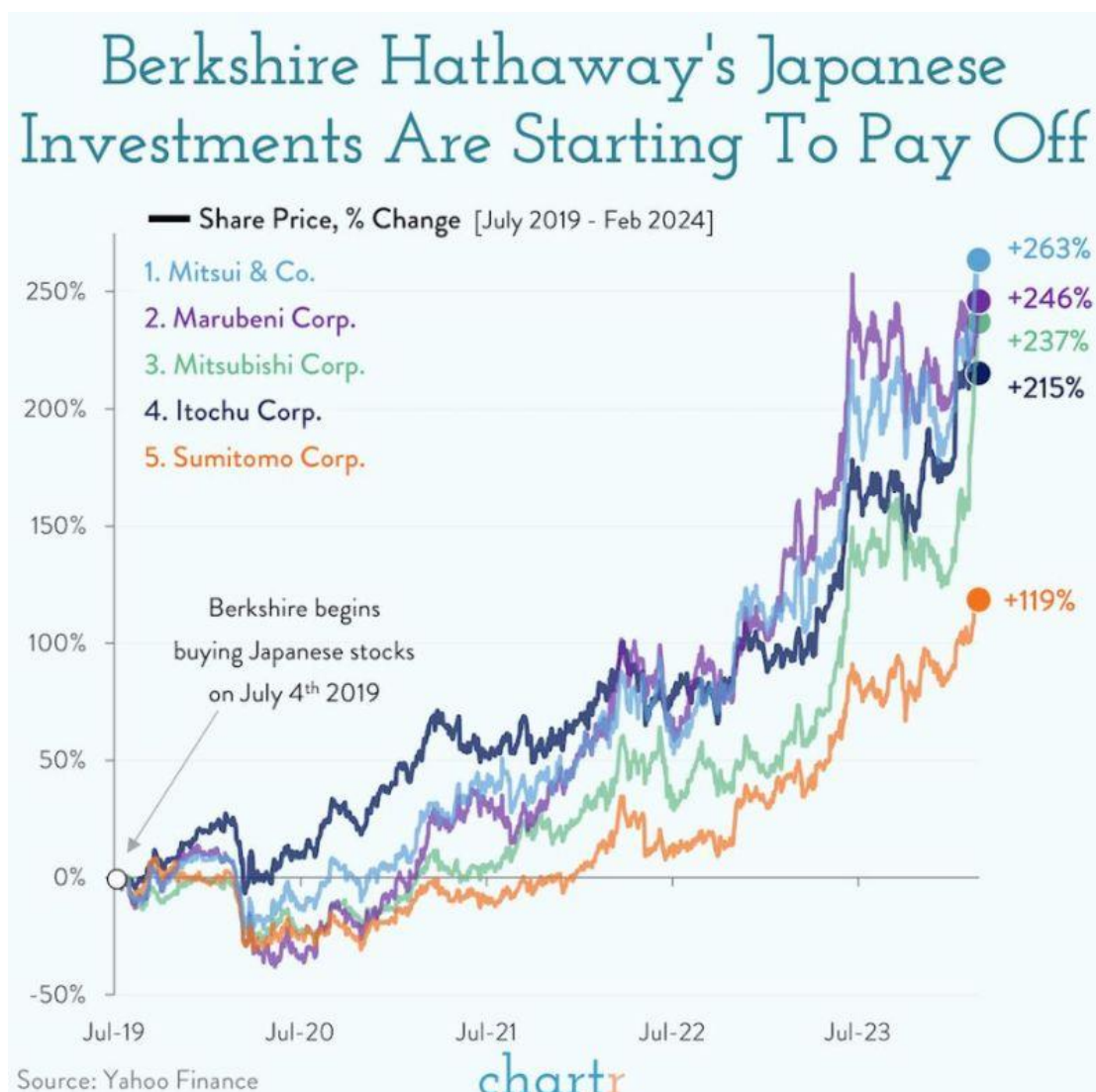
Source: Win Smart, CFA





#japan #berkshire #performance

Berkshire Hathaway's Japanese Investment Are Starting To Pay Off



Source: chartr, yahoofinance





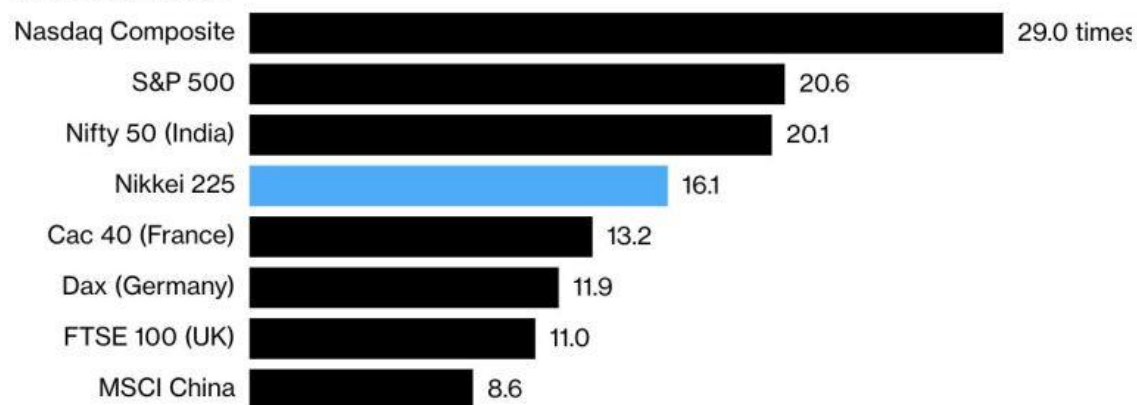
#japan #nikkei #valuations

Japanese stocks soared to a new all-time high for the first time in almost 35 years but based on global valuation metrics, they could still have room to run...

Nikkei's Valuation Is Still Moderate by World Standards

US indexes exceed the Nikkei in price-earnings ratios

■ Index P/E ratios



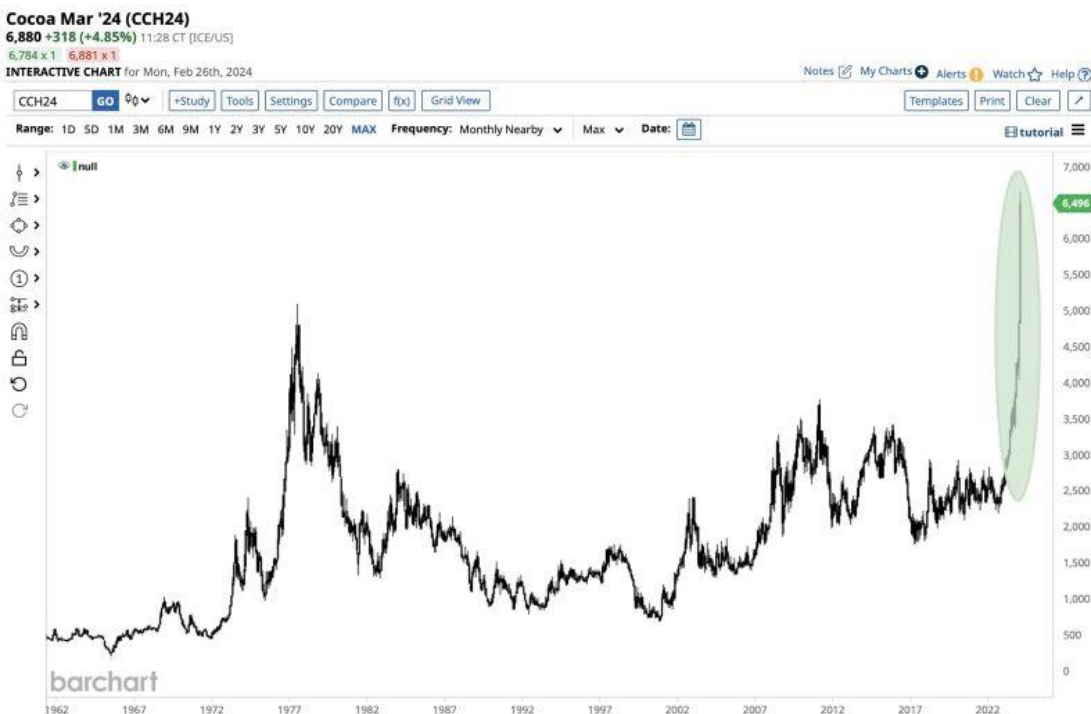
Source: Bloomberg, Nikkei

Source: Bloomberg, Barchart



#cocoa #performance #commodity

Cocoa Hits All-Time High 🚨 Cocoa competing against Nvidia \$NVDA to see which one can set the most # of new all-time highs this year...



Source: Barchart





#carbon-futures #deindustrialization

Deindustrialization in one chart: Price for CO2 emission rights (Carbon Futures) hit lowest since Jul 21.



Source: HolgerZ, Bloomberg



#us #treasuries #weekly

Bonds were aggressively bid on Friday (after US Manufacturing and Fed Governor Waller “Operation Twist” comment), led by the short-end (2Y -9bps, 30Y -5bps), dragging all yields lower on the week (again led by the short-end)...



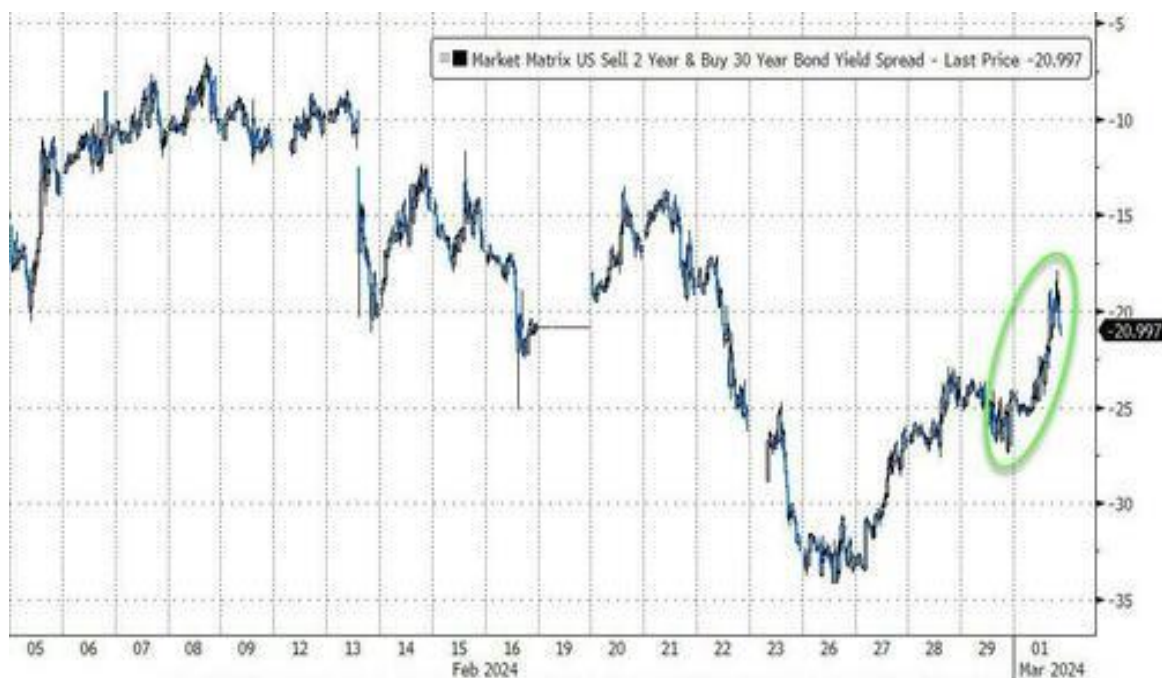
Source: www.zerohedge.com, Bloomberg





#us #treasuries #yield-curve

Fed Governor Waller comments bull-steepened the yield curve...

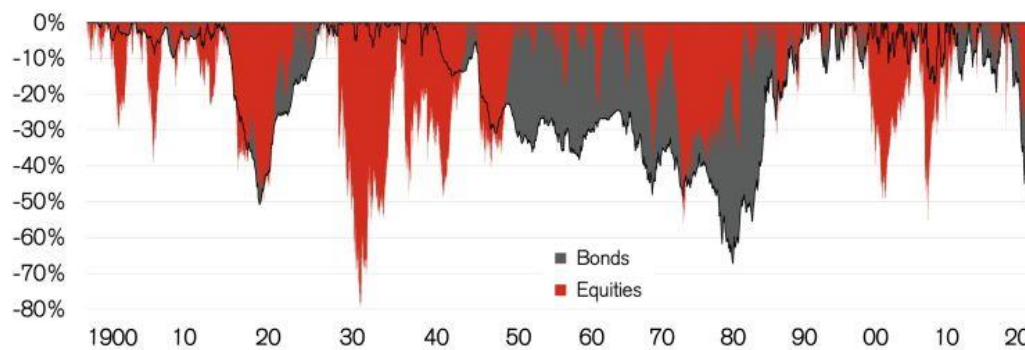


Source: www.zerohedge.com, Bloomberg

#bonds #drawdown

Bonds are “safe”? Think again, they have also had large, extended drawdowns, UBS Yearbook shows.

Real return drawdowns: US equities and bonds, 1900–2023



Source: DMS Database

Bonds are not “safe”. They have also had large, extended drawdowns



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#markets

#gold #weekly

Gold soared up near end-Dec highs...

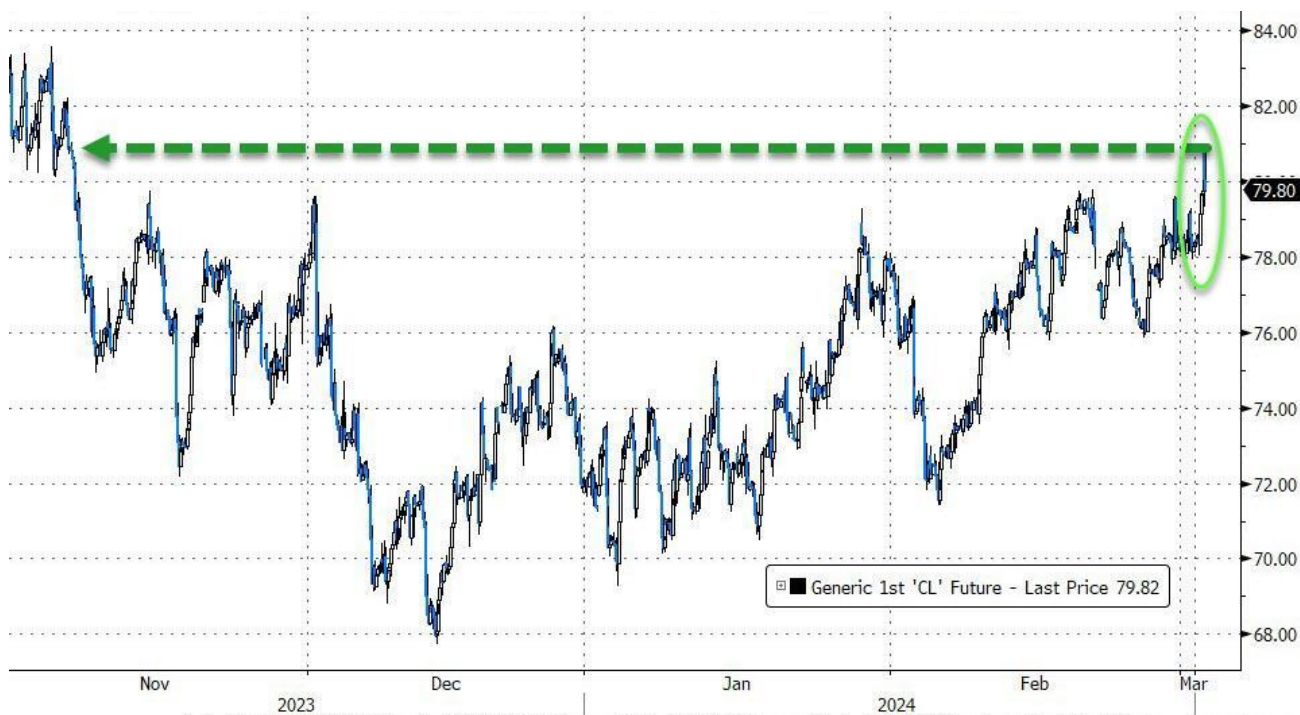


Source: www.zerohedge.com, Bloomberg



#oil #weekly

Oil prices also spiked today, breaking out to their highest close since Nov 6th...

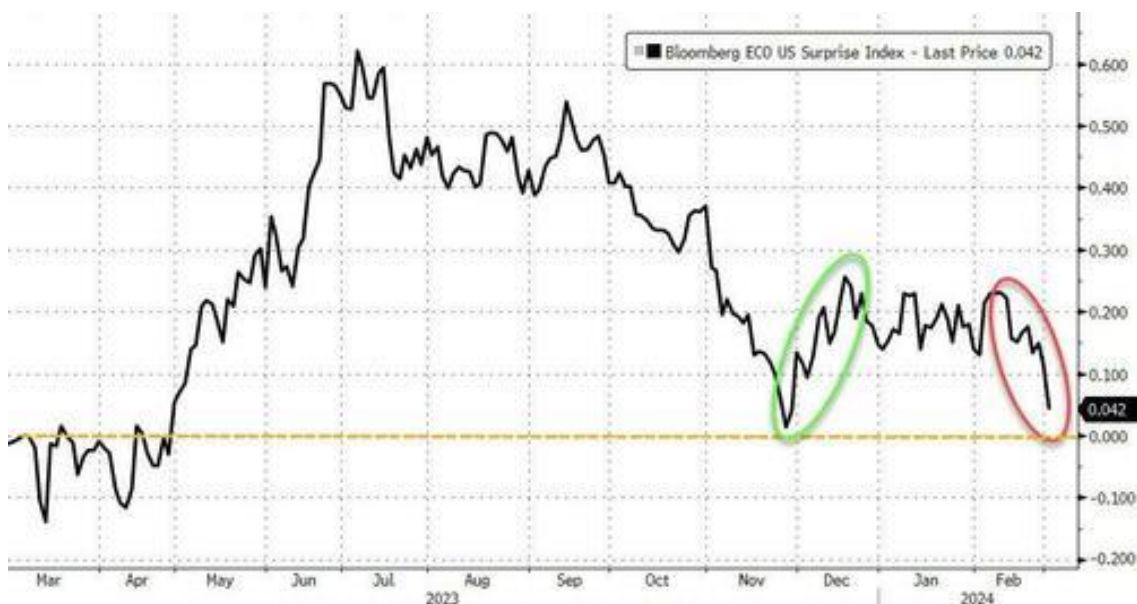


Source: www.zerohedge.com, Bloomberg



#us #macro #surprises

ISM Manufacturing remains in contraction (for 15 straight months), construction spending unexpectedly declined (first MoM drop since Dec 2022), University of Michigan confidence declined (and inflation exptations ticked higher) - all of which dragged US Macro surprise index back near neutral...

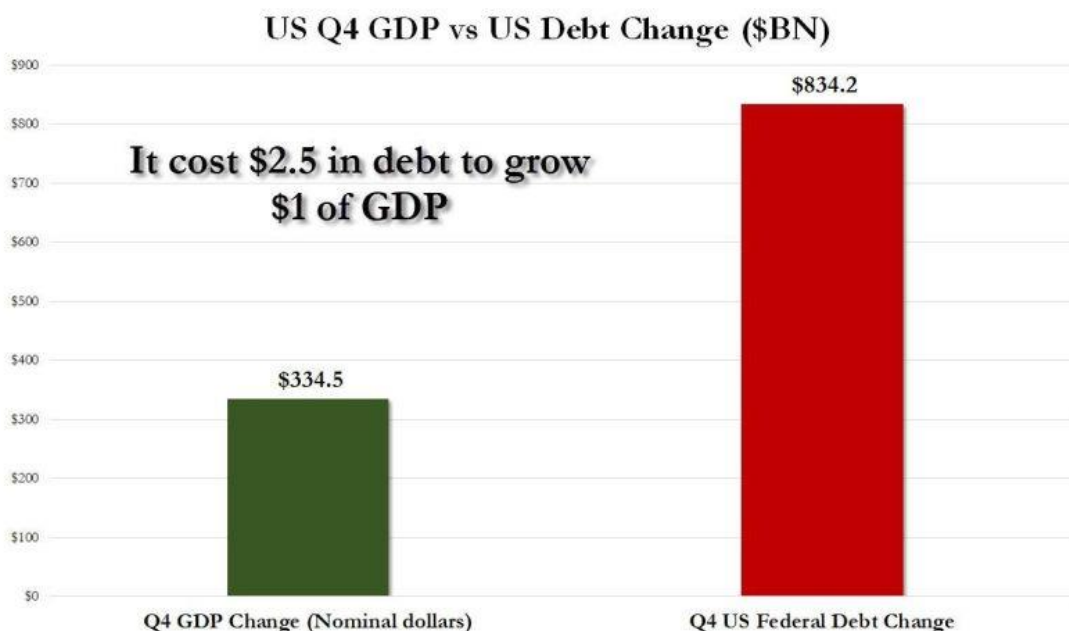


Source: www.zerohedge.com



#us #gdp #debt

When you invest in US debt, think twice... In Q4 2023, nominal GDP grew by 3.2% according to data on Wednesday. This would mean a \$334.5 billion increase in nominal GDP. Meanwhile, over the same time period the US added \$834.2 billion of debt. In other words, it cost us \$2.50 of debt for every \$1.00 of GDP last quarter, according to Zerohedge. As Fed Chair Powell recently said, "we are on an unsustainable fiscal path." What's the long term plan here?



Source: ZeroHedge

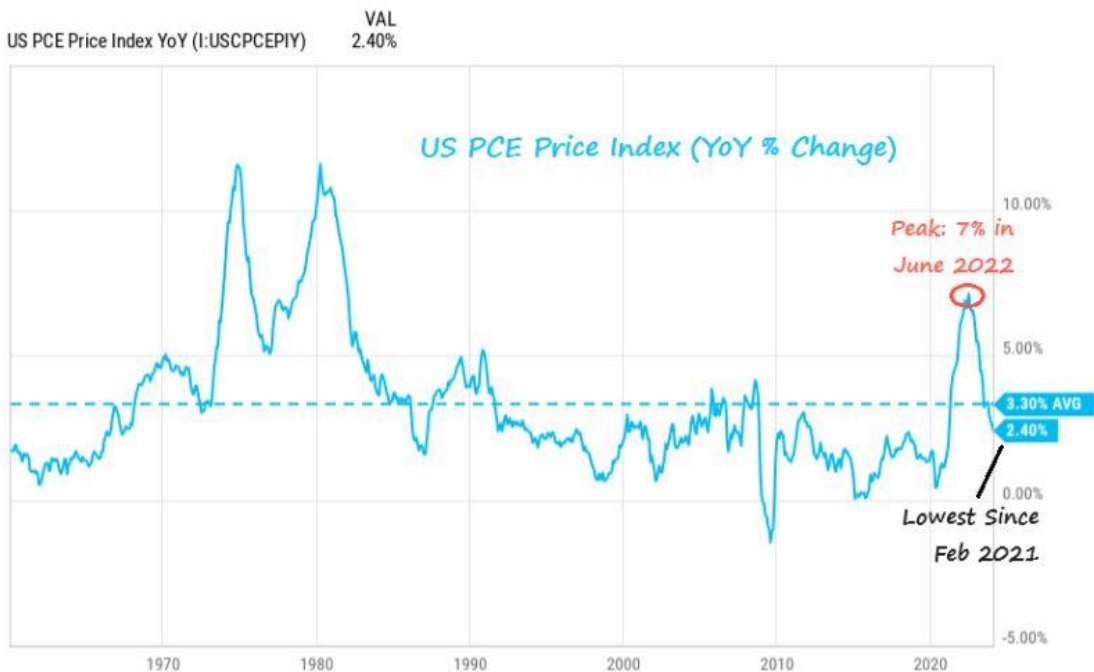


Source: The Kobeissi Letter, www.zerohedge.com



#us #inflation #pce

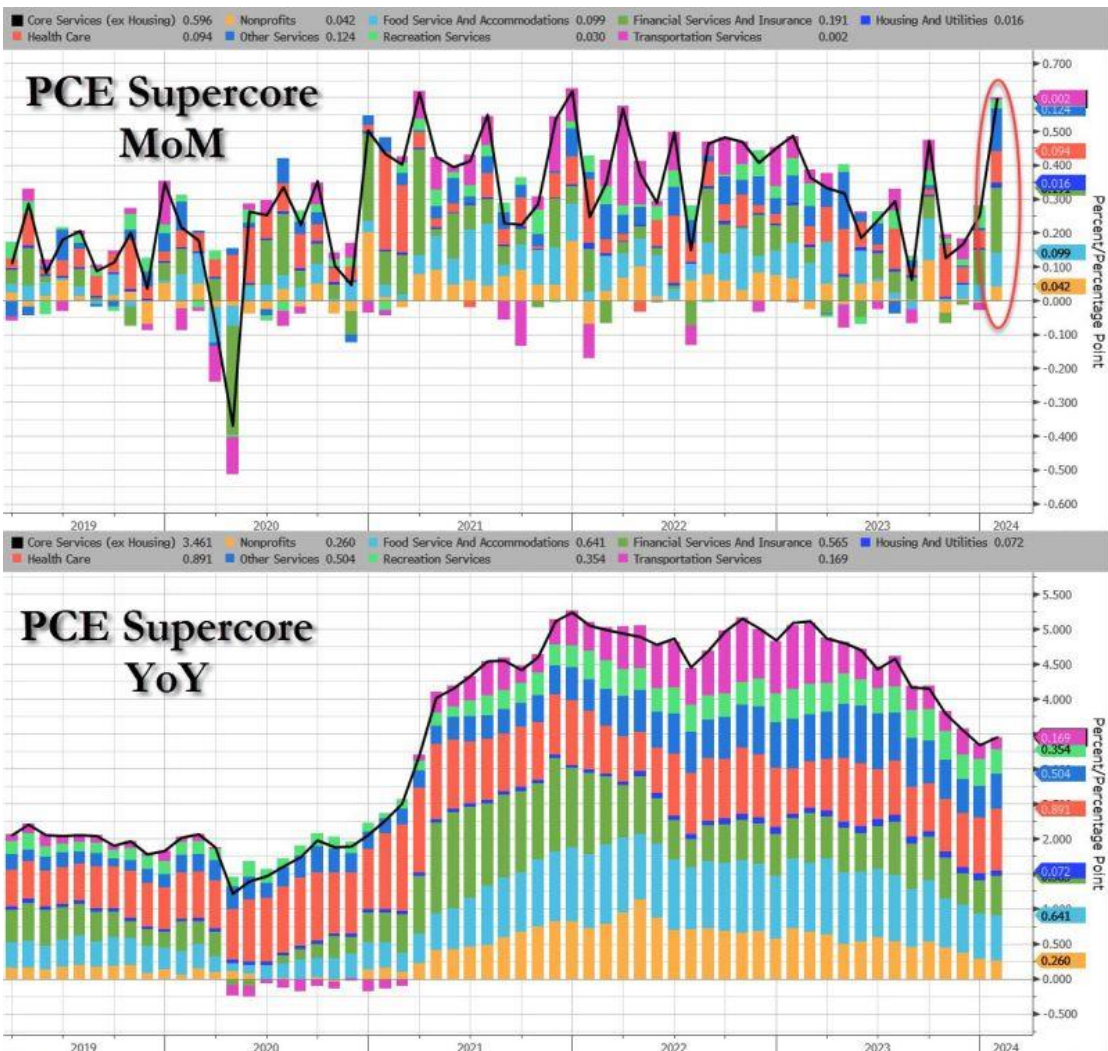
More evidence of a decline in US Inflation... The PCE Price Index moved down to 2.4% in January, its lowest level since February 2021. Cycle peak was 7% in June 2022.





#us #supercore #pce

Supercore PCE MoM exploded, highest since Dec 2021



Source: www.zerohedge.com, Bloomberg



#us #personal-income #inflation

This week's report report unveiled the largest positive surprise in US personal income since the surge in consumer prices began in 2021.



Source: Tavi Costa, Bloomberg



#eurozone #cpi #inflation

Eurozone CPI slowed less than anticipated in Feb, highlighting stickiness in inflation. Headline inflation eased to 2.6% YoY in Feb, above 2.5% consensus estimate in BBG survey. Core inflation came down by 0.2%-pt to 3.1%, also an upward surprise compared to 2.9% consensus estimate.



#GLOBALMARKETS WEEKLY WRAP-UP

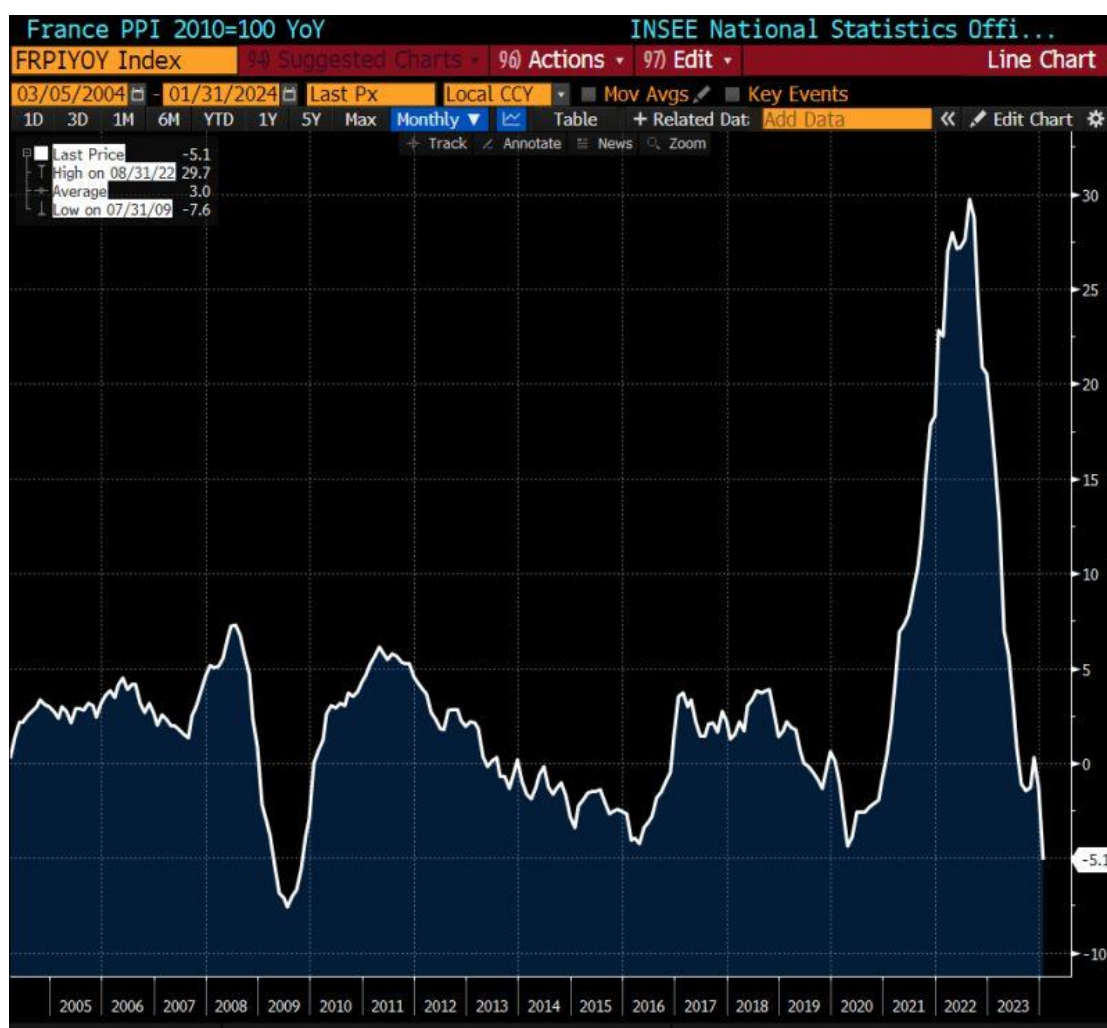
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#macro

#france #ppi

France PPI YOY is the lowest since 2009...



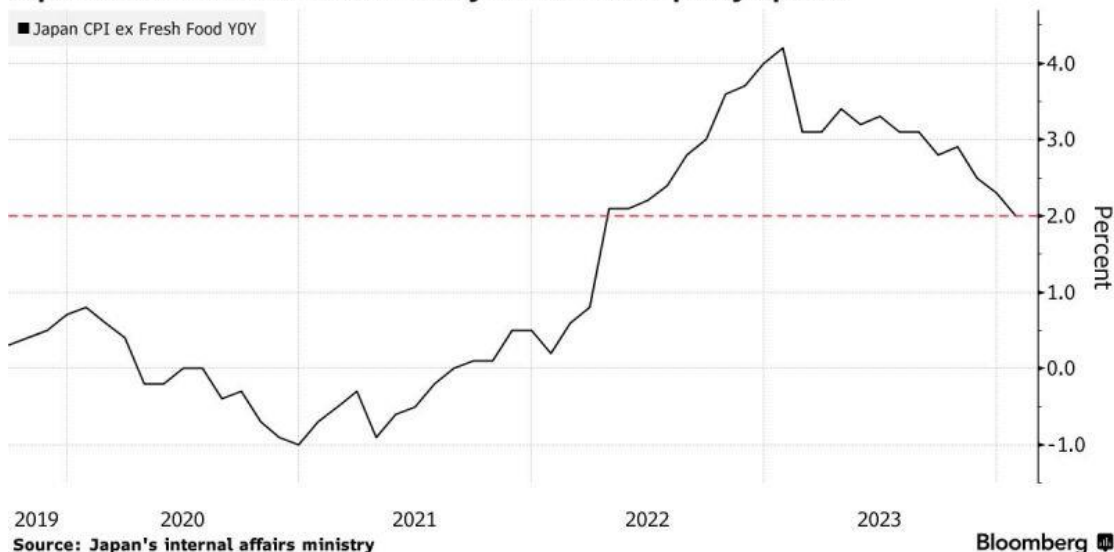


#japan #cpi #inflation

In case you missed it: Japan's Jan CPI overshoots expectations, w/headline coming in at +2.2% (vs. +1.9% expected and vs. +2.6% in Dec) while core rises 3.5% (vs. Street +3.3% and vs. +3.7% in Dec). While these numbers prove that inflation remains sticky, inflation continues to come down and hit a 22-month low!

Resilient Inflation

Japan's core inflation remains sticky as BOJ mulls policy options



Source: Bloomberg



#us #real-estate #price-index

The Case-Shiller 20-City Home US Price Index hit another all-time high in December with all 20 cities showing an increase in prices over the last year. The Shelter component of inflation is likely to pick up again...

Case-Shiller 20-City US Home Price Indices									
City	1-Year %	3-Year %	5-Year %	10-Year %	15-Year %	20-Year %	All-Time High Date	Months From High	% Below All-Time High
San Diego	8.9%	39.9%	66.6%	116.9%	177.4%	124.8%	11/30/2023	1	-0.1%
Los Angeles	8.4%	33.4%	51.2%	98.0%	149.6%	139.3%	12/31/2023	0	0.0%
Detroit	8.3%	28.9%	46.8%	92.5%	127.9%	52.7%	11/30/2023	1	0.0%
Chicago	8.1%	28.5%	38.5%	57.5%	46.0%	44.6%	12/31/2023	0	0.0%
Charlotte	8.0%	47.6%	71.0%	118.2%	121.5%	147.6%	12/31/2023	0	0.0%
Miami	7.8%	59.7%	80.1%	143.0%	163.3%	162.4%	12/31/2023	0	0.0%
New York	7.6%	31.5%	46.3%	70.3%	60.5%	79.8%	12/31/2023	0	0.0%
Cleveland	7.4%	29.3%	49.9%	75.8%	74.8%	58.5%	12/31/2023	0	0.0%
Boston	7.3%	28.7%	49.9%	91.0%	111.1%	102.5%	12/31/2023	0	0.0%
Atlanta	6.3%	43.4%	62.4%	111.6%	113.4%	103.8%	12/31/2023	0	0.0%
Washington	5.2%	21.7%	38.2%	53.5%	79.2%	86.4%	12/31/2023	0	0.0%
Las Vegas	4.3%	36.1%	51.2%	123.9%	120.0%	96.0%	6/30/2022	18	-2.6%
Tampa	4.2%	54.4%	80.4%	147.2%	147.4%	160.3%	12/31/2023	0	0.0%
Phoenix	3.9%	42.6%	74.7%	126.6%	165.7%	157.7%	6/30/2022	18	-3.2%
San Francisco	3.3%	18.4%	32.7%	91.7%	168.1%	121.9%	5/31/2022	19	-8.7%
Seattle	3.0%	25.8%	49.6%	130.9%	131.8%	197.3%	4/30/2022	20	-7.0%
Minneapolis	3.0%	18.4%	35.6%	69.9%	87.9%	57.0%	10/31/2023	2	-0.1%
Denver	2.4%	28.2%	46.0%	115.0%	151.0%	147.9%	5/31/2022	19	-2.6%
Dallas	2.2%	39.9%	56.3%	120.0%	153.3%	156.9%	6/30/2022	18	-2.3%
Portland	0.3%	20.0%	37.4%	99.6%	102.9%	161.3%	4/30/2022	20	-4.7%
20-City Index	6.2%	32.3%	50.3%	92.8%	113.4%	110.8%	12/31/2023	0	0.0%

CREATIVE PLANNING

@CharlieBilello

Data via YCharts as of December 2023

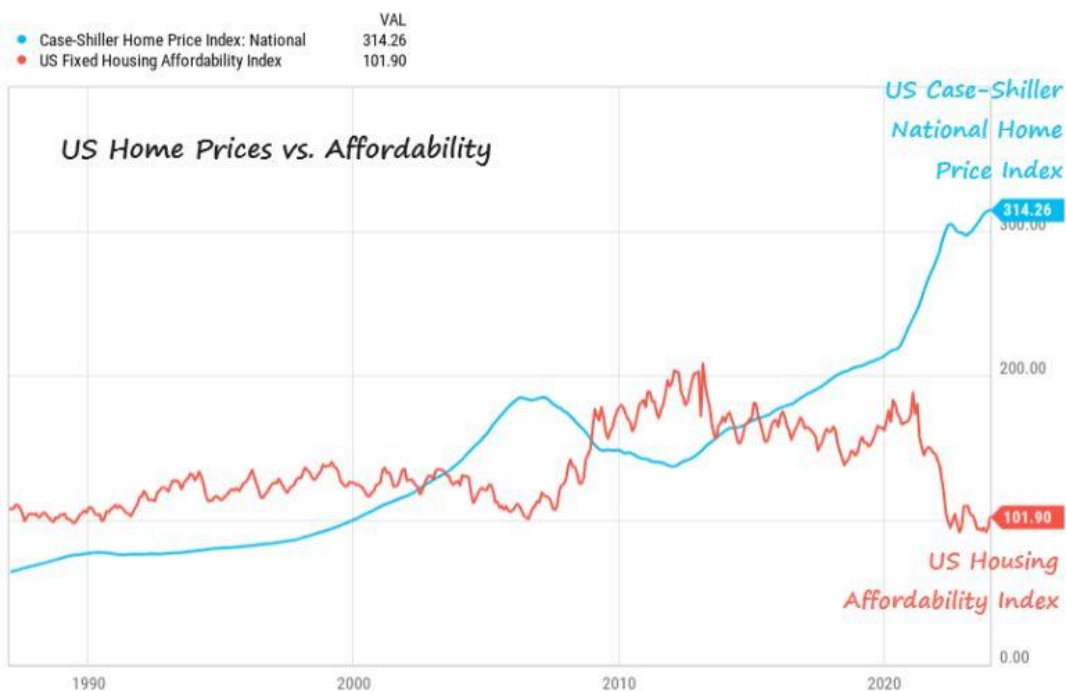


Source: Charlie Bilello



#us #real-estate #prices

US Home Prices hit another all-time high in December while affordability remains near record lows.



CREATIVE PLANNING @CharlieBilello

Feb 27, 2024, 5:34 PM EST Powered by YCHARTS



Source: Charlie Bilello



#global-debt

In case you missed it: Global debt surged by >\$15tn in 2023 reaching a new record high of \$313tn. 55% of this rise originated from mature markets, mainly driven by US, France, & Germany. BUT global debt-to-GDP ratio saw a decline of ~2ppts to 330% in 2023, acc to IIF. This marked the third consecutive annual drop.

Chart 1: Total global debt stock at record \$313 trillion



Source: IIF

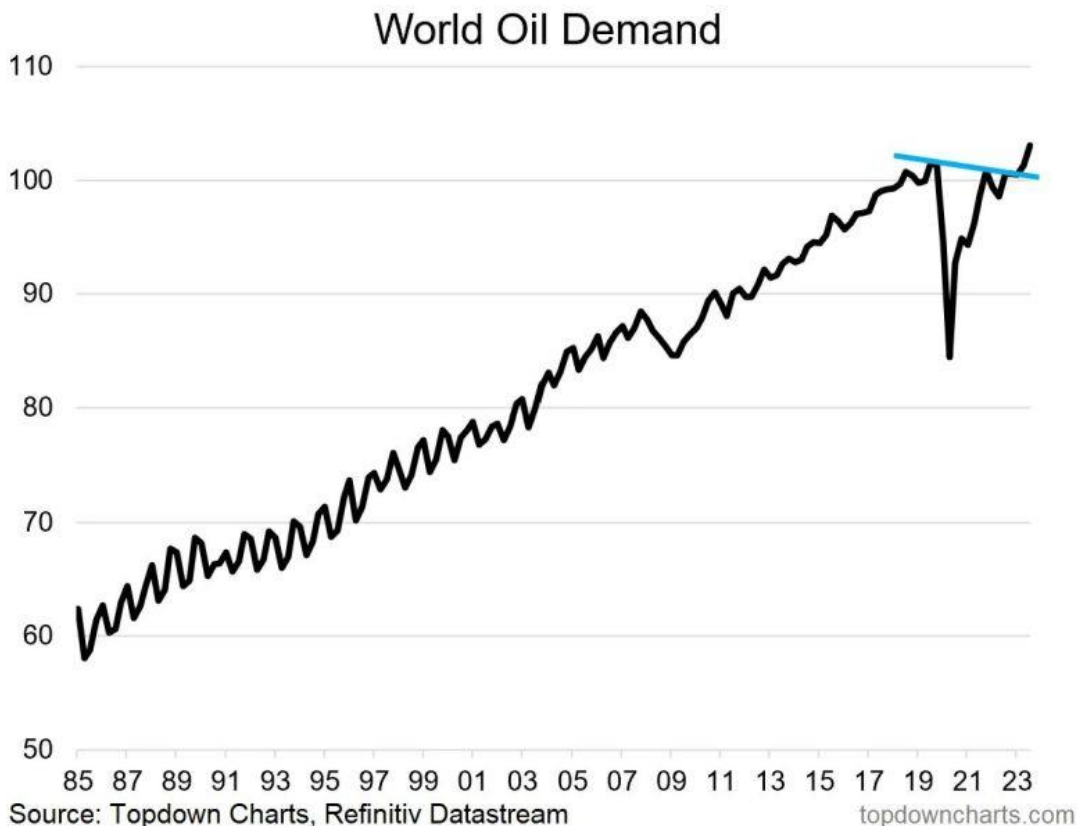


Source: HolgerZ, IIF



#oil #demand

World oil demand is breaking out to new all-time highs.



Source: Topdown Charts, Refinitiv Datastream

topdowncharts.com



Source: Topdown charts

#china #india #debt

China and India have signed agreements to restructure their holdings of Zambian debt, the bankrupt southern African nation's president has said, raising hopes that a delayed effort to exit a long-running default is back on track. Hakainde Hichilema said Zambia planned to resume talks with private creditors to resolve a "terrible debt mountain" of more than \$13bn in external debt that Africa's second largest copper producer stopped paying in 2020.

Zambia says it has signed debt restructuring deal with China and India

Deals with creditors are crucial to a \$1.3bn IMF bailout



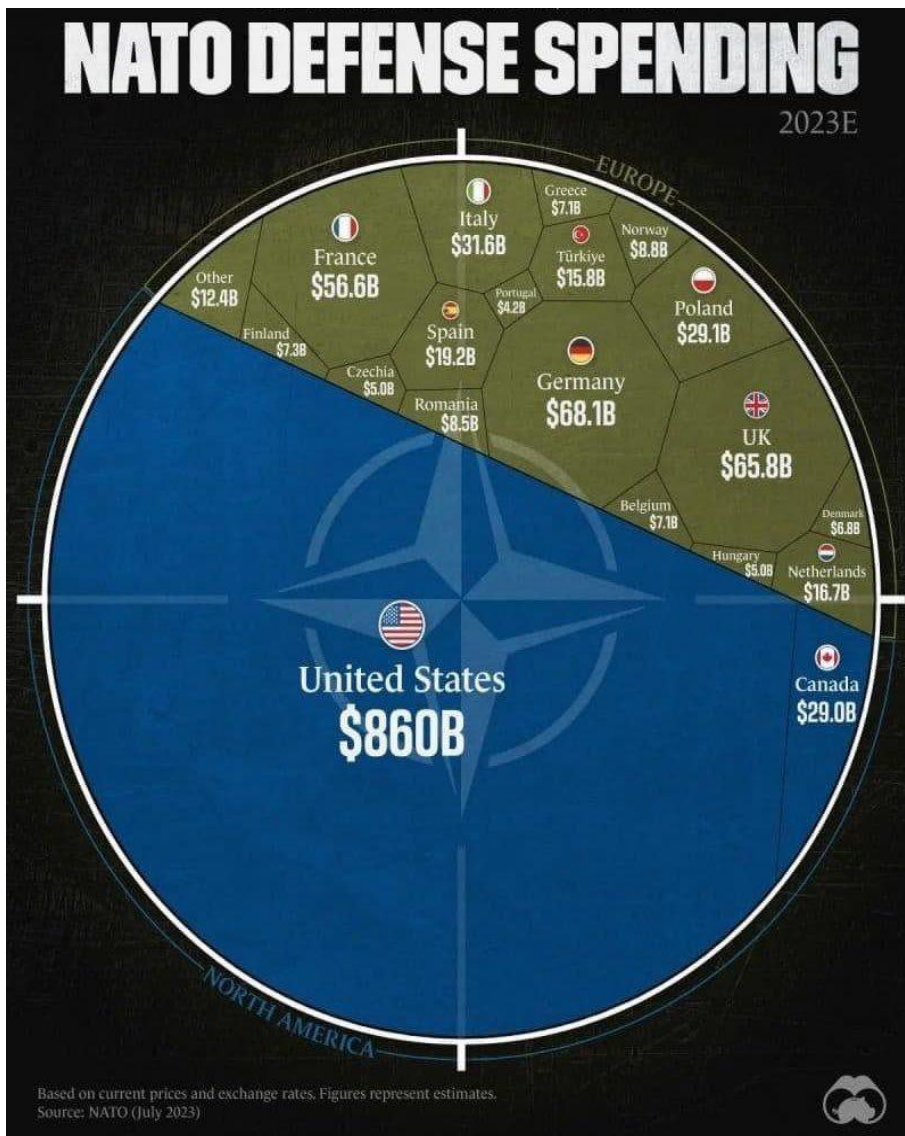
President Hichilema is hoping a deal with creditors will bring in foreign investment to revitalise the country's copper mines. © Bloomberg

Source: FT

#geopolitics

#nato #spending

Why Europeans are nervous about NATO without the US in one chart



#centralbanks

#fed #operation-twist

Fed Governor Christopher Waller dropped a bombshell on markets on Friday when he told the 2024 U.S. Monetary Policy Forum in New York that he would like to see two key developments in the Fed's portfolio: "First, I would like to see the Fed's agency MBS holdings go to zero (...) Second, I would like to see a shift in Treasury holdings toward a larger share of shorter-dated Treasury securities". **Translation: Waller is hinting at an 'Operation Reverse-Twist' which will lower short-term yields and steepen the yield curve.**

In other words: Treasury is going to issue more bills, and Fed will buy more of them as well. Waller's comments come as Dallas Fed chief Lorie Logan reiterated it'll likely be appropriate to start slowing the pace at which it shrinks its balance sheet.

Board of Governors of the Federal Reserve System
The Federal Reserve, the central bank of the United States, provides the nation with a safe, flexible, and stable monetary and financial system.

About the Fed	News & Events	Monetary Policy	Supervision & Regulation	Financial Stability	Payment Systems	Economic Research	Data	Consumers & Communities
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Home > News & Events > Speeches

Speech



March 01, 2024

Thoughts on Quantitative Tightening, Including Remarks on the Paper "Quantitative Tightening around the Globe: What Have We Learned?"

Governor Christopher J. Waller

At the 2024 U.S. Monetary Policy Forum, New York, New York

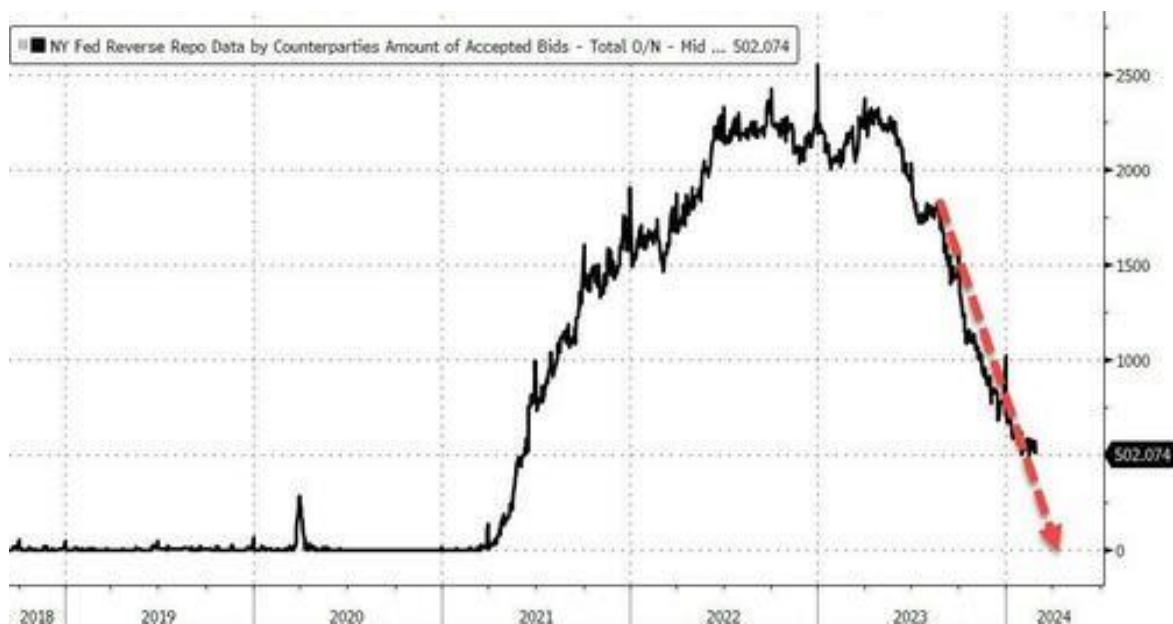


#centralbanks

#repo

Waller's comments come as Dallas Fed chief Lorie Logan reiterated it'll likely be appropriate to start slowing the pace at which it shrinks its balance sheet.

All of which is promptly timed just as the pace of RRP erosion is set to accelerate after month-end malarkey and The Fed's BTFP facility is set to expire.



Source: www.zerohedge.com, Bloomberg

#centralbanks

#fed #expectations

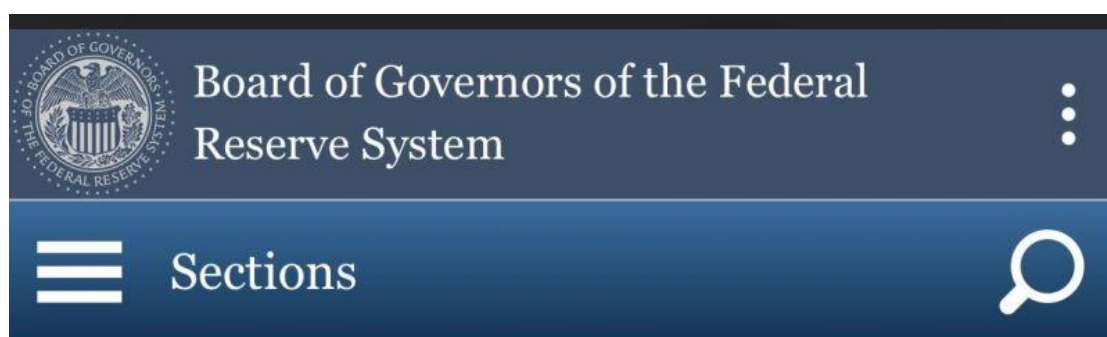
A big call from Apollo: "The Fed will not cut rates this year, and rates are going to stay higher for longer." Apollo says the US economy is not slowing down, and the Fed pivot has provided a strong tailwind to growth since December. They also note that many measures of inflation are pointing higher again including Supercore Inflation at 4.5%. Meanwhile, asking rents are rising, more cities are seeing rising rents, and home prices are rising. Just 2 months ago, markets were pricing-in 6 rate cuts in 2024.



#centralbanks

#fed #monetary-policy #rates

Not rate cuts, but Rate Hikes?!? Source: Golden Coast Consultants, The Future of Banking - Remarks by Michelle W. Bowman Member Board of Governors of the Federal Reserve System at The 157th Assembly for Bank Directors, Southwestern Graduate School of Banking Maui, Hawaii February 2, 2024



over time, I remain willing to raise the federal funds rate at a future meeting should the incoming data indicate that progress on inflation has stalled or reversed. Restoring price stability is essential for achieving maximum employment and stable prices over the longer run.

#snb #chairman

BREAKING >>> SNB Chairman Thomas Jordan to step down at the end of September 2024

SNB Chairman Thomas Jordan to step down at end of September 2024

The Chairman of the Swiss National Bank's Governing Board, Thomas Jordan, has informed the Bank Council that he will step down from his position at the end of September 2024.

The Bank Council and the Governing Board greatly regret Thomas Jordan's decision, and express their sincere thanks for his many years of outstanding commitment in the interests of a stability-oriented monetary policy, and for his excellent service to the SNB and the country. They would like to take this opportunity to wish him all the best for the forthcoming new chapter in his life.

Thomas Jordan, born in 1963, joined the SNB in 1997. As Head of Research, he initially played a pivotal role in the development of the new monetary policy strategy introduced at the end of 1999. In 2004 he moved to Department III as Alternate Member of the Governing Board, and in May 2007 he was appointed Member of the Governing Board. His time as Head of Department III came against the backdrop of the great financial crisis. His responsibilities included StabFund, the stabilisation fund created to take over illiquid assets from UBS. At the beginning of 2010, Thomas Jordan took over the management of Department II as Vice Chairman of the Governing Board. In addition to the introduction of a macroprudential concept with the countercyclical capital buffer, he was heavily involved in the development of the ninth banknote series titled 'The many facets of Switzerland'. In January 2012, Thomas Jordan assumed the management of the SNB, initially on an ad interim basis and then from April 2012 as Chairman of the Governing Board and Head of Department I.

His time at the helm of the SNB coincided with a period characterised by an unusually large number of challenges, necessitating far-reaching monetary policy measures to ensure price stability and maintain financial stability in different economic situations.



#bitcoin #weekly

Bitcoin roared up to just shy of \$64,000 this week, amid surging optimism that demand for the token is widening beyond committed digital-asset enthusiasts. iShares Bitcoin ETF manages >\$10bn in assets after one and a half months. Bitcoin has surged by a staggering 160% over the last 12 months.



Source: www.zeroohedge.com, Bloomberg



#bitcoin #performance

Bitcoin is about to close the biggest \$\$\$ gain on a monthly candle in its history.



Source: Bitcoin archive



#coinbase #outage #bitcoin

Coinbase suffered a glitch on Wednesday that left many users seeing a zero balance in their account. The Coinbase crash just erased \$100 BILLION of market cap in Bitcoin in 15 minutes. Between 12:15 PM ET and 12:30 PM ET, Bitcoin fell from \$64,000 to \$59,000. This was a near 9% swing in 15 minutes right as many Coinbase users began showing a \$0 balance in their account. It also happened to occur just as Bitcoin was less than 10% away from a new all time high. Coinbase is reportedly still working on fixing the issue.



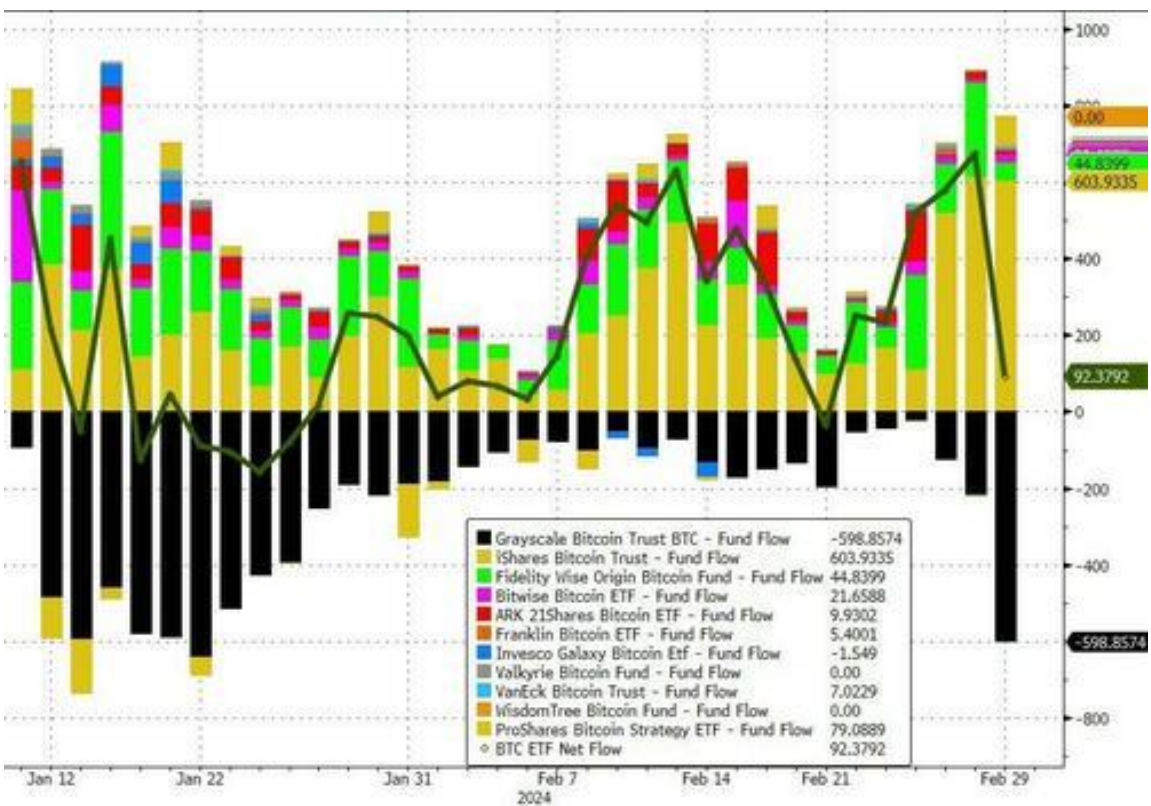
Source: The Kobeissi Letter





#bitcoin #etfs #inflows

Crypto had a giant week with huge inflows to BTC ETFs...



Source: www.zerohedge.com, Bloomberg



#bitcoin #etf #volume

BREAKING: BlackRock's Bitcoin ETF, \$IBIT, hits a record \$10 billion in assets under management. This is the fastest an ETF has hit \$10 billion in assets under management, at 37 trading days. Just ~4% of all ETFs have reached the \$10 billion mark. More history made by Bitcoin.

iShares Bitcoin Trust

Product Brief | Prospectus | Periodic SEC Reports | Financial and Legal Documents | Data Download

@KOBESSILETTER Overview | Performance & Distributions | Fund Facts | Holdings | Literature

Holdings

BLACKROCK'S BITCOIN ETF BECOMES FASTEST ETF IN HISTORY TO HAVE \$10 BILLION IN ASSETS UNDER MANAGEMENT

as of Feb 29, 2024

Filter list by keyword

Ticker	Name	Asset Class	Market Value	Weight (%)	Notional Value	Shares
BTC	BITCOIN	Alternative	\$10,030,894,950.91	100.00	10,030,894,950.91	161,265.81490
USD	USD CASH	Cash	\$182,887.14	0.00	182,887.14	182,887.14000

Source: The Kobeissi Letter





#bitcoin #supply #demand

The bitcoin demand-supply squeeze continues... On Wednesday, Bitcoin ETFs bought 10,050 BTC yesterday, while miners only produced ~900 BTC. I am not sure everybody understands what's going on and the implications...

Bitcoin Purchased by ETFs

10,050

New Bitcoin Produced by Miners

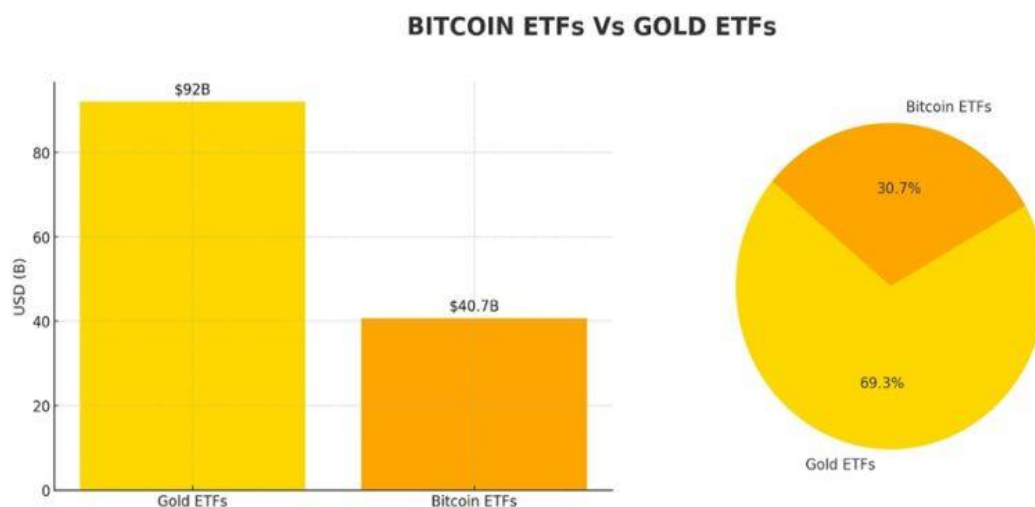
~900

Source: Bitcoin Archive



#gold #bitcoin #etf

Gold ETFs is losing its shine, while Bitcoin ETFs is in its prime. Bitcoin ETFs are catching up to Gold ETFs. Gold ETFs currently hold ~\$92B. Bitcoin ETFs currently hold ~\$40.7B.



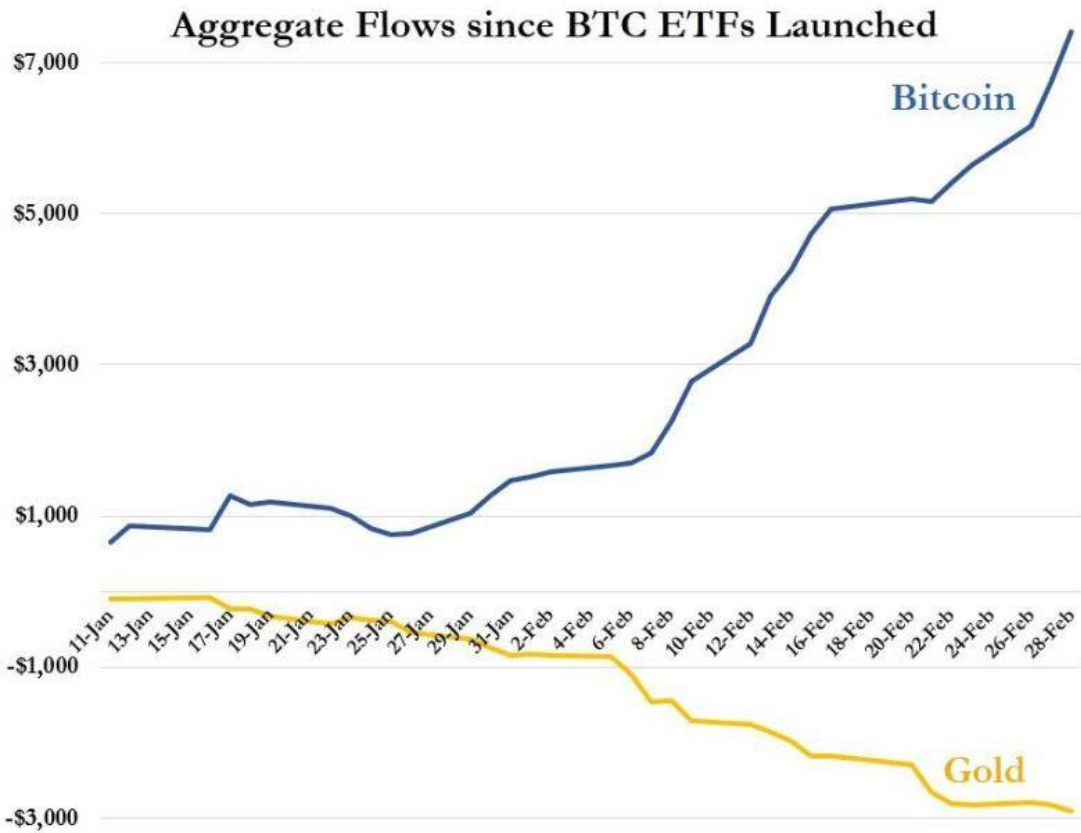
Source: @BTC Archive

Source: bitcoin archives



#gold #bitcoin #etf

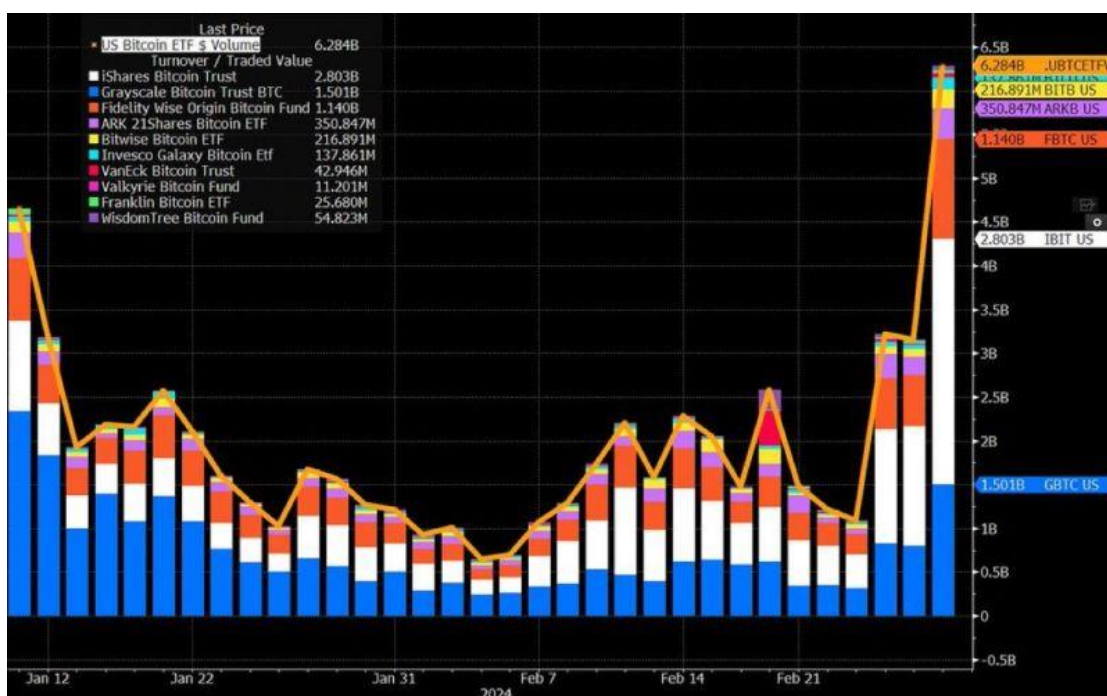
Since inception, Bitcoin ETFs have seen +\$7.4BN flows while Gold ETFs have seen \$2.9BN outflows...





#bitcoin #etf #volume

Bitcoin ETFs have smashed their daily trading volume record with \$6.28 billion so far. More than double the previous record of \$3b.



Source: JSefff, Bitcoin archive



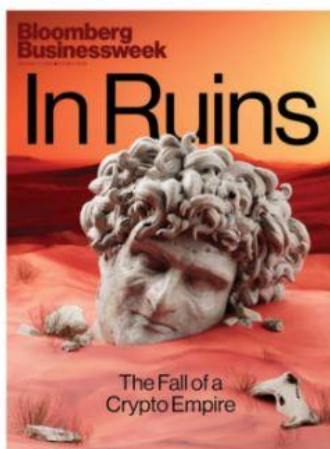
#crypto #market-caps

Did you see that Crypto Markets are now worth over \$2 Trillion again? These were the magazine covers as Crypto was bottoming in November and December of 2022. Keep in mind, this asset class was down towards just \$730 Billion TOTAL in the fall of 2022.

November 2022



November 2022



December 2022



Source: Allcharts, J-C Parets

#cryptos

#bitcoin #currencies

NEW: Bitcoin just passed the Russian ruble and is now the 14th largest currency in the world 🔥

13



Swiss Franc CHF

14



Bitcoin BTC

15



Russian Ruble RUB

16



Mexican Peso MXN

17






Saudi Riyal SAR







#satoshi-nakamoto #net-worth

Satoshi Nakamoto is now the 26th wealthiest person in the world and we still don't know who he/she/they is/are... It'll be interesting if the wealthiest person in the world is unknown. At about \$212k per Bitcoin, it happens...

 **Vivek** ⚡  @Vivek4real_ · 20h

Satoshi Nakamoto is now the 26th wealthiest person in the world. #Bitcoin 

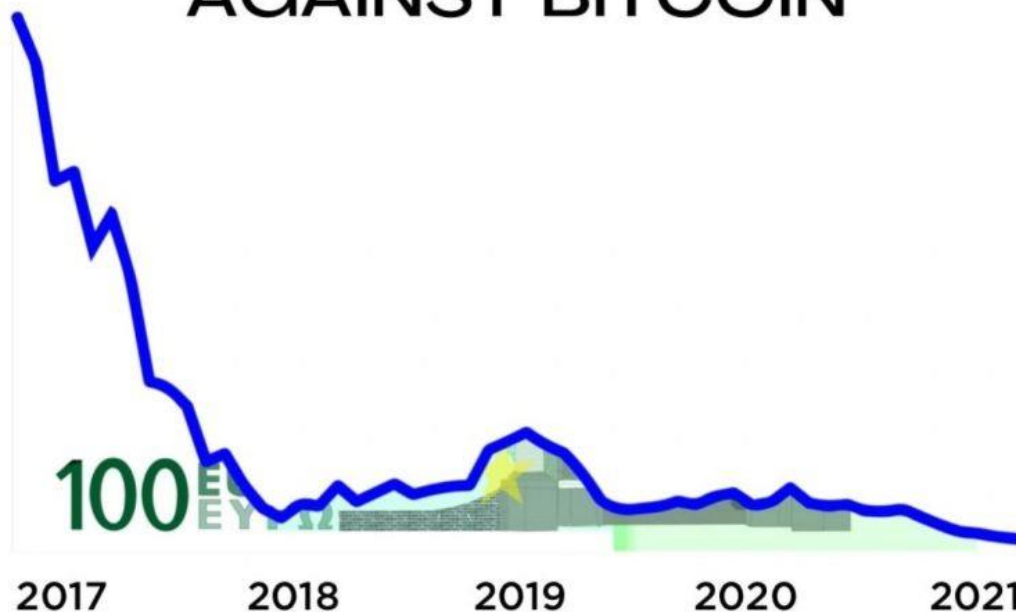
	RANK	NAME	NET WORTH
	24	Julia Koch & family	\$61.0 B
	25	Charles Koch & family	\$55.7 B
	26	Satoshi Nakamoto	\$51.5 B
	27	Colin Huang	\$45.0 B



#ecb #bitcoin #euro

The European Central Bank claims "Bitcoin has failed to become a global decentralised digital currency, instead falling victim to fraud and manipulation (...) The recent approval of an ETF doesn't change the fact that Bitcoin is costly, slow and inconvenient." Whatever Lagarde and the ECB say, the harsh reality is that the Euro has collapsed against bitcoin as all fiat currencies did.

THE EURO LOST 97% OF ITS VALUE AGAINST BITCOIN



Source: [Aries V.](#), Senior Investment Data analyst at Fidelity





#ether #weekly

Ethereum also spiked, all the way above \$3500 this week...



Source chart: Rizzo

#food-for-thought

#assets #periodic-table

Here's the periodic table of asset classes 🙌
 The darker the color - the higher the risk 🚨
 The more on the right the asset is - the less liquid it is

Periodic Table of Asset Classes

Currency								Collectibles	
1 Ca Cash Deposits									NR Art Fine Art
	Fixed Income								
1 HY High Yield Savings Account	5 SB Savings Bonds							75 Au Gold	NR RC Rare Coins
		Equities	Structured Products	Private Equity	Real Estate	Infrastructure			
1 CD Certificate of Deposit	5 TB Treasury Bills	74 CS Common Shares	NR SD Structured Deposits	91 REF Real Estate Fund	67 In Industrial	86 Wa Water	96 Ag Silver	NR St Stamps	
1 MM Money Market	29 MB Municipal Bonds	74 EF Equity Funds	NR ILP Interest-Linked Products	94 LBO LBO Fund	90 Re Residential	93 En Energy	98 CO Crude Oil	NR Ti Timepieces	
5 StT Short-term Treasuries	37 CB Corporate Bonds	80 DpS Dividend-Paying Stocks	NR ELP Equity-Linked Products	NR VC Venture Capital Fund	91 Com Commercial	NR Ro Roads	99 NG Natural Gas	NR RW Rare Wine	
NR FC Foreign Currency	NR FA Fixed Annuities	88 PS Preferred Shares	NR CLP Credit-Linked Products	NR FF Fund of Funds	91 REIT Real Estate Investment Trust	NR Ai Airports	99 Wh Wheat	NR CC Classic Cars	
99 Cry Crypto Currencies	57 JB Junk Bonds	NR TS Treasury Stock	NR MLP Market-Linked Products	NR MC Mezzanine Capital	NR RL Raw Land	NR Rr Railroads	99 Cn Corn	NR RH Race Horses	

Riskalyze Risk Number* → 27
NR= not rated

Liquidity
The darker the borders, the less liquid the financial instrument.

Risk
The darker the color, the riskier the financial instrument.

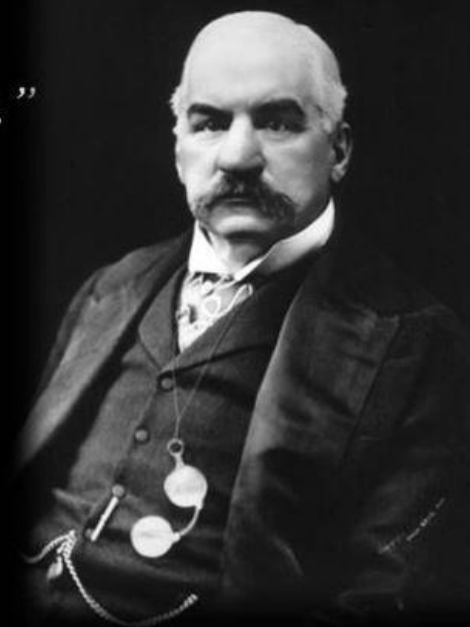
Source: Linas Belianas h/t John Kador & Kathleen Kowal

#food-for-thought

#jp-morgan #quotes

*“Gold is money.
Everything else is credit.”
- J.P. Morgan, 1912*

What about
digital gold ?



#food-for-thought

#headlines #history

Déjà vu ?

February 2020



February 2024



#food-for-thought

#stock-market #investing

WHEN THE TIME COMES TO BUY, YOU WON'T WA...

***“The stock market will do whatever
it has to do to embarrass the
greatest number of people
to the greatest extent possible.”***

— WALTER DEEMER

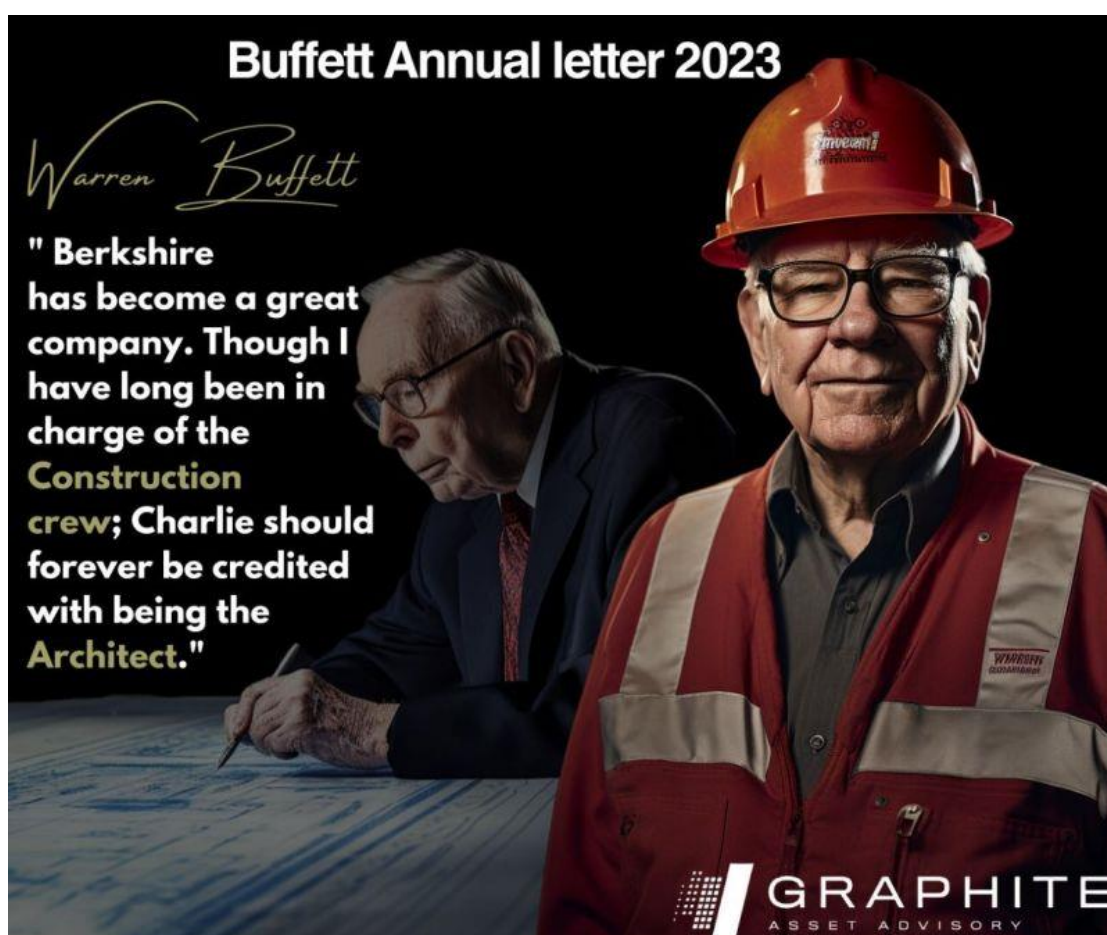
Deemer's Law Of Perversity; a vicious, nasty step beyond contrary opinion.

Source: J-C Parets

#food-for-thought

#buffett #berkshire

Respect !



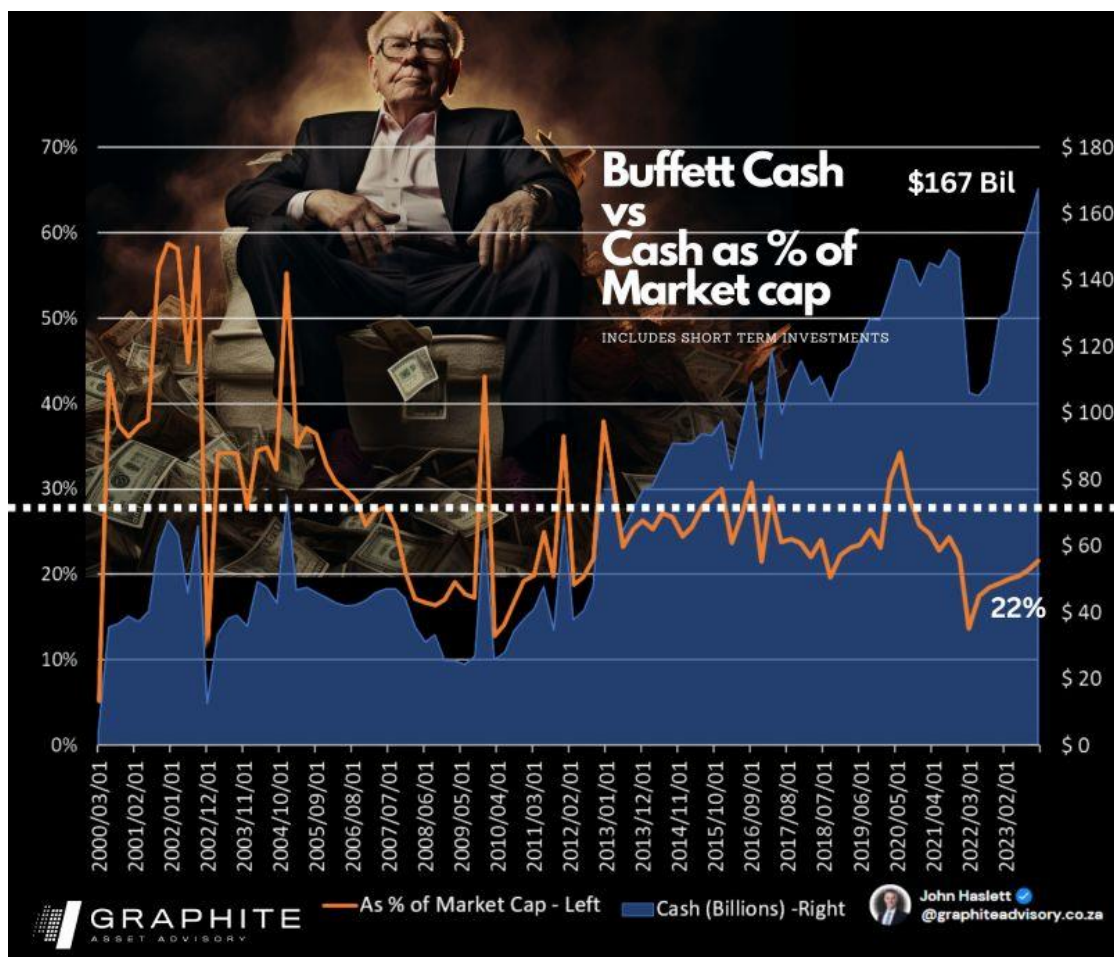
Source: [Graphite Asset Advisory](#), [John Haslett, CA\(SA\), FRM](#)

#food-for-thought

#buffett #cash

Buffett's Cash Bonanza Not as Big as You Think 💰

While Berkshire Hathaway is hoarding a record-breaking \$167 billion cash pile, it accounts for just 22% of the market cap, trailing the **historical 27% average** the last 23 years.



Source: [John Haslett, CA\(SA\), FRM](#)

#food-for-thought

#buffett #equities

Buffett's longest held stocks:

\$KO - 34 years

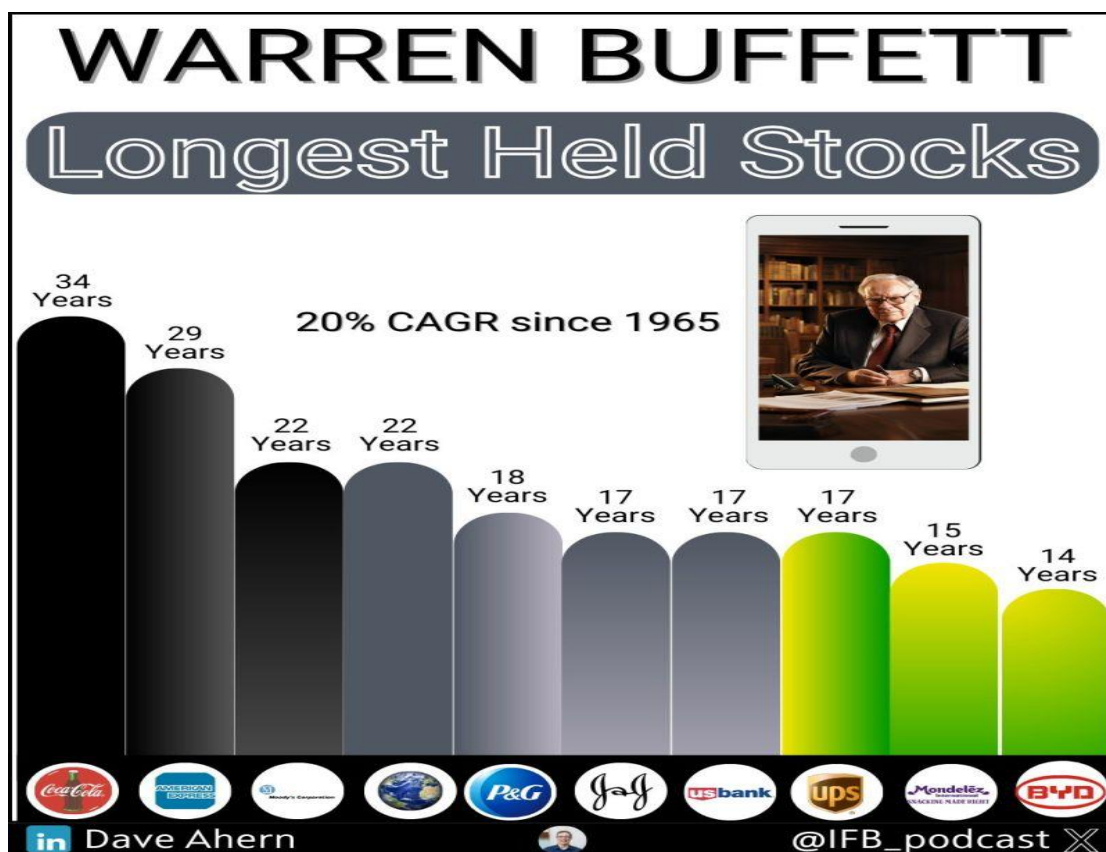
\$AXP - 29 years

\$MCO - 22 years

\$GLBE - 22 years

\$PG - 18 years

He has returned 20% CAGR since 1965.



Source: The Investing for Beginners Podcast

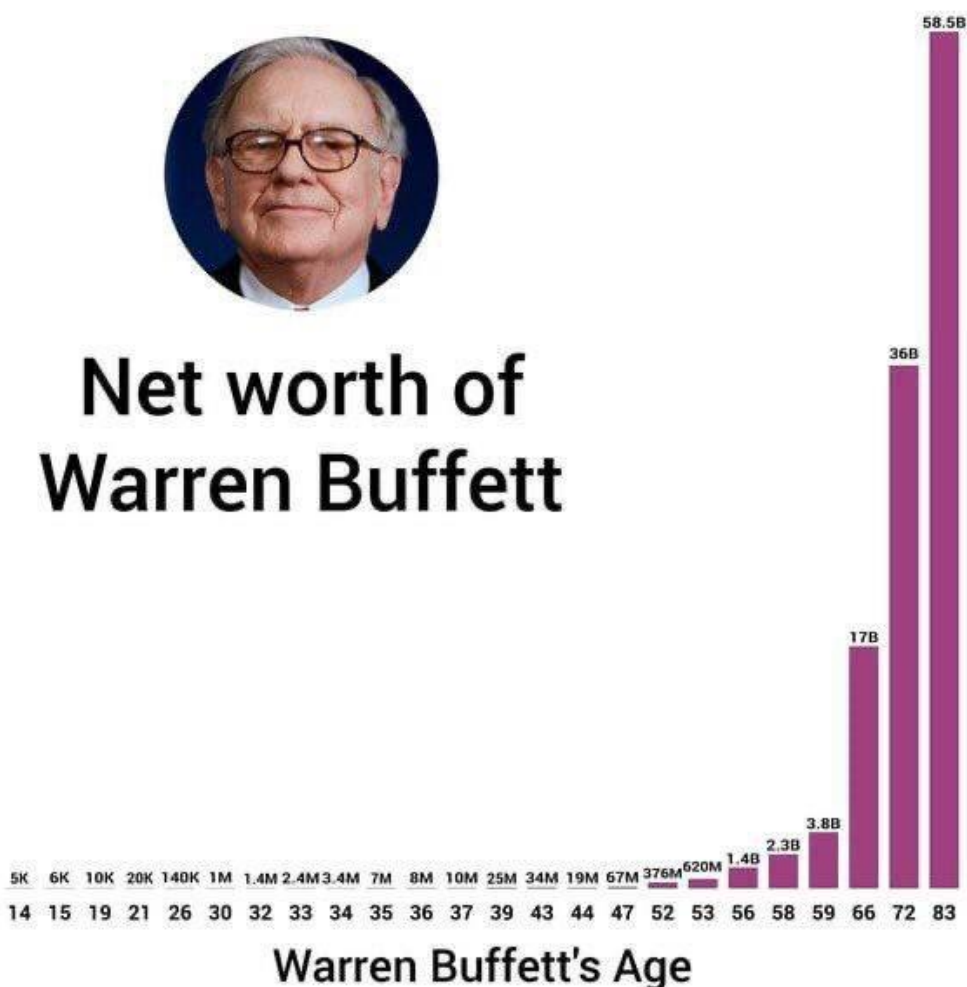
#food-for-thought

#warren-buffett #net-worth

Net worth of Warren Buffet by Age



Net worth of Warren Buffett



Source: [Compounding Quality](#)

#food-for-thought

#amazon #dow-jones

As the stock market opens today, Amazon will officially become a member of the Dow Jones Industrial Average.



#food-for-thought

#stock-markets #market-share

Ranked: The Largest stock markets over time, by Country (1970-Today) 

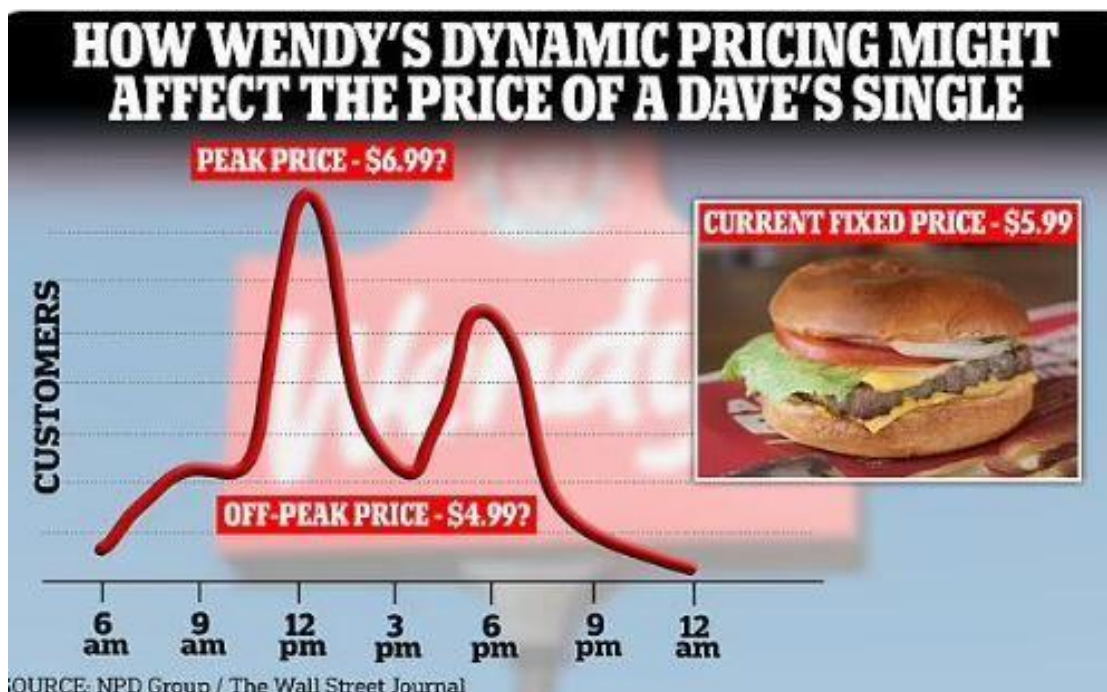


Source: Visual Capitalist

#food-for-thought

#wendys #pricing

Wendy's might try Uber-style surge pricing for burgers. Wendy's wants to use new digital menu boards to change prices based on overall demand. Wendy's will start experimenting with surge pricing, much like Uber and Lyft, as the company rolls out digital menus to all its United States restaurants by 2025.

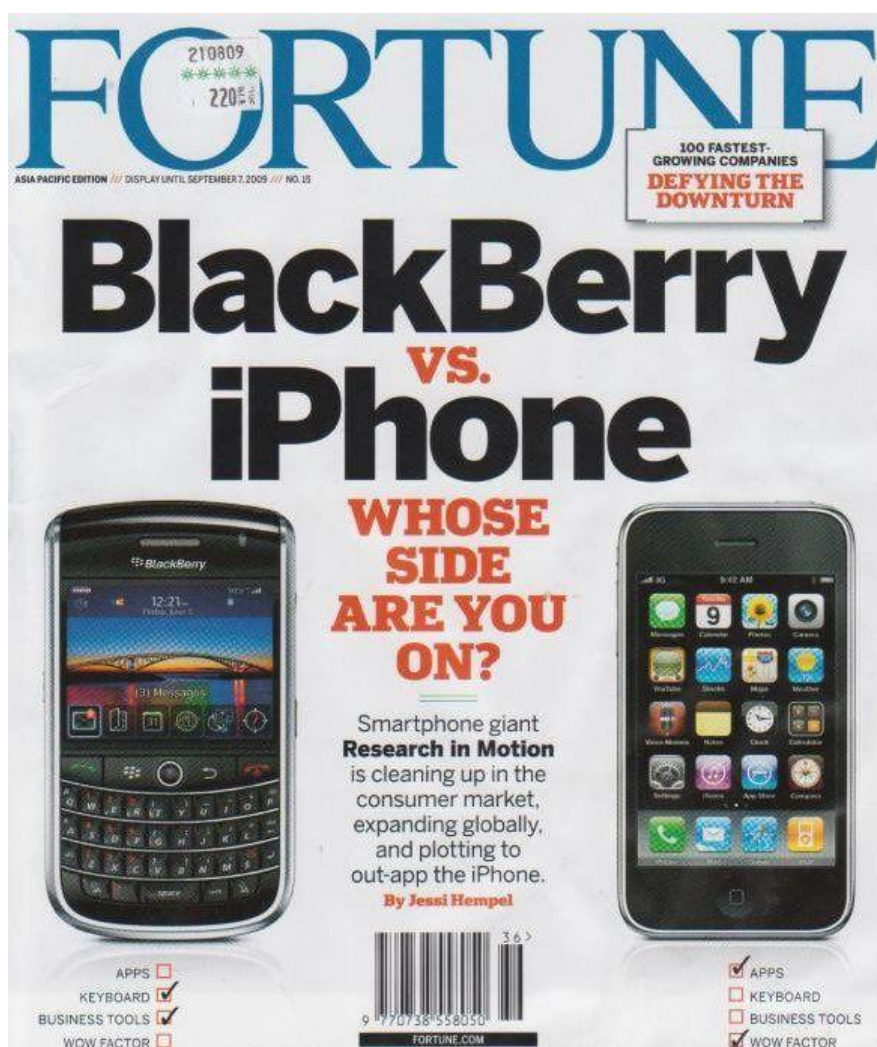


Source: quartz

#food-for-thought

#apple #blackberry #valuations

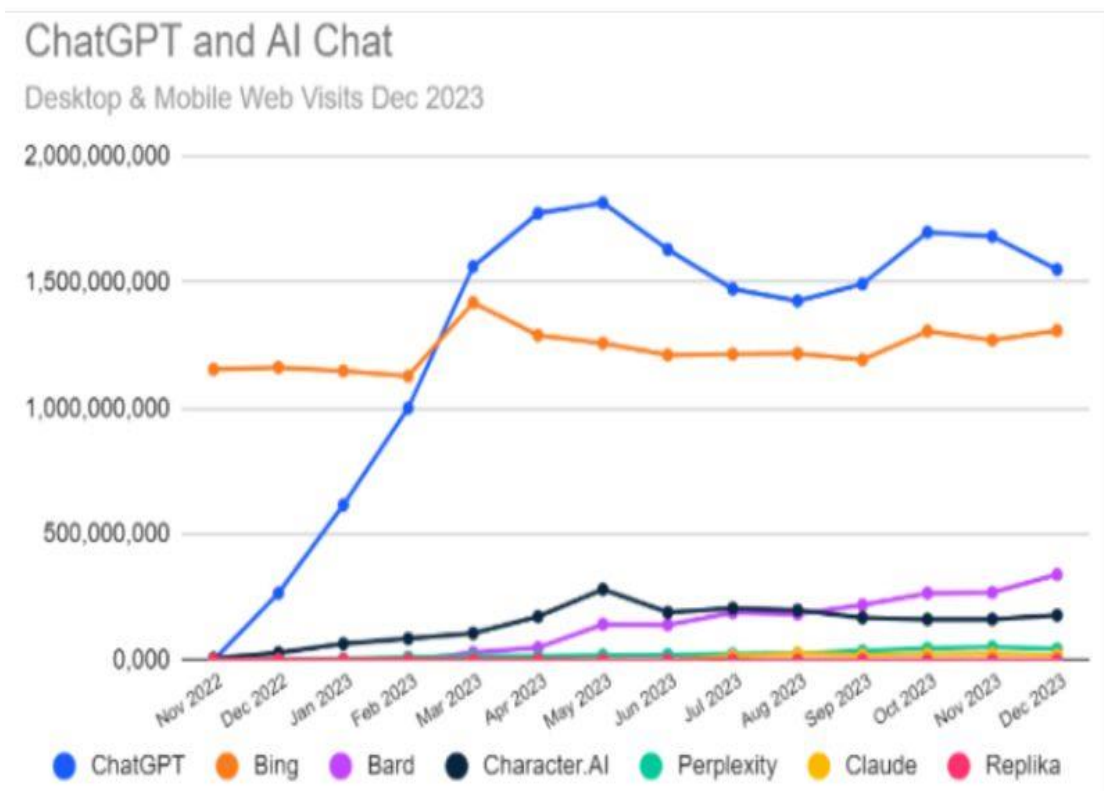
Valuations today: Apple: \$2.8 trillion / BlackBerry: \$1.5 billion
Valuations 15 years ago: Apple: \$79 billion / BlackBerry: \$28 billion



#food-for-thought

#chatgpt #visits

ChatGPT’s monthly visits dipped nearly 8% MoM in December to just over 1.5 billion visits worldwide, while visits to Google’s Bard continue to increase.



Source: bethkinding

#food-for-thought

#nvidia #performance

\$10,000 invested in Nvidia a decade ago is worth roughly \$1.7 million today.

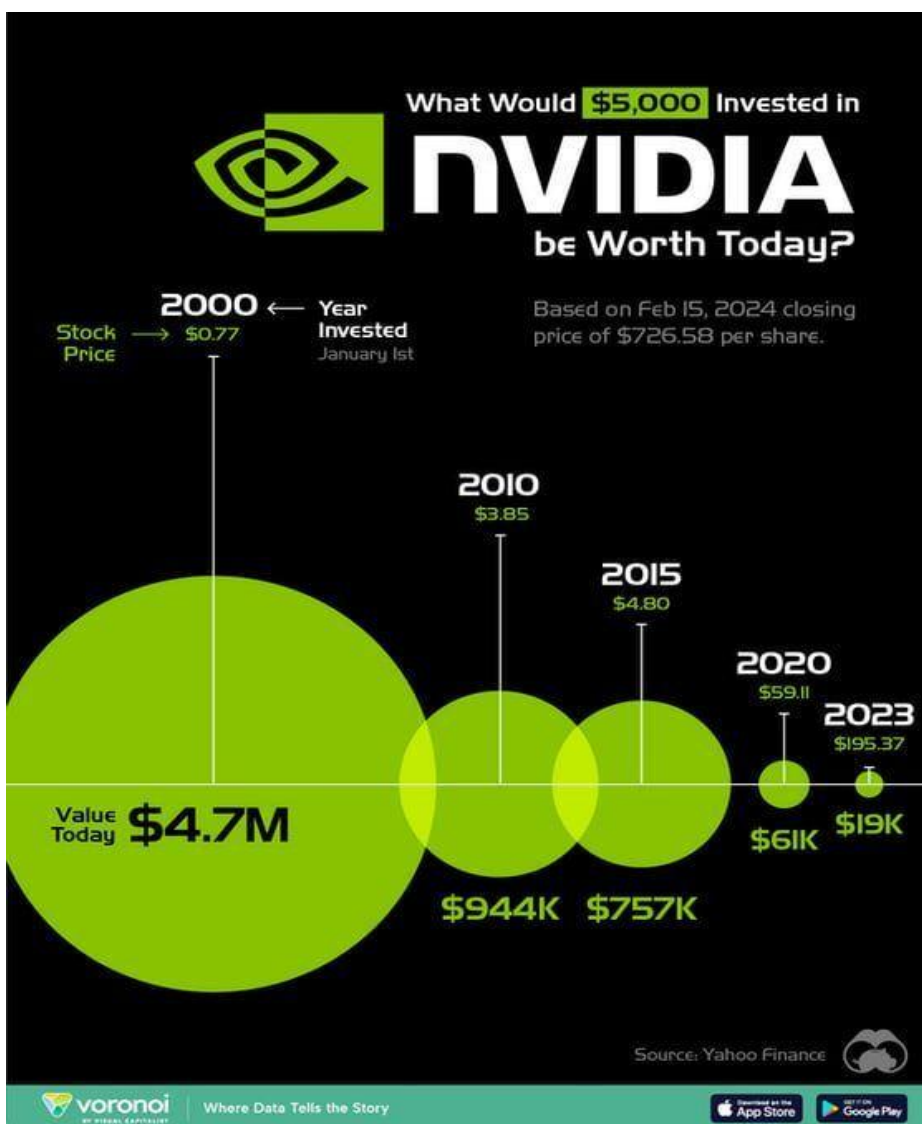


Source: Bloomberg, John Erlichman

#food-for-thought

#nvidia #performance

Wow. If you had invested \$5,000 in \$NVDA back in 2000 you'd have \$4.7M today. 😲



#food-for-thought

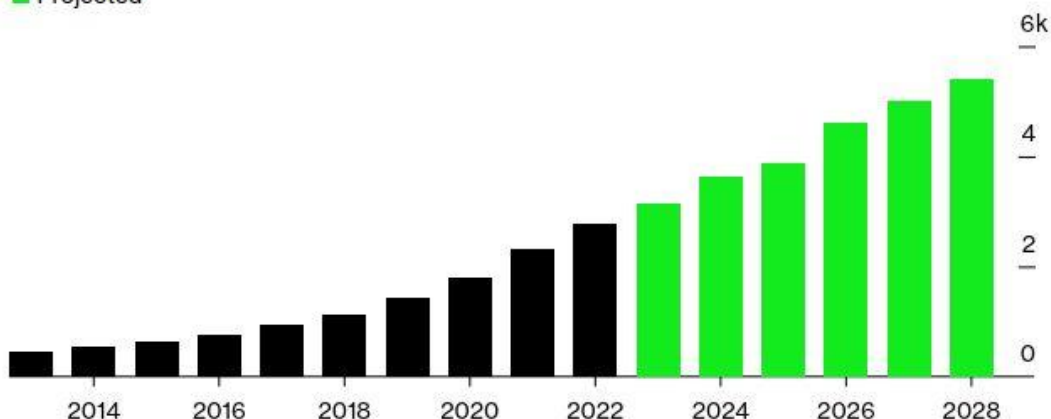
#data-centers #ai #energy-usage

Data center energy demand is expected to continue to grow at a brisk pace due to increased usage of AI 🤖 We'll continue to need as much energy as we can get from almost anywhere we can get it...

Data Centers Serviced by Dominion Energy

Energy demand in megawatts

■ Projected



Source: Dominion Energy

Source: Bloomberg, Markets & Mayhem

#food-for-thought

#x #elon-musk #mail

Elon Musk, the CEO of X (formerly Twitter), has confirmed the imminent launch of Xmail, sparking speculation about its potential to rival Google's Gmail service. Musk's announcement came swiftly after rumors of Gmail's impending shutdown spread like wildfire on the internet.

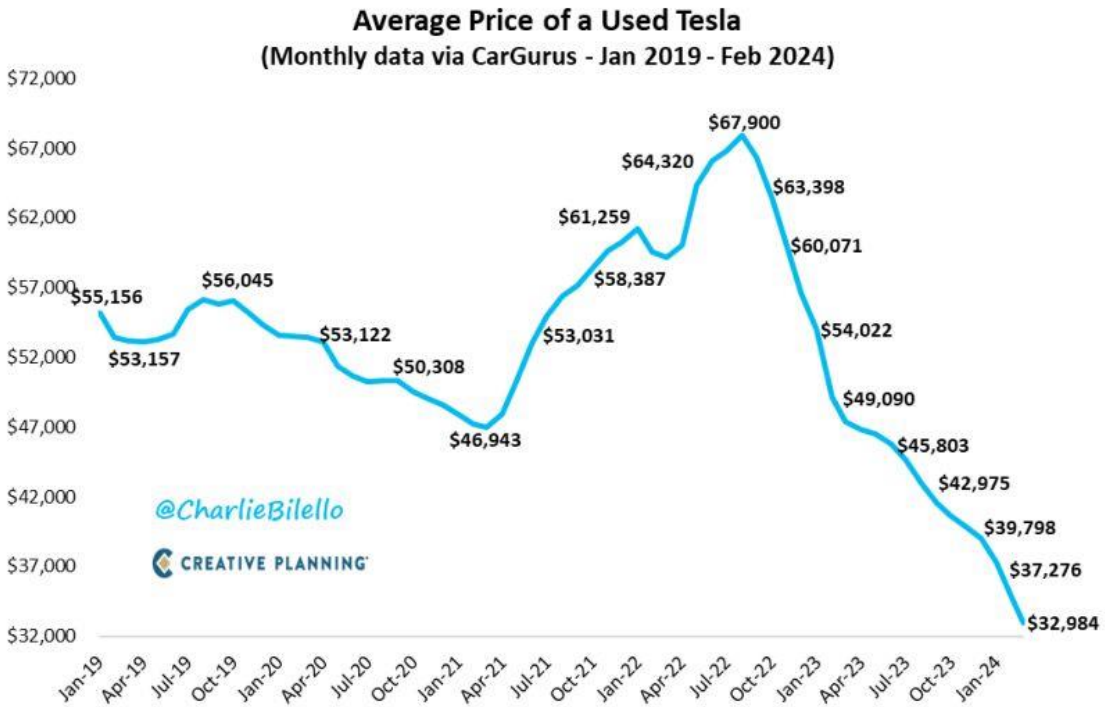


Source: India Today, Times Now

#food-for-thought

#tesla #price

The average price of a used Tesla has declined 19 months in a row, moving from a record high of \$67,900 in July 2022 to a record low of \$32,984 today. That's a 51% decline. \$TSLA



Source: Charlie Bilello



#food-for-thought

#byd #ev #supercar

BYD Co. debuted its most expensive car on Sunday, a 1.68 million yuan (\$233,450) high-performance fully-electric supercar pitted against gas-guzzling options offered by rivals such as Ferrari NV and Lamborghini. The Yangwang U9 will initially be for the China market, the company said at a live-streamed event in Shanghai. The car can hit 100 km/h (62 mph) in 2.36 seconds and reach a top speed of 309.19 km/h, it said.

BYD Unveils \$233,450 EV Supercar to Rival Ferrari, Lamborghini



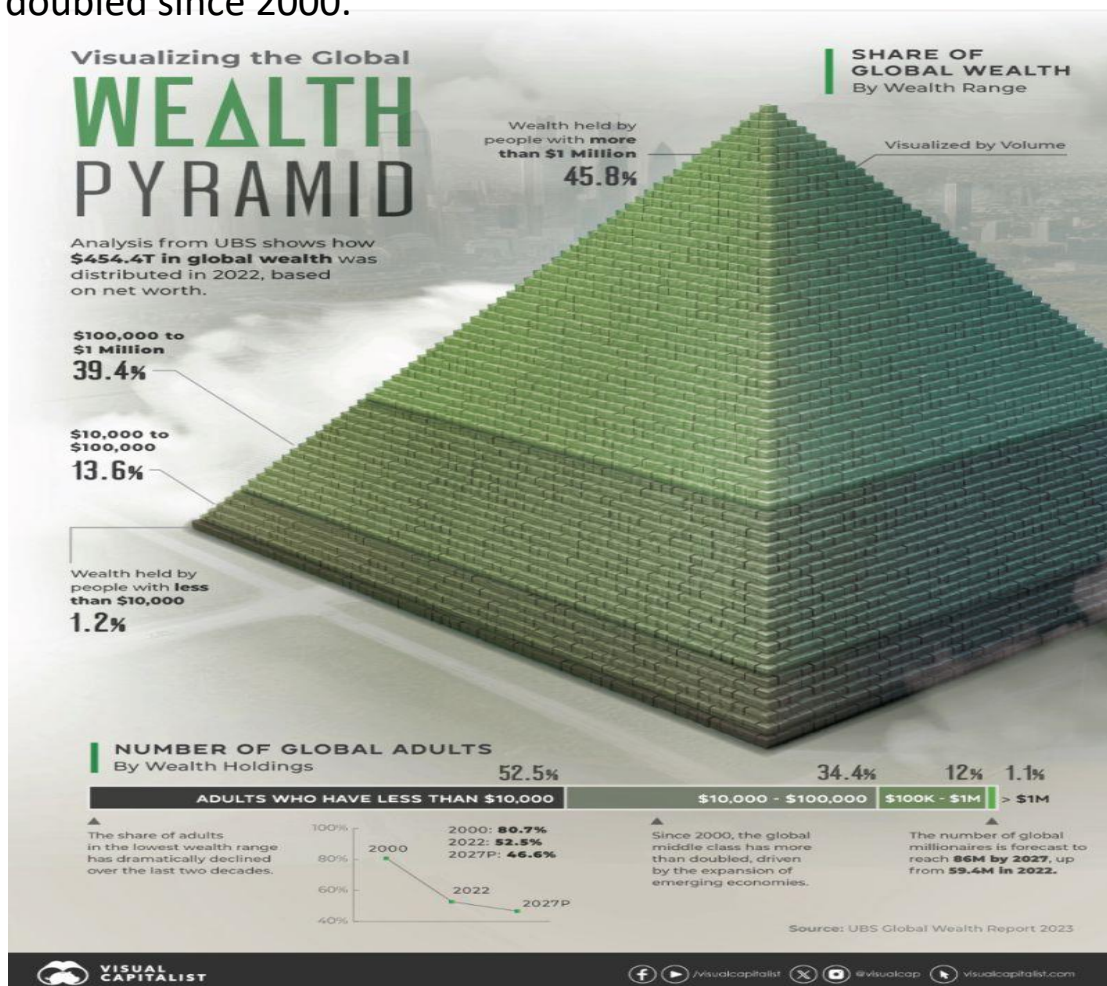
A BYD Yangwang U9. Source: Stringer/Anadolu/Getty Images

Source: Bloomberg

#food-for-thought

#wealth #distribution

A nice visual by Visual Capitalist. There's \$450 Trillion in Global Wealth. There are 60 million millionaires. Forecast to be 86 million millionaires by 2027. The number of people in the lowest wealth range has fallen dramatically. The middle class doubled since 2000.



Source: https://lnkd.in/eVpj_Uk8

#food-for-thought

#fashion #market-cap

The World's Biggest Fashion Companies by Market Cap 



Source: Visual Capitalist

#food-for-thought

#cobalt #ev #batteries

Cobalt, an essential component of key chemistries of the rechargeable lithium-ion batteries used in EVs, has seen a significant shift in its global production landscape. The Democratic Republic of Congo (DRC) has long been the world's largest cobalt producer, accounting for 73% of global output in 2022.

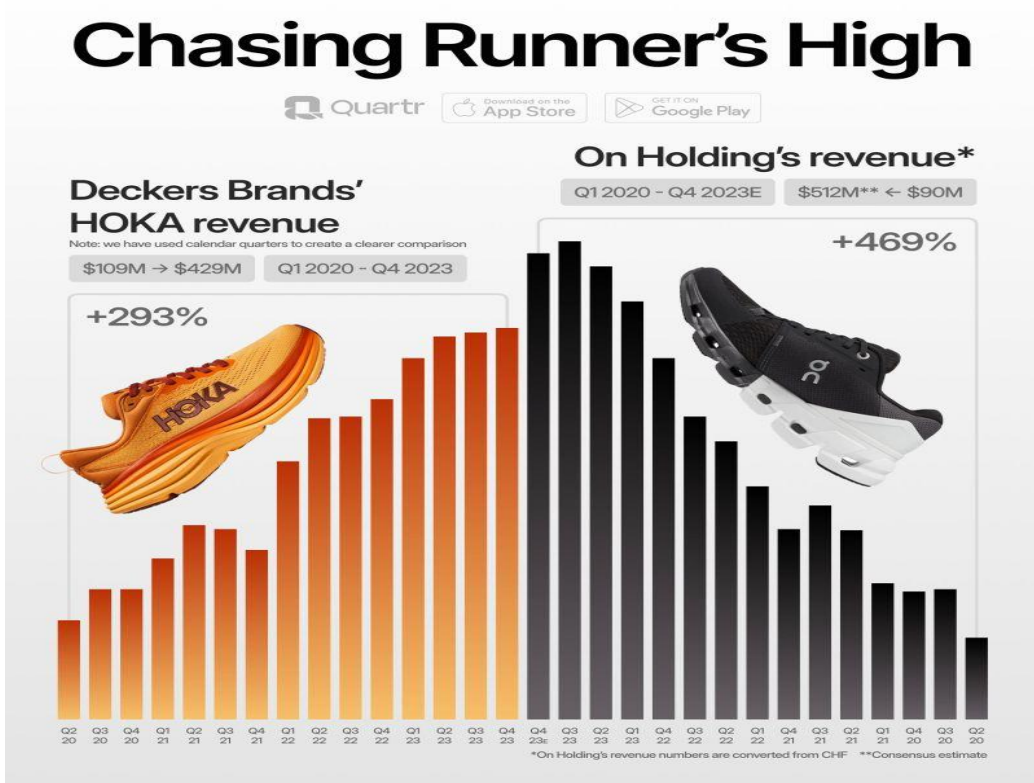


Source: Elements / Visual Capitalist

#food-for-thought

#hoka #on #growth

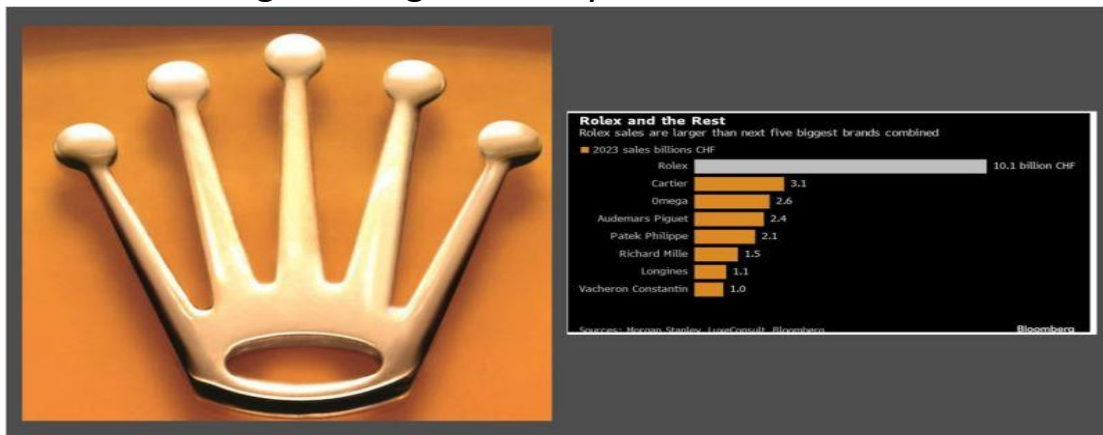
Chasing Runner's High: Illustrating the remarkable four-year revenue growth of HOKA and On Running by [Quatr](https://www.quatr.com) -> www.quatr.com. HOKA, owned by \$DECK and known for its signature maximalist cushion soles and colorful designs, has gained a strong following among both professional athletes and weekend warriors in recent years. The same goes for \$ONON, another young running shoes challenger, known for its distinctive CloudTec soles. The patented technology offers a unique blend of cushioning and responsiveness.



#food-for-thought

#rolex #sales


Rolex sales crested \$10 billion for the first time as the top Swiss watch brand gained market share, according to a report by Morgan Stanley. The dominant Swiss luxury watch brand produced 1.24 million watches in 2023 with sales of 10.1 billion Swiss francs (\$11.5 billion). That’s a gain of 11% from 2022, analysts at Morgan Stanley and Swiss firm LuxeConsult said in a report Wednesday, adding Rolex’s current level of market share is “unprecedented.” The maker of the Daytona, Submariner and Datejust models grew its retail market share to just over 30% as well-heeled buyers clamored for watches made by the Geneva-based entity, which is controlled by a charitable trust named for Hans Wilsdorf, who co-founded the brand in 1908. The lower priced Tudor watch brand, which is owned by the same foundation as Rolex, had sales of about 545 million francs in 2023, according to Morgan Stanley estimates.



Source: bloomberg, morgan stanley

#food-for-thought

#leadership #innovation



LEADERSHIP RIGHT

I believe you have to
be willing to be
misunderstood if you're
going to innovate.

Jeff Bezos

LeadershipRight.com

#food-for-thought

#quotes #purpose

“The only way to do great work is to love what you do.”

– Steve Jobs

Source: Strati Georgopoulos

#food-for-thought

#habits #consistency

Saving \$8 per day
= \$3,000 per year

Reading 20 pages per day
= 30 books per year

Walking 10,000 steps per day
= 70 marathons per year

Never underestimate the
power of small habits.

Source: Seek Wiser

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For the future...