

Chart of the week

When bad (macro) news leads to All-Time-Highs

US Macro Surprise data index declined for the sixth straight week to its weakest since January 2023... But it didn't prevent the S&P 500 and the Nasdaq 100 to hit new all-time-highs...



Source: www.zerohedge.com, Bloomberg

Dow closes at record high above 40,000

The Dow Jones Industrial Average, S&P 500 Index, and Nasdaq Composite climbed to record highs during the week, with the Dow crossing the 40k threshold for the first time ever. As inflation and interest rate worries appeared to dissipate, growth stocks outperformed. The major factor supporting sentiment appeared to be Wednesday's release of the US Labor Department's April consumer price index (CPI), which came in at or modestly below expectations, in contrast to hotter-than-expected prints over the preceding three months. Thursday's US retail sales figure was another boost for stocks as bad macro news seemed to be good news for the market (retail sales were flat in April versus consensus estimates of a 0.4% gain). The downside inflation and growth surprises helped drive the yield on the US 10-year note to its lowest level in over a month. The STOXX Europe 600 Index rose 0.4% but slipped from the record high hit during the week. Japanese equities finished the week higher, with the Nikkei 225 Index gaining 1.5%. Commodities prices have surged to their highest level in 13 months. Gold surged to a new record closing high this week, its first close above \$2400. Silver officially closed above \$30 for the first time in over a decade. Copper hits its highest closing price in history. Meanwhile, the dollar tumbled this week, erasing the gains since April's CPI print surge. It was a big week for bitcoin with the largest cryptocurrency back above \$67,000 to its highest in six weeks.

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

18 MAY 2024

#markets

#weekly #stats

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	40,004	1.2%	6.1%
S&P 500 Index	5,303	1.5%	11.2%
NASDAQ	16,686	2.1%	11.2%
MSCI EAFE*	2,382	1.5%	6.5%
10-yr Treasury Yield	4.42%	-0.1%	0.5%
Oil (\$/bbl)	\$79.53	1.6%	11.0%
Bonds	\$96.81	0.6%	-1.0%

Source: FactSet, 5/17/2024. 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: www.zerohedge.com, Bloomberg

#GLOBALMARKETS WEEKLY WRAP-UP

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#markets

#dow #40k

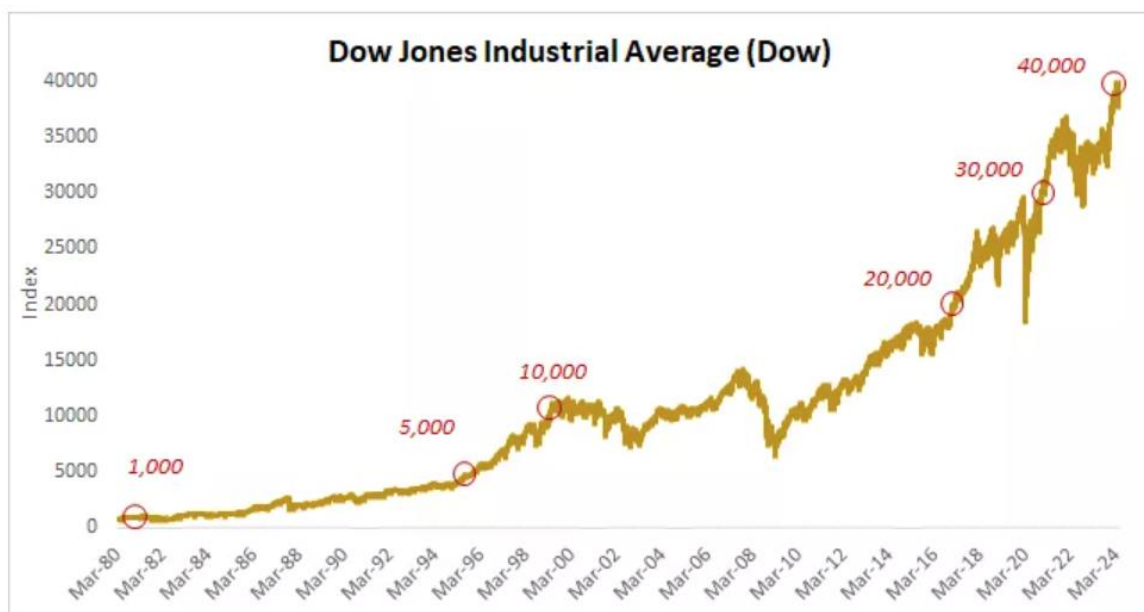
In the last few seconds of Friday's trading session, the algos took The Dow back above 40,000 for its first close above that historic level...



Source: www.zerohedge.com, Bloomberg

#markets

#dow #40k



How has the Dow fared after hitting round-number milestones?

Milestone	Date	Return Over Next 2 Years
1,000	November 20, 1980	15.6%
5,000	November 21, 1995	63.6%
10,000	March 29, 1999	1.0%
20,000	January 25, 2017	29.1%
30,000	November 24, 2020	18.3%
40,000	May 16, 2024	?

Source: www.zerohedge.com, Bloomberg



#sp500 #performance

The S&P 500 is now 22% higher than where it was when the Fed started hiking rates in March 2022. \$SPX



Source: Charlie Bilello



#GLOBALMARKETS WEEKLY WRAP-UP

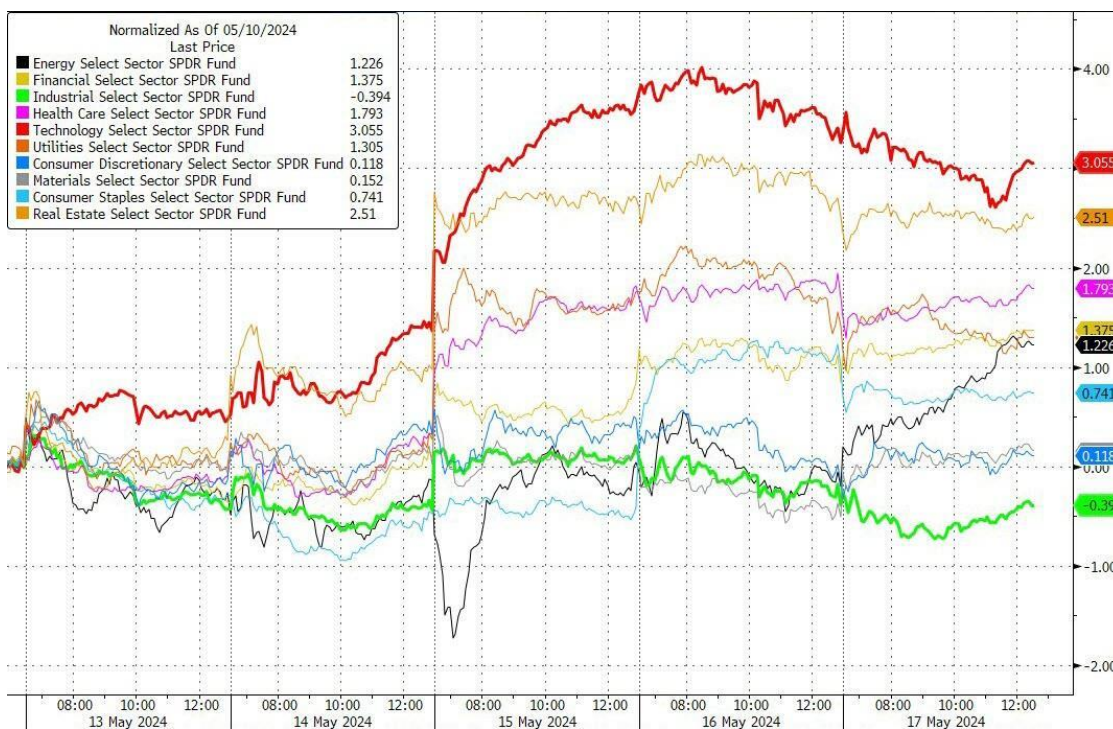
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18 MAY 2024



#us #equities #weekly #sectors #performance

Industrials were the only sector to end the week red while Tech and Financials outperformed...



Source: www.zerohedge.com, Bloomberg





#market-breadth #equities

Positive market breadth ALERT >>> 77% of S&P 500 stocks are now trading above their 200-day moving average, one of the highest levels in the last 2 years.



Source: Barchart



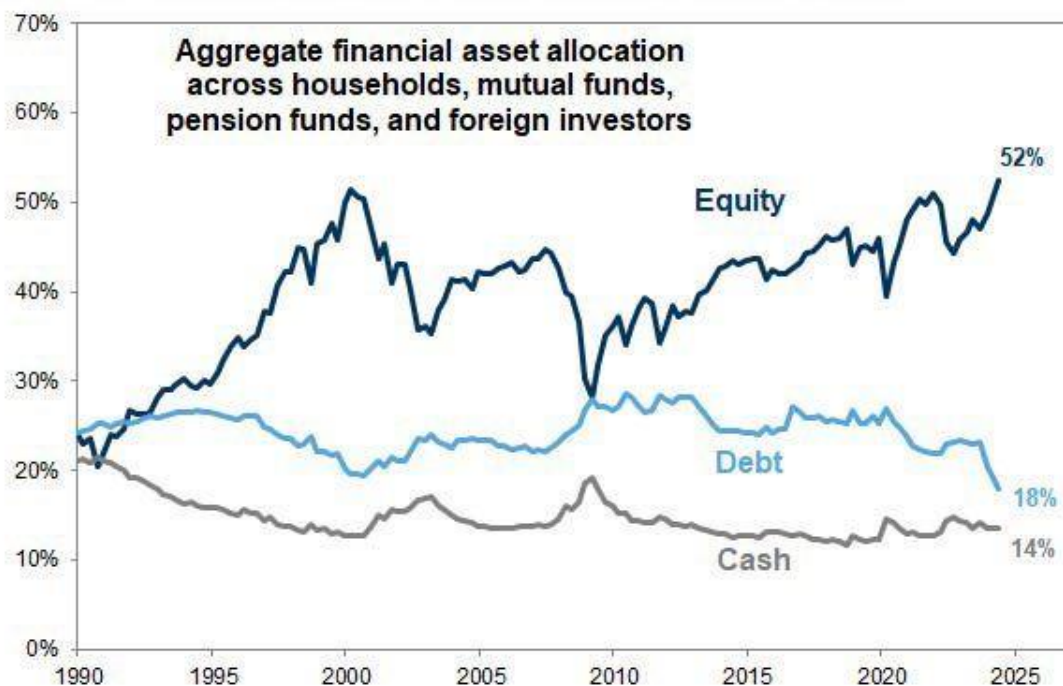


#equity #allocation

Investor Allocation to stocks is at all-time highs

Investor allocations to equity remain elevated

Regime change from "TINA" to "TARA" supports household asset rotation



Source: Federal Reserve, Goldman Sachs Global Investment Research

Source: Barchart, Goldman Sachs



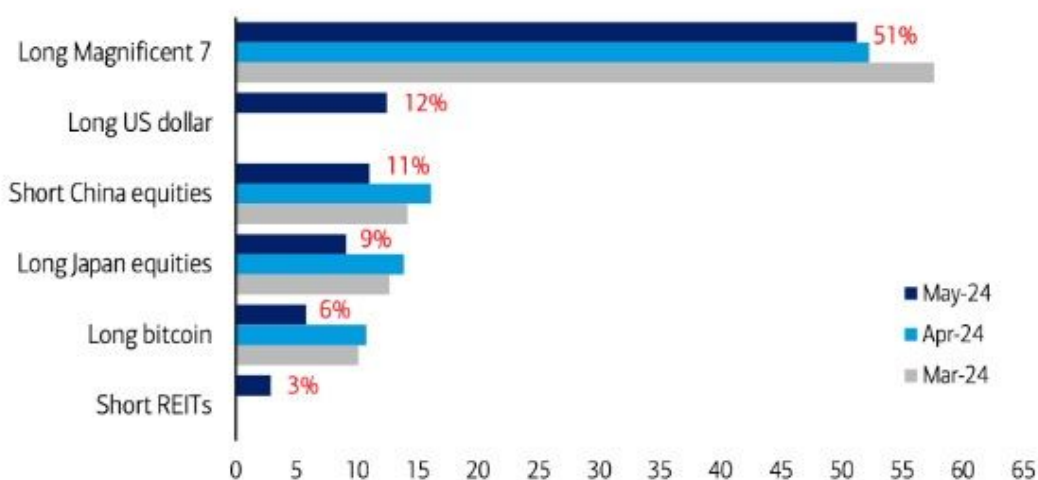


#crowded-trades

Below the most crowded trades according to BofA Fund manager survey. Long Mag7 keeps the lead. Long dollar and short China equities come next

Chart 13: "Long Magnificent 7" the most crowded trade

What do you think is currently the most crowded trade?



Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

Source: BofA

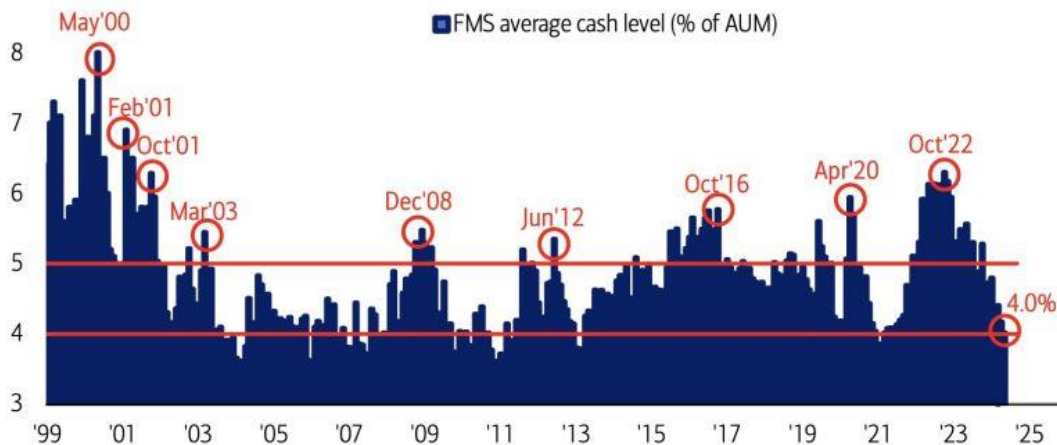




#sentiment #cash-levels

Are investors too complacent? May Fund Manager Survey (FMS) sentiment is at the most bullish level since Nov'21, BofA says. The average cash level of FMS investors fell to 4.0% of AUM from 4.2%, the lowest level since Jun'21.

Chart 3: FMS cash level falls to 4.0% from 4.2% of AUM
FMS average cash level (% of AUM)



Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

Source: BofA, HolgerZ



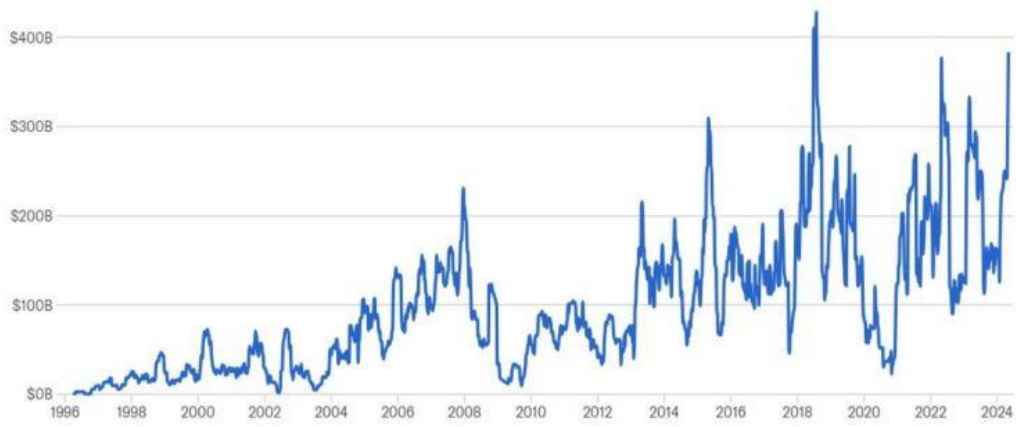


#sp500 #buybacks

S&P 500 stock buy backs hit highest level in 6 years.

BUYBACKS HIT HIGHEST LEVEL SINCE 2018

S&P 500 announced buybacks, 13-week sum



SOURCE: BLOOMBERG FINANCE LP, DB GLOBAL ASSET ALLOCATION



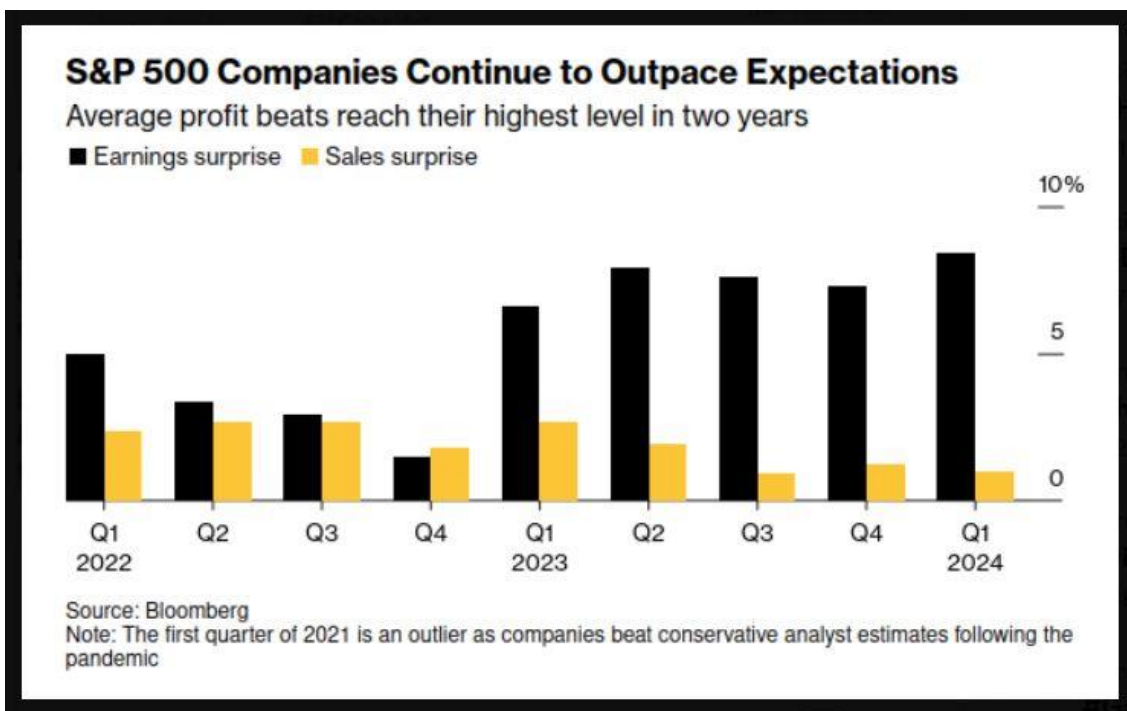
Source: Barchart, Yahoo Finance





#sp500 #earnings #sales #surprises

S&P 500 companies continue to outpace earnings expectations, but not quite as much on the sales side. But now we are seeing these expectations rise, so the quarters ahead may become a bit more challenging as we may see earnings growth slowing at the same time.



Source: Bloomberg, Markets & Mayhem

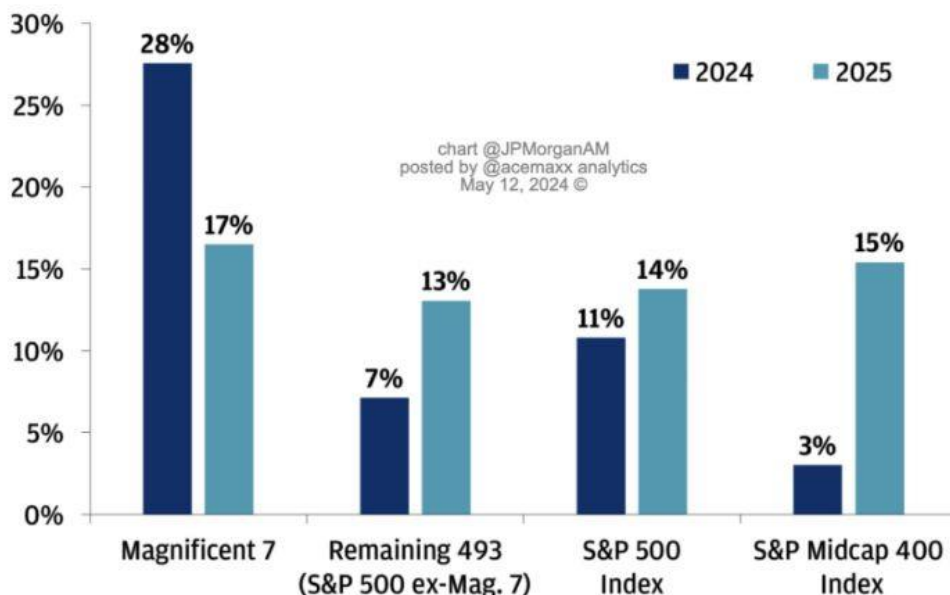


#mag7 #sp500 #eps-growth

The so-called Magnificent 7 and the “remaining 493” other companies in the S&P 500 are all expected to grow earnings by double digits next year.

Profits are expected to broaden out from here

Earnings per share (EPS) consensus growth estimates by calendar year, %



Source: FactSet. Data as of May 8, 2024. Estimates represent FactSet consensus. "Magnificent 7" stocks refer to Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta, and Tesla. Past performance is no guarantee of future results. It is not possible to invest directly in an index.

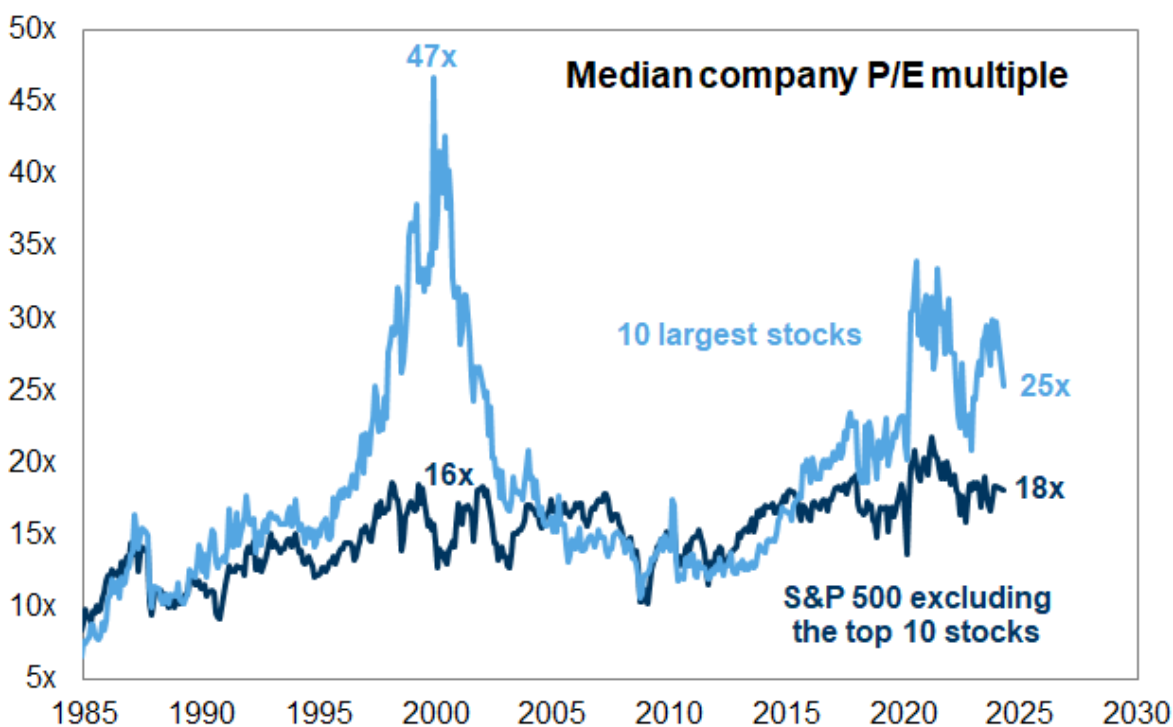
Source: JPM, acemaxx





#us #equities #valuations

Valuation of largest stocks today is below DotCom peak. The 10 largest stocks trade at P/E of 25x vs. 47x at peak of DotCom bubble in 2000



Source: Goldman Sachs



#us #ipo

US IPOs to Slow After Five Week Run of \$1 Billion-Plus Volume. Initial public offerings in the US are poised to take a breather, with volume expected to snap a solid run of five consecutive weeks with more than \$1 billion raised.



Source: bloomberg



#goldman #data-centers #performance

"Power Up America" theme is Goldman's top performing basket year-to-date w/+37.5% driven by global data centers' eye-popping demand for power. 17 of the 22 companies from the basket that have reported earnings have beat estimates by an average of +29%.



Source: HolgerZ, Bloomberg



#markets

#bill-ackman #portfolio

Bill Ackman's portfolio as of the end of Q1



GURGAVIN ✓
@gurgavin



BILL ACKMAN JUST UPDATED HIS \$10 BILLION DOLLAR US STOCK PORTFOLIO

- 🌮 CHIPOTLE 20.1%
- 📱 GOOGLE 19.4%
- 🏨 HILTON 18.2%
- 🍔 BURGER KING 17.2%
- 🏠 HOWARD HUGHES 12.7%
- 🚂 CANADIAN PACIFIC 12.4%

SCMG \$GOOGL \$GOOG \$HLT \$QSR \$HHH \$CP



11:01 PM · May 15, 2024 · 160.5K Views

#berkshire #chubb

Warren Buffett's Berkshire Hathaway \$BRK.B just filed its 13F.

APPLE 40.8%

BANK OF AMERICA 11.8%

AMERICAN EXPRESS 10.4% COCA COLA 7.4%

CHEVRON 5.8%

OCCIDENTAL 4.8%

KRAFT HEINZ 3.6%

MOODY'S 2.9%

CHUBB 2%

DAVITA 1.5%

CITI 1%

EVERYTHING ELSE 8%

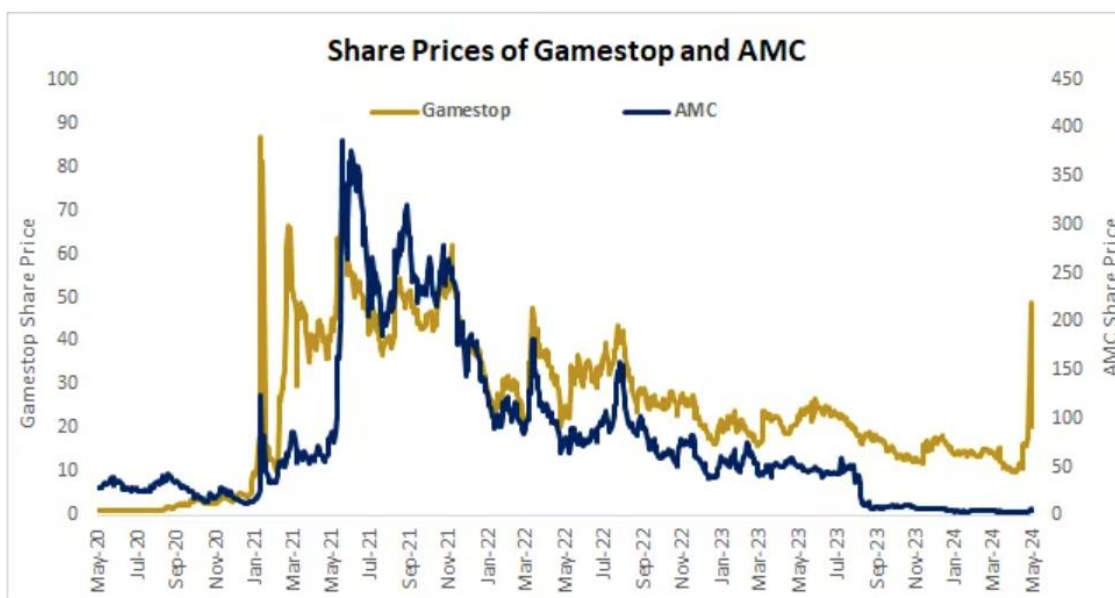
Note that Chubb was up+5.15% in after hours trading





#meme-stocks

Last week brought shades of 2021 and a reminder of another peak – the peak in the speculative-asset mania during that time that saw the rise of the so-called "meme stocks." Last week, shares of GameStop and AMC found their way back in the headlines after shares spiked dramatically. The chart below shows how this compares with the mania peaks in 2021. We'd also point out that despite AMC shares rising more than 100% in a matter of days last week, this gain barely shows up on the chart, a sign of just how far these share prices have fallen from their highs during that 2021 speculative bubble.



Source: Bloomberg. Past performance is not a guarantee of future results.

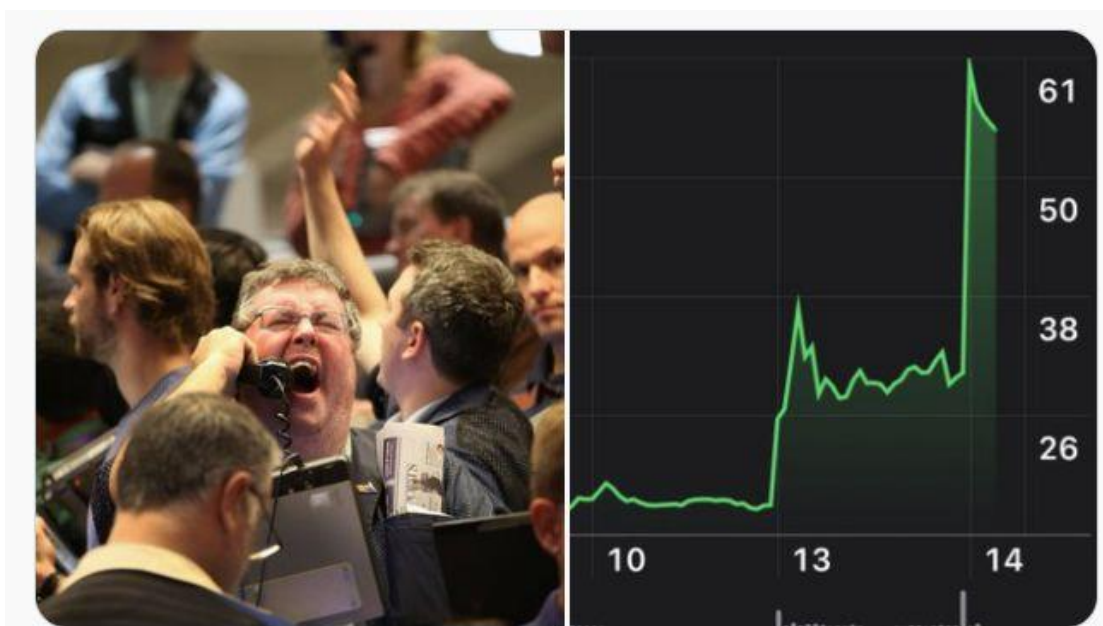


Source: Edward Jones

#markets

#gamestop #hedge-funds

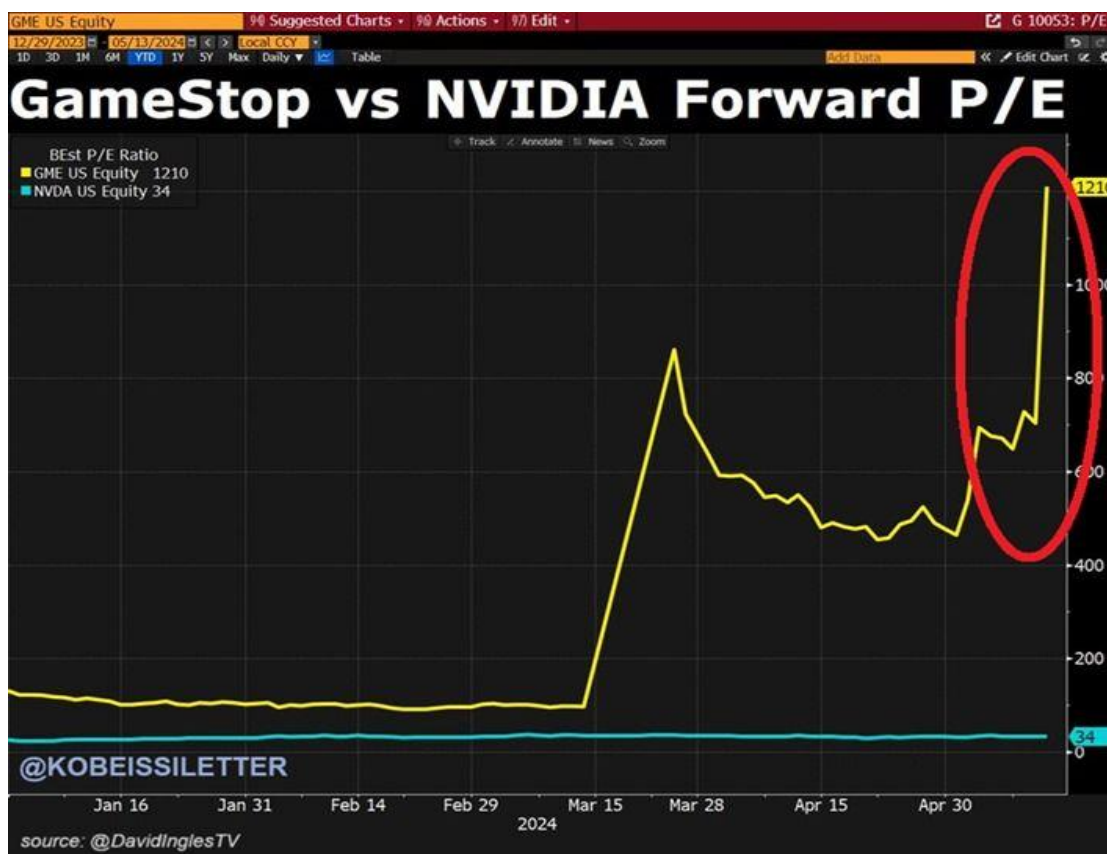
Radar 📢 BREAKING: Short sellers of GameStop \$GME and \$AMC have lost \$5 billion in 2 days. Who are the short sellers by the way hedge funds ?





#gamestop #pe-ratio

The P/E ratio of Gamestop, \$GME, has spiked to a WHOPPING 1,210x. In other words, it costs \$1,210 to purchase just \$1 of earnings generated by \$GME. By comparison, the P/E ratio of Nvidia, \$NVDA, is 34x. Meanwhile, \$GME is up nearly 400% this month hitting its highest levels in over 2 years. Over 175 million \$GME shares were traded on Monday, 30 TIMES the 1-year average, according to Bloomberg.



Source: The Kobeissi Letter



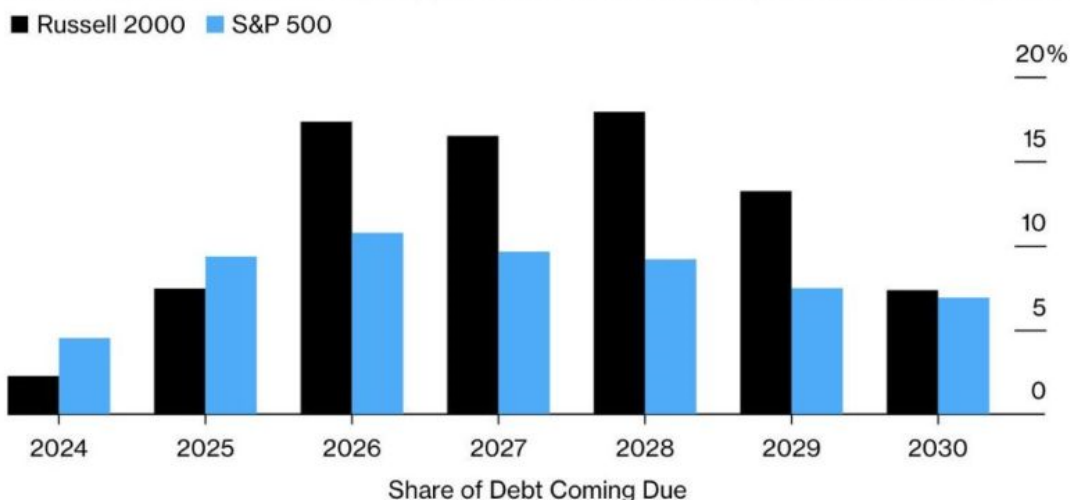


#us #small-caps #refinancing #risk

What will happen when small caps need to refinance their debt at much higher interest rates?

Refinancing Risk

Small caps have a relatively bigger share of debt coming due in next five years



Source: Bloomberg

Source: bloomberg





#china #equity #performance

In case you missed it... China stocks are now trading at 9-month highs 🚨



Source: Barchart





#china #golden-cross

Most-closely watched China stock index just formed the first golden cross in over a year...



Source: David Ingles, Bloomberg





#alibaba #revenue-price

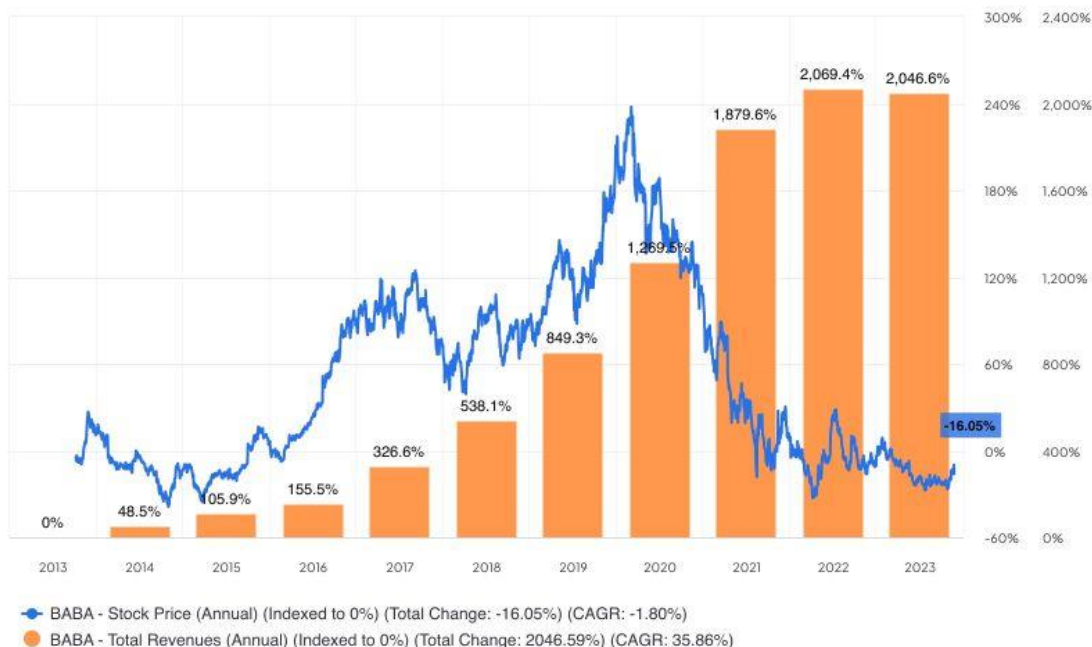
Alibaba revenue vs. stock price over the last 10 years

Revenue: +2,047%

Stock Price: -16%

\$BABA

Alibaba - Revenue vs. Stock Price



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#GLOBALMARKETS WEEKLY WRAP-UP

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18 MAY 2024



#gold-miners #performance

Gold Miners Hit 12-Month Highs 🚨 Will they break resistance?





#gold #all-time-high #2400

Gold surged to a new record closing high this week, its first close above \$2400...



Source: www.zerohedge.com, Bloomberg



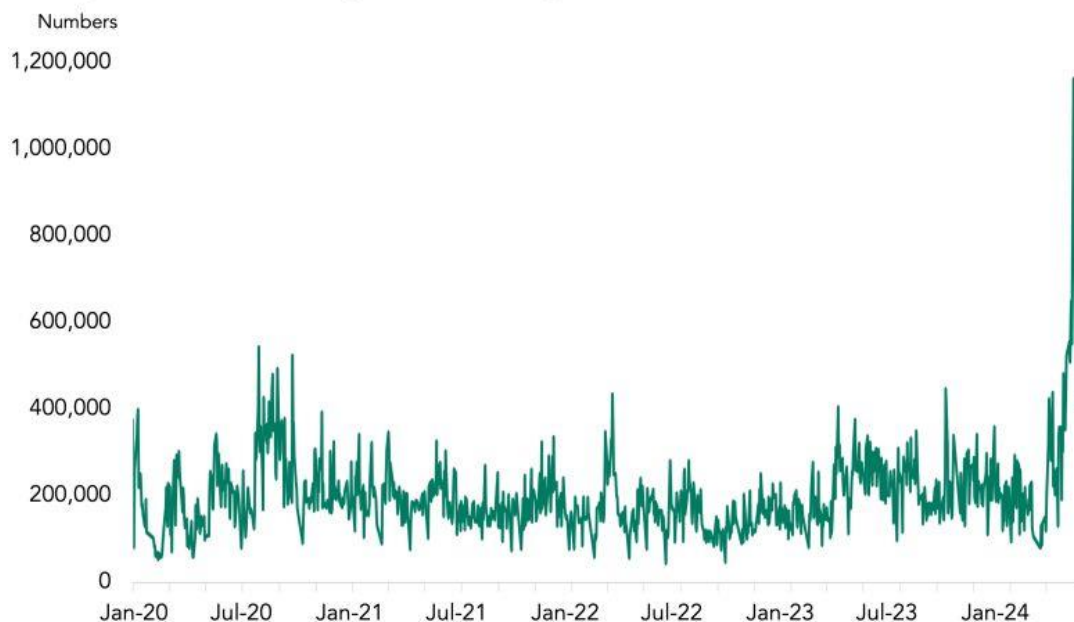


#china #gold #trading

This is a trend worth keeping an eye on. China's Gold trading volumes have seen a BIG spike. Moreover, their Central Bank has been rapidly accumulating Gold. These are very positive developments for the precious metal.

China: Gold Trading Volumes Very High

Shanghai Futures Exchange Gold Trading Volume



Dates: January 2020 Through May 2024.
Source: Bloomberg, Apollo Chief Economist, Game of Trades.

Source: Game of Trades





#michael-burry #gold

Michael Burry is back! This time he's loading up on \$10 million worth of physical gold \$PHYS

11:27 Spark LTE

CNBC WATCH LIVE

PRO

'Big Short' investor Michael Burry piles into physical gold fund, making it his biggest bet

PUBLISHED WED, MAY 15 2024 1:16 PM EDT
UPDATED 58 MIN AGO

Yun Li @YUNLI626 WATCH LIVE

Michael Burry attends the New York premiere of "The Big Short" at the Ziegfeld Theater in New York City, Nov. 23, 2015.
Jim Spellman | WireImage | Getty Images



#silver #30

Silver officially closed above \$30 for the first time in over a decade.



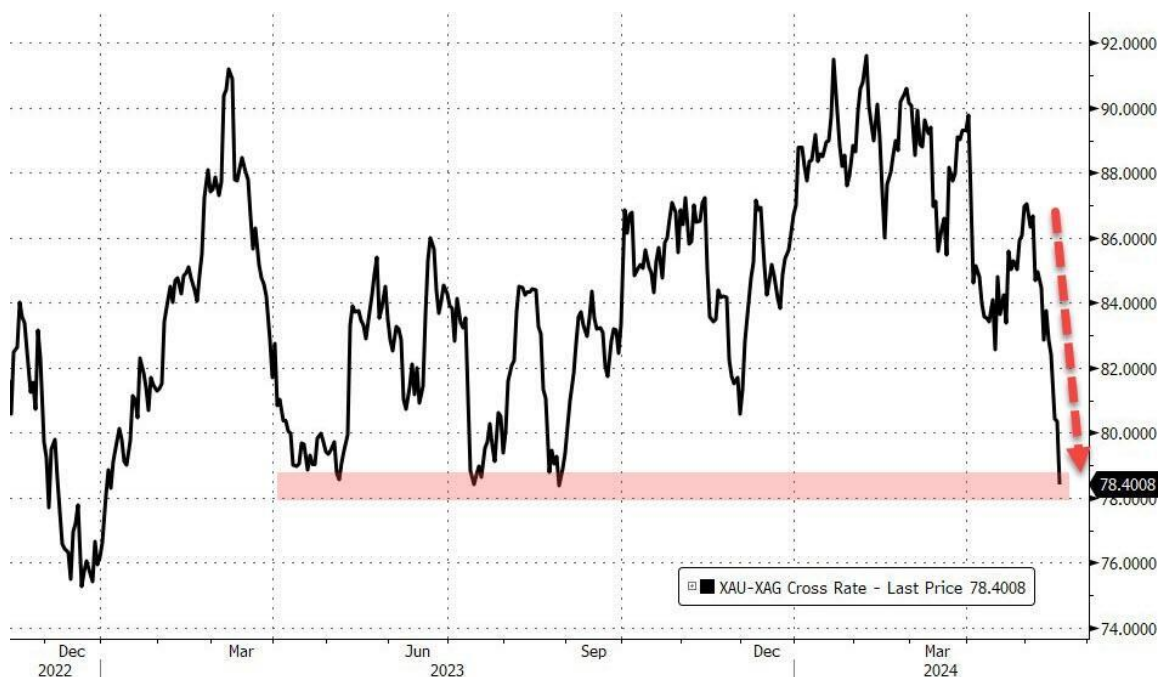
Source: Tavi Costa, Bloomberg





#gold #silver

Silver dramatically outperformed gold (topping \$30) - its best relative weekly performance since August 2020...



Source: www.zerohedge.com, Bloomberg



#copper #all-time-high

Copper hits highest closing price in history 🧐

High Grade Copper Jul '24 (HGN24)

5.0715 +0.1945 (+3.99%) 15:38 CT (COMEX)

5.0705 x 2 5.0715 x 2

INTERACTIVE CHART for Fri, May 17th, 2024



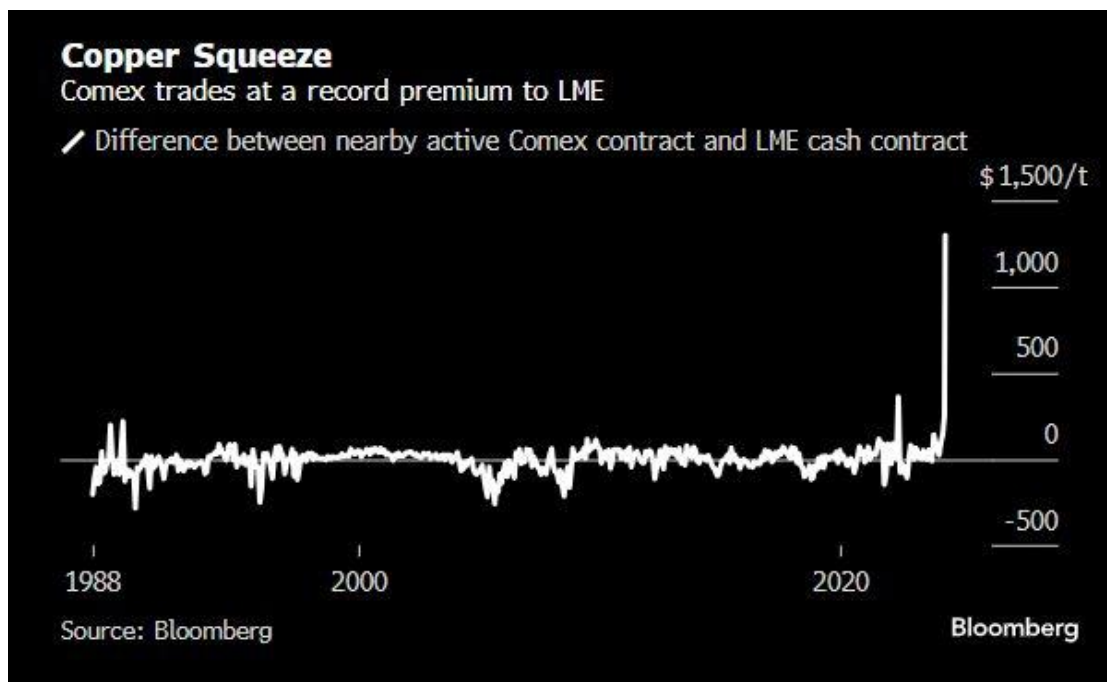
Source: Barchart





#copper #squeeze

A massive dislocation between the prices form copper traded in New York and other commodity exchanges has rocked the global market for the metal and prompted a frantic dash for supplies to ship to the US. The source of the disruption is a short squeeze that has driven up prices on the Comex exchange in recent days. The premium fetched by New York copper futures above the London Metal Exchange price has rocketed to an unprecedented level of over \$1,200 per ton, compared with a typical differential of just a few dollars.

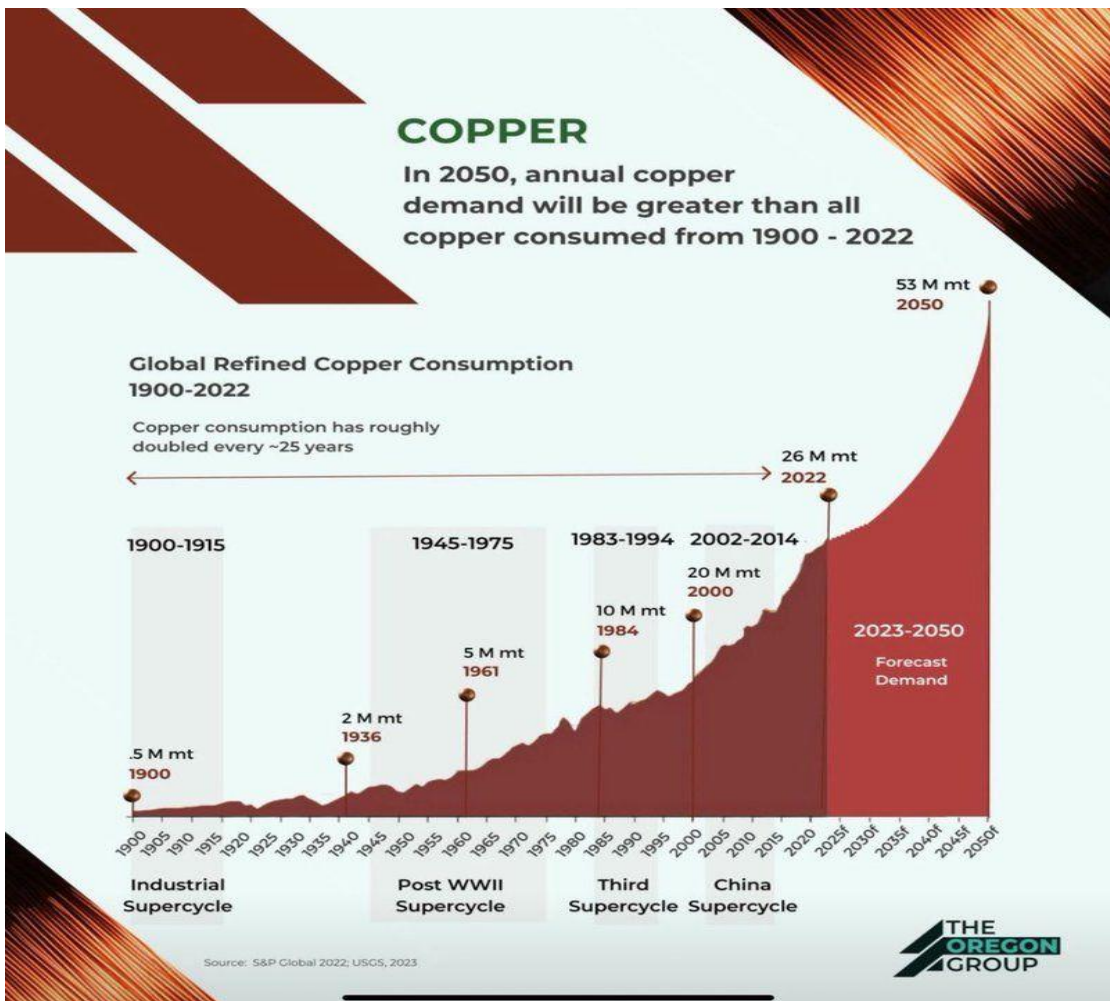


Source: Javier Blas, Bloomberg



#copper #demand

“We need to mine as much copper in the next 20-25 years as we've mined in last 10,000 years.” - Robert Friedland (@robert_ivanhoe) thru Brandon Beylo. Here's why 🙌





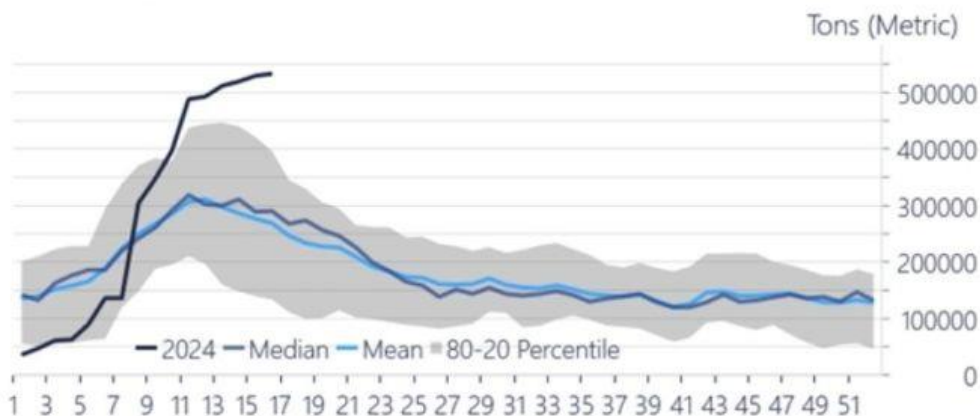
#copper #china

What is China preparing for? Crazy copper buying YTD.

Chart 1: China is stockpiling copper like crazy

Chinese Copper Stock Levels (data since 2007)

What is China preparing for?



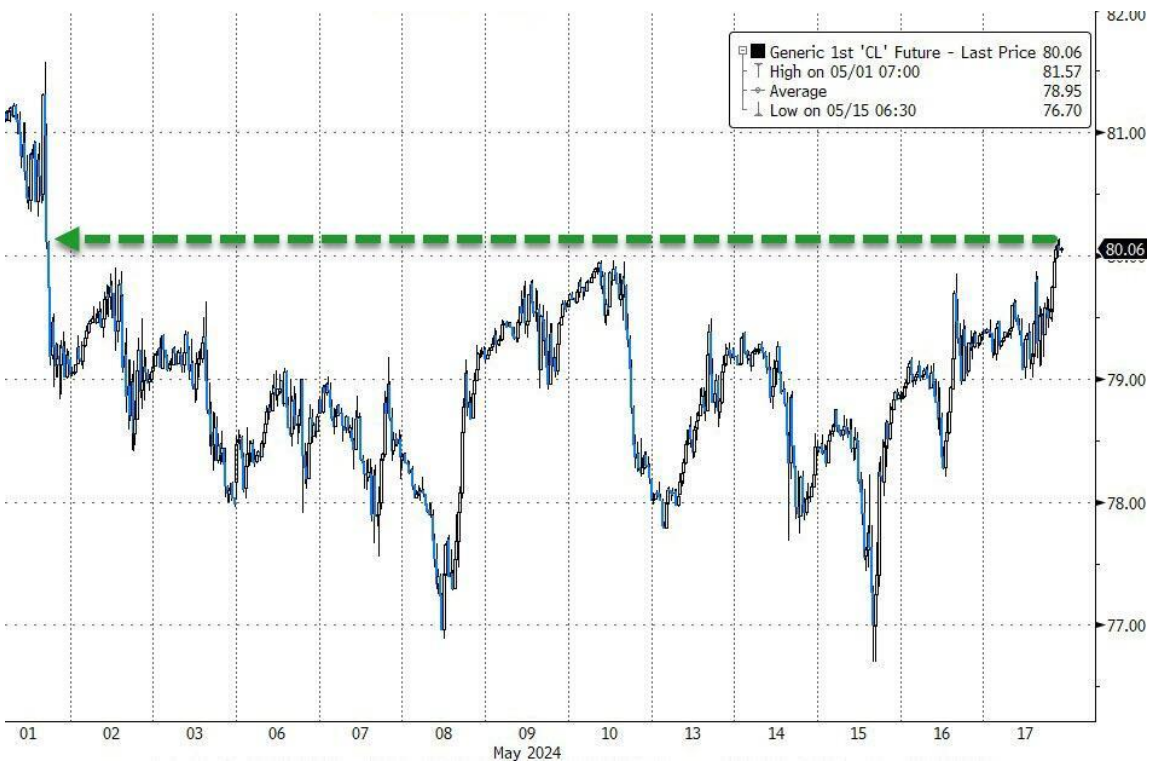
Source: Steno Research, Bloomberg and Macrobond

Source: Steno research



#oil #weekly

Oil prices bounced on the week with WTI back above \$80 to two week highs...



Source: www.zerohedge.com, Bloomberg



#markets

#cocoa #commodities

I'm going to hoard chocolates!!! Global Cocoa supplies may run out warns Andurand Capital 🤖

One of the World's Top Commodities Traders Says We Could Run Out of Cocoa

Pierre Andurand predicts an extreme shortage of the chocolate ingredient.



Pierre Andurand, founder of Andurand Capital Management LLP. *Photographer: Chris Ratcliffe/Bloomberg*

By [Tracy Alloway](#) and [Joe Weisenthal](#)

May 16, 2024 at 3:00 AM CDT

Source: Barchart



#commodities

Commodities prices have surged to their highest level in 13 months. The Bloomberg Commodity Spot Index, which tracks 24 energy, metal, and agricultural commodities, is up by 9% year to date.

Since February, the index is up 11% primarily driven by global demand and supply disruptions. Copper prices alone have jumped by 31% this year and oil prices by 11%. Commodity prices continue to add pressure on the Fed's fight against inflation. Supply-side inflation remains a major issue.



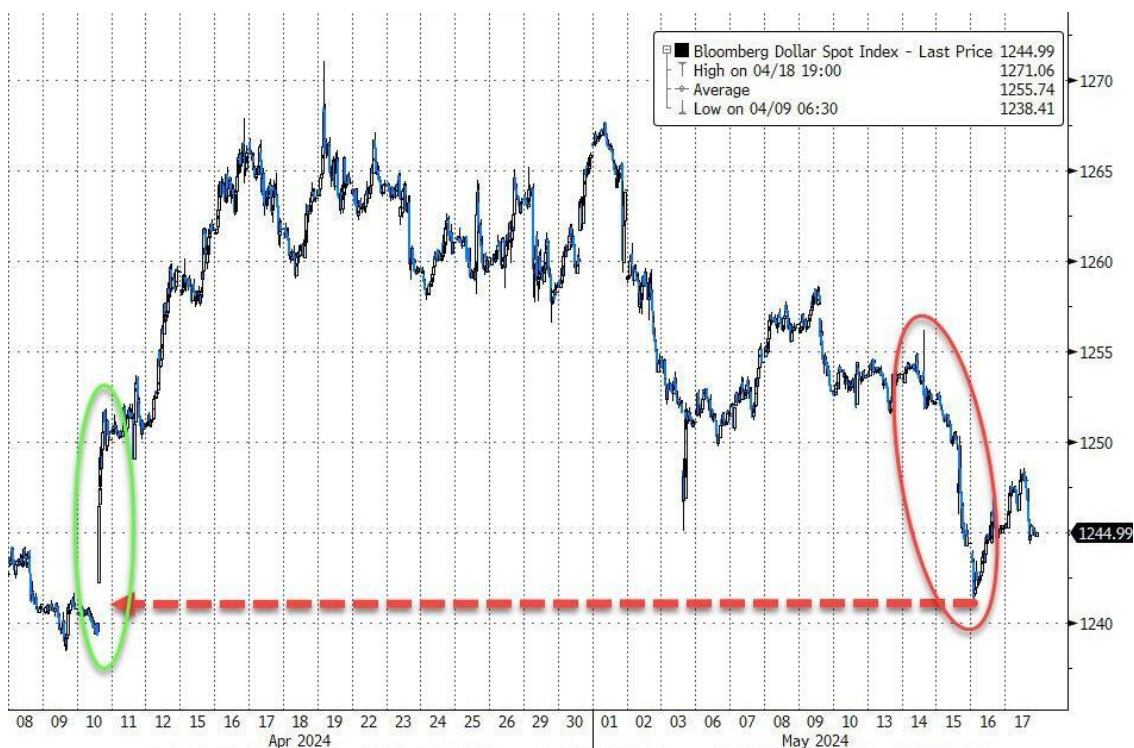
Source: The Kobeissi Letter, Bloomberg





#dollar #weekly

The dollar tumbled this week, erasing the gains since April's CPI print surge...



Source: www.zerohedge.com, Bloomberg





#us #treasuries #weekly

Treasury yields ended the week lower, despite the last two days seeing rates rise. The short-end modestly underperformed...



Source: www.zerohedge.com, Bloomberg




#markets

#us #bonds #drawdown

The US Bond Market has now been in a drawdown for 45 months, by far the longest bond bear market in history.

Bloomberg US Aggregate Bond Index: Longest Drawdowns (Monthly Data, 1976 - 2024)			
Start of Drawdown	End of Drawdown	# Months	Max Drawdown During Period (Monthly)
Aug-20	?	45	-17.2%
Jul-80	Oct-81	16	-9.0%
May-13	Apr-14	12	-3.7%
Aug-16	Jul-17	12	-3.3%
Feb-94	Jan-95	12	-5.1%
Mar-87	Nov-87	9	-4.9%
Aug-79	Apr-80	9	-12.7%
Apr-08	Nov-08	8	-3.8%
Feb-96	Sep-96	8	-3.2%
Jun-03	Nov-03	6	-3.6%
Feb-84	Jun-84	5	-4.9%
May-83	Aug-83	4	-3.5%

 CREATIVE PLANNING | @CharlieBilello (As of 4/30/24)

Source: Charlie Bilello



#us-treasuries #chinese-govt-bonds

US Treasuries are at all-time lows vs Chinese government bonds.

Chart 4: ...while US Treasuries at all-time low vs China govt bonds
US Treasuries vs China government bonds relative etums



Source: BofA Global Investment Strategy, Bloomberg

BofA GLOBAL RESEARCH

Source: BofA



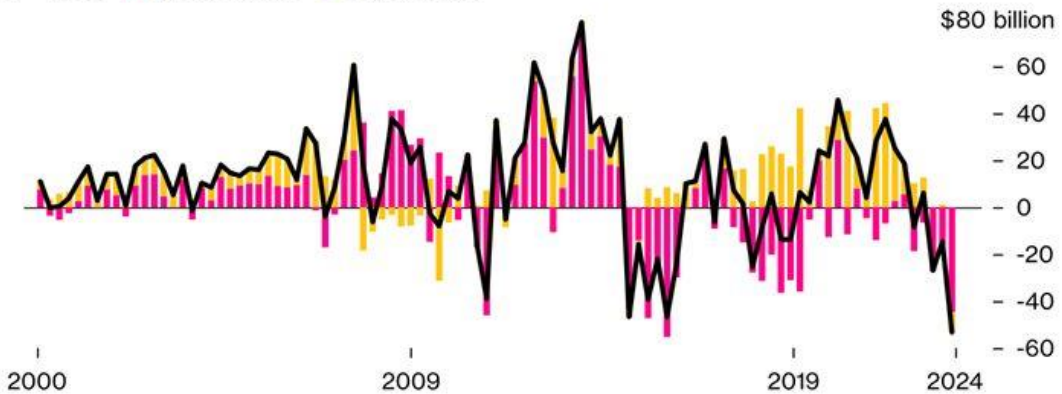


#china #treasuries

China Sells Record Sum of US Debt Amid Signs of Diversification – Bloomberg. China sold a record amount of Treasury and US agency bonds in the first quarter, highlighting the Asian nation’s move to diversify away from American assets as trade tensions persist. Beijing offloaded a total of \$53.3 billion of Treasuries and agency bonds combined in the first quarter, according to calculations based on the latest data from the US Department of the Treasury. Belgium, often seen as a custodian of China’s holdings, disposed of \$22 billion of Treasuries during the period.

China’s Selling of Treasury and US Agency Debt Rises to Record

Legend: / Total (black line), Treasuries (pink bars), Agencies (yellow bars)



Sources: Bloomberg, the US Department of the Treasury

Source: Bloomberg



#markets

#us-treasuries #japan #yen

This could be nasty. The next time Japan has to intervene to save the Yen, it will likely sell U.S. Treasuries to do so cautions Bank of America

Next Japan Intervention Likely to Use Treasury Sales, Bank of America Says

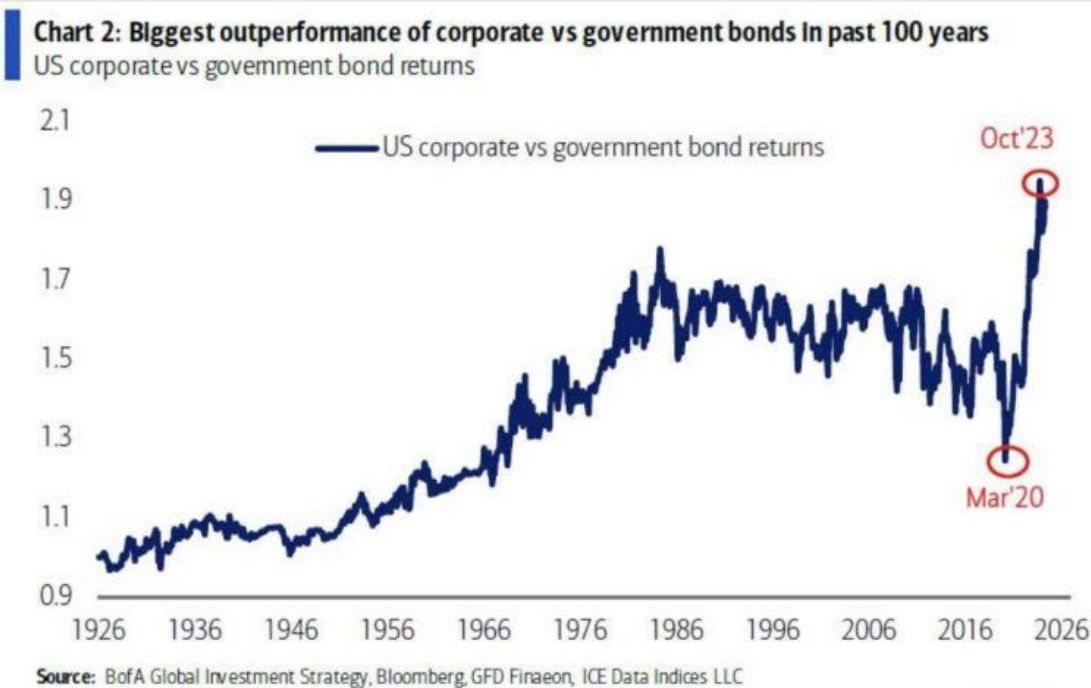
- Japan likely stepped in to support yen in recent weeks
- Future intervention to come from T-bill sales, not cash: BofA

Source: Barchart



#corporate-bonds #us-treasuries #performance

Biggest Outperformance of corporate vs. government bonds in the last 100 years !



Source: BofA



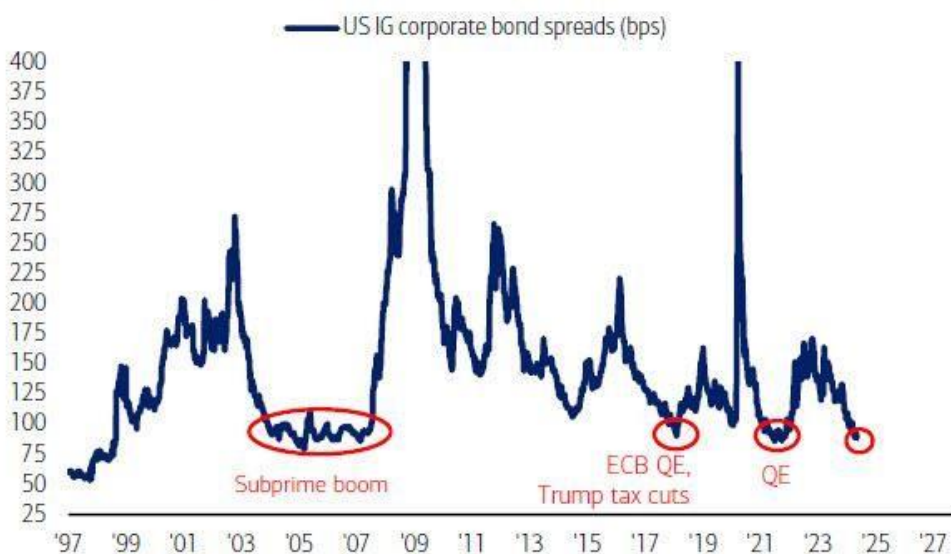


#corporate-bonds #spread

There is absolutely no fear in debt markets

Chart 5: US IG spreads at boom & QE levels

US investment grade corporate bond spreads (bps)



Source: BofA Global Investment Strategy, ICE Data Indices LLC.

BofA GLOBAL RESEARCH

Source: BofA





#us #macro #surprises

US Macro Surprise data declined for the sixth straight week... to its weakest since January 2023...



Source: www.zerohedge.com, Bloomberg



#macro

#us #macro #soft #hard #data

The market seems to be completely discounting the collapse in soft survey data...



Source: www.zerohedge.com, Bloomberg

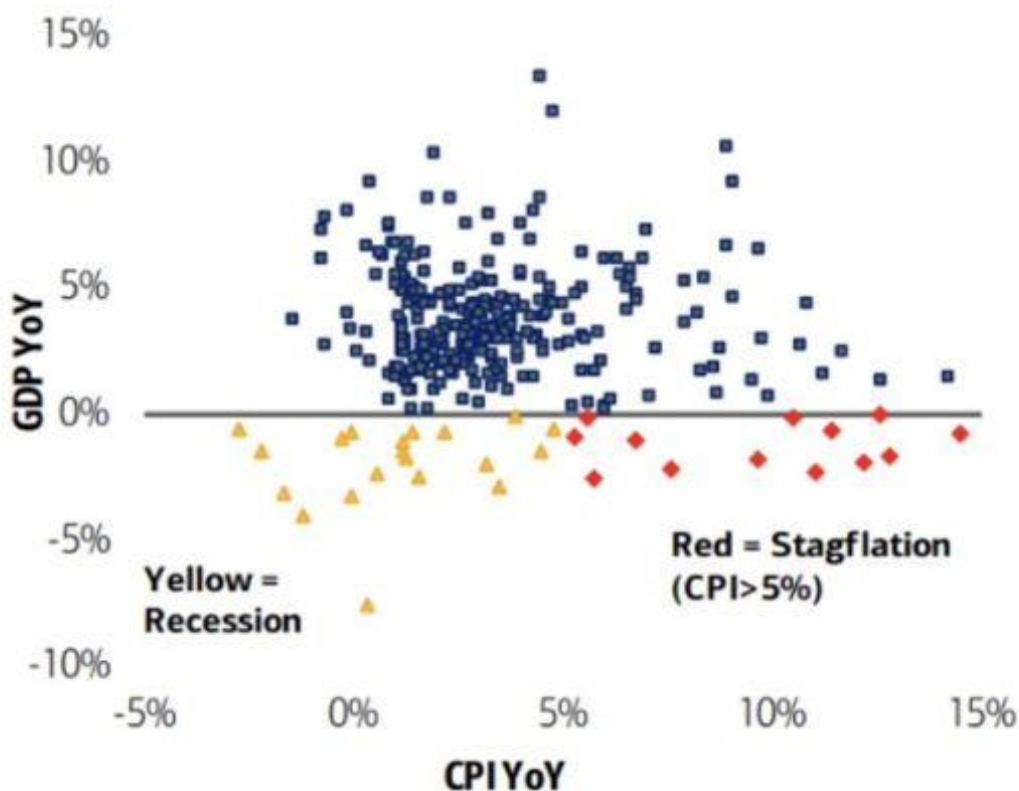
#macro

#recessions #stagflations

Recession and stagflation don't happen often in the grand scheme of things... 90% of the time we avoid them...

Exhibit 1: 90% of the time, we avoid recessions and stagflations

Quarterly US real GDP growth YoY vs. CPI YoY, 1948-present



Source: Haver Analytics, BofA US Equity & US Quant Strategy

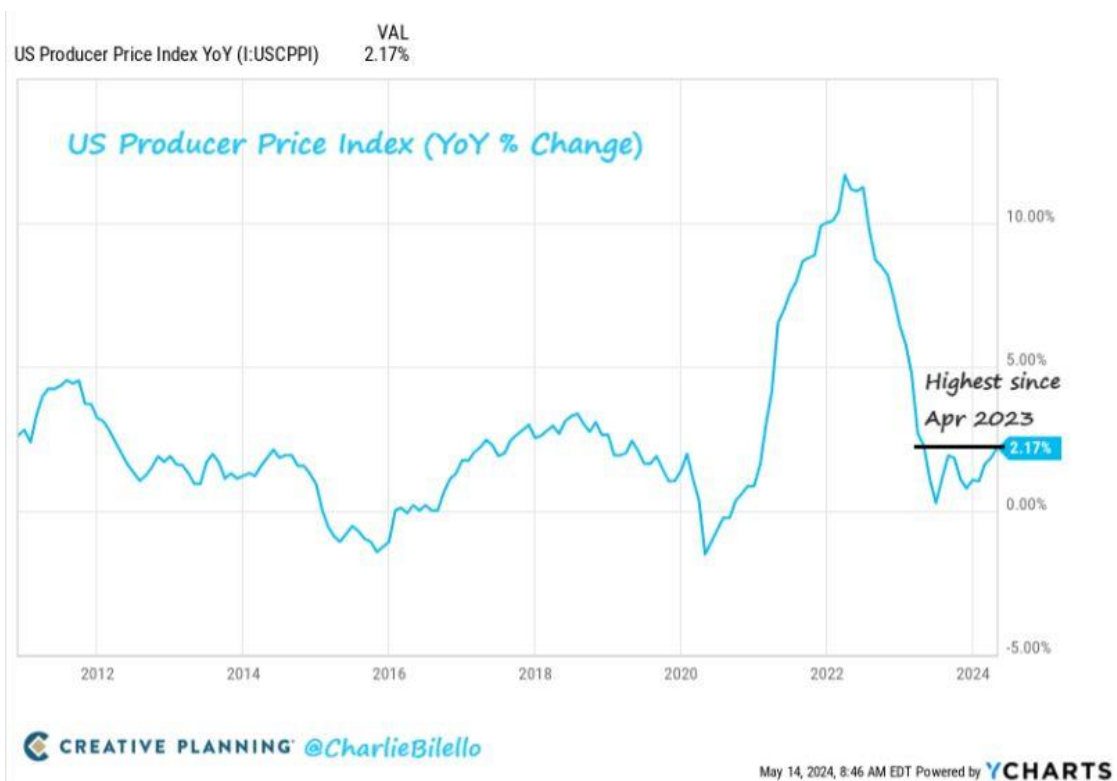
BofA GLOBAL RESEARCH

Source: BofA



#us #ppi #inflation

April PPI inflation RISES to 2.2%, in-line with expectations of 2.2%. Core PPI inflation was 2.4%, in-line with expectations of 2.4%. PPI inflation is now up for 3 straight months for the first time since April 2022. This is the highest PPI reading since April 2023. Note that revisions from last month's PPI left people feeling it wasn't as "hot" as initially thought on headline numbers.



Source: Charlie Bilello

#macro

#us #inflation

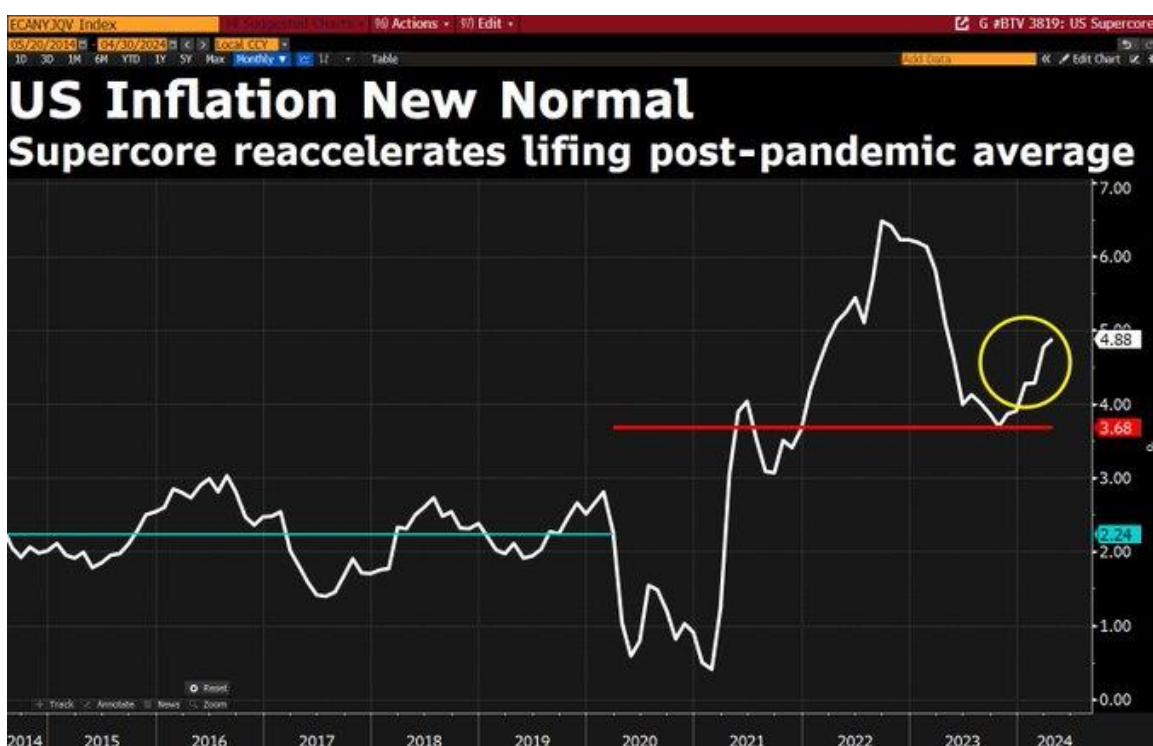
US core inflation cools for 1st time in 6 months in relief for Fed and financial markets. April core CPI, which excl food and energy costs, increased 0.3% from March MoM after +0.4% MoM previous month. From a year ago, it advanced 3.6% in Apr after +3.8% YoY in March. Overall inflation slows to 3.4% YoY in Apr from +3.5% in March.



#macro

#us #inflation

Supercore inflation actually picked up further to near 5%. The post-pandemic average for supercore inflation is 50% higher than pre-rona levels

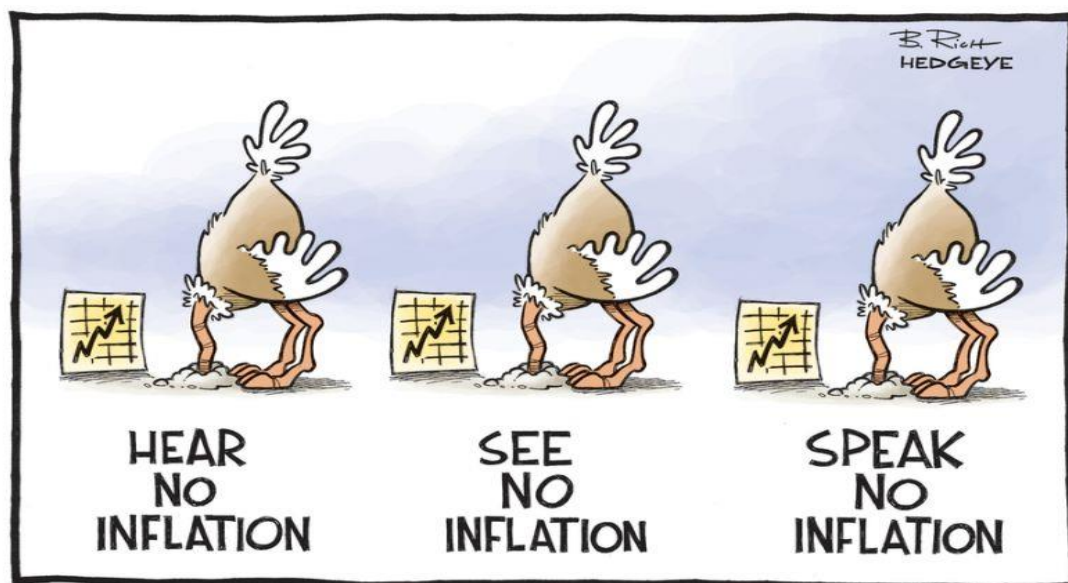


#us #cpi #inflation

While US CPI inflation is at 3.4%, inflation is much higher in many basic necessities:

1. Car Insurance Inflation: 22.8%
2. Transportation Inflation: 11.2%
3. Hospital Services Inflation: 7.7%
4. Car Repair Inflation: 7.6%
5. Homeowner Inflation: 5.8%
6. Rent Inflation: 5.4%
7. Electricity Inflation: 5.1%
8. Food Away From Home Inflation: 4.1%

Keep in mind, inflation has been above 3% for over THREE years now. This means that these inflation numbers are building on multiple years of already inflated prices.

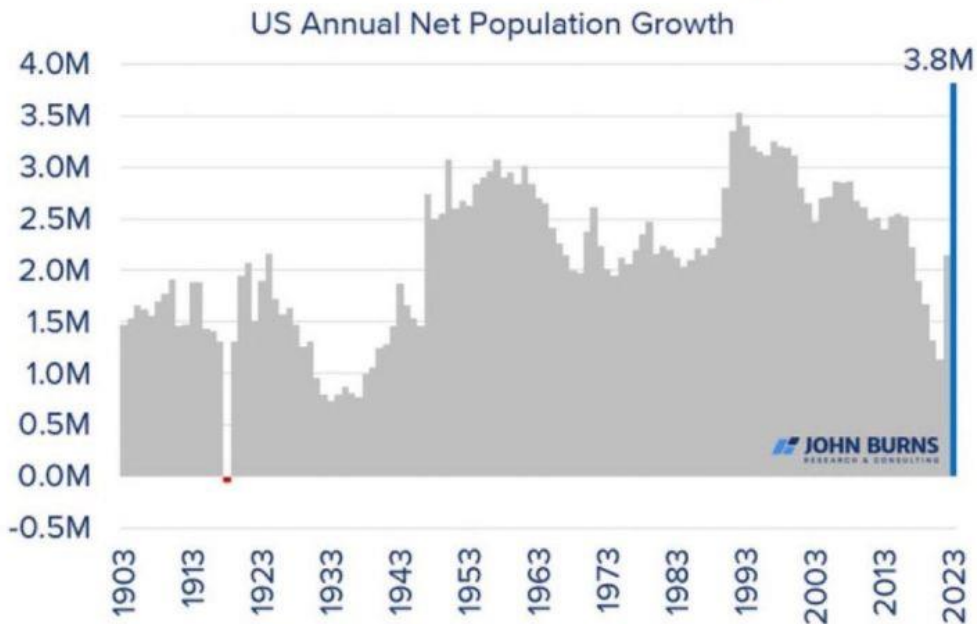


Source: Hedgeye, The Kobeissi Letter

#macro

#us #demographics #immigration

Largest one-year population increase in US history



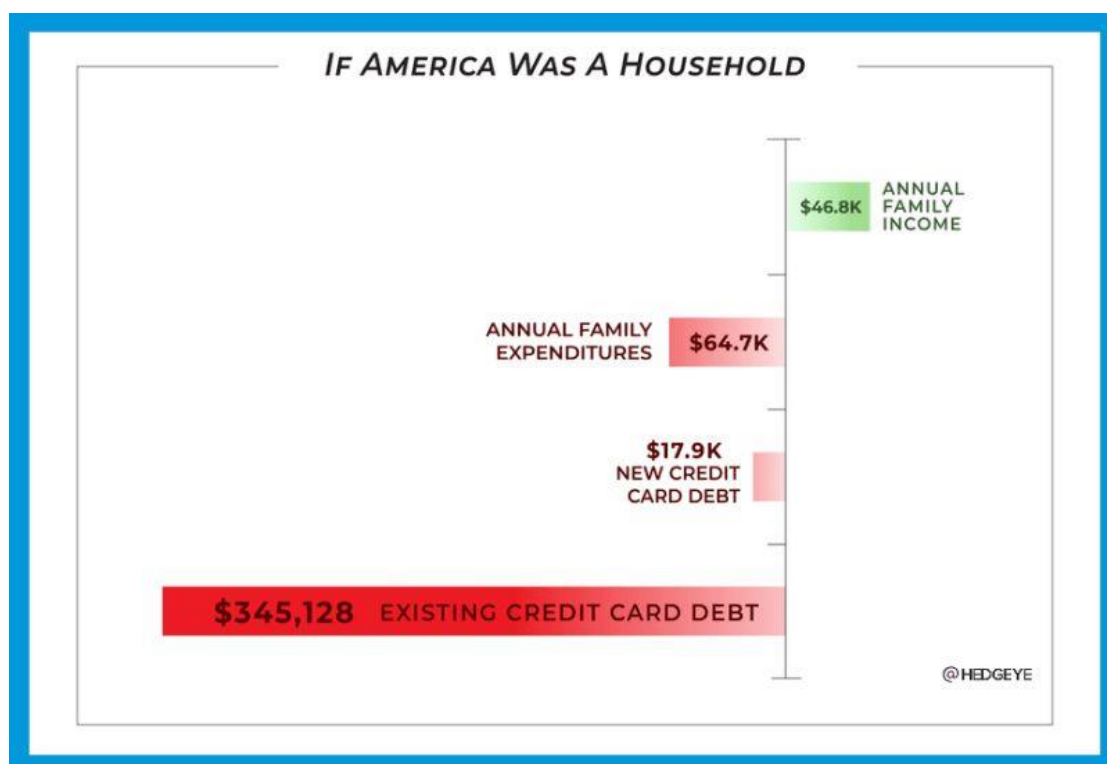
Sources: CBO, US Census, John Burns Research and Consulting, LLC (Data: Q23; Pub: Feb-24)

#macro

#us #debt

US DEBT: \$34.7 TRILLION 🌐

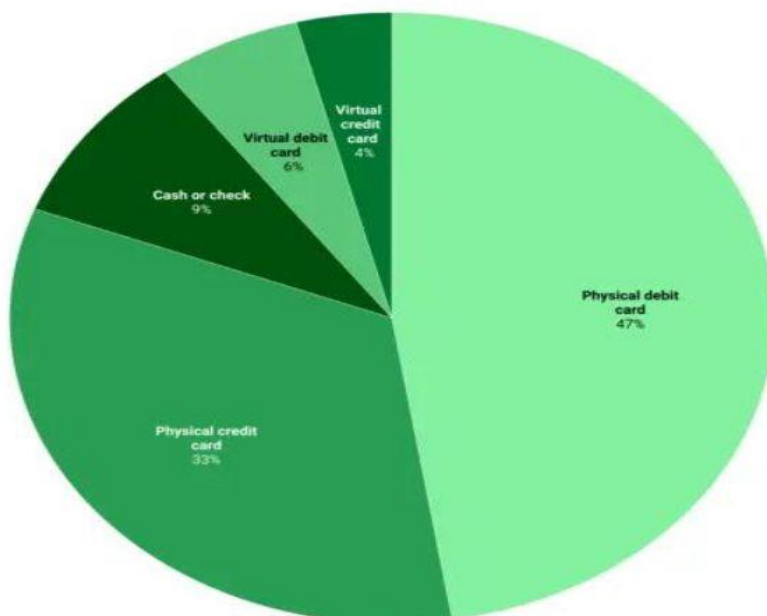
What if America was a household?





#us #credit-card #debt

Average Credit Card Debt In US Now Soaring Past \$6,500. A just-released report from Scholaroo indicates that the U.S. national average for credit card debt has escalated to \$6,555, with New Jersey residents leading the nation with an average debt of \$8,155 per credit card. The popularity of credit cards remains high in the U.S., with almost 45.5% of Americans opening at least one new account last year, leading to 542.6 million new accounts by the end of 2023. Debit cards are still the preferred method for day-to-day expenses for over 50% of the population, but credit cards remain a close second, being used by 36% of Americans for daily transactions.



(Source: Scholaroo)

Source: scholaroo

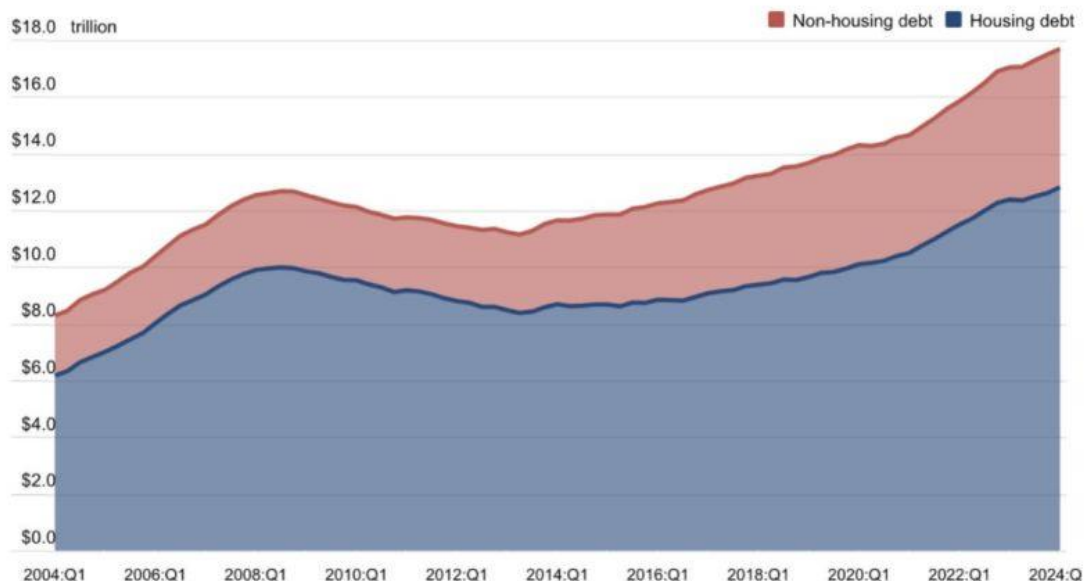




#us #household-debt

U.S. Household Debt hits \$17.69 trillion, the highest level in history!

Total Debt Balance



Source: FRBNY Consumer Credit Panel/Equifax



Source: barchart

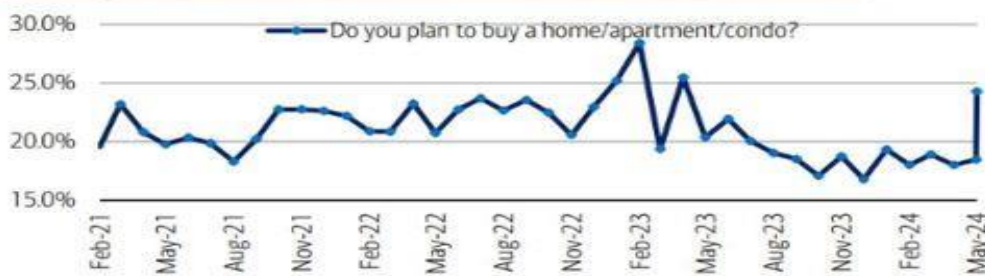


#us #real-estate

Despite high mortgage rates, a new home buying frenzy in the US? Plans to buy a new home jumped (upper chart) while per University of Michigan consumer survey, expectation for home prices to appreciate is at the highest since 2007.. The US is booming

Exhibit 1: Monthly Big Ticket Spending – New Home

Plans to buy a New Home have returned to 20%+ levels for the first time in twelve months



Source: Survey Monkey, BofA Global Research; Respondents: ~1,000 each month

BofA GLOBAL RESEARCH



Source: BofA, Bloomberg





#economic-surprise #us-eu

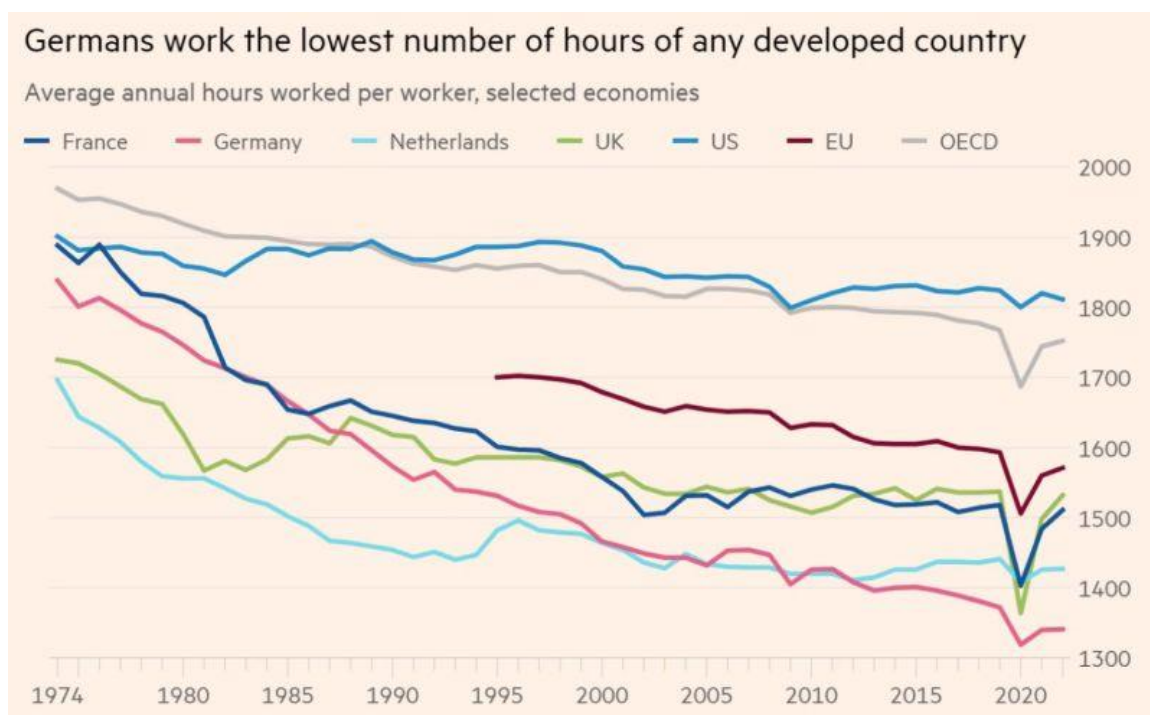
Citi's Economic Surprise indices for Europe and the US have crossed over each other recently (Europe doing better and the US doing worse).





#germany #working-hours #unions

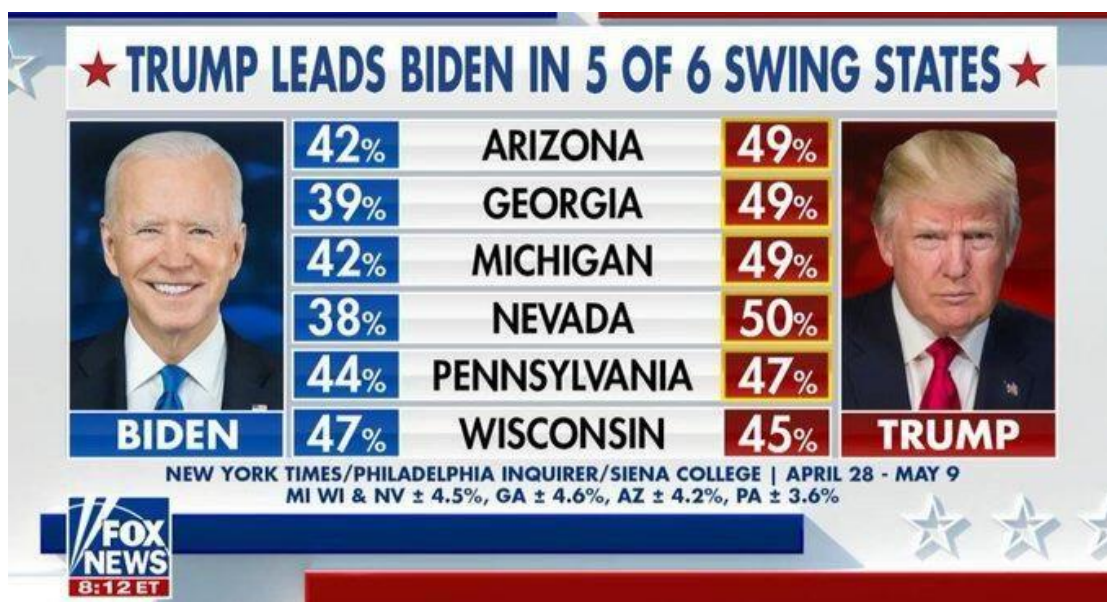
Germans already work much less than others, but German unions and some left politicians are seriously requesting move to four days workweek without pay cut.



#geopolitics

#trump-biden #elections

A new set of polls reveals that Donald Trump is leading President Biden in five out of six critical battleground states, as young and non-white voters grow increasingly dissatisfied with the current president.



Source: www.zerohedge.com, FoxNews

#geopolitics

#us #elections

We've seen a pretty big move in Presidential betting odds over the last week with Trump now holding a 6.3 point lead on Biden and Republicans now on top in the generic head to head.

Election Betting Odds

By Maxim Lott and John Stossel

Chance of winning...

US Presidency 2024

Presidency 2024 (by party)



Source: @maximlott at <https://lnkd.in/dT6EHQvp> thru bespoke

#geopolitics

#us #elections

Trump's odds have surpassed Biden's for the first time since March



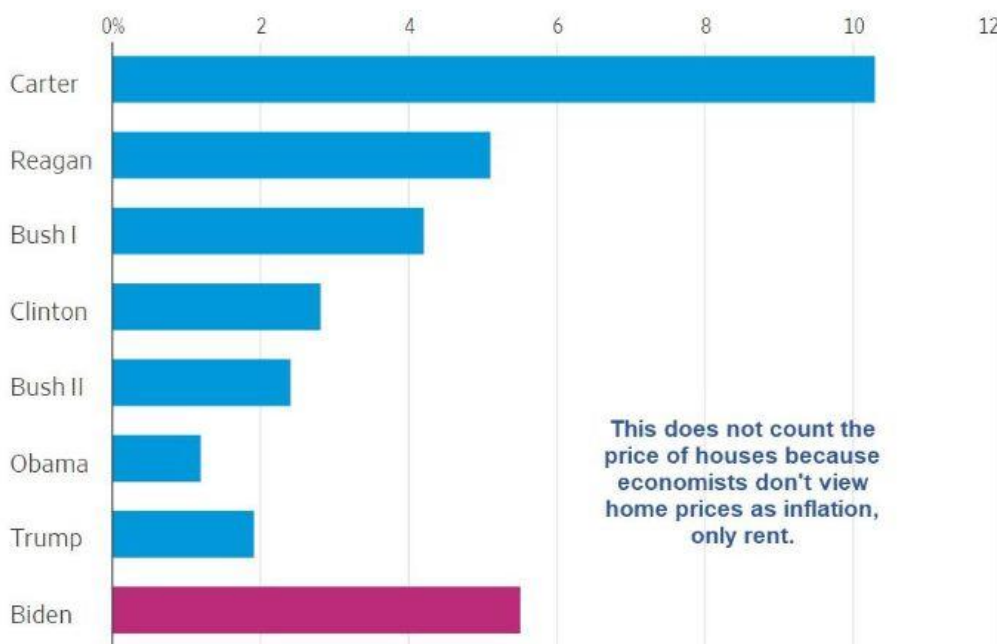
Source: Goldman Sachs



#us #inflation #presidents

What's The Inflation Rate Under Biden Vs 7 Previous Presidents?

Average Annual Consumer-Price Inflation In First Presidential Term



Source: Daniel Clifton, Strategas Research Partners



Source: zero hedge

#geopolitics

#slowbalization #tariffs

In case you missed it... In the FT yesterday... "Slowbalization" and East-West divide in the making... 100% tariffs on EVs, wow. Or is it just about US refusing globalization on industries they can just not compete?



US-China trade dispute

US set to impose 100% tariff on Chinese electric vehicle imports

Move marks latest effort by Biden administration to protect domestic industry from cheap competition

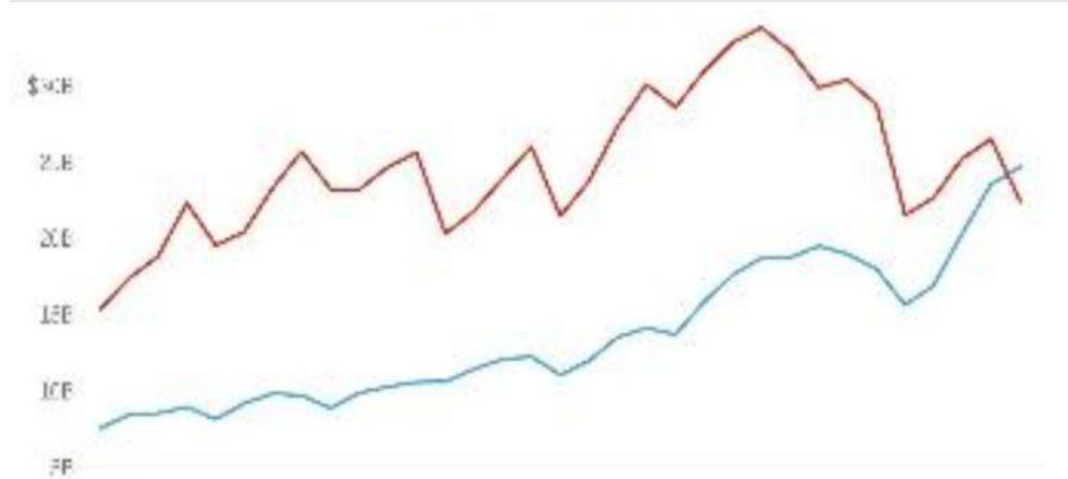
#geopolitics

#taiwan #trade

Taiwan is stretching toward the United States and away from China

Taiwan is selling more to the US than China in major shift away from Beijing

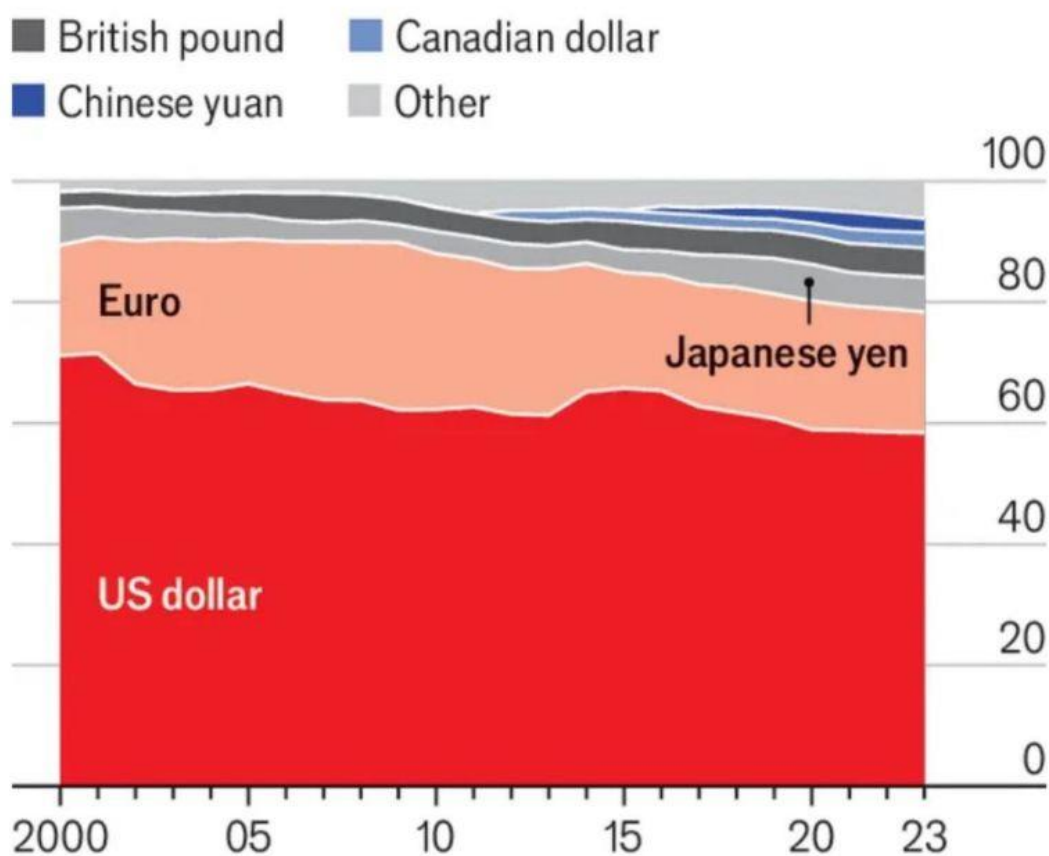
Didi Tang - AP - 1 hour ago



#forex-reserves #dollar

Global foreign exchange reserves. The US-dollar still dominates but share has been eroding slightly

Global allocated foreign-exchange reserves, % of total

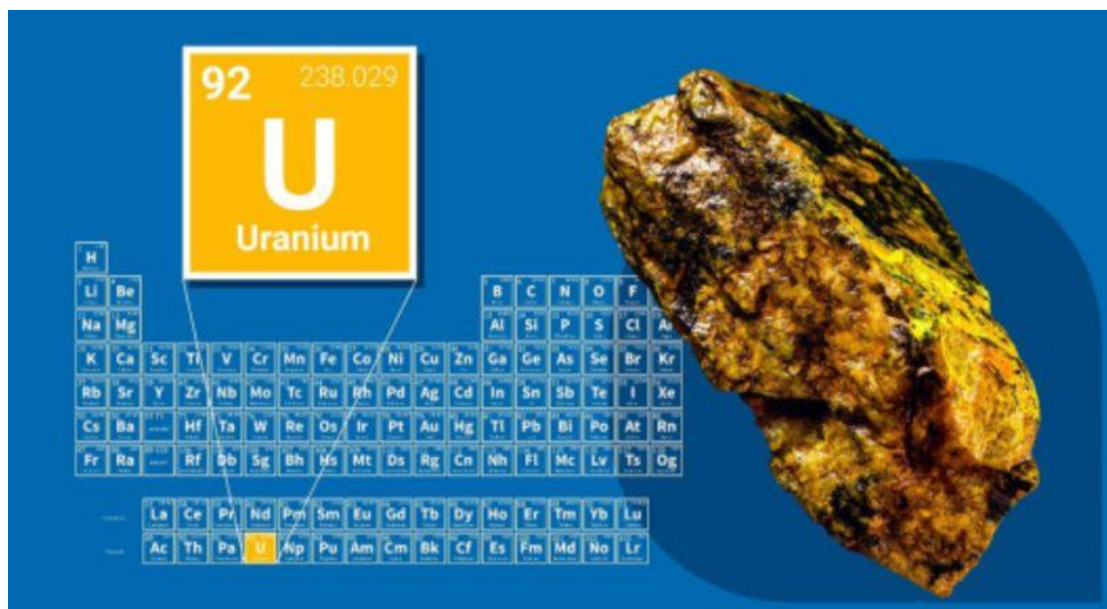


Source: Michel A.Arouet

#geopolitics

#us #russia #uranium

The U.S. is moving to increase domestic uranium production. President Joe Biden signed a new law that bars the US from importing uranium from Russia in the hopes of jumpstarting domestic mining to fuel nuclear reactors. The law also unlocks \$2.7 billion in federal funding to shore up that domestic supply chain, which Congress previously approved pending limits on imports from Russia.



Source: theverge

#centralbanks

#fed #powell

SUMMARY OF FED CHAIR POWELL'S COMMENTS (5/14/24):

1. "Overall a good picture looking at US economic data"
2. Inflation was notable in Q1 for the lack of further progress
3. Housing inflation has been a bit of a puzzle for the Fed
4. Restrictive policy may take longer than expected to lower inflation
5. Unlikely the Fed's next move will be an interest rate hike
6. "Credibility is everything for central banks"



Source: The Kobeissi Letter

#centralbanks

#fed #rate #cuts #expectations

The bad news prompted rate-cut expectations to rise on the week (more for 2025 than 2024). Three full cuts priced in for 2025 and two cuts priced in for 2024...

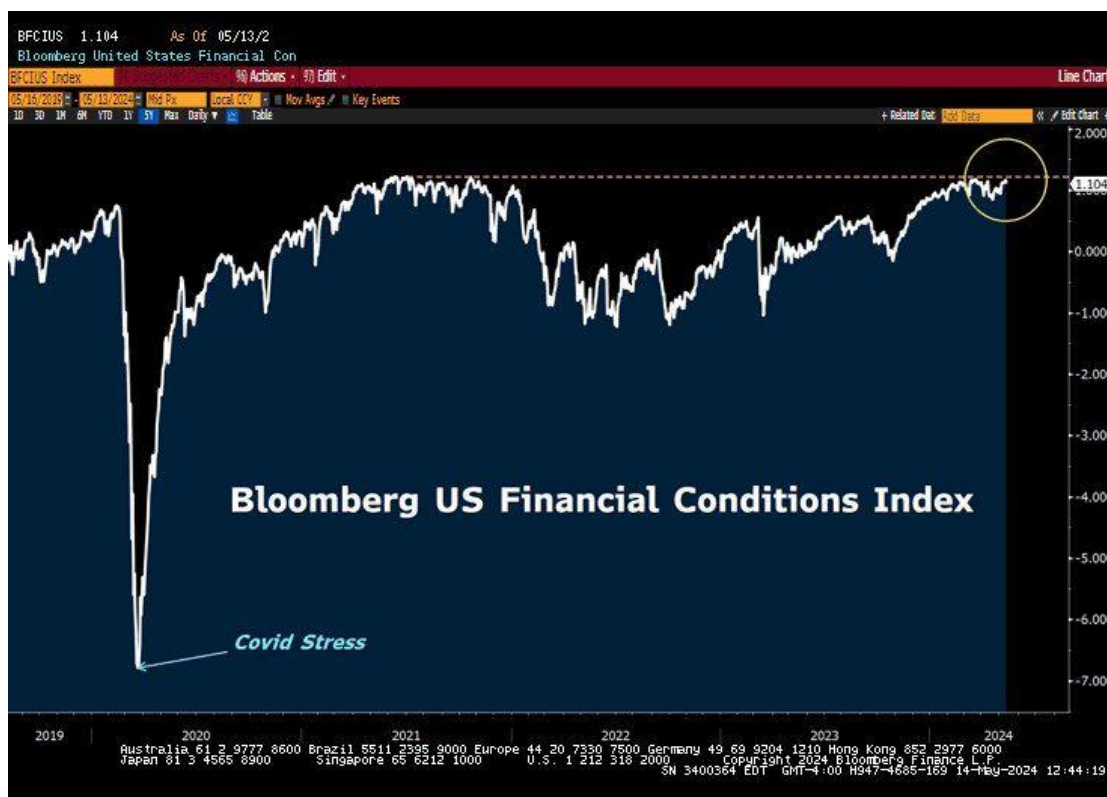


Source: www.zerohedge.com, Bloomberg

#centralbanks

#us #financial-conditions #policy

Do markets and the economy really need rate cuts as US financial conditions are now the easiest since 2021 ??? In other words, financial conditions now are looser than before the Fed started HIKING rates !!! Since December, when the Fed seemingly declared victory against inflation, financial conditions have eased significantly. Effectively, markets have behaved like the Fed has ALREADY cut interest rates.



#centralbanks

#gold #reserves

Official world gold reserves have reached 1,170 million fine troy ounces, the most since the 1970s. Over the last 13 years, world central banks' gold holdings are up roughly 21%. Global gold reserves are now even higher than just before President Nixon broke the US Dollar's link to gold in 1971. In 2022 and 2023 alone, world central banks bought 1081 and 1037 tons of gold, respectively. Meanwhile, gold is up 15% year to date and 85% over the last 5 years.

Official World Gold Reserves Rising

World: Official Reserve Assets, Gold



Dates: 1950 Through 2023.
Source: IFS, IMF, Haver Analytics, Apollo Chief Economist, Game of Trades.

Source: The Kobeissi Letter





#bitcoin #weekly

A big week for bitcoin with the largest cryptocurrency back above \$67,000 to its highest in six weeks...

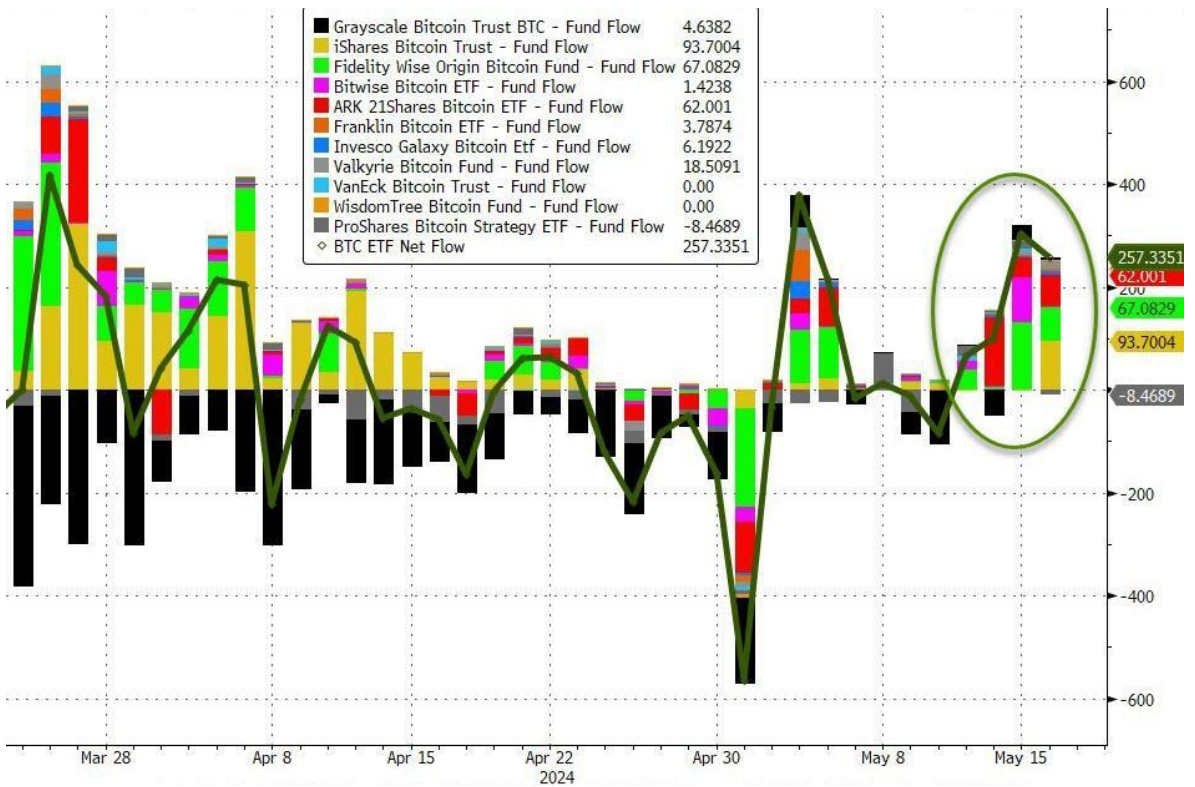


Source: www.zerohedge.com, Bloomberg



#bitcoin #etfs #flows

Bitcoin ETFs saw a solid week of inflows...



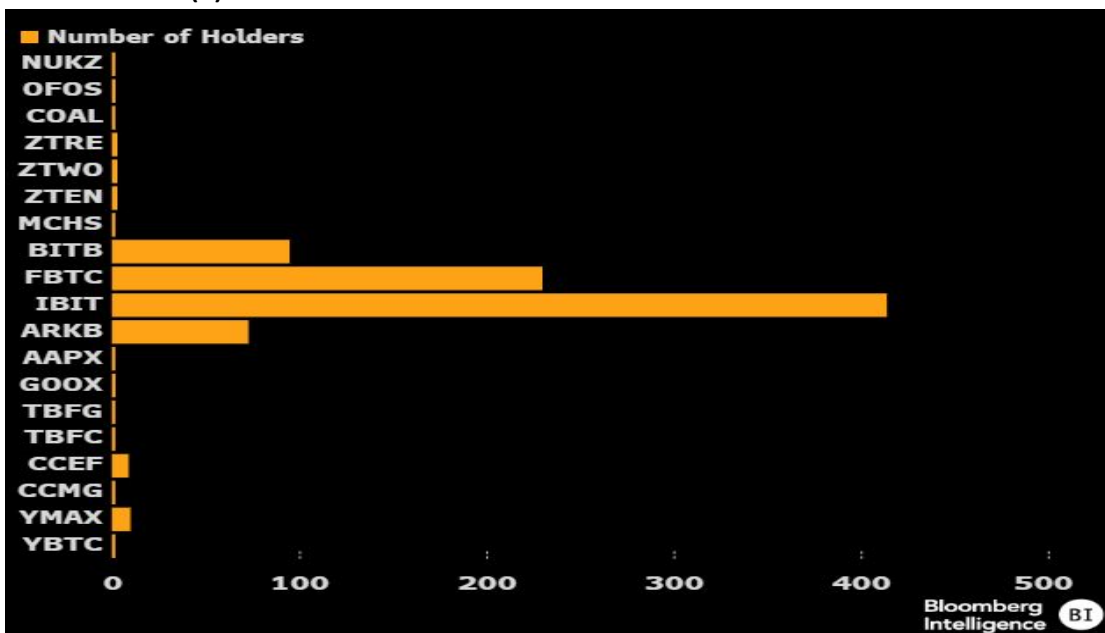
Source: www.zerohedge.com, Bloomberg





#blackrock #etf #bitcoin

The biggest success of hashtag#etf launches in history? iShares Spot Bitcoin ETF \$IBIT ended up with 414 reported holders in its first 13F season, which is mind boggling, blows away record. Even having 20 holders as a newborn is highly rare. Here's a look at how the BTC ETFs compare to other ETFs launched in Jan (aka the Class of 2024) in this metric. Source: Eric Balchunas, Bloomberg Intelligence Who must file Form 13F? (sec.org) A: Institutional investment managers that use the United States mail (or other means or instrumentality of interstate commerce) in the course of their business and that exercise investment discretion over \$100 million or more in Section 13(f) securities must file Form 13F





#hedge-fund #bitcoin #etf

Hedge Funds now piling into Blackrock Spot bitcoin ETF \$IBIT. The mutual funds, then the sovereign wealth and pension funds might follow.

Holder Name	Portfolio Name	Source All	Opt All	Position	% Out	Latest Chg
Millennium Management LLC/NY	Millennium Man...	13F		20,859,447	4.32	20,859,447
Schonfeld Strategic Advisors LLC	SCHONFELD STR...	13F		6,128,450	1.27	6,128,450
Aristeia Capital LLC	ARISTEIA CAPIT...	13F		4,036,767	0.84	4,036,767
Boothbay Fund Management LLC	BOOTHBAY FUN...	13F		3,701,600	0.77	3,701,600
Bracebridge Capital LLC	BRACEBRIDGE C...	13F		2,486,750	0.52	2,486,750
State of Wisconsin Investment B...	STATE OF WISCO...	13F		2,450,400	0.51	2,450,400
Graham Capital Management LP	GRAHAM CAPITA...	13F		2,440,463	0.51	2,440,463
Pine Ridge Advisers LLC	Pine Ridge Adv...	13F		2,055,185	0.43	2,055,185
Rubic Capital Management LP	RUBRIC CAPITA...	13F		1,722,497	0.36	1,722,497
Titan Global Capital Management...	TITAN GLOBAL ...	13F		1,619,926	0.34	1,619,926
Symmetry Investments LP	SYMMETRY INVE...	13F		1,519,700	0.31	1,519,700
Pinpoint Asset Management Ltd	PINPOINT ASSE...	13F		1,483,578	0.31	1,483,578
Fortress Investment Group LLC	Fortress Invest...	13F		1,325,000	0.27	1,325,000
✚ Sculptor Capital Management Inc		ULT-AGG		1,177,705	0.24	1,177,705
Yong Rong HK Asset Managemen...	YONG RONG ASS...	13F		1,127,561	0.23	1,127,561
Alyeska Investment Group LP	ALYESKA INVES...	13F		795,342	0.16	795,342
✚ Horizon Kinetics LLC		ULT-AGG		716,932	0.15	716,932
CTC ALTERNATIVE STRATEGIES LTD		13F		685,364	0.14	685,364
Maplelane Capital LLC	MAPLELANE CAP...	13F		678,000	0.14	678,000
Hound Partners LLC	HOUND PARTNE...	13F		614.881	0.13	614.881

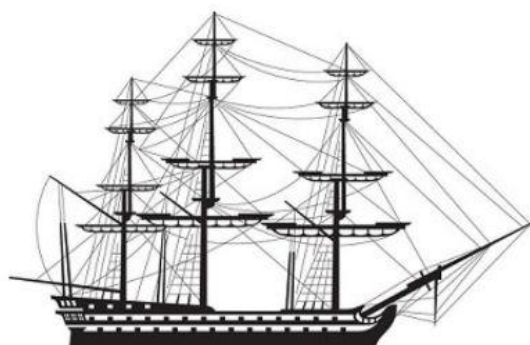
Source: www.zerohedge.com



#cryptos

#vanguard #ceo #bitcoin

JUST IN: Vanguard appoints Salim Ramji as a new CEO, a former Blackrock's Bitcoin ETF lead. Earlier, Vanguard refused to offer BTC ETF 🙄🙄



Vanguard®

Source: Bitcoin Magazine

#cryptos

#sec #ethereum #etf

JUST IN: The odds of SEC rejecting Ethereum ETFs by claiming ETH is a security have gone up.

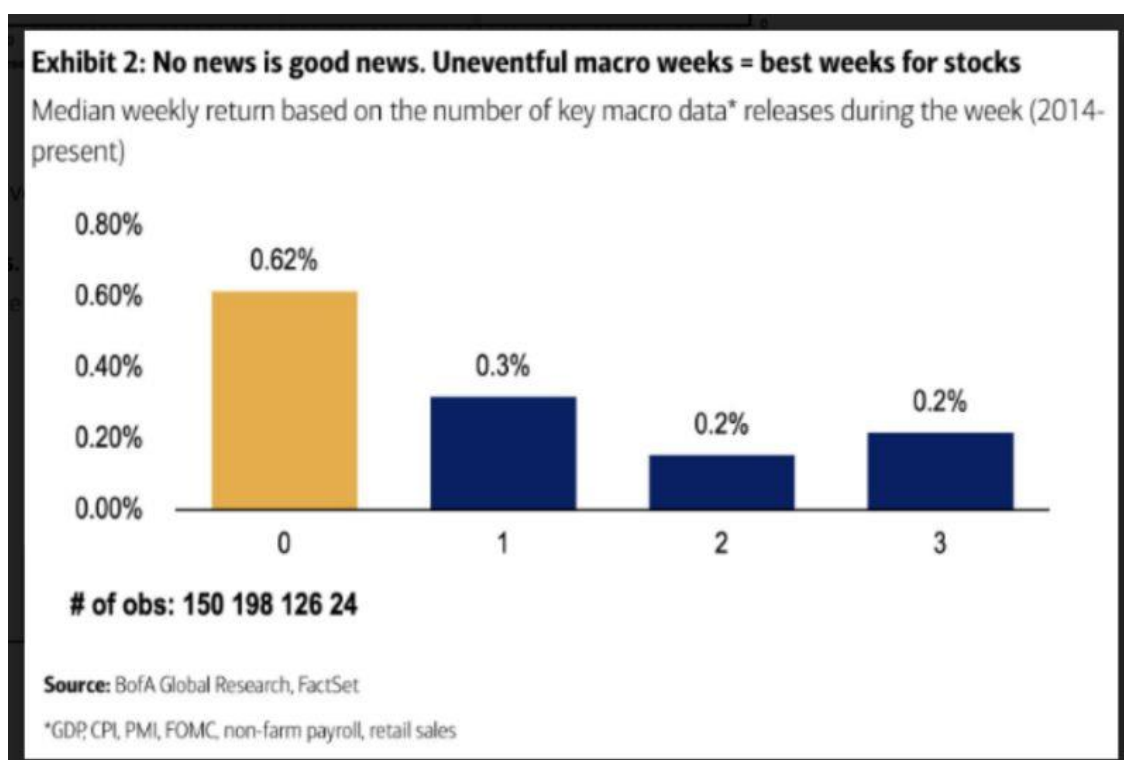


Source: Bloomberg's @JSeyff

#food-for-thought

#equities #historical-performance

Non major macro weeks have been better...



Source: BofA

#food-for-thought

#sp500 #ai-mentions #earnings

A brief 'mark-to-market' of the trend now that the US earnings season is coming to an end... focusing on the evolution of the number of 'AI' mentions during the quarterly earnings calls of S&P 500 companies.

Exhibit 2: Mentions of AI on S&P 500 quarterly earnings calls



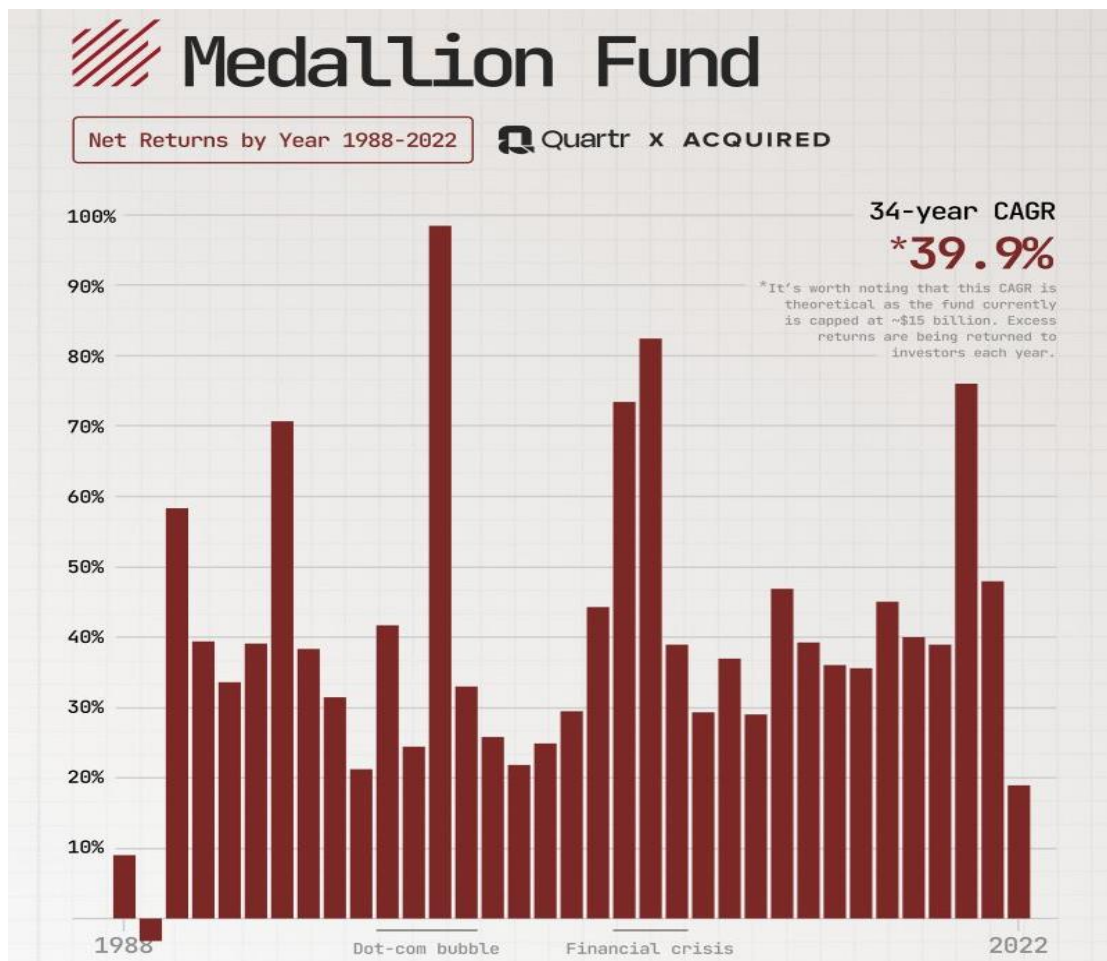
Source: Goldman Sachs Global Investment Research

Source: gs

#food-for-thought

#jim-simons #medallion-fund

Jim Simons, founder of Renaissance Technologies, tragically passed away yesterday at the age of 86. Quartr honors his legacy by visualizing the extraordinary returns of the Medallion Fund from 1988 to 2022. Jim Simons is one of the greatest investors of all time.



Source: Quartr

#food-for-thought

#nvidia #performance

A \$10,000 purchase of NVIDIA ten years ago would be worth just over \$2 million today. It's up 20,246% since May 16th, 2014.



Source: bespoke

#food-for-thought

#amazon #ipo #performance

Amazon went public the 15th of May, 1997. If you had invested \$1,000 during Amazon's IPO in May 1997, your investment would be worth \$2.5 million today.



#food-for-thought

#berkshire #apple

May16th 2016. On this day in 2016, Warren Buffett and Berkshire Hathaway disclosed its first purchase of Apple shares. Less than 2 years later Apple was Buffett's largest holding.

Warren Buffett buys stake in Apple

by Paul R. La Monica @lamonicabuzz

🕒 May 16, 2016: 2:50 PM ET



#food-for-thought

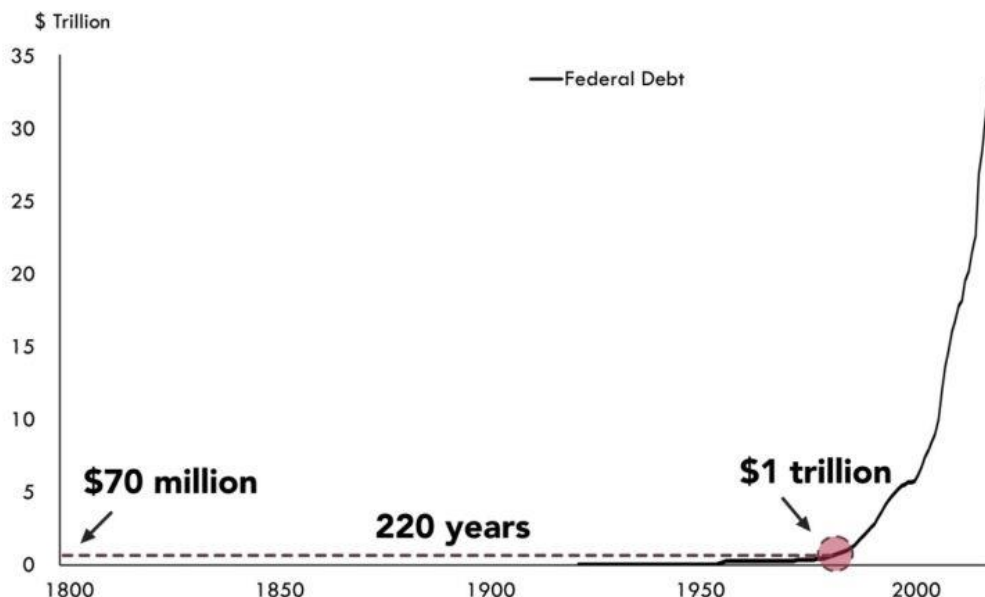
#us #gold-standard #debt

In 1971 the US came off the gold standard

Total Debt Outstanding



US Total Debt Outstanding



Dates: 1790 Through 2023.
Source: US Department of the Treasury, Game of Trades.

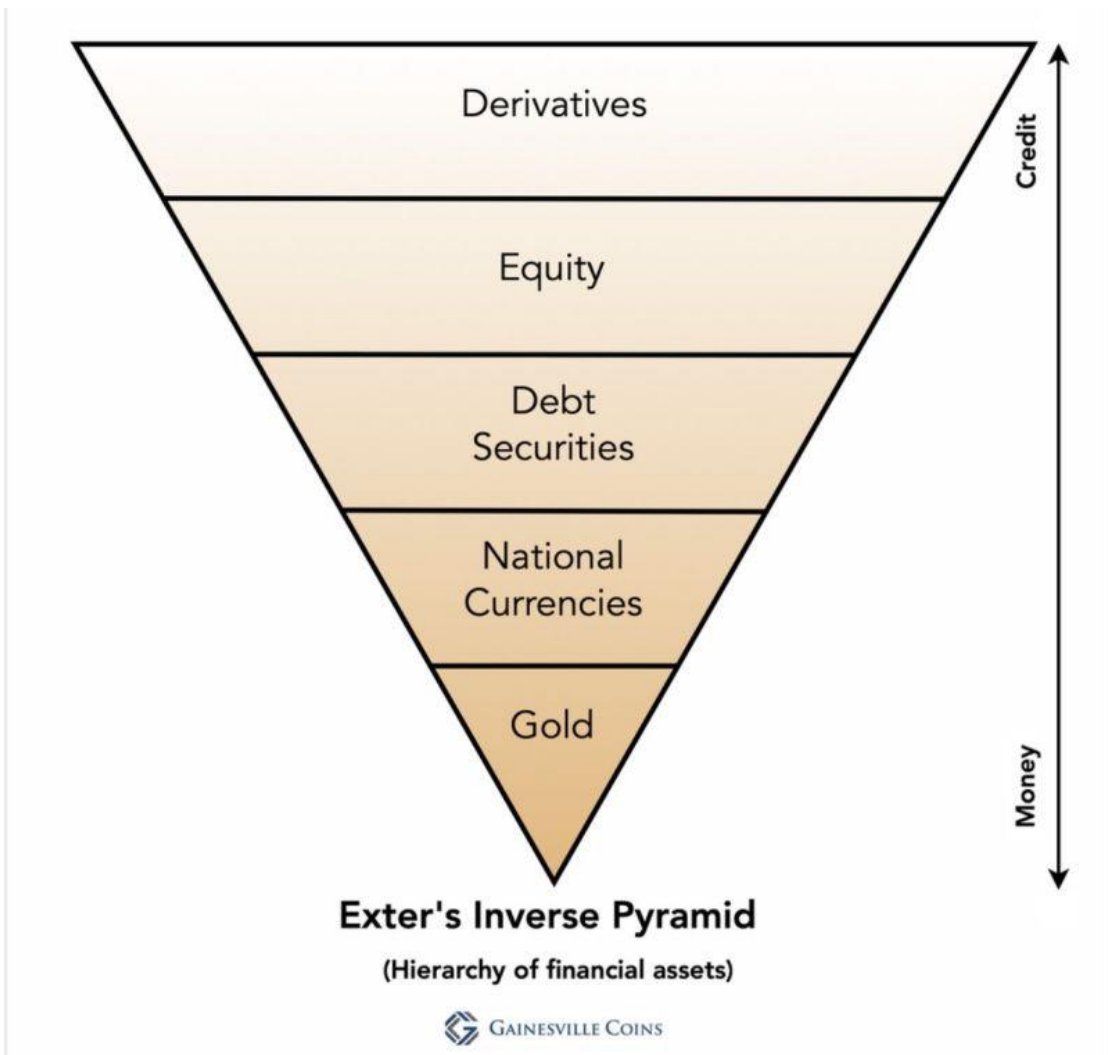
Source: Game of Trades, Michael Burry Stock Tracker ⓘ



#food-for-thought

#gold #jp-morgan

“Gold is money. Everything else is credit.” ~J.P. Morgan



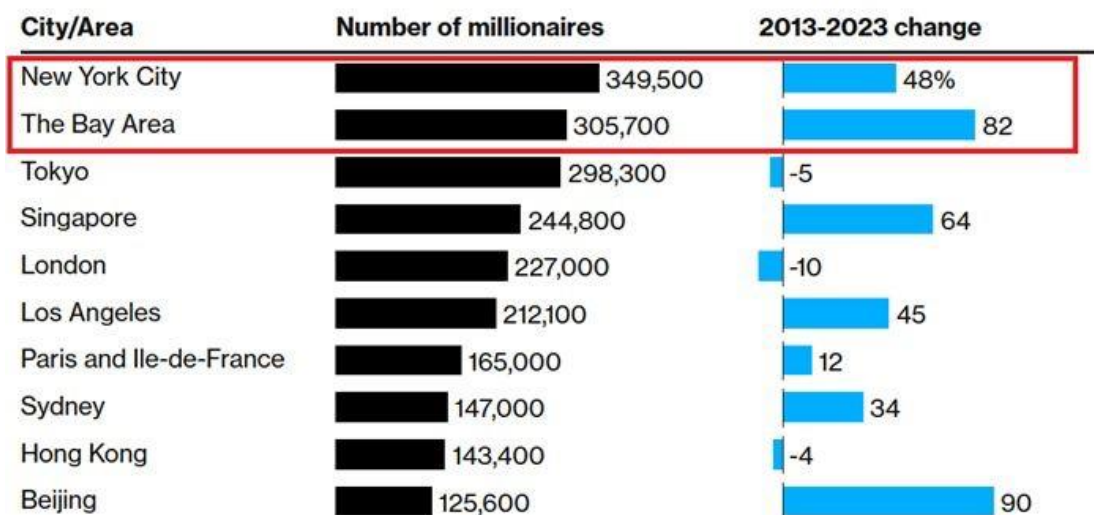
Source: Mr. Uppy

#food-for-thought

#new-york #millionaires

New York City now has 349,500 millionaires, more than any city in the world. Over the last decade, the number of millionaires in NYC has risen by a massive 48%. At the same time, in The Bay Area, the number of people with a seven-figure net worth has risen 82% to 305,700, the second-highest worldwide. This surge has been driven by a massive rally in financial markets and real estate prices. Meanwhile, 78% of Americans live paycheck to paycheck, according to the latest Payroll-org survey. The rich are getting richer at the fastest pace ever.

New York Tops List of Cities With Most Millionaires



Source: Henley & Partners

@KOBESSILETTER

Source: The Kobeissi Letter, Bloomberg



#food-for-thought

#ai #creativity

A new study by the University of Arkansas pitted 151 humans against ChatGPT-4 in three tests designed to measure divergent thinking, which is considered to be an indicator of creative thought. Not a single human won.



MOBINETAI

ARTIFICIAL INTELLIGENCE IS ALREADY MORE CREATIVE THAN 99% OF PEOPLE

May 10, 2024

This assertion might be a pill hard to swallow for some, especially those who believe there is no creativity or soul in AI outputs. However, research comparing the creative potential of humans against GPT-4 reveals a truth: **AI surpasses 99% of individuals in its creativity.**

The paper “The current state of artificial intelligence generative language models is more creative than humans on divergent thinking tasks” presented these findings and was published in *Scientific Reports*.

A new study by the University of Arkansas pitted **151 humans against ChatGPT-4** in three tests designed to measure divergent thinking, which is considered to be an indicator of creative thought. Not a single human won.

Source: Jeremiah Owyang

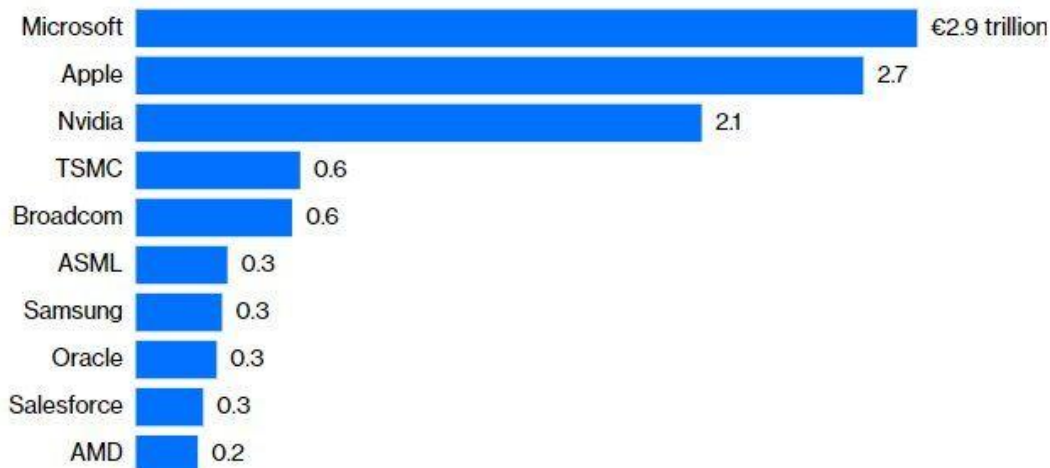
#food-for-thought

#europe #innovation

The issue with Europe: 1) Over-regulation; 2) Too much bureaucracy; 3) Lack of innovation. As shown below, Tech champions are lacking.

Europe's Tech Champions Are Lacking

ASML is alone among global peers ranked by market capitalization



Source: Bloomberg

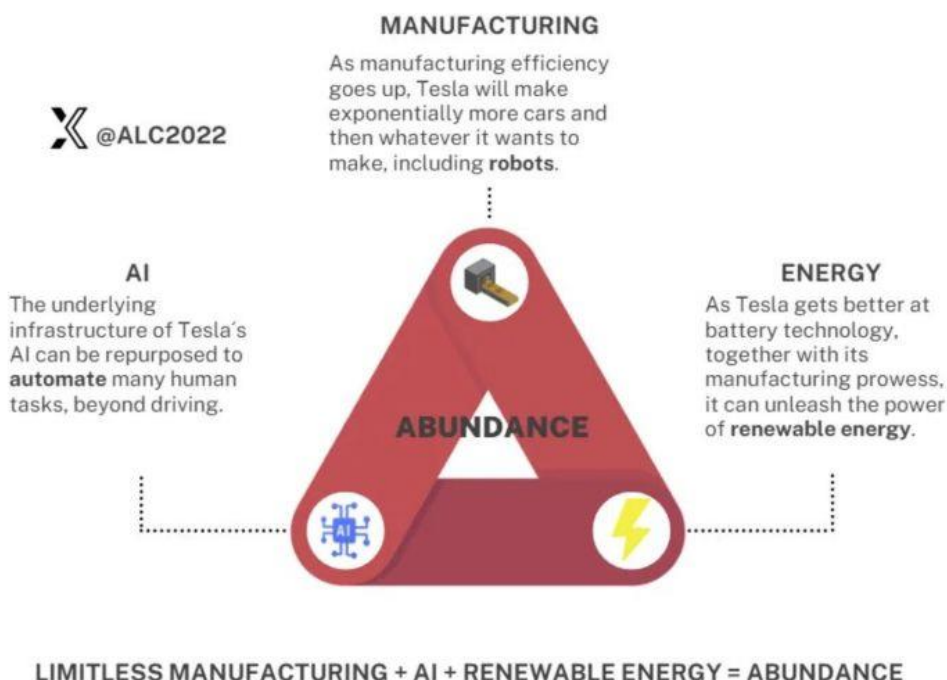
#food-for-thought

#tesla #sectors

Why is Tesla \$TSLA NOT a car company explained in one picture



Tesla's Abundance Triangle



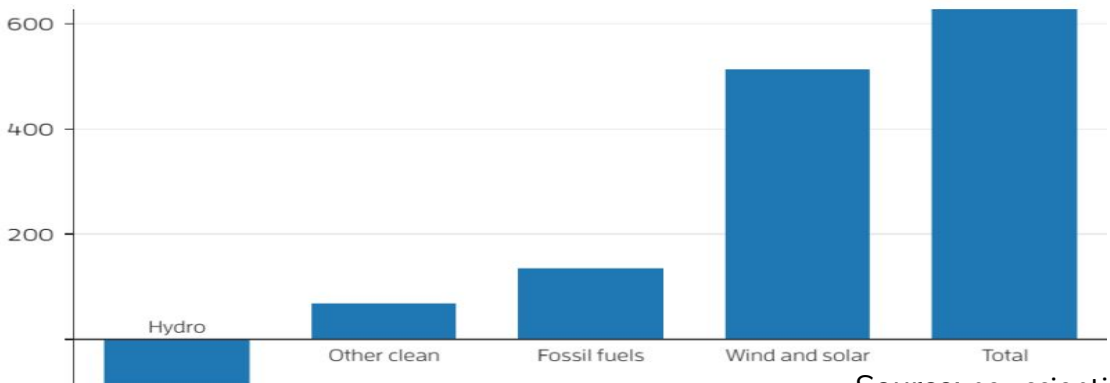
Source: Antonio Linares

#food-for-thought

#renewables #energy

Green electricity jumped from 29.4 per cent of total generation in 2022 to 30.3 per cent last year, a new high. This was driven by the rapid rollout of wind and solar power, particularly in China. Hydropower and other renewables, such as bioenergy, made up the remainder of renewable generation. Solar is by far the fastest-growing electricity source, increasing its share of generation from 4.6 per cent in 2022 to 5.5 per cent in 2023. That is the continuation of a long-running trend; since 2000, wind and solar power have gone from generating just 0.2 per cent of global electricity to a record 13.4 per cent today. The share generated by fossil fuels fell from 61.4 per cent in 2022 to 60.6 per cent in 2023, but the amount of electricity produced by these fuels rose slightly because of a 2.2 per cent hike in overall energy demand, mostly in China. Nuclear provided 9.1 per cent of electricity, the same as in 2022.

Annual change in electricity generation from 2022 to 2023 (terawatt hours)



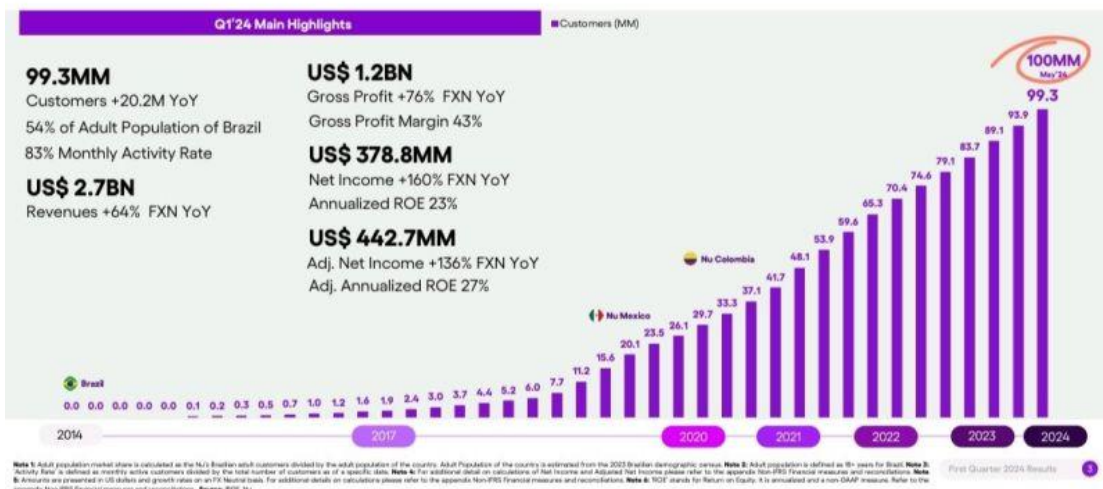
Source: newscientist

#food-for-thought

#nubank #growth

The power of digital banking... \$NU Nubank's total customers over the years have grown significantly. This month, they reached a total of 100 million customers across three countries: Brazil, Mexico, and Colombia. What a company!

Continued Growth of One of the World's Largest Digital Banking Platforms



Source: The Future of investors

#food-for-thought

#emirates #profit

Simply the best... Emirates Group posted record profits of Dh18.7 billion (\$4.7B) for its financial year that ended March 31, boosted by unprecedented travel demand and strong capacity operations across its network. The Dubai aviation giant's revenues for the period also broke records at Dh137.3 billion.



Source: Gulf News

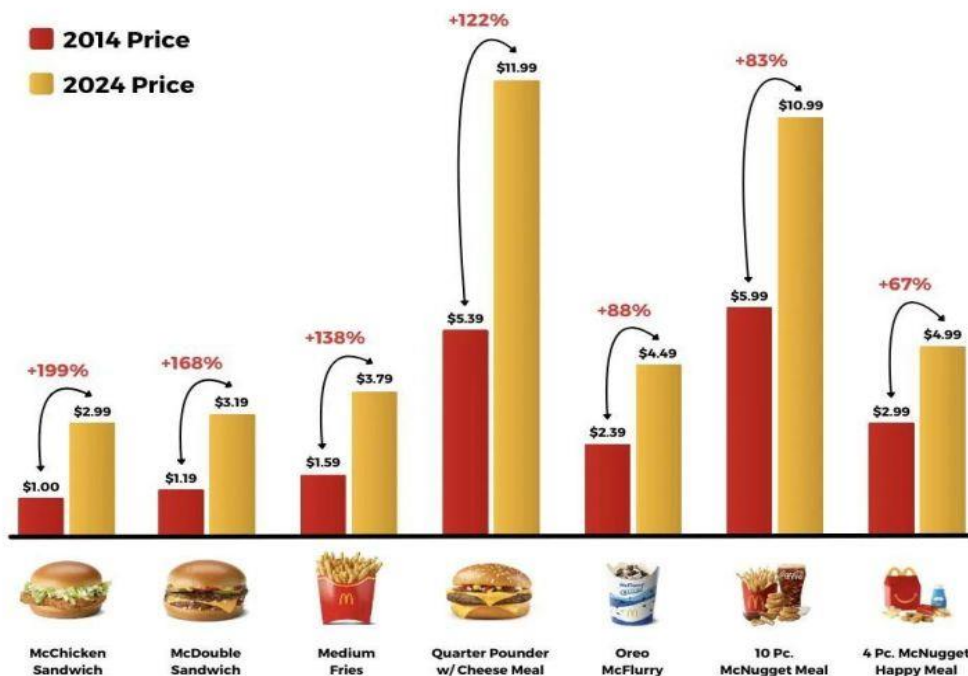
#food-for-thought

#mcdonalds #prices

Fast food prices have exploded over the last decade, based on the McDonald's \$MCD menu



McDonald's PRICES HAVE SURGED



More visuals: www.carbonfinance.io

Source: FinanceBuzz

Source: Markets & Mayhem

#food-for-thought

#social-media #addictiveness

EU investigates Facebook and Instagram for addictiveness. The American tech giant's platforms, Facebook and Instagram, may "exploit the weaknesses and inexperience of minors," the European Commission said. Meta's products may "exploit the weaknesses and inexperience of minors" to create behavioral dependencies that threaten their mental well-being, the European Commission, the executive branch of the 27-member bloc, said in a statement. E.U. regulators could ultimately fine Meta up to 6 percent of its global revenue, which was \$135 billion last year, as well as force other product changes.



Source: nytimes

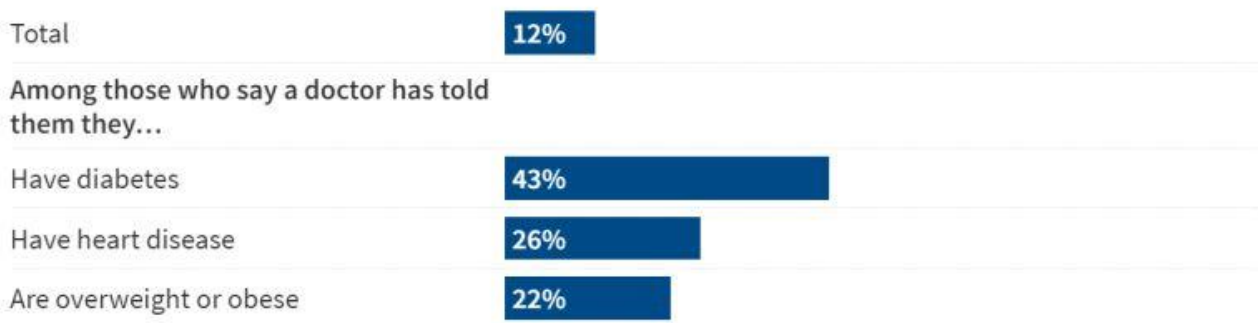
#food-for-thought

#us #obesity-medication

1 In 8 US Adults Have Tried GLP-1 Obesity Medications, Poll Finds

One in Eight Adults Say They Have Ever Used GLP-1 Drugs, Rising to Four in Ten Among Adults Who Have Been Diagnosed With Diabetes

Percent who say they have ever used GLP-1 agonist drugs to lose weight or treat a chronic condition such as diabetes or heart disease:



Source: [kff.org](https://www.kff.org)

#food-for-thought

#ban #political-betting

U.S. CFTC Proposes Ban on Political Event Contracts. The U.S. derivatives agency approved a proposal to ban popular prediction market trading, with three of the five commissioners approving the proposed rule. The public will have 60 days to weigh in with comments on the potential rule. The U.S. Commodity Futures Trading Commission (CFTC) proposed a formal rejection of event contracts that bet on the outcome of political activity in a vote on Friday, beginning an effort to wall off U.S. customers from platforms that allow the trading of predictive contracts.



Source: coindesk

#food-for-thought

#micromanager

The true definition of 'micromanager' ?

micromanager

[ˈmaɪkrəʊ,mænɪdʒə]

noun.

Someone you pay to watch
your top talent walk away.

*see also: authoritarian, martinet, narcissist,
stickler*

**CORPORATE
REBELS**

Source: Corporate Rebels

#food-for-thought

#buffett #quotes

Quote of The Day

"We don't have to be smarter than the rest. We have to be more disciplined than the rest."

~ Warren Buffett

Source: warren buffet

#food-for-thought

#life #quotes

Life is short.

“Life is short.

You get 4,000 weeks if you’re lucky.

Book that flight.

Apply for that job.

Start that business.

Stop putting limits on yourself.”

-Colby Kultgen

Source: Seek Wiser

#food-for-thought

#work #quotes

“Often times, the ones that are successful loved what they did so they could persevere when it got really tough” - Steve Jobs

THE ONLY WAY TO
DO GREAT WORK
IS TO LOVE
WHAT YOU DO
Steve Jobs



Subscribe to the newsletter

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For the future...