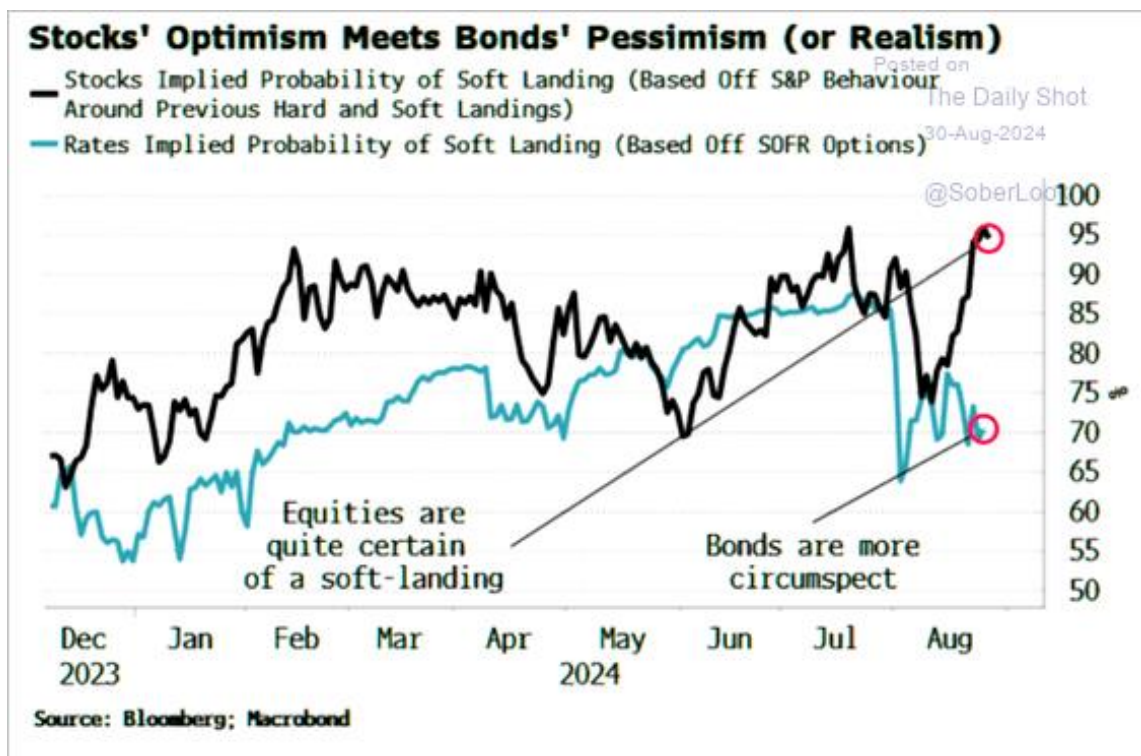


Chart of the week

Stocks and bonds disagree on recession odds

Below the implied probability of a soft landing (based on S&P behaviour around previous hard and soft landings and SOFR options).

Stocks are increasingly sure that the #economy will avoid a recession. Bonds.....not so much.



Stocks End August Flat; Bonds & Gold Soar

August was a volatile month with US equities pulling back at the start the month before rallying back to unchanged. Last week, the main US equity indices ended mixed. Trading was light ahead of the US holiday weekend (Labor Day). The Nasdaq Composite fared the worst, dragged lower in part by chip giant NVIDIA, which lost nearly 10% of its value, at the stock's low point on Thursday. Relatedly, value stocks outperformed growth shares by the largest margin since late July. The US core personal consumption expenditures (PCE) price index showed prices rising by 0.2% in July, largely as expected. This seemed to please investors as it is a confirmation that inflation was remaining subdued and near the Fed's target. The US Treasuries 10-year yield drifted higher over the week, as hopes appeared to dim that the Federal Reserve would cut interest rates by a full 50 basis points at its mid-September meeting. According to the CME Fedwatch tool, futures markets continued to price in the certainty of a cut of at least 25 basis points. In Europe, the STOXX Europe 600 Index gained 1.34%, rising to a record high. Headline annual inflation in the eurozone decelerated to 2.2% in August from 2.6% in July—the lowest level in three years and a shade above the ECB's 2% target. Wrapping up a volatile month, Japan's stock markets rose over the week, with the Nikkei 225 Index gaining 0.7%. The dollar was down hard on the month but staged a decent comeback this week after testing near YTD lows. Bitcoin is back below \$60k.

#GLOBALMARKETS WEEKLY WRAP-UP

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31 AUGUST 2024

#markets

#weekly #stats

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	41,563	0.9%	10.3%
S&P 500 Index	5,648	0.2%	18.4%
NASDAQ	17,714	-0.9%	18.0%
MSCI EAFE*	2,448	0.3%	9.5%
10-yr Treasury Yield	3.91%	0.1%	0.0%
Oil (\$/bbl)	\$73.61	-1.6%	2.7%
Bonds	\$100.25	-0.5%	3.3%

Source: FactSet, 8/30/2024. 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





#cross-assets #august

Bonds and stocks disagreed notably on the month and the recession odds...



Source: www.zerohedge.com, Bloomberg





#us #money-market-funds #fed #record

BREAKING: US money market funds just saw ~\$90 billion of inflows in the first half of August, the most since November 2023. This is DOUBLE the amount recorded last month, according to EPFR data. Most of the inflows have been driven by institutional investors as they position portfolios in anticipation of Fed rate cuts. Money market funds offer higher returns than Treasury bills which yields decline ahead of rate reductions. As a result, total money market fund assets hit a new all-time record of ~\$6.2 trillion. Right at the time the era of high rates is coming to an end.



Source: The Kobeissi Letter, EPFT, FT





#greed #fear #index

Fear & Greed Index

What emotion is driving the market now?
[Learn more about the index](#)



Source: cnsentiment



#vix #volatility

The VIX index is back to complacency levels (around 15).



Source: www.zerohedge.com, Bloomberg

#markets

#sp500 #short-interest #trading

Less Shorts. Short size trending down from summer peak.

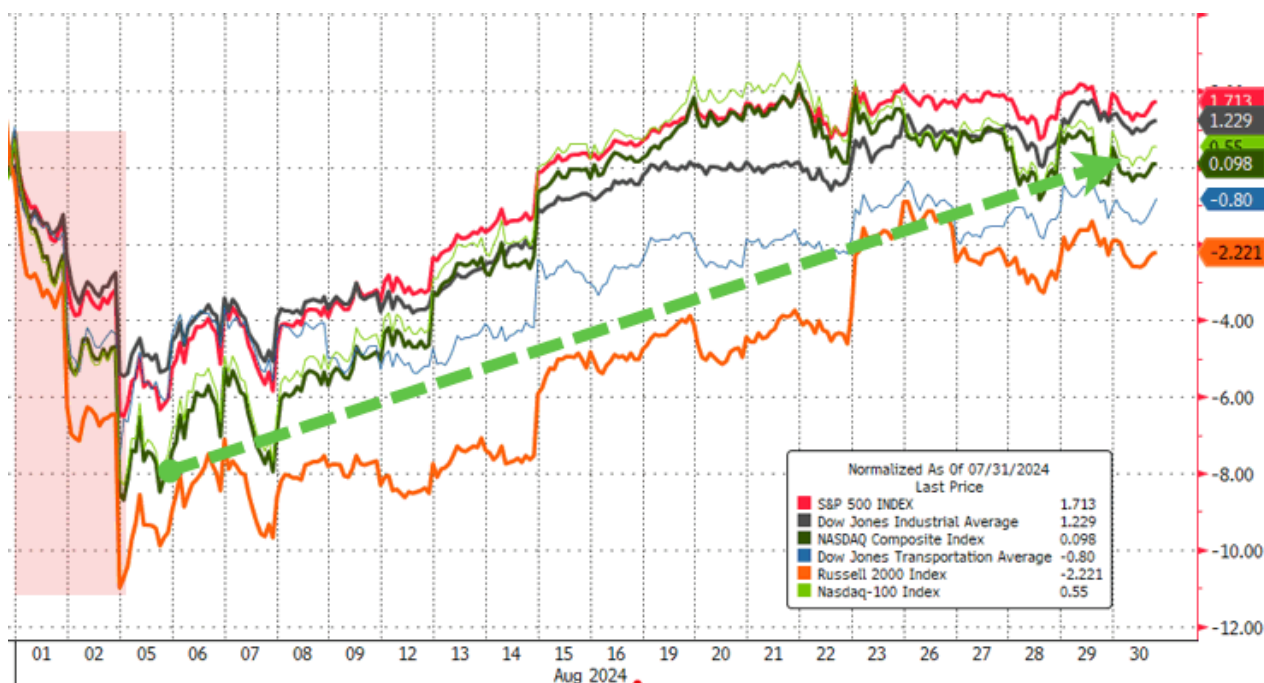


Source: factset, tme



#us #equities #august

August really spooked the markets (after payrolls - recession concerns), sparking a bloodbath in stocks to start the month, stocks (broadly speaking) rallied back to unchanged-ish on the month (flat-ish on the week and the day) with the S&P 500 leading the month while Small Caps lagged...



Source: www.zerohedge.com, Bloomberg

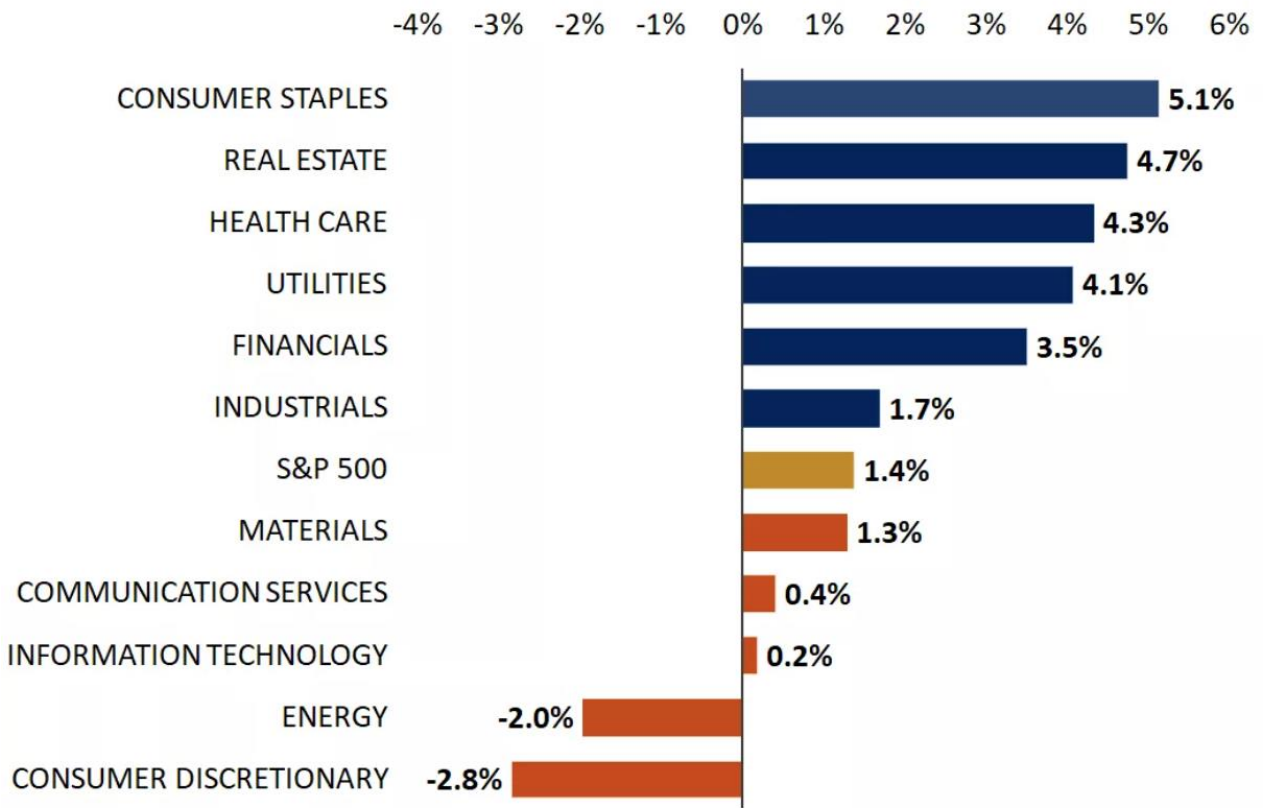




#us #equities #august

Leadership broadened out in August with growth sectors lagging.

August marked the return of the laggards



Source: FactSet and Edward Jones. Total return of the S&P 500 GICS sectors.

Source: Edward Jones



#sp500 #trading #20dma

90% of S&P 500 stocks are now trading above their 20-Day moving average, the most since November 2023.



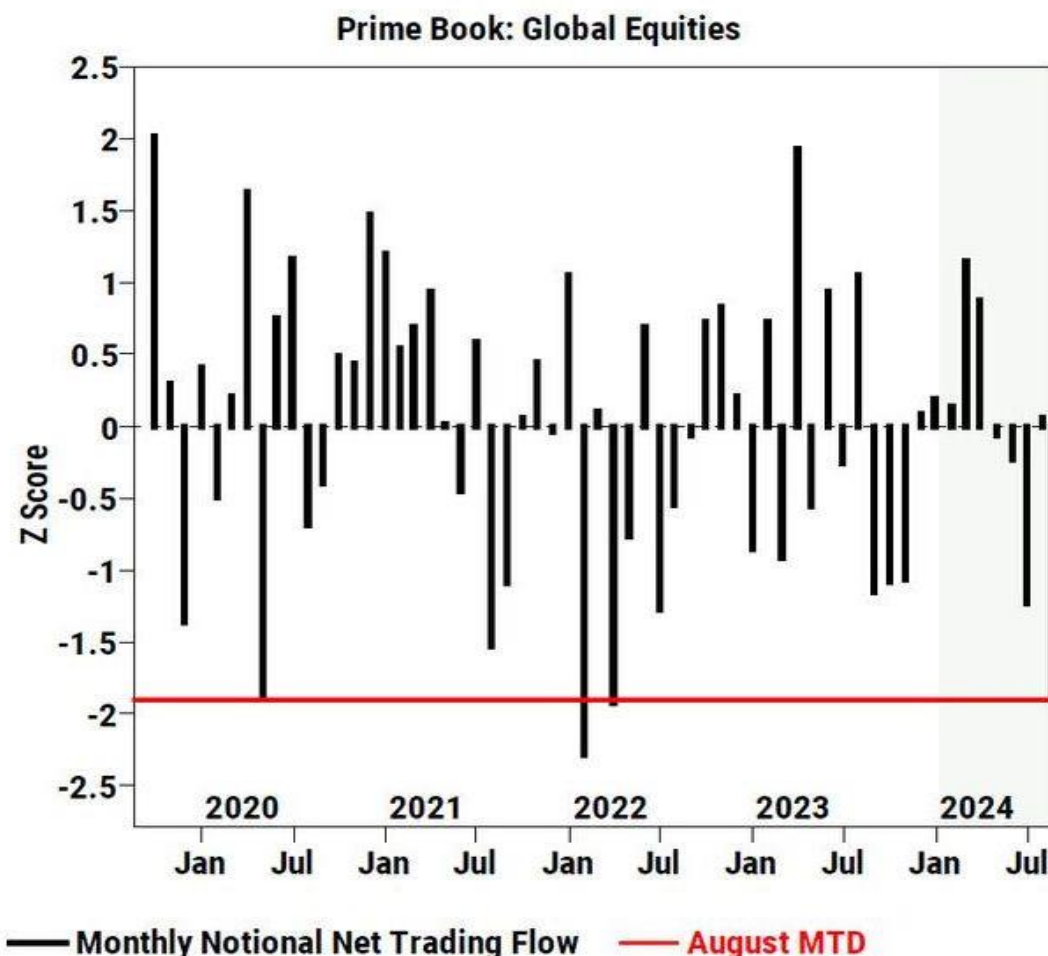
Source: barchart





#hedge-funds #equities

Hedge Funds on track to sell equities this month at the fastest pace since March 2022, according to Goldman Sachs.



Source: Barchart





#hedge-funds #mutual-funds #stocks

Hedge funds and Mutual funds are collectively most underweight 4 stocks: TSLA, INTC, MRNA and CVX (from Goldman).

Overlap between our mutual fund and hedge fund baskets (top left quadrant is crowded longs and bottom right is highly shorted/most underweight)...

holdings as of 2Q 2024

		Overlap with our MUTUAL FUND baskets			
		Overweight		Underweight	
		Mutual Fund Overweight Positions <GSTMFOV>	Mutual Fund Underweight Positions <GSTMFUW>		
Overlap with our HEDGE FUND baskets	Long	Hedge Fund VIP List <GSTHHVIP> CRH FI MA PGR UBER UNH V WDAY	AAPL AMD AMZN AVGO BRK.B GE GOOGL JPM LLY META MSFT NVDA		
	Short	Hedge Fund concentrated short positions COR DELL EBAY MRVL TGT	CVX INTC MRNA TSLA		

Source: Goldman Sachs Global Investment Research.

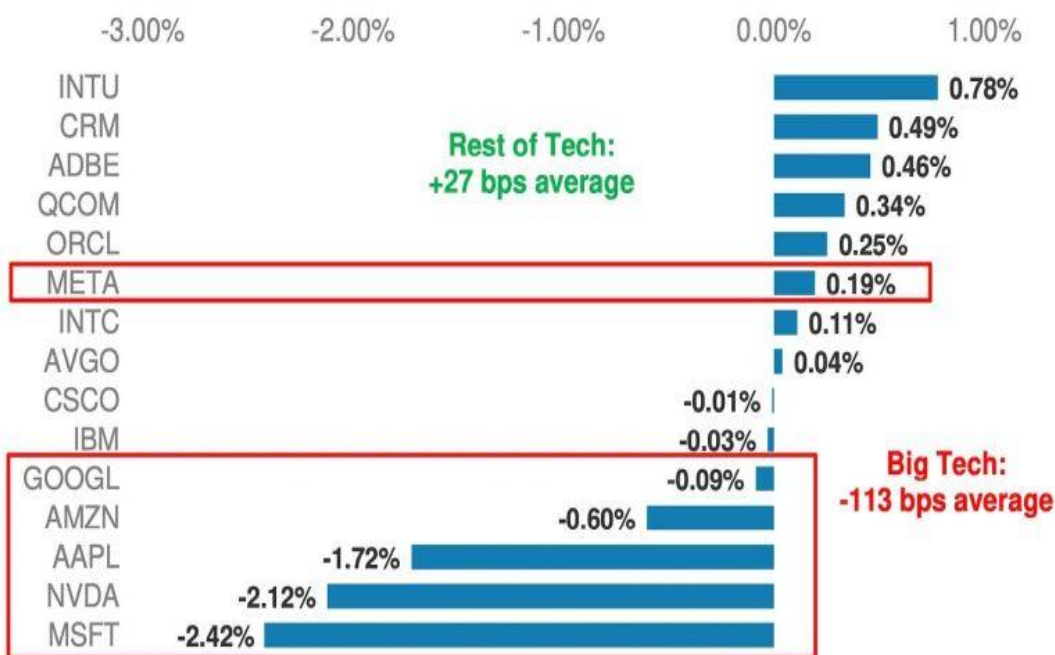
Source: www.zerohedge.com



#portfolio #stocks #sp500

What are the most under-owned and over-owned large-caps stocks in portfolios? "Of the large cap stocks we evaluate, MSFT, NVDA, AAPL, AMZN, and GOOGL are currently the most under owned in actively managed portfolios vs. the S&P 500, while INTU, CRM, ADBE and QCOM are the most over-owned."
 - MS Woodring

Average Active Ownership Portfolio Weighting vs. S&P 500 Weighting



Source: Based on 13-F filings for the period from 1Q09 to 2Q24. Factset, Morgan Stanley Research.

Source: Daily Chartbook, MS



#GLOBALMARKETS WEEKLY WRAP-UP

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#xlu #xlc #etf #utilities #communications #services

Utilities \$XLU is now the top performing sector ETF on the year with a gain of 21.8%, ranking it just ahead of Communication Services \$XLC and Financials \$XLF.

US Related					US Sectors, Commodities, & Fixed Income				
ETF	Description	YTD	MTD	This Week	ETF	Description	YTD	MTD	This Week
SPY	S&P 500	18.74	1.81	-0.24	XLY	Cons Disc	4.70	-0.58	-0.78
DIA	Dow 30	10.62	1.12	0.22	XLP	Cons Stap	16.12	5.87	0.71
QQQ	Nasdaq 100	16.41	0.91	-0.97	XLE	Energy	10.51	-2.16	0.90
IJH	S&P Midcap 400	12.05	-0.32	-0.31	XLF	Financials	19.45	1.90	0.32
IJR	S&P Smallcap 600	8.25	-1.63	-0.03	XLV	Health Care	14.78	3.84	-0.05
IWB	Russell 1000	17.79	1.76	-0.30	XLI	Industrials	14.03	1.00	-0.11
IWM	Russell 2000	10.42	-1.52	0.03	XLB	Materials	9.79	1.09	0.44
IWV	Russell 3000	17.38	1.66	-0.18	XLRE	Real Estate	10.02	5.22	-0.07
IVW	S&P 500 Growth	24.39	2.15	-0.67	XLK	Technology	15.29	1.07	-1.25
IJK	Midcap 400 Growth	15.59	-0.62	-0.53	XLC	Comm Services	21.34	2.23	0.23
IJT	Smallcap 600 Growth	11.37	-1.94	-0.28	XLU	Utilities	21.81	4.29	0.65
IVE	S&P 500 Value	12.51	1.65	0.29	DBC	Commodities	2.04	-0.40	1.03
IJJ	Midcap 400 Value	8.05	-0.02	-0.20	DBA	Agric. Commod.	20.40	5.18	1.18
IJS	Smallcap 600 Value	4.83	-1.47	-0.07	USO	Oil	16.77	0.12	3.02
DVY	DJ Dividend	15.03	2.01	0.34	UNG	Nat. Gas	-34.27	-1.55	-2.84
RSP	S&P 500 Equalweight	11.34	1.56	-0.02	GLD	Gold	21.76	2.74	0.32
					SLV	Silver	25.44	3.52	0.44
					SHY	1-3 Yr Treasuries	3.16	0.86	-0.05
					IEF	7-10 Yr Treasuries	3.38	1.97	-0.12
					TLT	20+ Yr Treasuries	1.56	3.85	-0.25
					AGG	Aggregate Bond	3.62	1.90	-0.09
					BND	Total Bond Market	3.66	1.87	-0.11
					TIP	T.I.P.S.	3.78	1.27	0.01

Past performance is no guarantee of future results.

Source: bespoke



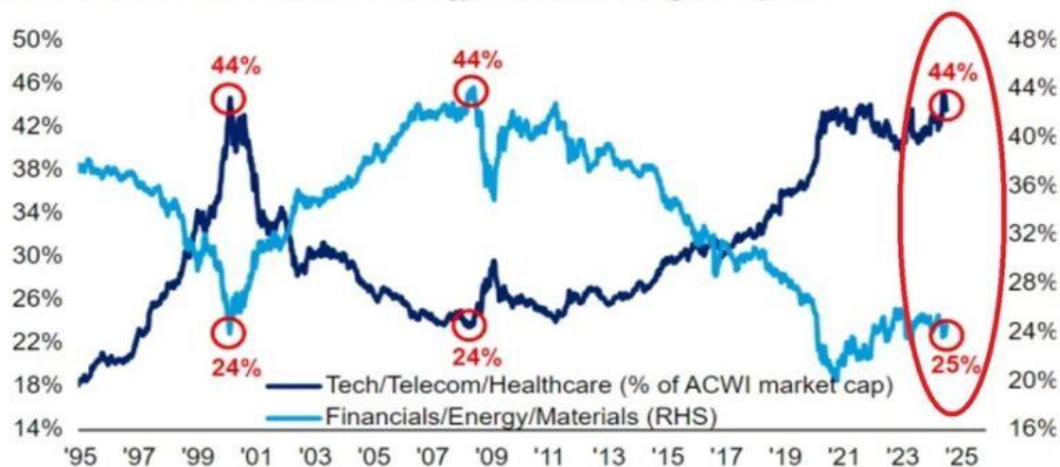


#dot-com-bubble #bigtech #market-concentration

JUST IN: Market concentration has now reached 2000 Dot-com bubble levels. Technology, telecom, and healthcare sectors' share in global stocks reached a record 45% in July 2024. Over the last 4 years, this share has jumped by ~10 percentage points, exceeding the previous all-time high of 44% seen during the 2000 Dot-Com bubble. At the same time, financial, energy, and materials as a % of global equities fell to 25%, below the 2000 levels. After the Dot-Com bubble burst 24 years ago, tech, telecom, and healthcare stocks lost their global share for years as financials, energy, and materials gained. Will history repeat itself this time?

Exhibit 14: Tech/telecom/healthcare peaked at 45% of global equities in July 2024

Tech/telecom/healthcare vs financials/energy/materials as % of global equities



POSTED BY @KOBESSILETTER

Source: BofA Global Investment Strategy, MSCI, Refinitiv

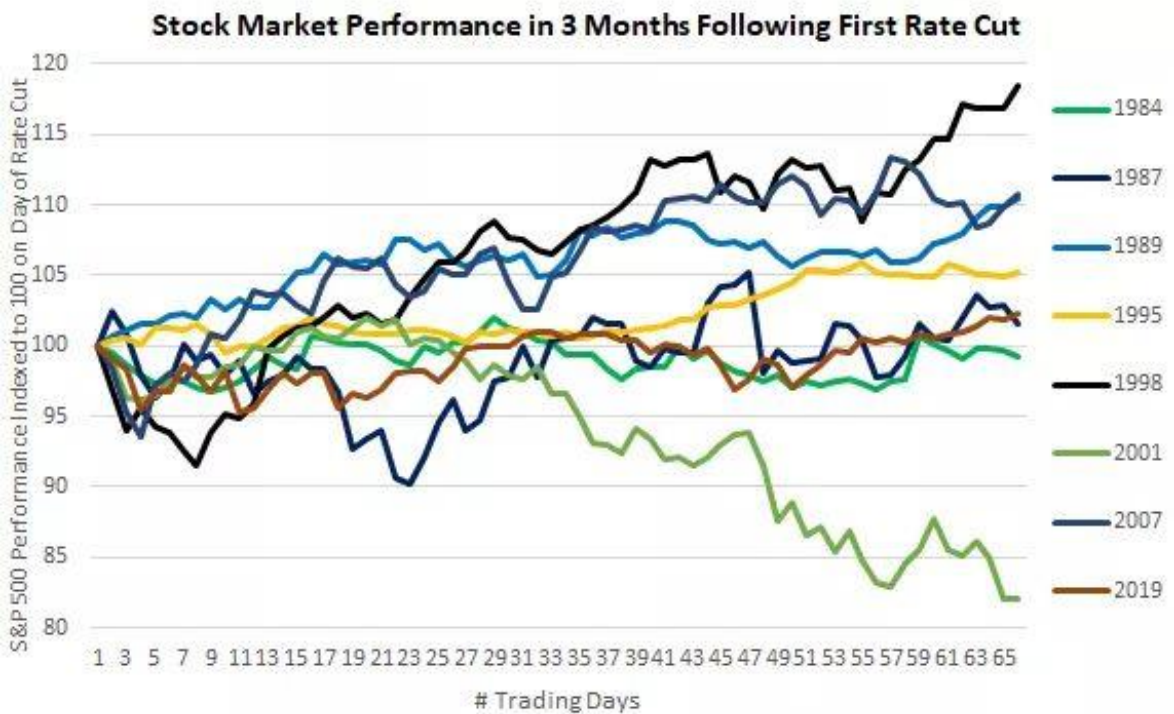
Source: The Kobeissi Letter, BofA





#fed #trading #stocks

Following the first cut by the Fed, market performance is mixed, with many prior scenarios suggesting that prices move sideways to higher over the next three months.



Source: Market & Mayhem

#sp500 #seasonality

The next two months have NOT been kind to sp500 \$SPY during election years.

Over the last 25 years:

September

= 33% win rate, -2.95% average return

October

=17% win rate, -3.62% average return



Source: Trend Spider



#sp500 #seasonality #septmber

We are about to enter the weakest seasonal part of the year for the \$SPX. Historically, September is the worst month of the year for US stocks (by far), with a -13.5% annualized return.



Source: David Marlin, BofA

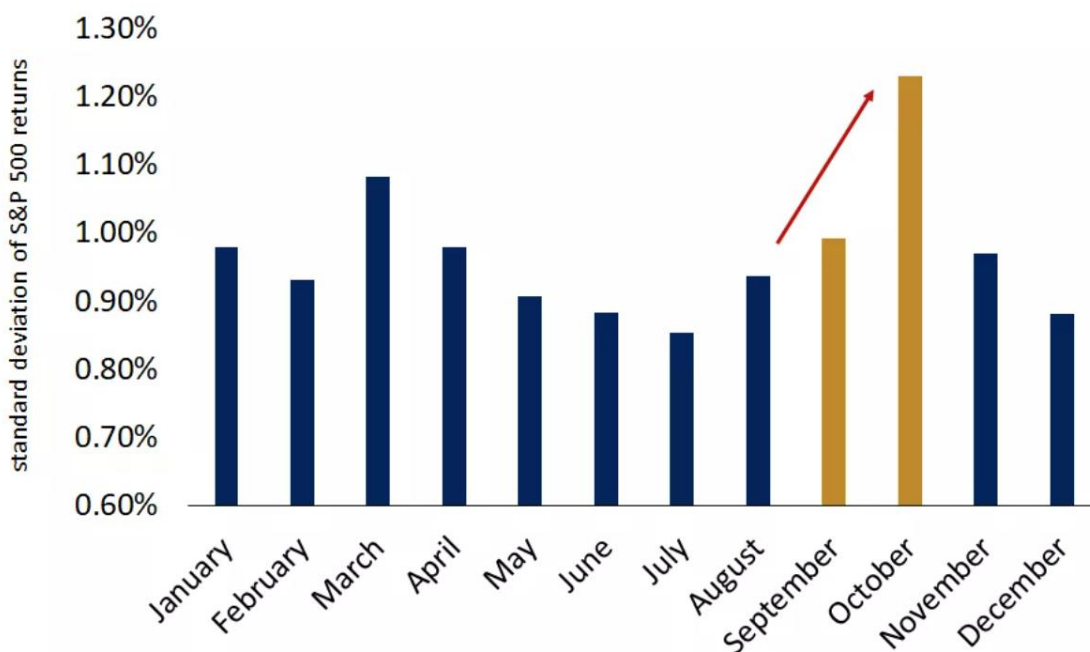




#us #equities #volatility #history

the next two-month stretch that will lead us to the November election day has historically been seasonally challenging for stocks, with bigger daily fluctuations and lower returns. The potential for volatility to reemerge highlights the importance of investment discipline and appropriate diversification across asset classes, styles and sectors, especially as the August round trip hinted that subtle leadership shifts are underway.

Volatility of daily returns by month (1984–present)



Source: FactSet, S&P 500 Index and Edward Jones.

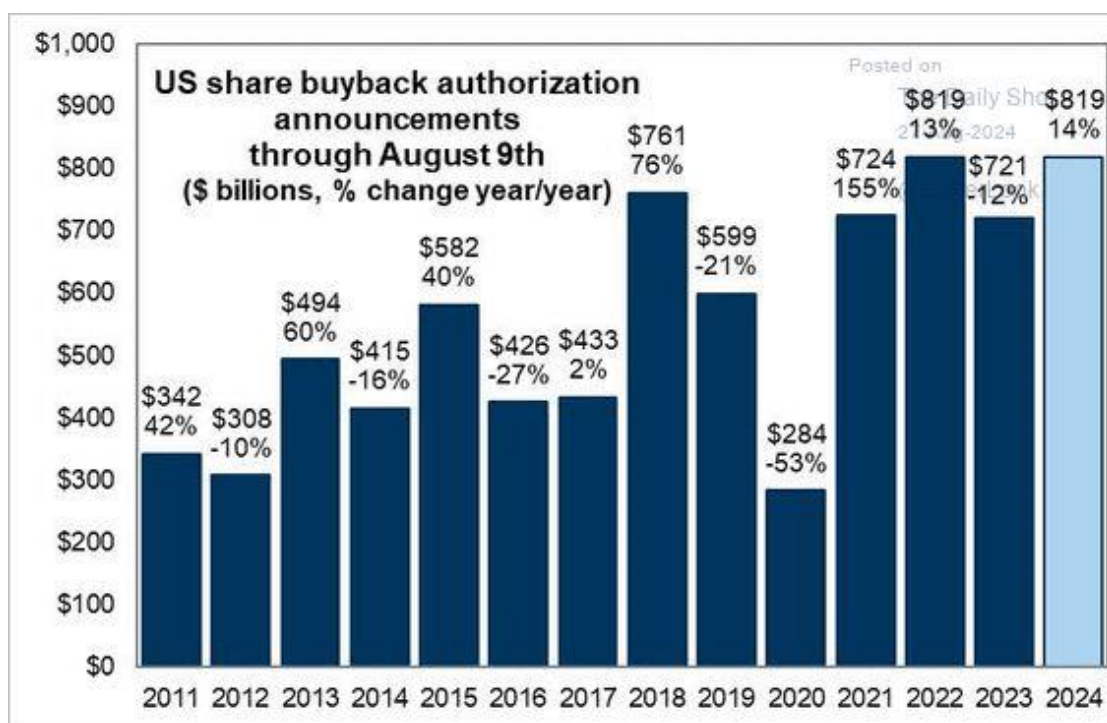


Source: Edward Jones



#sp500 #buybacks

Big buybacks in 2024. Window opens back up on Sept 13 (when 50% of blackout periods end).



Source: @SoberLook, Goldman Sachs thru Mike Zaccardi, CFA, CMT, MBA on X

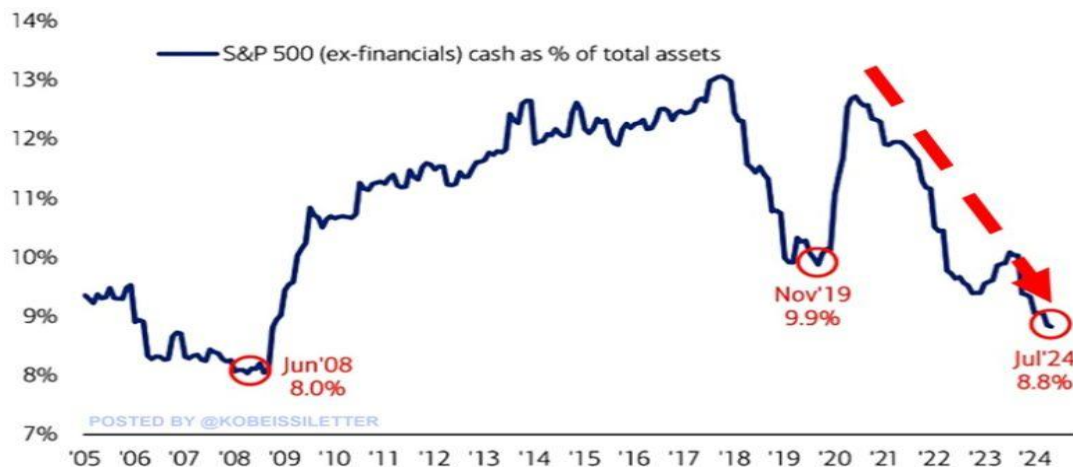




#sp500 #buybacks

Cash as a % of total assets for S&P 500 companies fell to 8.8% in July, the lowest level since 2009. Over the last 4 years, this percentage has declined 4 points from near multi-decade highs. This percentage is now close to the 2008 Financial Crisis low of 8.0%. S&P 500 companies have spent the vast majority of their excess cash which may limit future dividends and share buybacks. In other words, firms may be more willing to rebuild cash levels and therefore reduce capital returned to shareholders. Will record stock buybacks burn out soon?

Chart 4: Corporate buybacks likely to peak soon
S&P 500 cash as % of total asset (excluding financials)



Source: BofA US Equity & Quant Strategy

Source: The Kobeissi letter, BofA

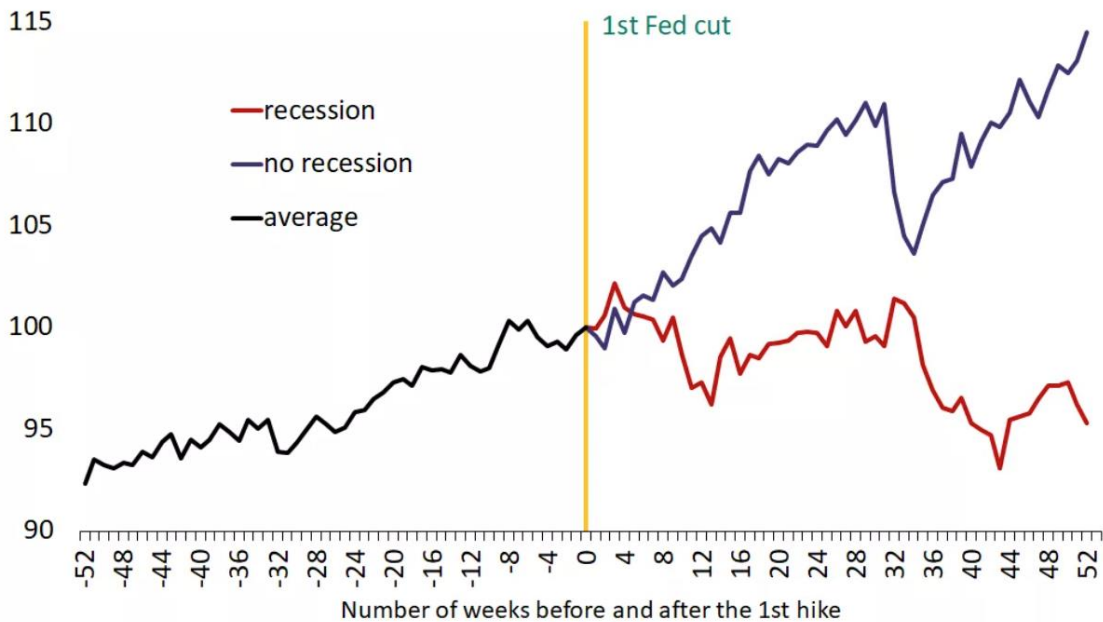




#sp500 #rate-cuts

From a market perspective, the start of a rate-cutting cycle that coincides with no recession has historically led to strong equity returns 12 months after the first rate cut.

S&P 500 performance before and after 1st rate cut
(average of 9 easing cycles indexed to 100)



Source: Bloomberg and Edward Jones.

Source: Edward Jones





#sp500 #12months #rate-cut

Sp500 \$SPX returns 12 months after the first rate cut. Schwab.



Source: Mike Zaccardi, CFA, CMT, MBA



Hand-curated selection of the best charts & news flow

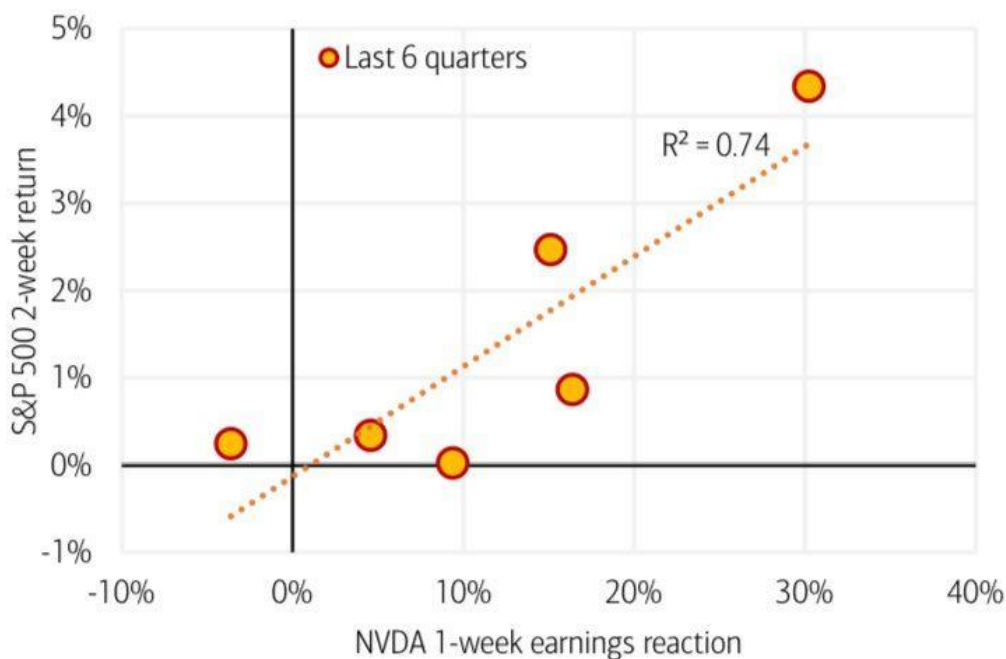


#nvidia #spx #performance

Indeed, the market trades on Jensen just as much as Jay. \$NVDA and SPX performances.. h/t

Exhibit 4: NVDA earnings have been a key driver of broad market performance in the short term

NVDA reaction to earnings highly correlated with the broader market's performance over the next 2 weeks



Source: BofA Global Research. Data since Jan-2023 (last 6 quarters).

Source: [Mike Zaccardi, CFA, CMT, MBA](#) @Marlin_Capital, BofA



Hand-curated selection of the best charts & news flow

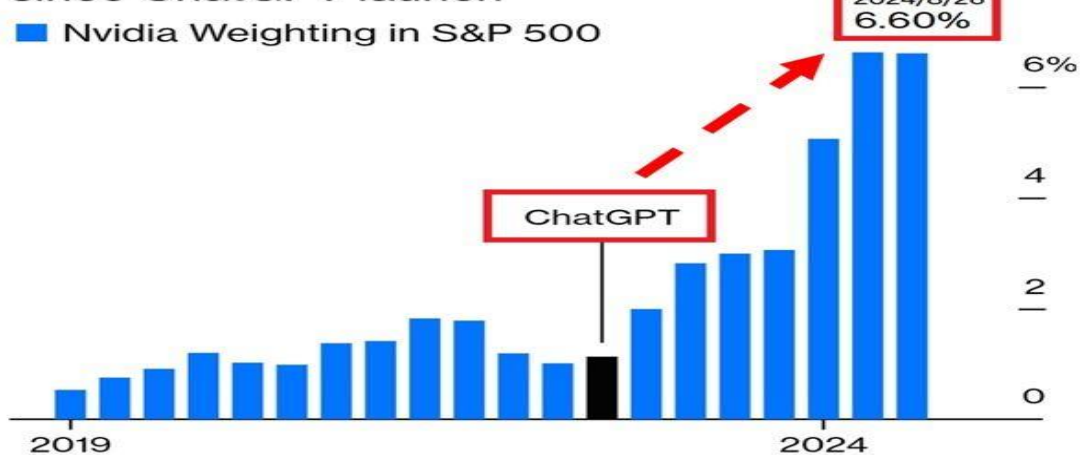


#nvidia #earnings #sp500

Nvidia, \$NVDA, earnings are due today after the close. As we head into earnings, \$NVDA now accounts for a massive 6.6% of the S&P 500. Since the ChatGPT launch in November 2022, the share has increased FIVEFOLD. To put this into perspective, Nvidia's market cap was \$290 billion before ChatGPT's introduction and the company is now worth \$3.1 trillion, just ~\$200 billion below the July peak. Since the release of ChatGPT, the stock is up over 1000%. Today, Nvidia's quarterly revenue is expected to grow by 112% year-over-year to \$28.7 billion. Can Nvidia beat expectations again tomorrow?

An Index Transformed, by One App

Nvidia's weight in the S&P 500 has risen fivefold since ChatGPT launch



POSTED BY @KOBESSILETTER

Source: Bloomberg

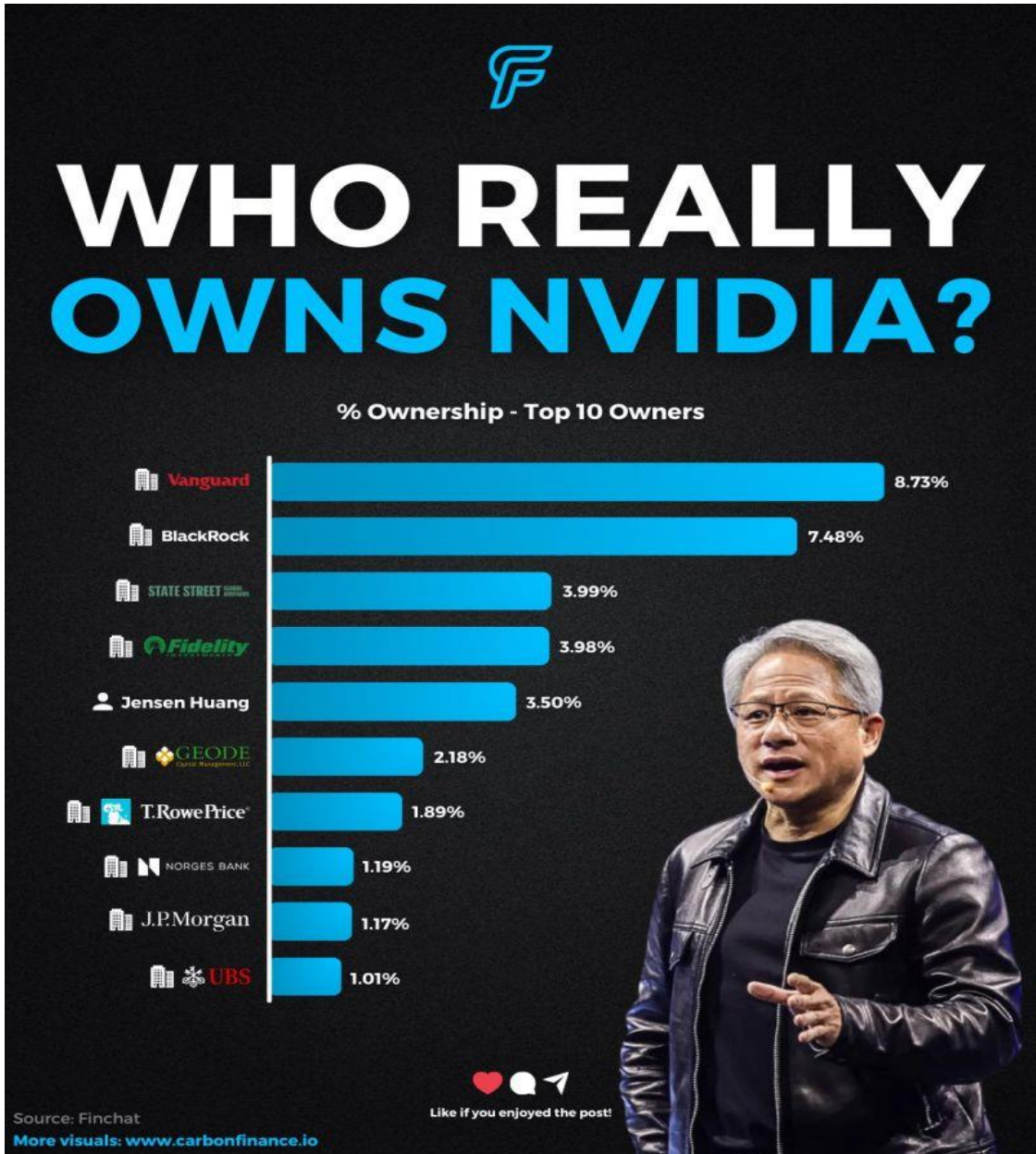
Bloomberg Opinion

Source: Bloomberg



#markets

#nvidia #huang #vanguard #blackrock

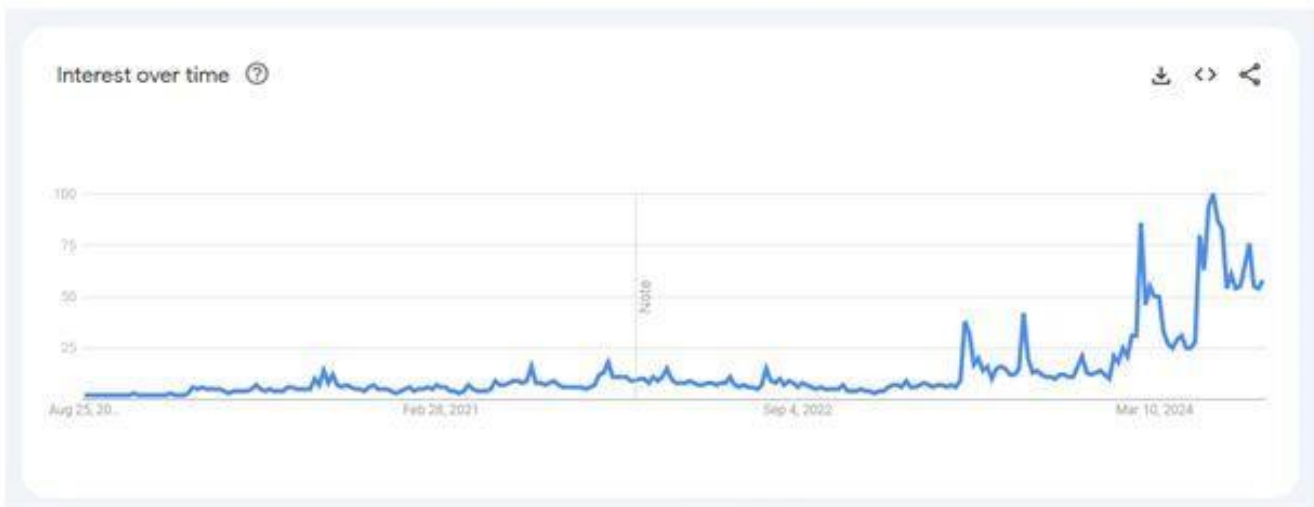


Source: Carbon Finance



#nvidia #earnings #retail-investors #ai

Nvidia is the most-visited single-stock symbol page on retail platform in 2024. It's one of three companies to reach a \$3 trillion market value (but the fastest to go from \$1 to \$3 trillion). It kicked off the artificial intelligence (AI) surge in mid-2023 after forecasting (and delivering) over 100% QoQ revenue growth. It accounts for 8.13% of the Nasdaq 100's weighting and 6.58% of the S&P 500's weighting, partially driving the market. The Google Trends page for "Nvidia stock" has quite the arc over the past five years as everyone from Wall Street to Main Street was captivated by its performance.



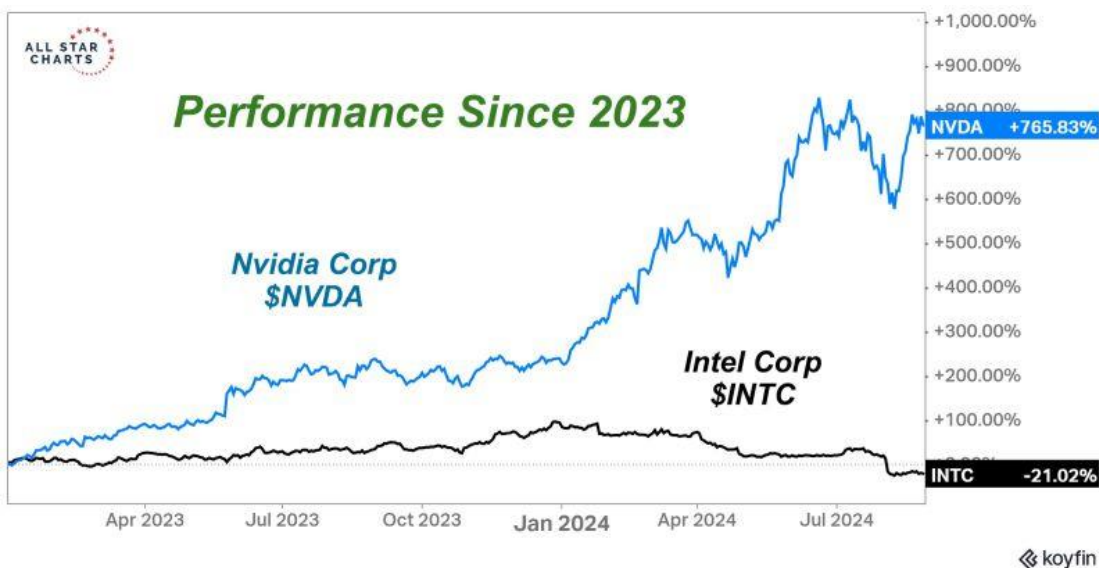
Source: [Google Trends](#)

Source: Google Trends



#nvidia #intel #performance

Nvidia set to replace Intel in the Dow Jones Industrial Average.

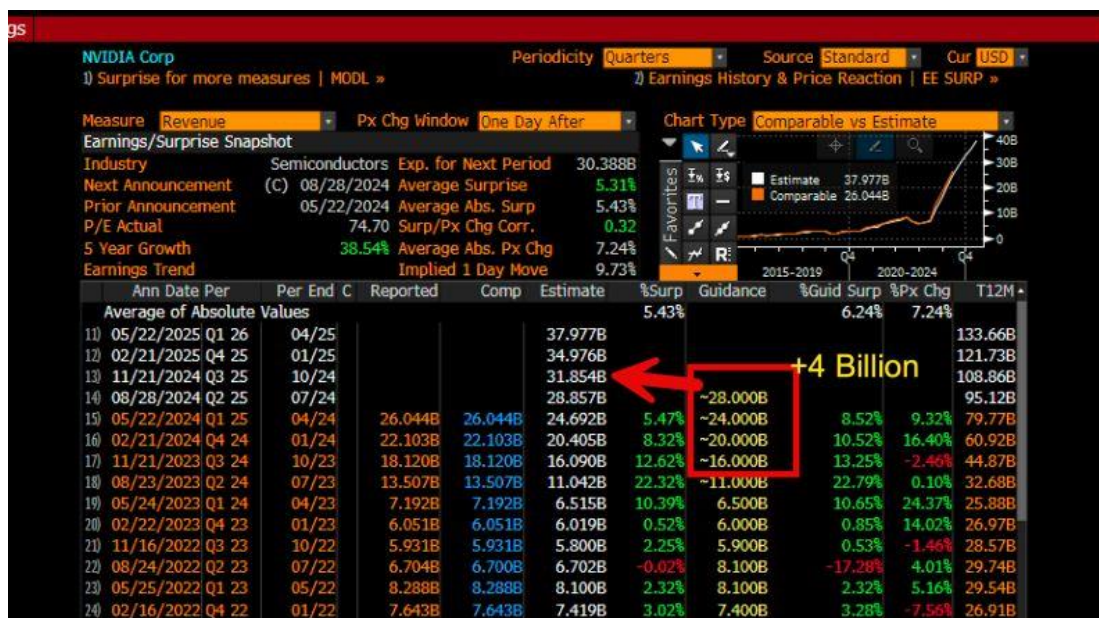


Source: J-C Parets



#nvidia #rise #performance

\$NVDA NVIDIA has guided \$4 billion higher than the previous quarter for four quarters in a row; analysts have finally caught up.



Source: Michael J. Kramer @MichaelMOTTCM, Bloomberg



#GLOBALMARKETS WEEKLY WRAP-UP

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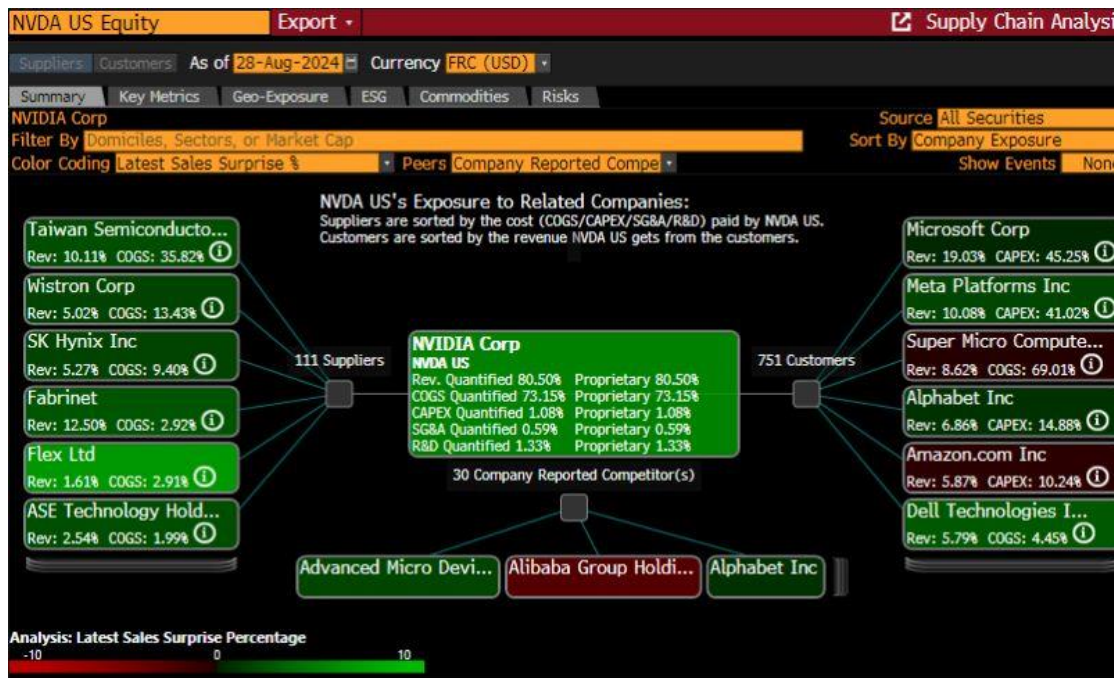


#nvidia #fraud #smci

If your third largest customer is committing fraud, is that bullish???

Nvidia \$NVDA

Super Micro Computer \$SMCI



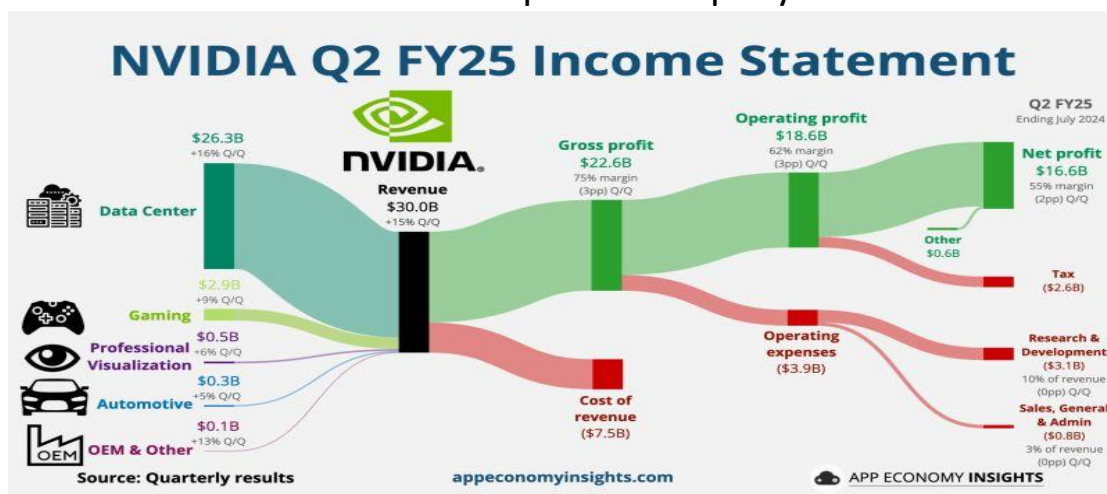
Source: Lawrence McDonald, Bloomberg





#nvidia #income #statement

Here is how Nvidia did versus LSEG consensus expectations:
Earnings per share: 68 cents adjusted vs. 64 cents
Revenue: \$30.04 billion vs. \$28.7 billion expected
It expects about \$32.5 billion in current quarter revenue, VS \$31.7 billion expected by analysts. That would be an increase of 80% from a year earlier. Revenue continues to surge at the chipmaker, rising 122% on an annual basis during the quarter, following three straight periods of year-over-year growth in excess of 200%. Net income more than doubled to \$16.6 billion from \$6.18 billion in the year-ago period. Nvidia has been the primary beneficiary of the ongoing artificial intelligence boom. Nvidia shares are up over 150% this year after soaring almost 240% in 2023. Its market cap recently eclipsed \$3 trillion, and Nvidia was the most valuable public company in the world.



Source: App Economy Insights





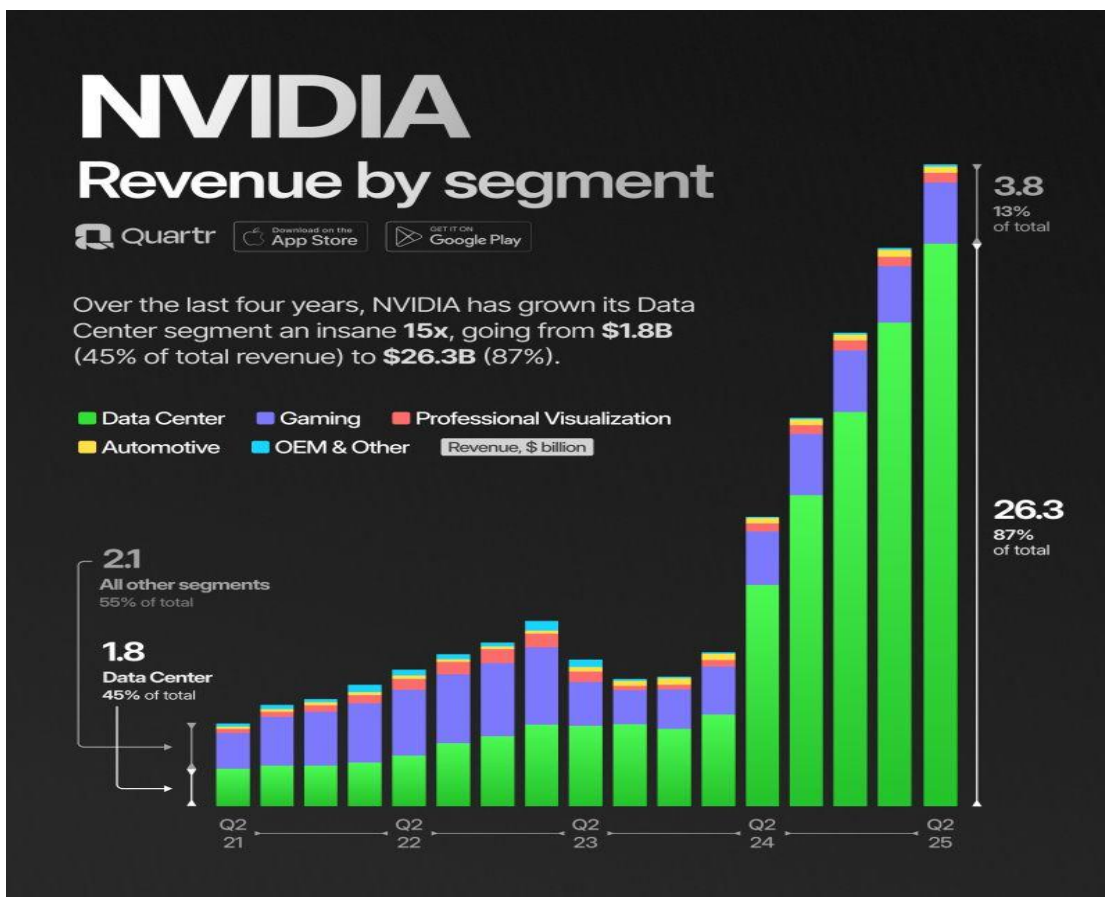
#nvidia #record #revenue-by-segment

\$NVDA Q2 2025: "NVIDIA achieved record revenues as global data centers are in full throttle to modernize the entire computing stack" - Jensen Huang

Revenue +122%

*Data Center +154%, *Gaming +16%, *Professional Vis. +20%,

*Automotive +37%



Source: Quartr



#nvidia #eps #growth

Till now nvidia massive stock price appreciation has been corroborated by spectacular EPS growth.



Source: Trend Spider



#nvidia #roi #capex #q2

\$NVDA CEO on the question of the ROI of AI capex.

"The people who are investing in NVIDIA infrastructure are getting returns on it right away. It's the best ROI infrastructure, computing infrastructure investment you can make today"

On the ROI of Capex Q2 FY 25 Earnings Call

The people who are investing in NVIDIA infrastructure are getting returns on it right away. It's the best ROI infrastructure, computing infrastructure investment you can make today. And so, one way to think through it, probably the easiest way to think through it, is just go back to first principles. You have \$1 trillion worth of general-purpose computing infrastructure, and the question is, do you want to build more of that or not? And for every \$1 billion worth of Juniper CPU-based infrastructure that you stand up, you probably rent it for less than \$1 billion. And so, because it's commoditized, there's already \$1 trillion on the ground. What's the point of getting more? And so the people who are clamoring to get this infrastructure, when they build out Hopper-based infrastructure and soon Blackwell-based infrastructure, they start saving money. That's tremendous return on investment. And the reason why they start saving money is because data processing saves money. You know, data processing is priced just a giant part of it already. And so recommender systems save money, and so on and so forth. Okay? And so you start saving money. The second thing is, everything you stand up is going to get rented because so many companies are being founded to create generative AI. And so your capacity gets rented right away, and the return on investment of that is really good. And then the third reason is your own business. Do you want to either create the next frontier yourself, or do your own Internet services benefit from a next-generation ad system, or next-generation recommender system, or next-generation search system? So for your own services, for your own stores, for your own user-generated content, social media platforms, for your own services, generative AI is also a fast ROI. And so there's a lot of ways you could think through it. But at the core, it's because it is the best computing infrastructure you could put in the ground today. The world of general-purpose computing is shifting to accelerated computing. The world of human-engineered software is moving to generative AI software. If you were to build infrastructure to modernize your cloud and your data centers, build it with accelerated computing. NVIDIA. That's the best way to do it.

Nvidia CEO Jensen Huang

For more quotes like these visit thetranscript.substack.com

Source: The Transcript





#nvidia #price-to-sale #microsoft #apple

\$NVDA falls over 8% despite reporting stronger than expected earnings. The company posted EPS of \$0.68, above expectations of \$0.65, on revenue of \$30.0 billion, above expectations of \$28.9 billion. The company’s revenue more than doubled in the past quarter to \$30bn. Yet the strong performance failed to impress investors and analysts with the most ambitious forecasts. Shares fell in after-hours trading yesterday by as much as 8 per cent.



Source: Bloomberg, Lawrence McDon





#nvidia #sale #downward-trend

Nvidia \$NVDA sold off on volume into the final hour...
Down nearly -7% on the day.



Source: Trend Spider

#nvidia #earnings #stock

BREAKING: Wall Street banks raise price targets on Nvidia, \$NVDA, across the board after earnings beat despite the stock falling.

1. Morgan Stanley Raises Target to \$150 from \$144
2. Bernstein Raises Target to \$155 from \$130
3. Wells Fargo Raises Target to \$165 from \$155
4. Goldman Sachs Raises Target to \$135
5. Mizuho Raises Target to \$140 from \$132
6. BofA Securities Raises Target to \$165 from \$150
7. Raymond James Raises Target to \$140 from \$120
8. JPMorgan Raises Target to \$155 from \$115
9. Needham Raises Target to \$145 from \$120
10. Baird Raises Target to \$150 from \$120

Even as the stock falls, Wall Street is getting more bullish.

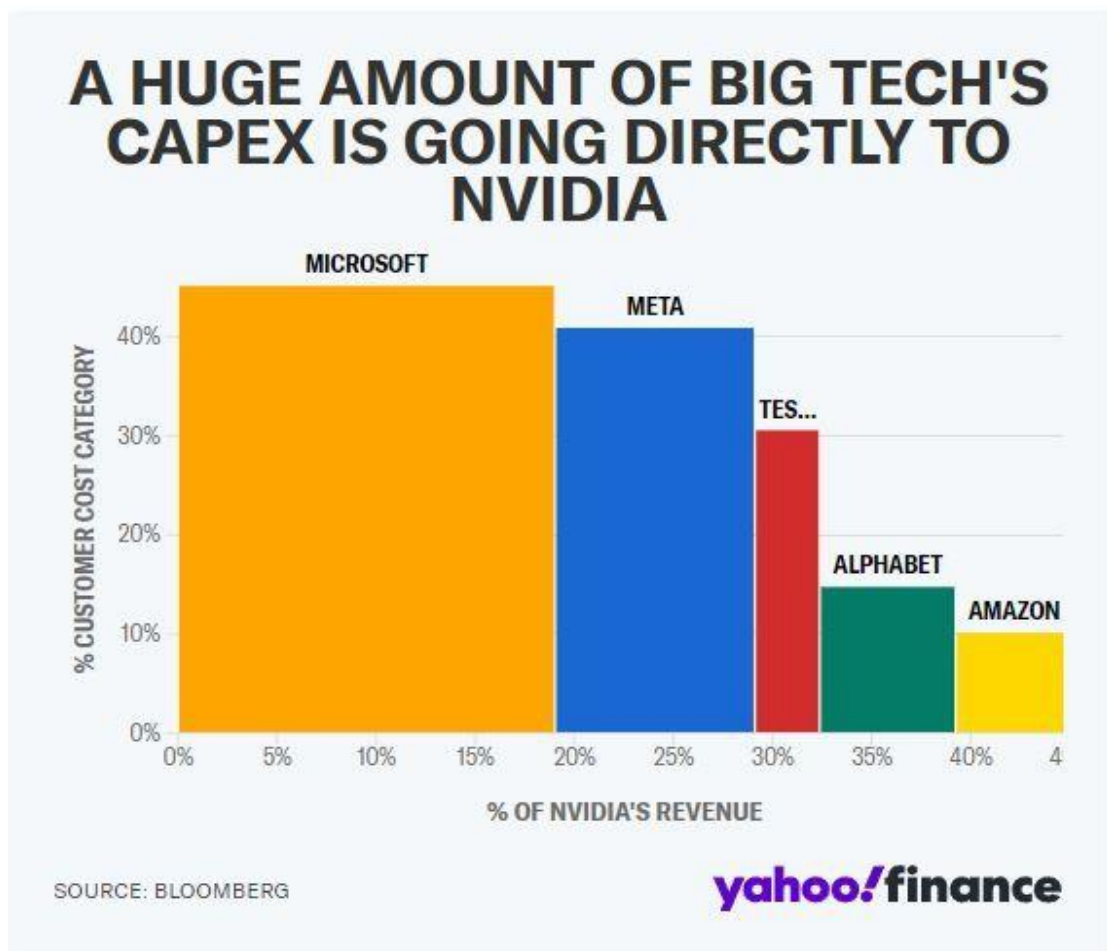


Source: The Kobeissi Letter



#ai #bigtech #nvidia #mag7

A Huge Amount of Big Tech's Capex is Going Directly to Nvidia. According to estimates from Bloomberg, coupled with quarterly reports, more than 40% of Nvidia's revenue comes from some familiar names among the "Magnificent Seven" stocks — Microsoft, Meta, Alphabet, and Amazon.



Source: yahoo!finance





#super-micro-computer #smci #nasdaq

BREAKING: Super Micro Computer, \$SMCI, extends its decline on the day to 23% after delaying their FY2024 10-K filing. The stock is now down a whopping 32% since Friday and ~66% from its all time high. The company said they need more time to "to complete an assessment of its internal controls over financial reporting." Was \$SMCI's run based on false financials?



Source: The Kobeissi Letter



#trillion #berkshire #apple #nvidia

Breaking > Apple \$AAPL orders over 10% more iPhones than last year on AI bet. Apple is telling suppliers to prepare components and parts for 88M-90M iPhones up from last year's initial orders for ~80M new iPhones

TECHNOLOGY

Apple orders over 10% more iPhones than last year on AI bet

Company preparing for Sept. 9 launch of first phones with Apple Intelligence



Customers look at the Australian release of the latest iPhone and Apple Watch models at the Apple Store on September 22, 2023 in Sydney, Australia. © Getty Images

CHENG TING-FANG and LAULY LI, Nikkei Asia tech correspondents
August 29, 2024 10:53 JST

Source: NikkeiAsia thru Evan on X

#markets

#apple #chatgpt #microsoft #openAI

BREAKING: Apple \$AAPL is in talks to invest in openAI. The investment would be part of a new OpenAI fundraising round that would value the ChatGPT maker above \$100 Billion. It couldn't be learned how much Apple or Microsoft will invest into OpenAI this round - WSJ



Source: Evan



#ai #colgate #toothpaste #bubble

The AI bubble is over. We are now in a toothpaste bubble...



Source: Mac10

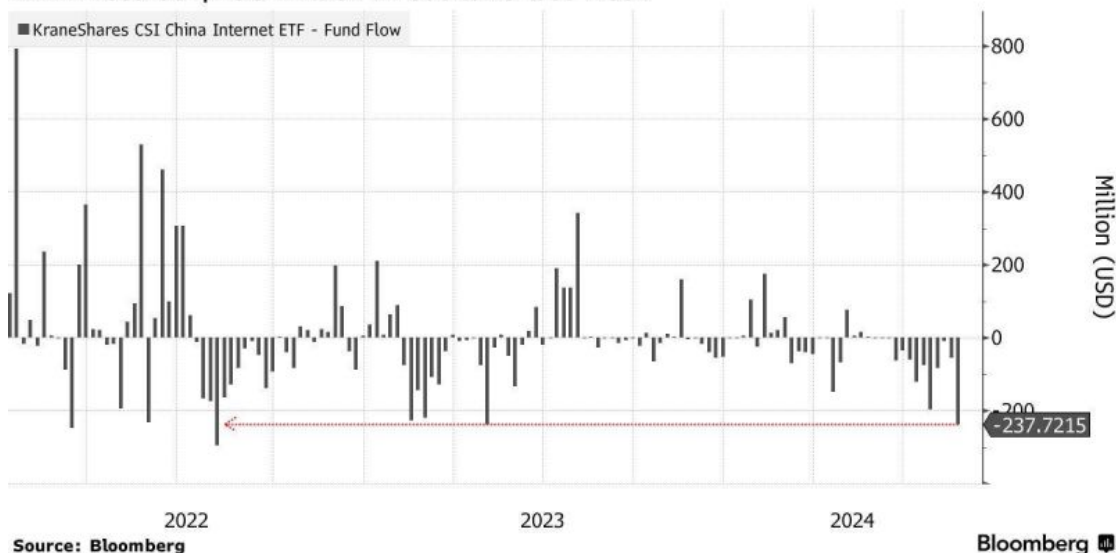




#china #outflow #etf

China Internet ETF \$KWEB sees a weekly outflow of \$238 million, the largest outflow in 2 years.

China ETF Sees Worst Weekly Outflows Since August 2022 KWEB records \$238 million in outflows last week



Source: Bloomberg, Barchart



#usdjpy #nikkei #stocks

The last time \$USDJPY traded around 144.30s, the \$Nikkei was about 18% lower.



Source: Michael J.Cramer





#technology #us #china

Last 10 Years...

US Tech stocks \$XLK: +530%

Chinese Tech stocks \$CQQQ: -13%



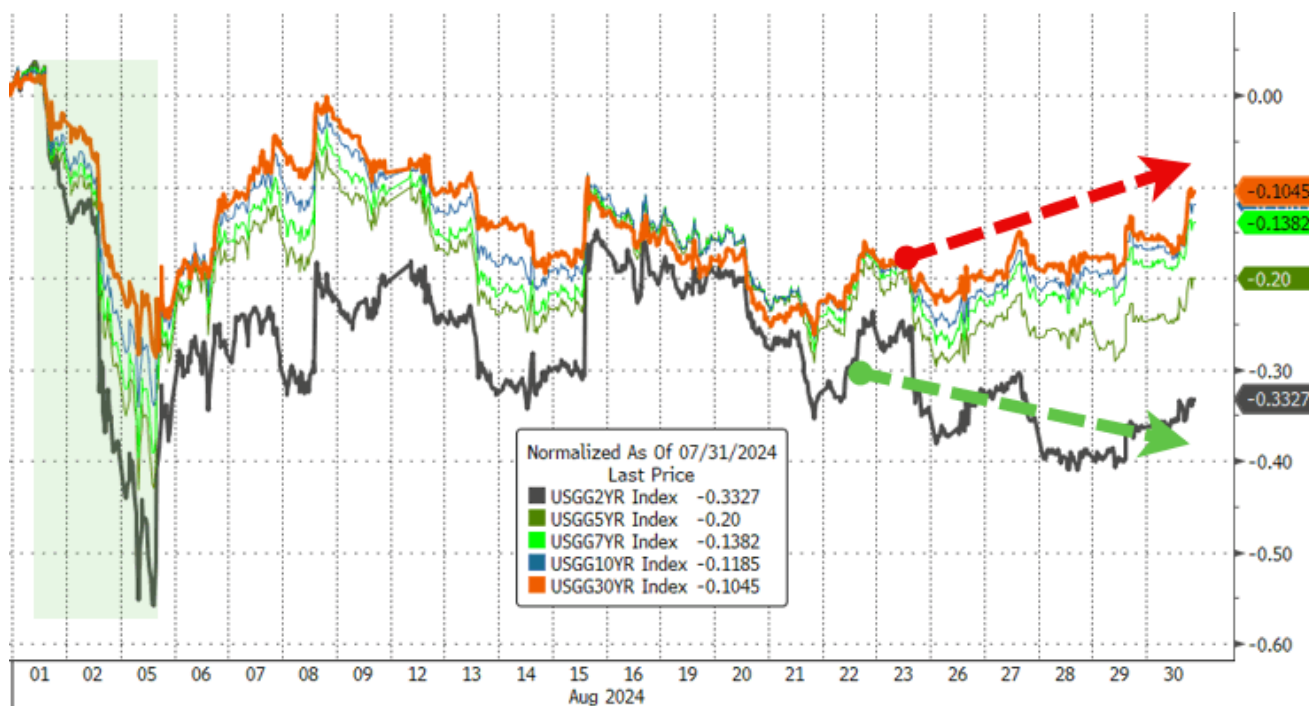
Source: Charlie Bilello





#us #treasuries #august

US Treasuries were aggressively bid on the month led by the short-end (2Y -33bps)...



Source: www.zerohedge.com, Bloomberg

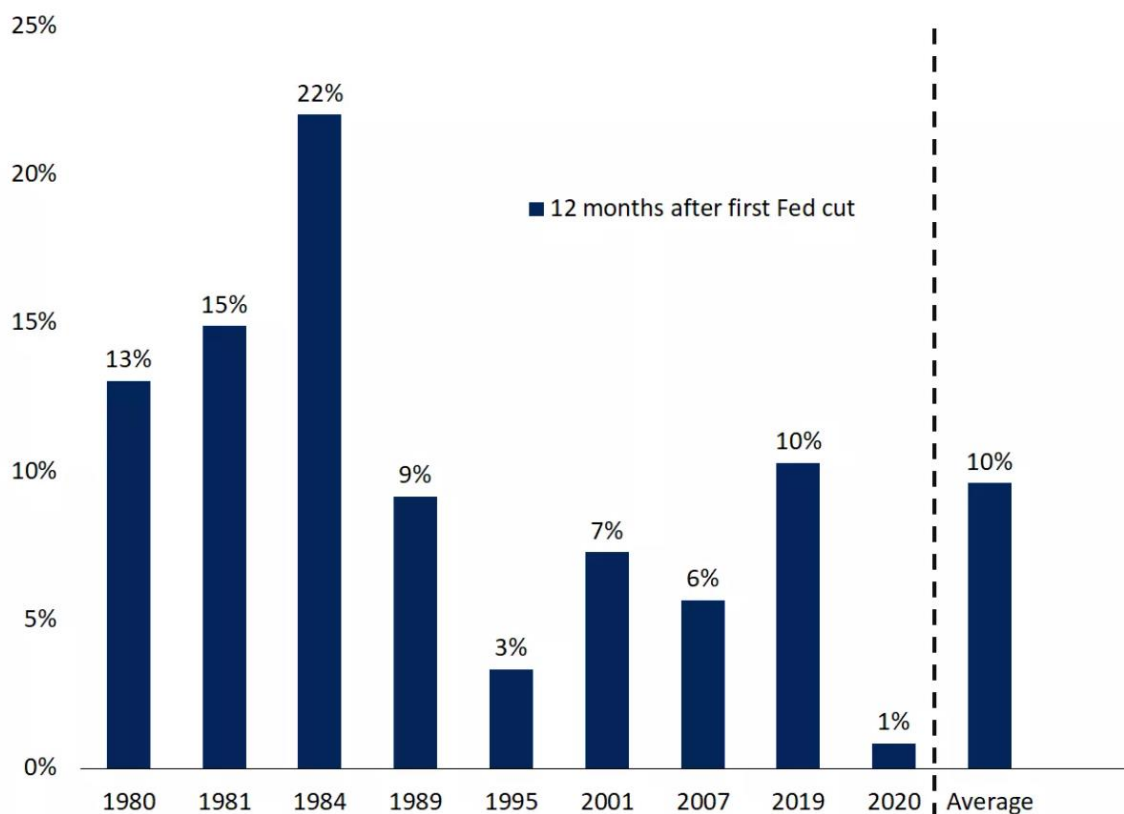




#us #bonds #performance #rate-cuts

In the fixed-income space, the lower path of policy rates has led to consistently positive investment-grade bond returns, while highlighting the reinvestment risk of short-term cash investments.

Bond performance around start of Fed easing cycles



Source: Bloomberg and Edward Jones. Total return of the Bloomberg U.S. Aggregate Bond Index.

Source: Edward Jones





#dollar #august

The dollar was down hard on the month but staged a decent comeback this week after testing near YTD lows...



Source: www.zerohedge.com, Bloomberg



#dollar #index #technical

U.S. Dollar Index \$DXY is now trading below its 200 Day Moving Average by the largest amount since July 2023.



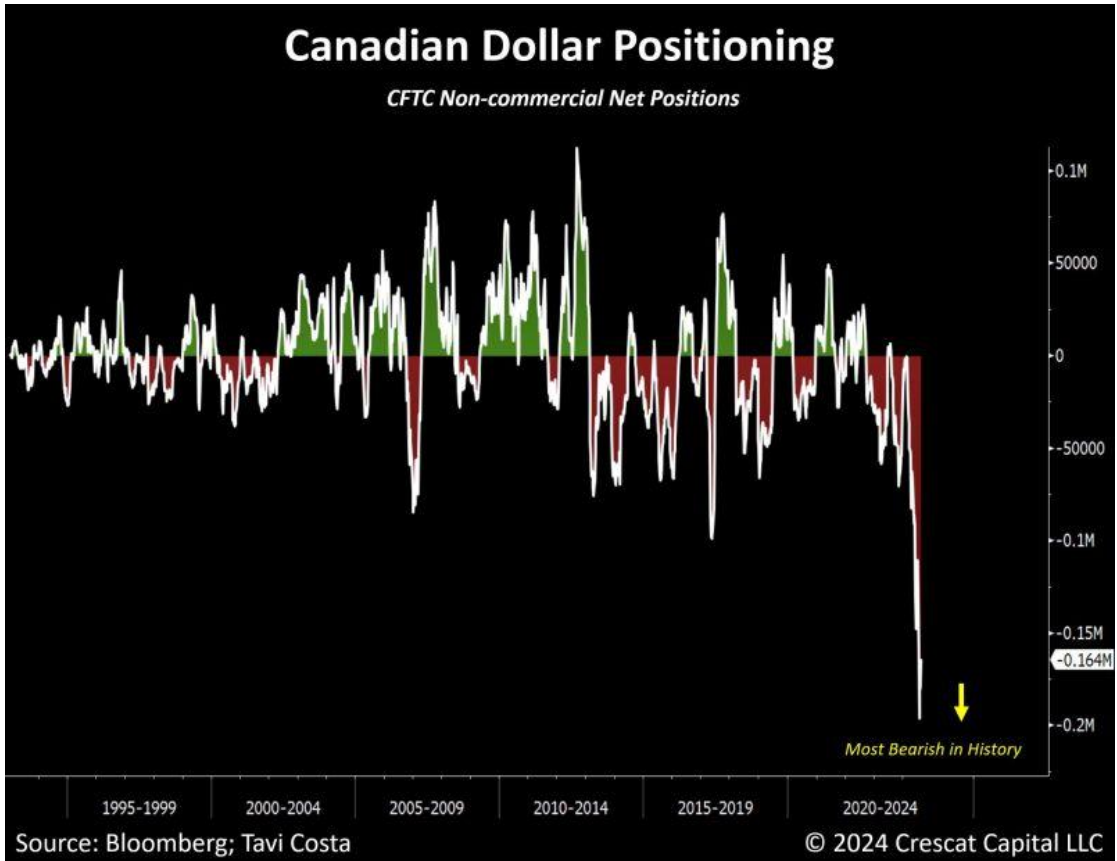
Source: Barchart



#markets

#canada #currency #dollars #bear

Most bearish position ever in Canadian dollars...



Source: Bloomberg, Tavi Costa, Crescat Capital

#china #currency #payments #outbound

China's international use of renminbi surges to record highs – FT. *In July, 53% of China's inbound and outbound transactions used the Chinese currency



Source: FT thru C. Barraud on X



#gold #august

Gold rallied to new record highs on the month after the early tumble...

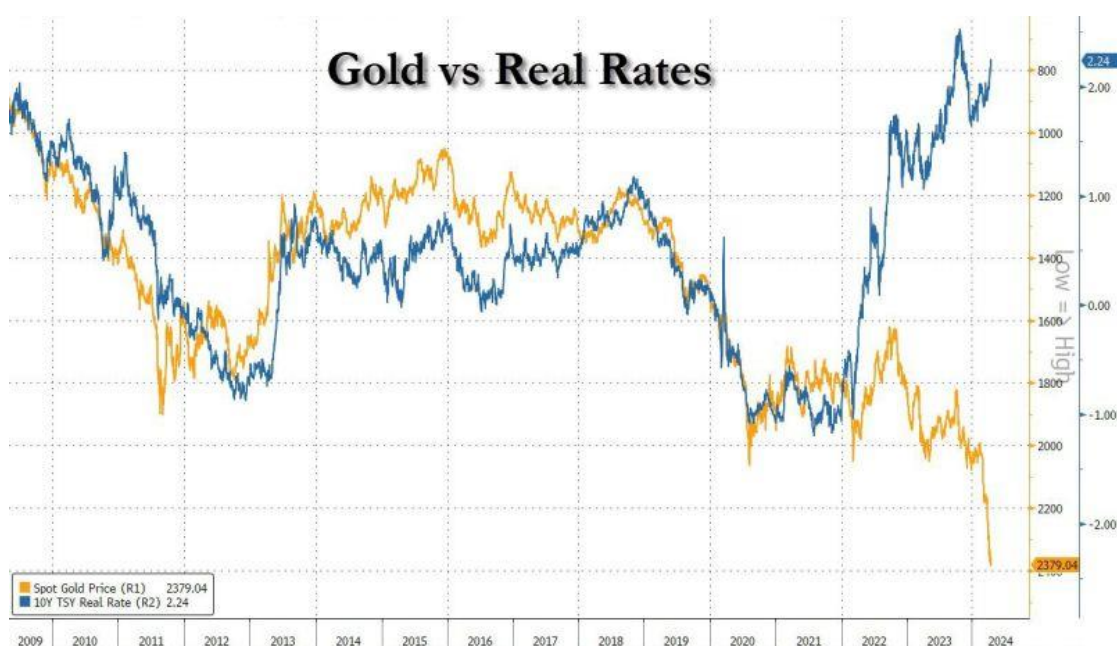


Source: www.zerohedge.com, Bloomberg



#gold #real-rates

Let's hope real rates aren't lagging in this scenario...



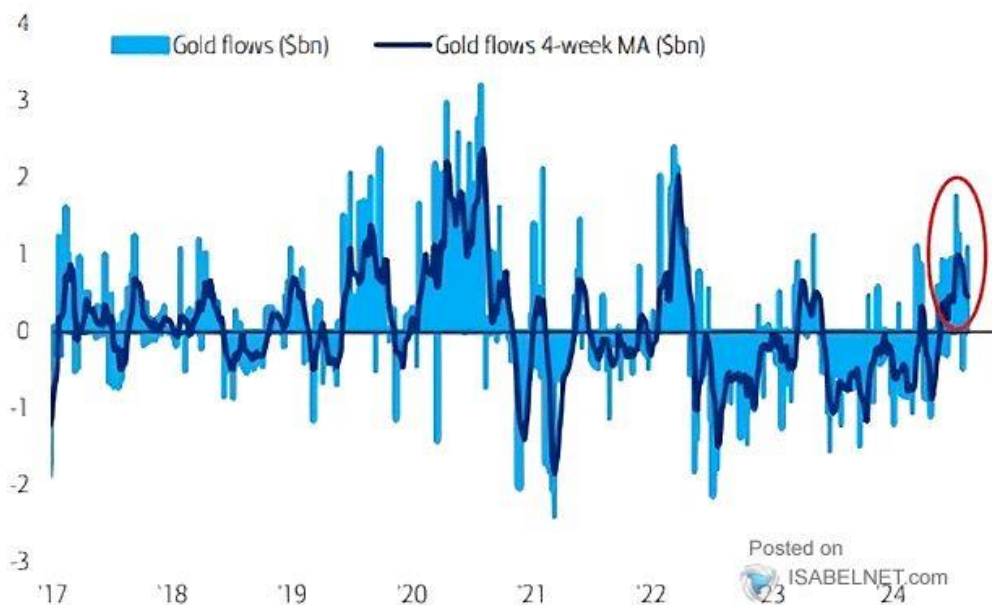
Source: www.zerohedge.com, Bloomberg



#gold #inflows

Big gold buying lately.

Chart 11: Largest inflow to gold funds in 4 weeks
Flows to gold funds (vs 4-week moving average)



Source: BofA Global Investment Strategy, EPFR

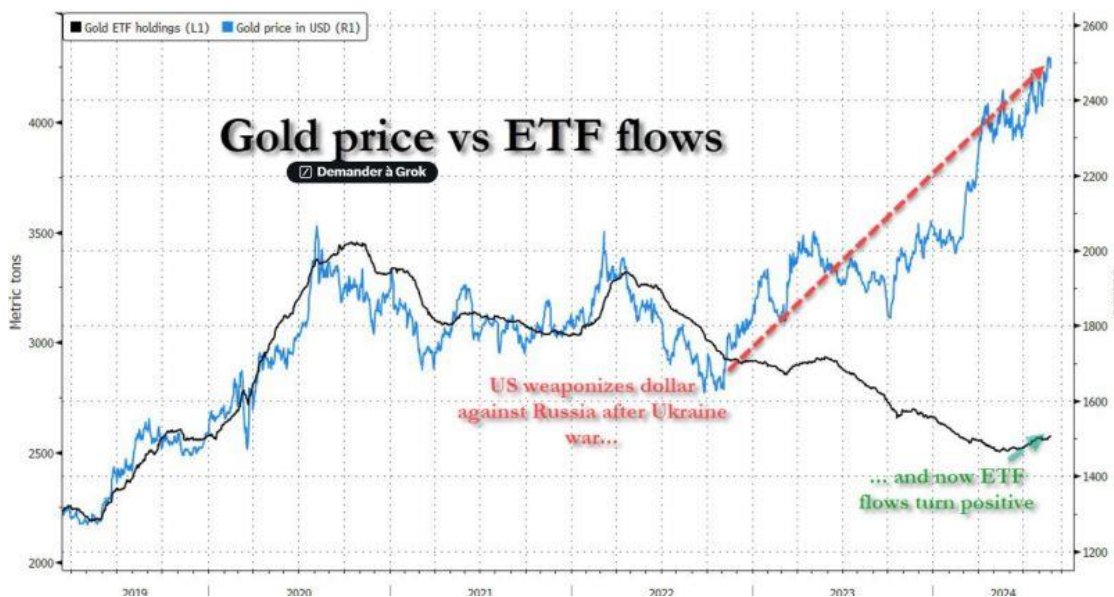
Source: BofA, @ISABELNET_SA thru Mike Zaccardi, CFA, CMT, MBA





#gold #etf #ukraine

Gold Price vs ETF Flows. Since the onset of the Ukraine war, we have seen a significant decoupling between gold prices and ETF flows. However, it look like a new trend is emerging—ETF flows are now turning positive again.



Source: zero hedge



#gold #poland #buyer

Biggest central bank gold buyer in Q2? Poland

The screenshot shows a mobile news interface. At the top left is the Euro News logo. To its right is a user profile icon and a red 'Live' button. The main headline reads: "Preparing for the worst? Polish central bank becomes biggest buyer of gold". Below the headline is a photograph of several gold bars stacked on a tray. The bars are labeled with "2010". At the bottom of the image, there is a copyright notice: "Copyright Mike Groll/AP".

By **Indrabati Lahiri**

Published on 23/08/2024 - 12:14 GMT+2 • Updated 12:47

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The president of the National Bank of Poland, Adam Glapinski, recently revealed that the central bank would continue to buy gold, and is aiming for the precious metal to make up 20% of the bank's reserves.

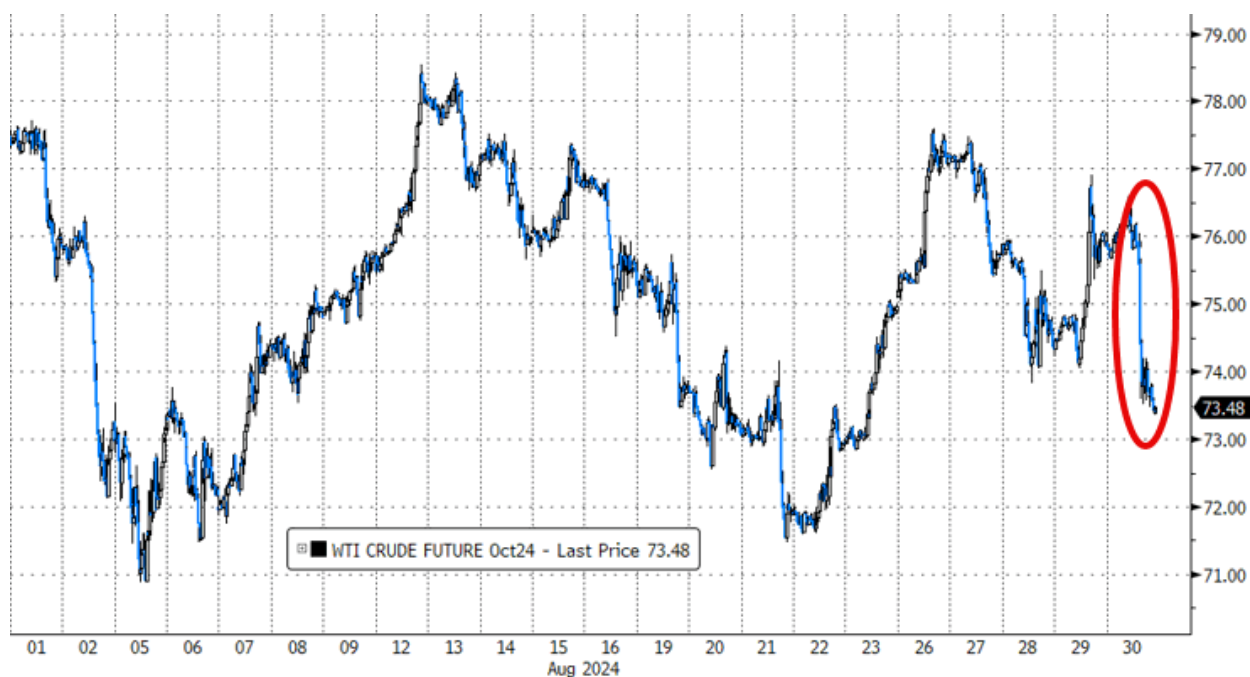


Source: Peter Spina ✂ GoldSeek | SilverSee @goldseek on X



#oil #august

Oil oscillated in a broad range but ended lower on the month...

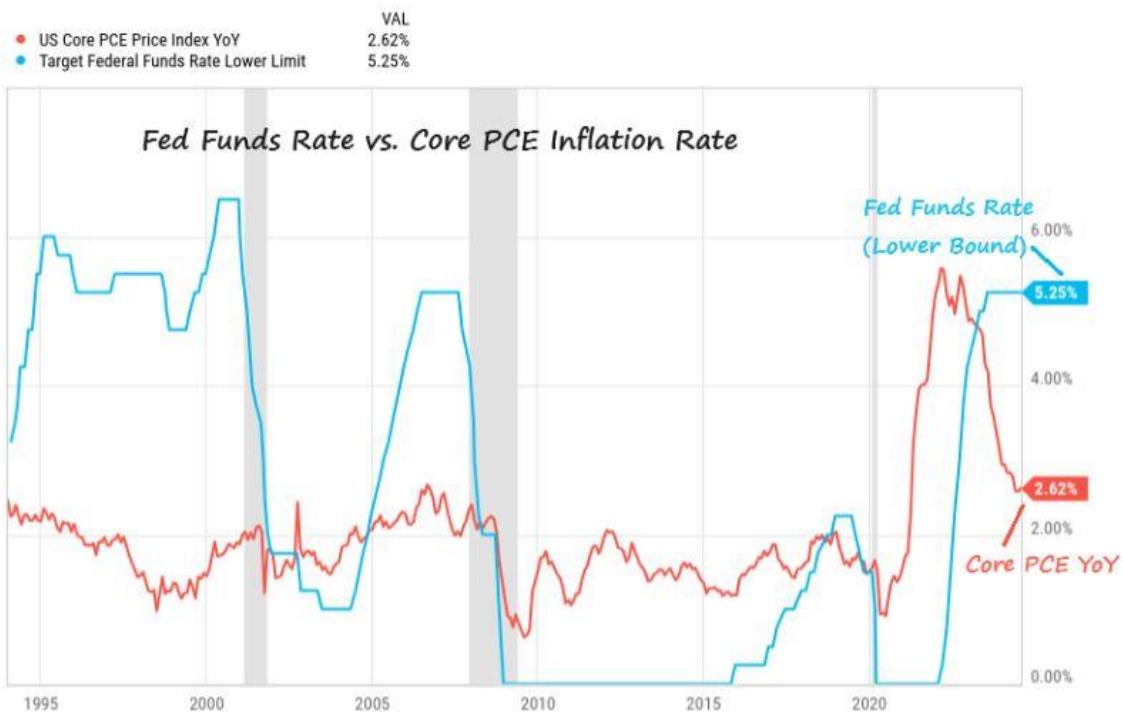


Source: www.zerohedge.com, Bloomberg



#us #inflation

July PCE inflation, the Fed's preferred inflation measure, was 2.5%, BELOW expectations of 2.6%. Core PCE inflation was 2.6%, BELOW expectations of 2.7%. Both headline and core PCE inflation were flat compared to June. The spread between the Fed Funds Rate and Core PCE Inflation remains at its widest level since September 2007, indicating the tightest monetary policy we've seen in 17 years.



Source: Charlie Bilello

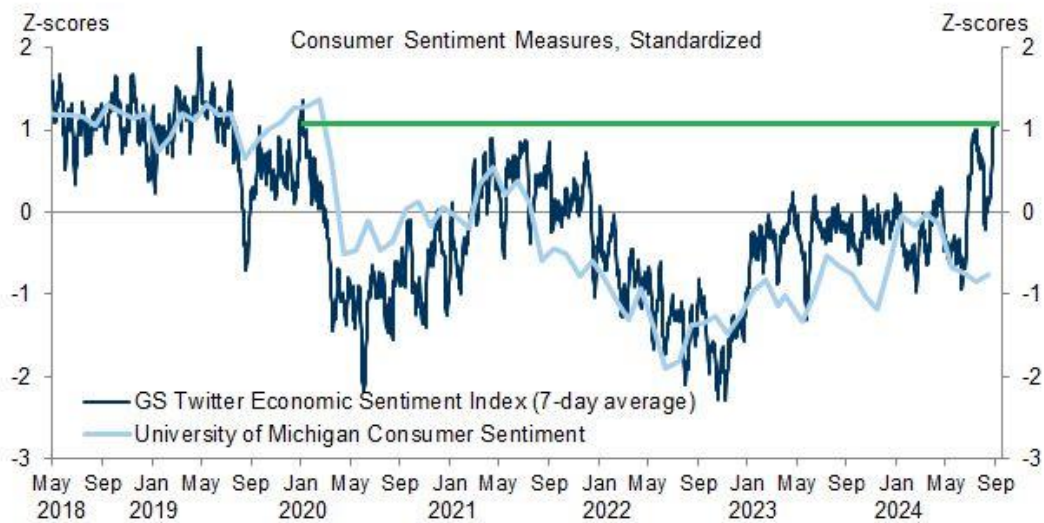




#twitter #sentiment #us #consumers

Goldman's Twitter Sentiment Index is back at multi-year highs. Best since January 2020.

Twitter Economic Sentiment Index:



Source: University of Michigan, Goldman Sachs Global Investment Research

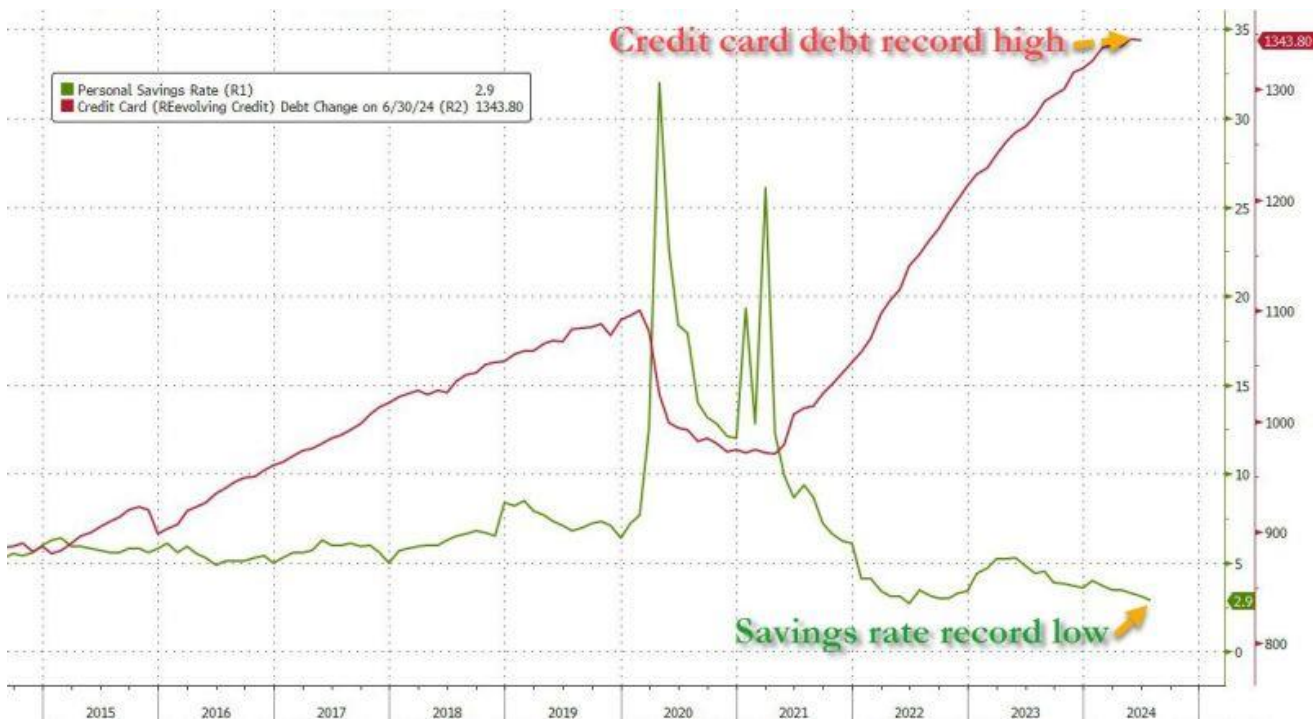
Source: Mike Zaccardi, CFA, CMT @MikeZaccardi on X, Goldman Sachs





#us #consumers

US consumers in trouble? Savings rate record low; Credit card debt record high...



Source: www.zerohedge.com



#macro

#us #stocks #real-estate

The US economy is highly bifurcated. Those who own assets (stocks, realstate, etc.) are doing well. Those who don't own assets are living in depression time. The question is how much longer can the US economy be propped up by asset prices?



The image is a screenshot of a CNBC news article snippet. At the top, the CNBC logo is on the left, and 'LIVESTREAM' with a magnifying glass icon and 'SIGN IN' are on the right. The main headline reads: 'Dollar General shares crater 20% as retailer cuts outlook, blaming 'financially constrained' customers'. Below the headline, it says 'PUBLISHED THU, AUG 29 2024-7:39 AM EDT' and 'UPDATED 31 MIN AGO'. At the bottom left, there is a circular profile picture of Yun Li with her name and Twitter handle '@YUNLI626'. At the bottom right, there is a red button that says 'WATCH LIVE'.

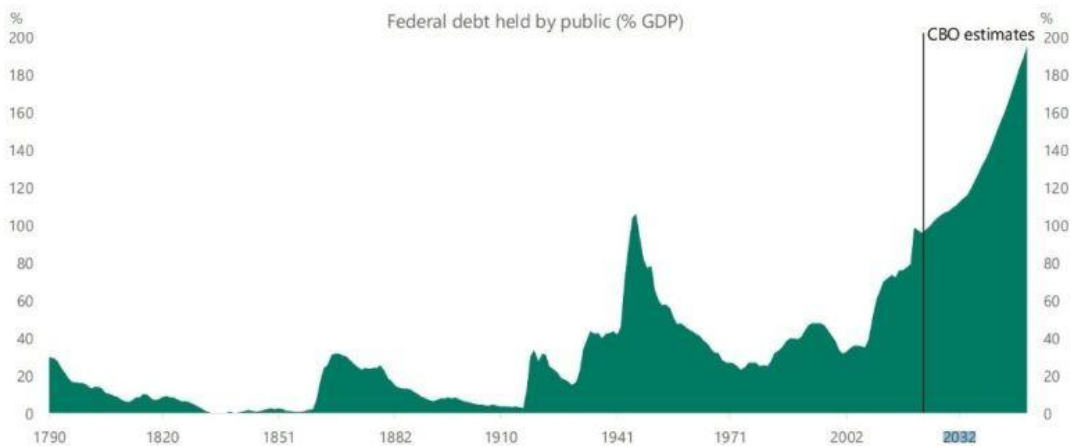
Source: CNBC, George Gammon

#macro

#government-debt #gdp #federal-debt

Under current policies, government debt outstanding will grow from 100% to 200% of GDP.

1. Under current policies, government debt outstanding will grow from 100% to 200% of GDP



Source: CBO, Haver Analytics, Apollo Chief Economic

4

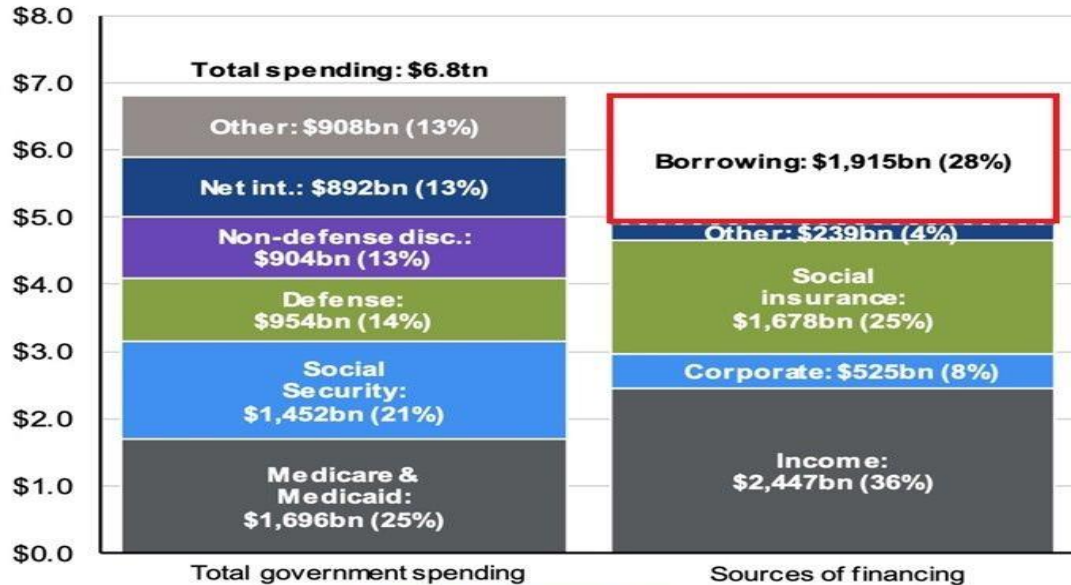


#us #government #spending

US government spending is estimated to hit \$6.8 trillion in Fiscal Year 2024. Medicare, Medicare, and Social Security expenditures are projected to reach a \$3.1 trillion, or 46% of the budget. Defense and non-defense discretionary spending will likely exceed \$1.8 trillion, accounting for 27% of all expenditures. Net interest and other spending are set to hit \$892 billion and \$908 billion, respectively, or 13% a share each. All while the government projects \$4.7 trillion in revenue. This leaves a whopping \$1.9 trillion budget gap which has to be borrowed, the highest in 3 years.

The 2024 federal budget

USD trillions



source: JPMorgan, Treasury Department POSTED BY @KOBESSILETTER

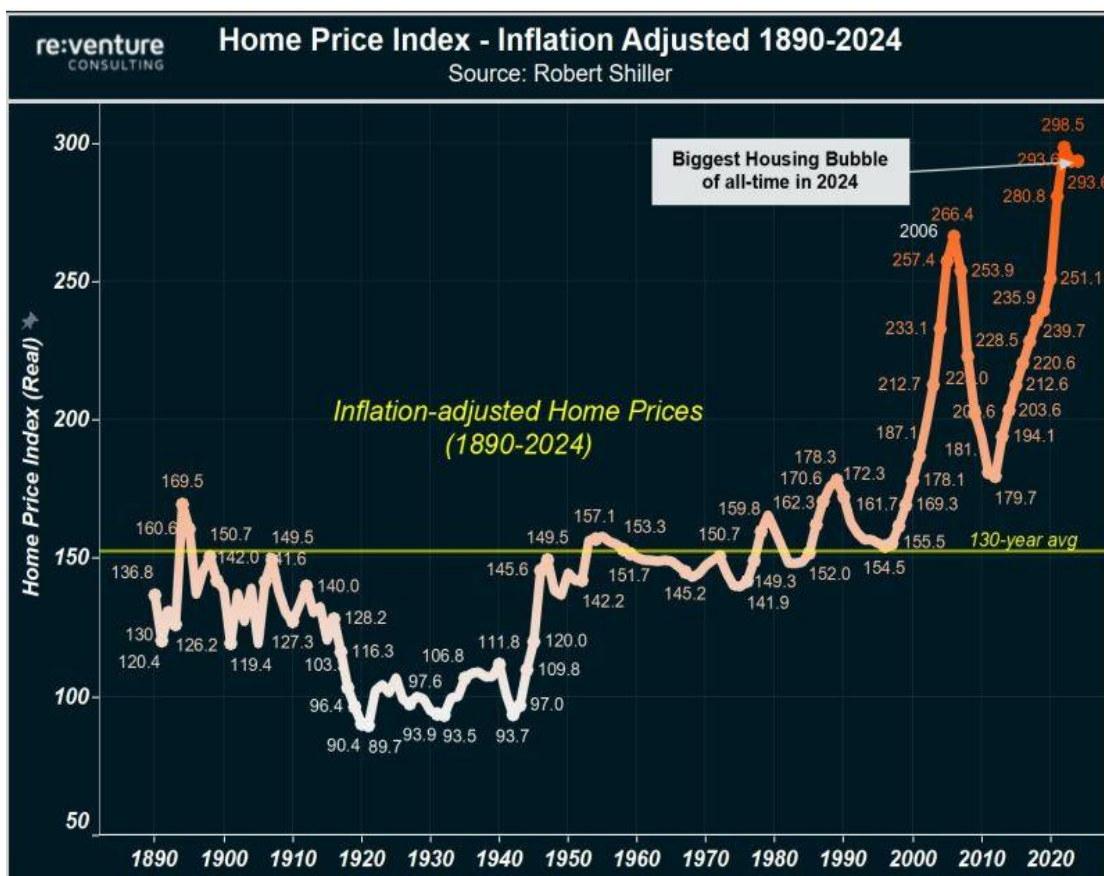
Source: JP Morgan, The Kobeissi Letter





#china #housing #inflation

The biggest U.S. housing bubble of all-time? Inflation-adjusted home prices today are almost 100% higher than the long-term, 130-year average. Only 2x in US history where this has ever happened: 2006 and right now. Note how from 1890 to 2000, home prices were closely linked to inflation and never entered a national bubble.



Source: re-venture, Nick Gerli



#germany #cpi #inflation

Germany in Germany fell to 1.9% in August, first time below 2% since March 2021.





#germany #dax #mib #cac

The German benchmark index Dax has just reached an all-time-high. But: Since 2000, the Dax has just tripled in value. Only the Italian MIB and the French CAC have performed even weaker. The S&P 500 Total Return Index has increased its value six-fold, while the Swiss SMI has quintupled, also thanks to the strength of the Swiss franc.



#macro

#germany #growth #gdp

Germany has had no growth for 6 years

1. German business model based on cheap energy from Russia, growing exports to China and cheap subcontractors in Eastern Europe is gone
2. Demographic crisis looms
3. There is uncontrolled immigration into social system



Source: Michel A.Arouet & chart @jsblokland on X

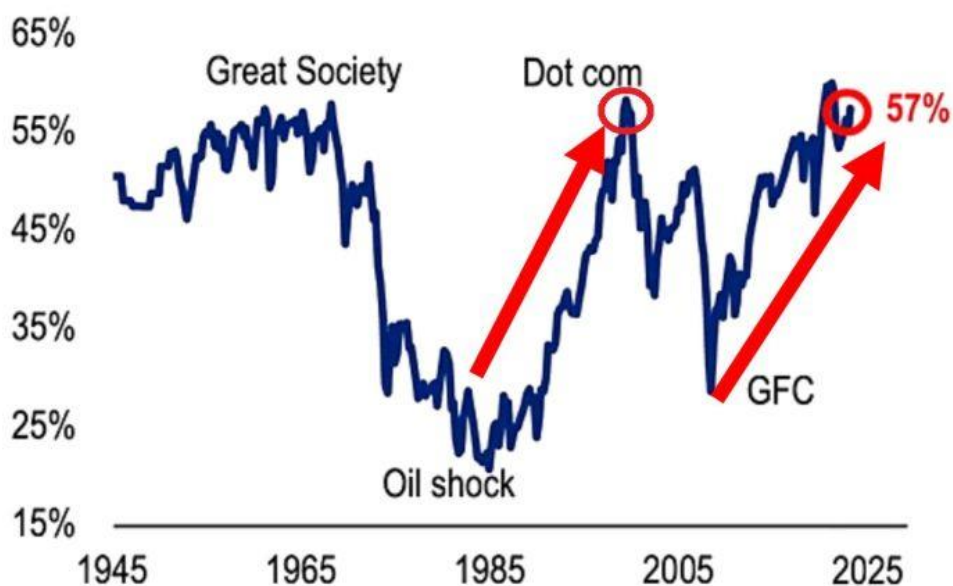


#us #households #stocks #record

THIS IS TRULY REMARKABLE: US household allocation to stocks hit 57% of total, near the highest level EVER RECORDED. The percentage has more than DOUBLED in ~15 years. This is now also in line with the 2000 Dot-Com Bubble peak. US households are all-in stocks.

Exhibit 11: Household allocations to stocks are near record highs

Equities as a % of total household allocation



Source: BofA Research Investment Committee, Haver



Source: Global Markets Investor, BofA



#germany #ifo #crisis

The german economy is increasingly falling into crisis. Ifo business outlook dropped to lowest level since Feb, w/expectations worsened in both manufacturing and services. At least the index did not fall as sharply as expected. The Ifo institute's expectations gauge dipped to 86.8 in August from a revised 87 the previous month, beating the 85.8 seen by analysts in a Bloomberg poll. A barometer of current conditions also declined.



Source: HolgerZ, Bloomberg

#GLOBALMARKETS WEEKLY WRAP-UP

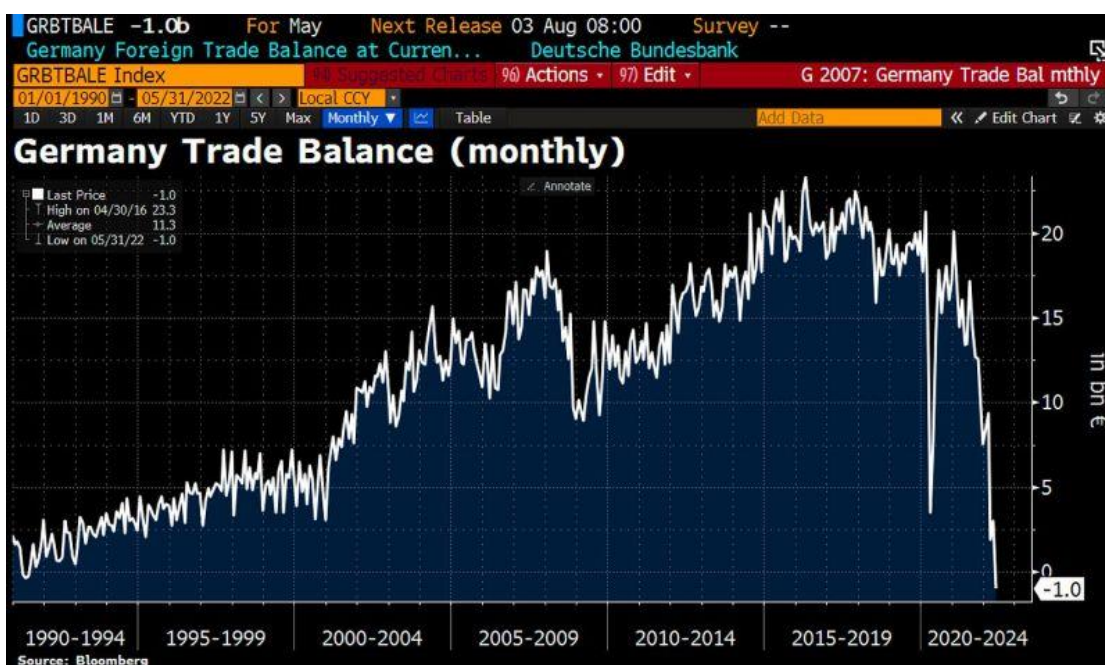
Hand-curated selection of the best charts & news flow

31 AUGUST 2024

#macro

#germany #euro #trade-balance

No comment needed



Source: Bloomberg



#eurozone #us #gdp

Eye-opening chart by IMF thru Michel A.Arouet: U.S. GDP vs, eurozone GDP, in 2008 & 2023. America's economy is nearly twice the size of the eurozone's. They were similar in 2008.

America's economy is nearly twice the size of the eurozone's. They were similar in 2008.

Gross domestic product, current prices



Source: International Monetary Fund



Source: IMF thru Michel A.Arouet

#macro

#netherlands #rents #control

Socialism can have dramatic effects... So does this permanent belief in Europe that everything can be sorted out through more regulation...

Businessweek | Economics

How Rent Controls Are Deepening the Dutch Housing Crisis

A law designed to make homes more affordable ended up aggravating an apartment shortage.

#macro

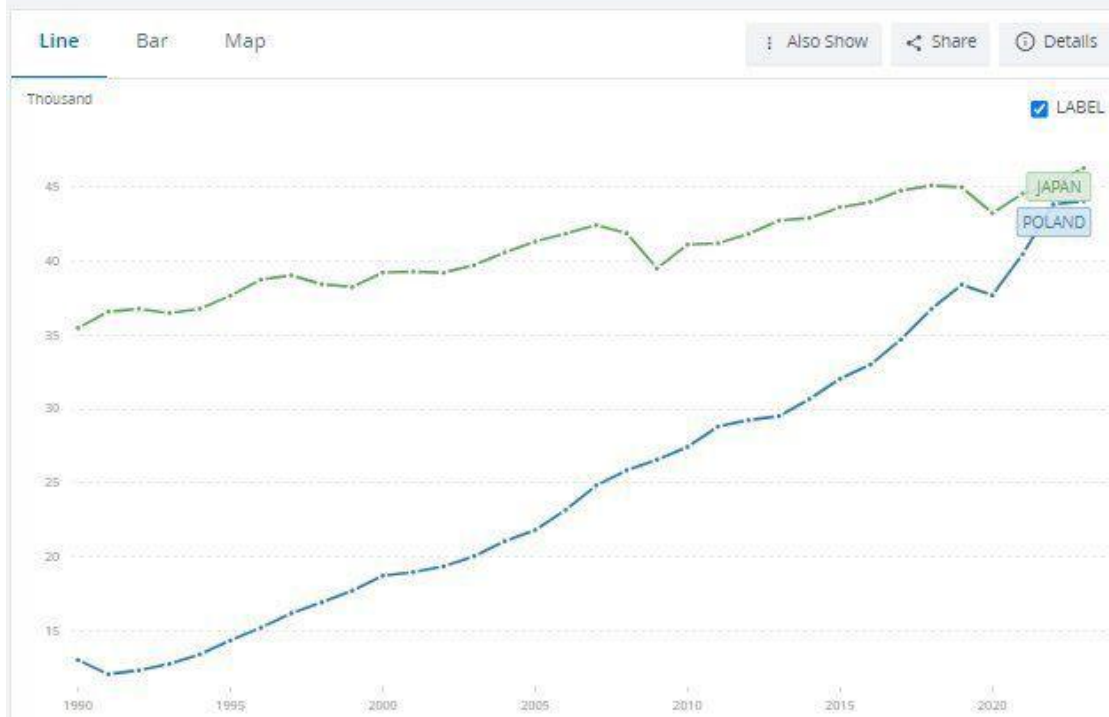
#poland #japan #gdp-per-capita

Eye-opening chart, standard of living in Poland is catching up with Japan within just one generation...

GDP per capita, PPP (constant 2021 international \$) - Poland, Japan

International Comparison Program, World Bank | World Development Indicators database, World Bank | Eurostat-OECD PPP Programme.

License : CC BY-4.0



#macro

#china #consumer-confidence #record

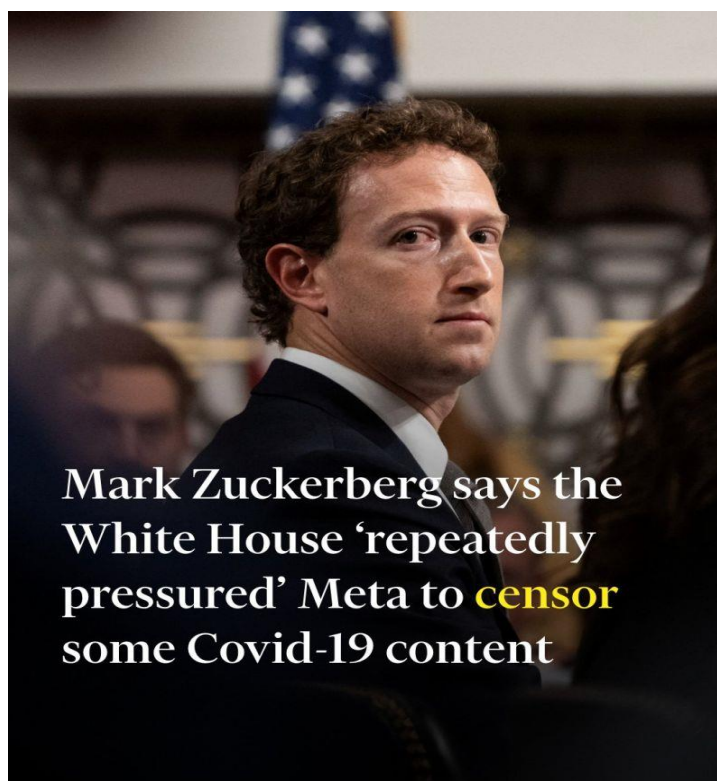
1.4 billion very angry Chinese... China consumer confidence falls to record lows.



#geopolitics

#zuckerberg #biden #democrats

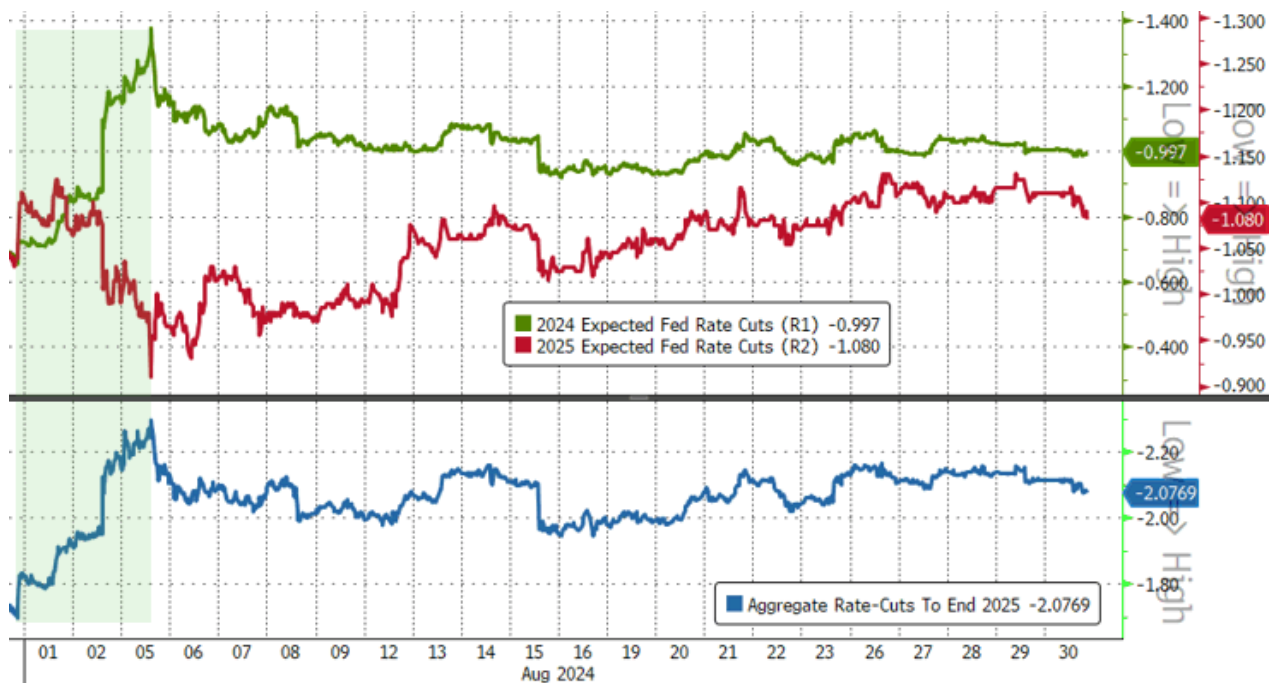
Mark Zuckerberg, in a bombshell letter to House Judiciary Chairman Jim Jordan, expresses deep regret over Meta's compliance with Biden Administration pressure to censor COVID-19 content in 2021. Zuckerberg reveals the White House repeatedly urged Meta to remove COVID-related content, including humor and satire, causing internal frustration. He now vows to push back against similar future attempts. In a stunning political shift, Zuckerberg also announces he will not contribute money to Democratic candidates this election cycle.



#centralbanks

#us #rates #expectations

Rate-cut expectations rose on the month - mostly driven by the early month panic...

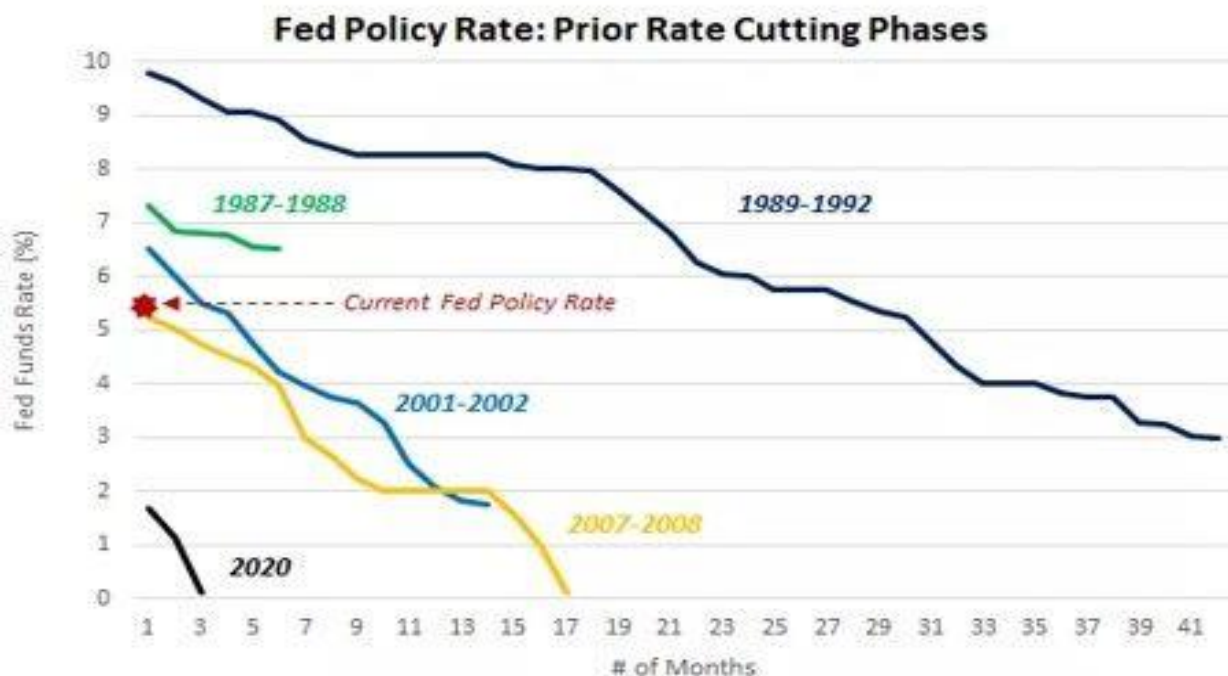


Source: www.zerohedge.com, Bloomberg

#centralbanks

#fed #rates-cut #cycle

This is not your grandfather's rate-cutting cycle... Here's why:
1) Traditionally, the Fed starts cutting rates in response to an economic downturn, a financial shock/crisis. The upcoming rate-cutting cycle is about letting off of the brake, upon which the Fed has had its foot firmly pressed for the last two years.
2) Inflation is coming down, but it is not back to the Fed's long-term target. And unemployment has ticked up but there is no need of immediate life support. The Fed is likely to gradually reduce rates to get monetary policy closer to a neutral setting.



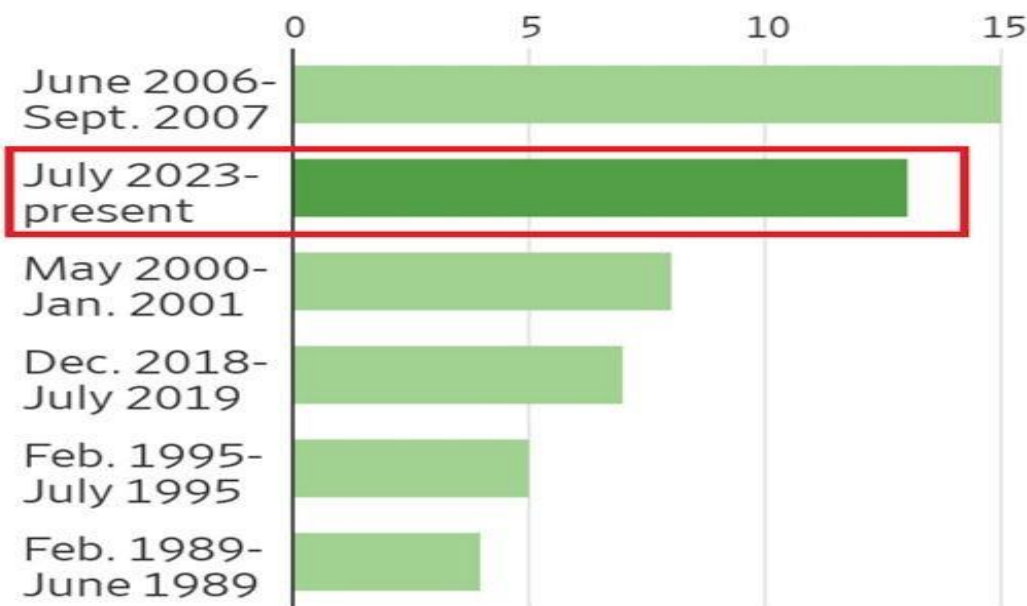
Source: Edward Jones

#centralbanks

#fed #cuts

“We have now gone 13 months since the last Fed rate hike without a cut, marking the second longest period since the 1970s. This is only behind the June 2006 to September 2007 period when it took 15 months between the last rate increase and the first education. To put this into perspective, the average length between the last hike and first cut in 8 months. The Fed is set to cut rates in September which would mark 14 months from the last rate hike.”

Months between last Fed rate increase and first cut



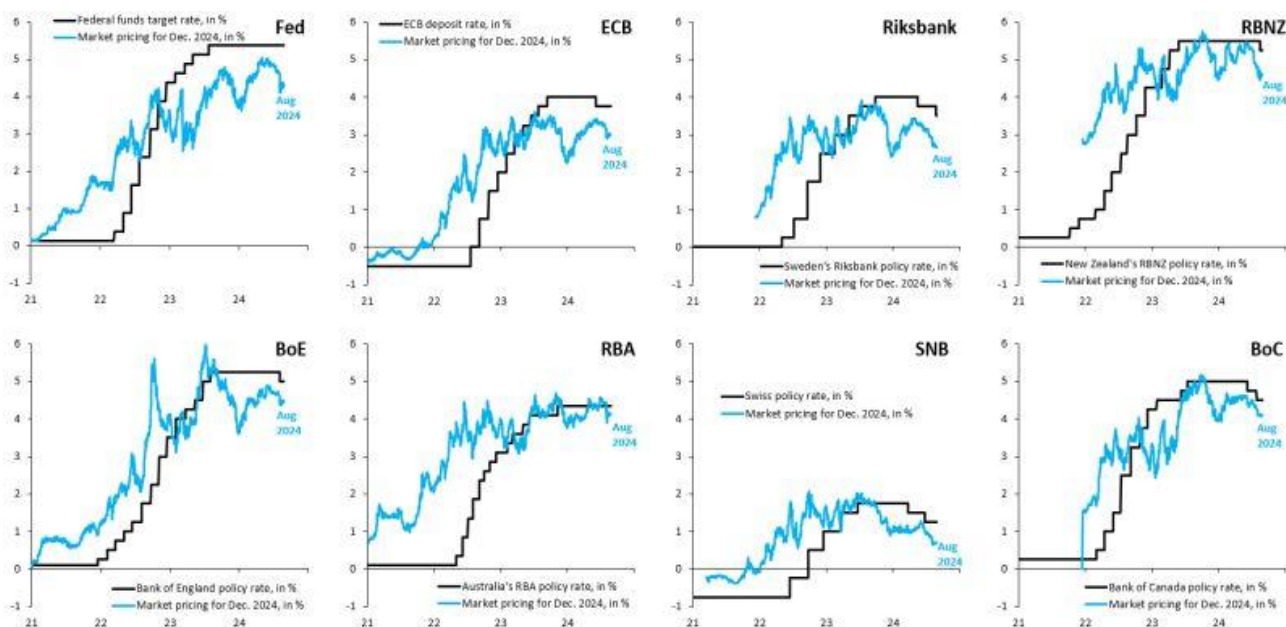
POSTED BY @KOBESSILETTER
Source: Federal Reserve

Source: The Kobeissi Letter

#centralbanks

#fed #cuts

Now that the Fed has given the “all clear” for cuts, the global easing cycle that is likely to gather force. Between 50-100 bps in cuts are priced for most central banks across advanced economies for this year alone.



Source: Robin Brooks

#centralbanks

#liquidity #quantitative-tightening

For the first time in history, the world's top central banks are shrinking their balance sheets (QT) at the same time. Last month, the Bank of Japan announced that it would reduce its bond holdings worth ~\$5 trillion. Now, the BoJ joined the Fed, the European Central Bank, the Bank of Canada, and the Bank of England in joint liquidity withdrawal from the financial system. In the past, whenever a material amount of liquidity has been withdrawn, markets experienced significant volatility. Will the ECB and the Fed start to reverse QT any time soon? Since 2022, the Fed has shrunk its balance sheet by \$1.8 trillion, to \$7.2 trillion, and the ECB by ~\$2.7 trillion to ~\$7.1 trillion.

Quantitative Tightening Goes Global
BOJ is about to join Fed, ECB and others in quantitative tightening



Source: The Kobeissi Letter





#bitcoin #august

Bitcoin ended the month lower after recovering the early month losses and fading back...

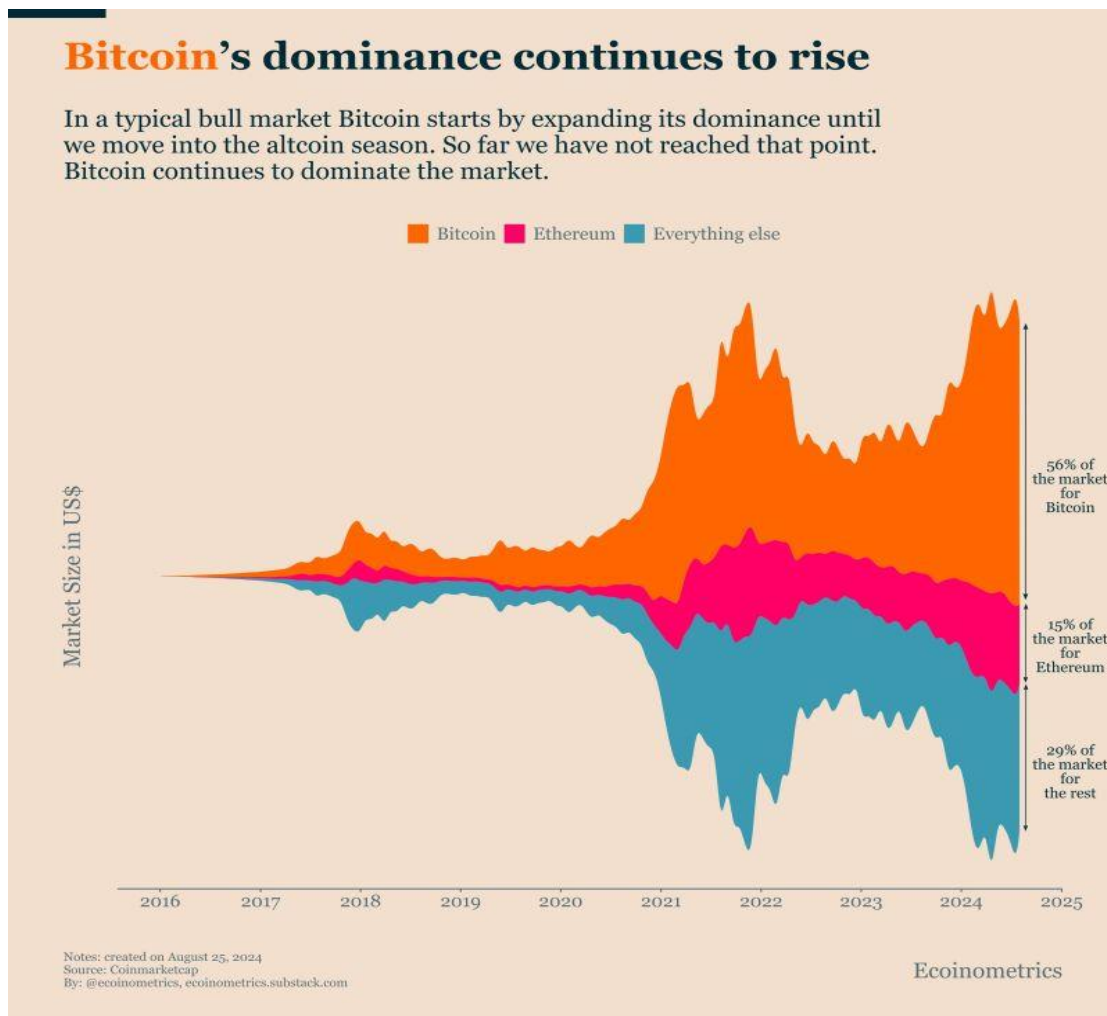


Source: www.zeorhedge.com, Bloomberg



#bitcoin #altcoin #dominance

Bitcoin's dominance continues to rise. In a typical bull market, Bitcoin expands its dominance until we move into the altcoin season. We haven't seen anything like that in this cycle so far.

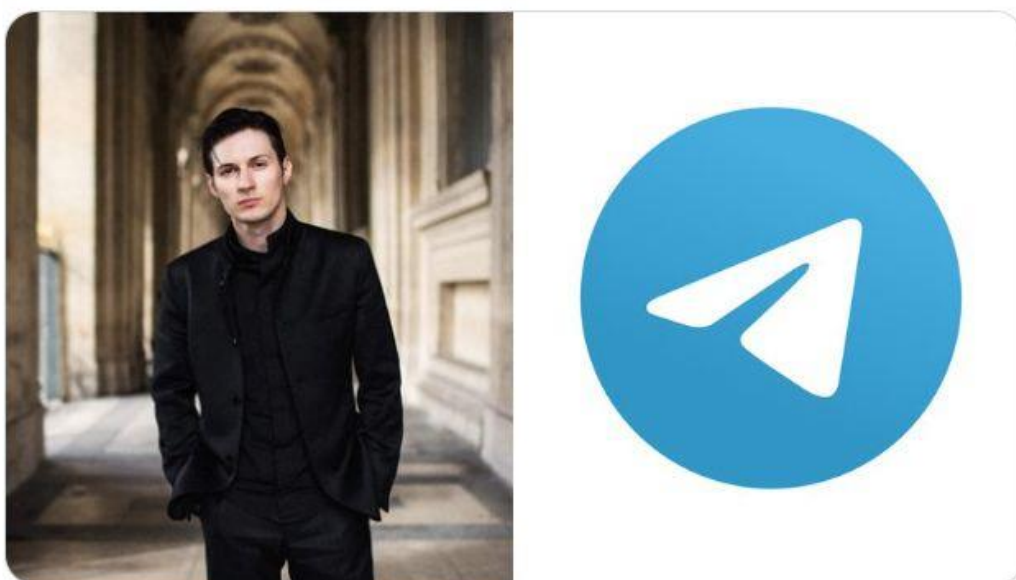


Source: Ecoinometrics

#food-for-thought

#telegram #durov #arrest

JUST IN: Telegram Founder and Russian national Pavel Durov has been arrested in France at Le Bourget Airport. He was detained upon exiting his private jet, which had arrived from Azerbaijan. This information is based on reports from various French media sources and posts on X, indicating that his arrest was related to an investigation concerning the lack of moderation on Telegram, which allegedly facilitated criminal activities.



Source: BRICS News

#food-for-thought

#telegram #durov #arrest

Telegram's Pavel Durov 12 criminal charges revealed. Prosecutor Beccuau's press release reveals that Durov is facing 12 distinct charges, from complicity in facilitating illegal online transactions to unauthorized provision of cryptology services. The charges include serious allegations such as involvement in child pornography distribution, drug-related offenses, organized fraud, and money laundering. Durov is accused of refusing to cooperate with authorities on lawful interception requests and complicity in cybercrime tool distribution. The judicial investigation, which commenced on July 8, 2024, is being jointly conducted by the Centre for the Fight against Cybercrime (C3N) and the Anti-Fraud National Office (ONAF).



THE PROSECUTOR OF THE REPUBLIC

Paris, the 26th of August 2024

Press Release

Pavel DUROV, founder and CEO of instant messaging and platform TELEGRAM, was arrested at Le Bourget airport in the outskirts of Paris on Saturday, the 24th of August 2024, then taken into police custody at 8 p.m.

This measure comes in the context of a judicial investigation opened the 8th of July 2024, following a preliminary inquiry initiated by Section J3 - JUNALCO (Fight against Cybercrime) of the Paris Public Prosecutor's Office.

This judicial investigation was opened against person unnamed, on charges of:

- Complicity - web-mastering an online platform in order to enable an illegal transaction in organized group.
- Refusal to communicate, at the request of competent authorities, information or documents necessary for carrying out and operating interceptions allowed by law.
- Complicity - possessing pornographic images of minors.
- Complicity - distributing, offering or making available pornographic images of minors, in organized group.
- Complicity - acquiring, transporting, possessing, offering or selling narcotic substances.
- Complicity - offering, selling or making available, without legitimate reason, equipment, tools, programs or data designed for or adapted to get access to and to damage the operation of an automated data processing system.
- Complicity - organized frauds.
- Criminal association with a view to committing a crime or an offense punishable by 5 or more years of imprisonment.

Contact press : 06 07 16 42 28
scdm.parcquet@parisajustice.fr

- Laundering of the proceeds derived from organized group's offences and crimes.
- Providing cryptology services aiming to ensure confidentiality without certified declaration.
- Providing a cryptology tool not solely ensuring authentication or integrity monitoring without prior declaration.
- Importing a cryptology tool ensuring authentication or integrity monitoring without prior declaration.

The investigative magistrates in charge of this preliminary judicial investigation have requested a co-referral of the Centre for the Fight against Cybercrime (Centre de lutte contre les criminalités numériques, C3N) and the Anti-Fraud National Office (Office National Anti-Fraude, ONAF) for the pursuance of the investigations.

It is within this procedural framework in which Pavel DUROV was questioned by the investigators. The custody period was extended until the 25th August 2024 by an investigative magistrate and can last up to 96 hours (that being the 28th August 2024) given the applicable procedure for organized crime offences, as referred to above.

Laure BECCUAU,
Prosecutor of the Republic

Contact press : 06 07 16 42 28
scdm.parcquet@parisajustice.fr

Source: MSN, Radar

#food-for-thought

#gold #gold-reserve #russia

Ranked: The Countries That Added the Most Gold Reserves (2013-2023)



Source: [Visual Capitalist](#), Elements, Jesse Felder on X

#food-for-thought

#us #sports #stock-market

Amazing...



Source: Stocktwits

#GLOBALMARKETS WEEKLY WRAP-UP

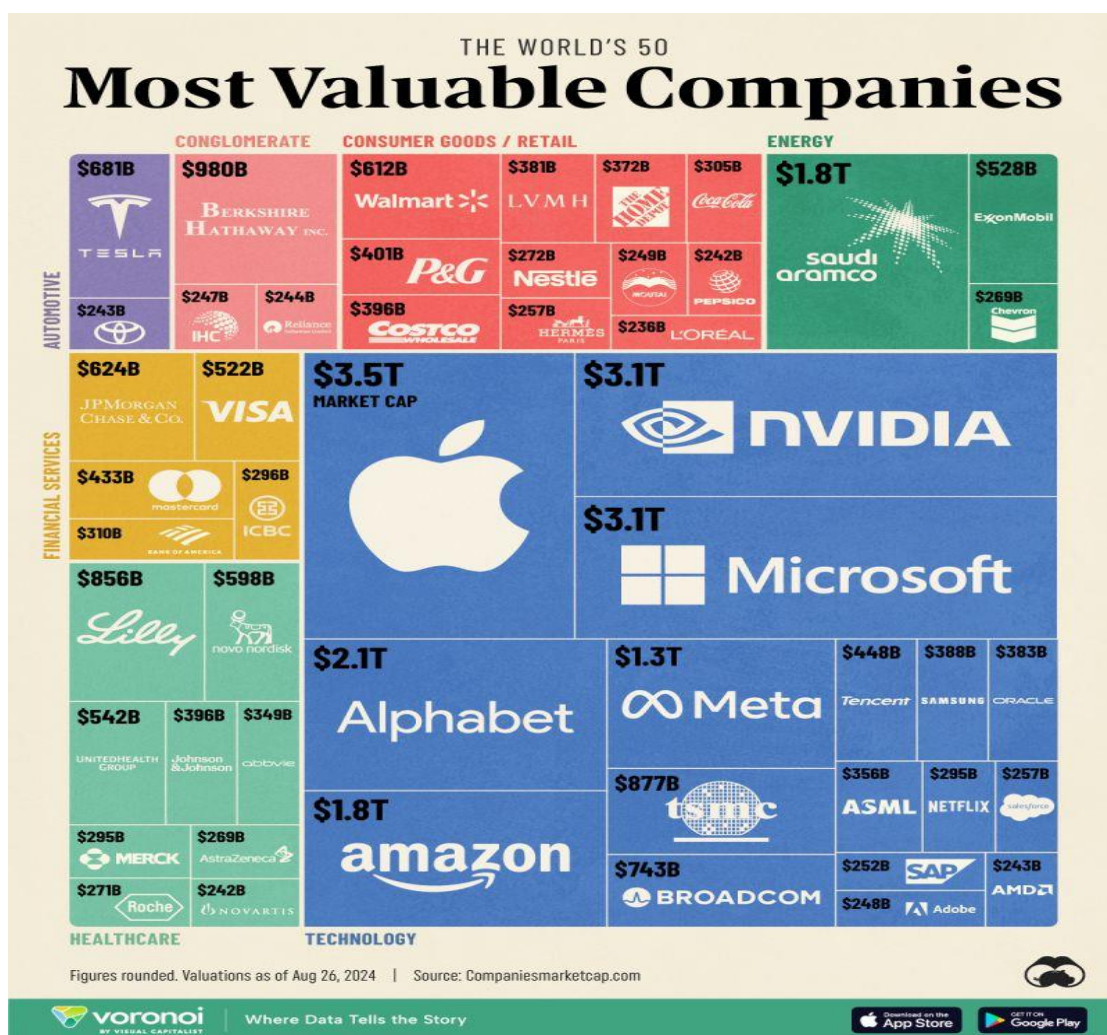
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#food-for-thought

#value #companies #marketcap #theworld50

The 50 Most Valuable Companies in the World in 2024. See a breakdown of the world's 50 most valuable companies, which represent \$34 trillion in combined market capitalization.



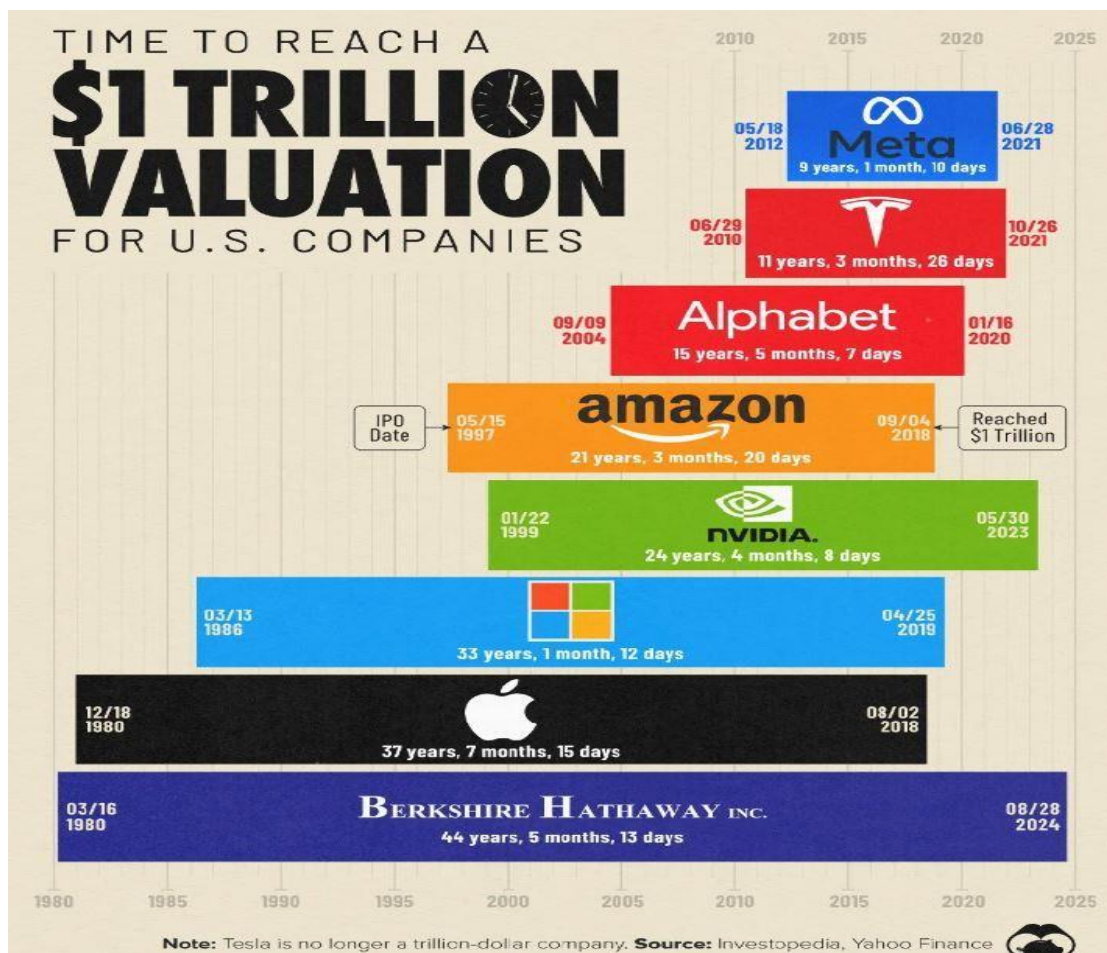
Source: visual capitalist



#food-for-thought

#buffet #berkshire-hathaway #trillion

Time to Reach a \$1 Trillion Valuation.
It took Warren Buffett 44 years to get Berkshire Hathaway \$BRK.B to be a part of the \$1 Trillion market cap club.



Source: visualcapitalist

#food-for-thought

#aramco #profit #meta

Saudi Aramco's 2023 profits in perspective

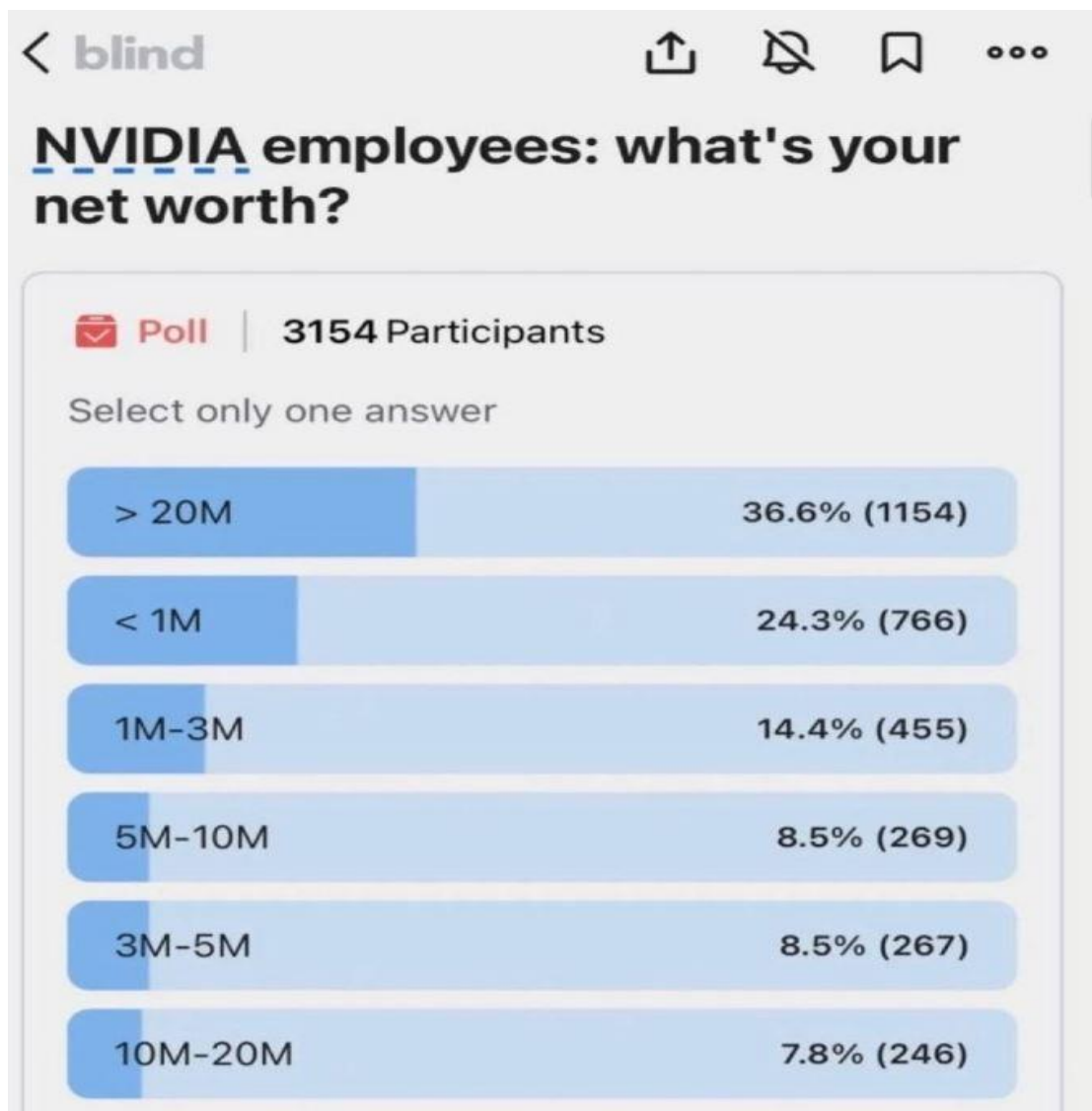


Source: Quartr

#food-for-thought

#nvidia #employees #networth

36% of Nvidia employees are worth +\$20 Million.

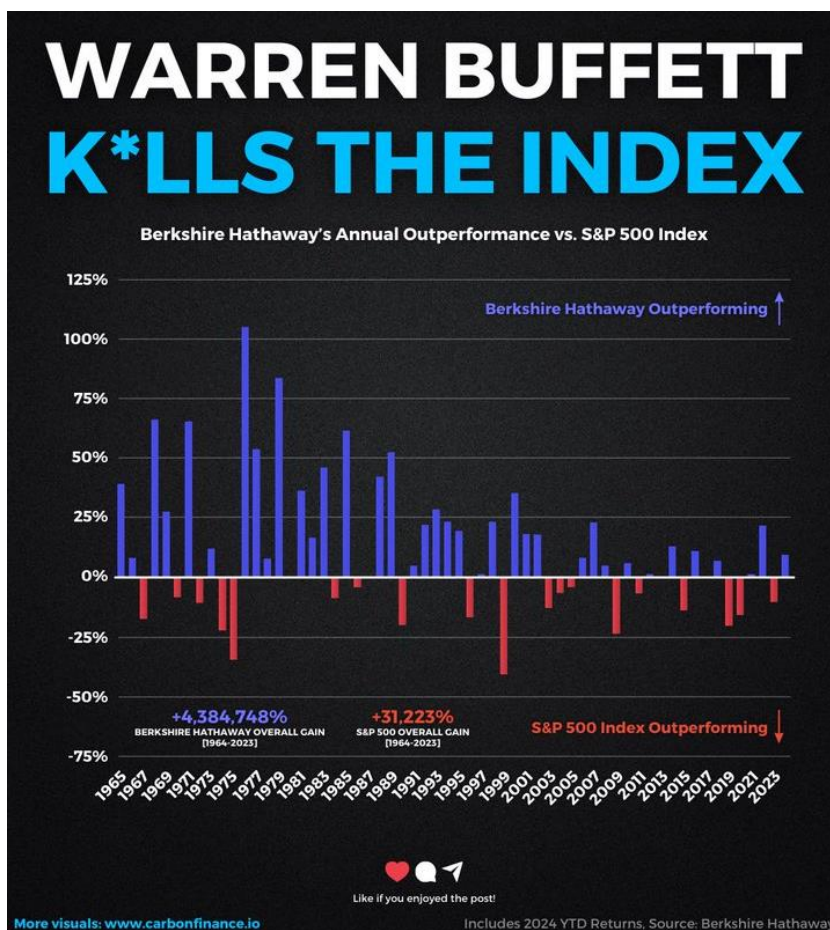


Source: radar

#food-for-thought

#warren-buffet

HAPPY BIRTHDAY WARREN ! Over the last 5 years, Berkshire Hathaway \$BRK.B returned 130% compared to the S&P 500 91% return. Zooming out, this is where Buffett's legacy is unparalleled...From 1964 to 2023, Berkshire Hathaway returned an astounding 4,384,748%, compared to the S&P 500's 31,223% gain. 🎂 \$BRK.B



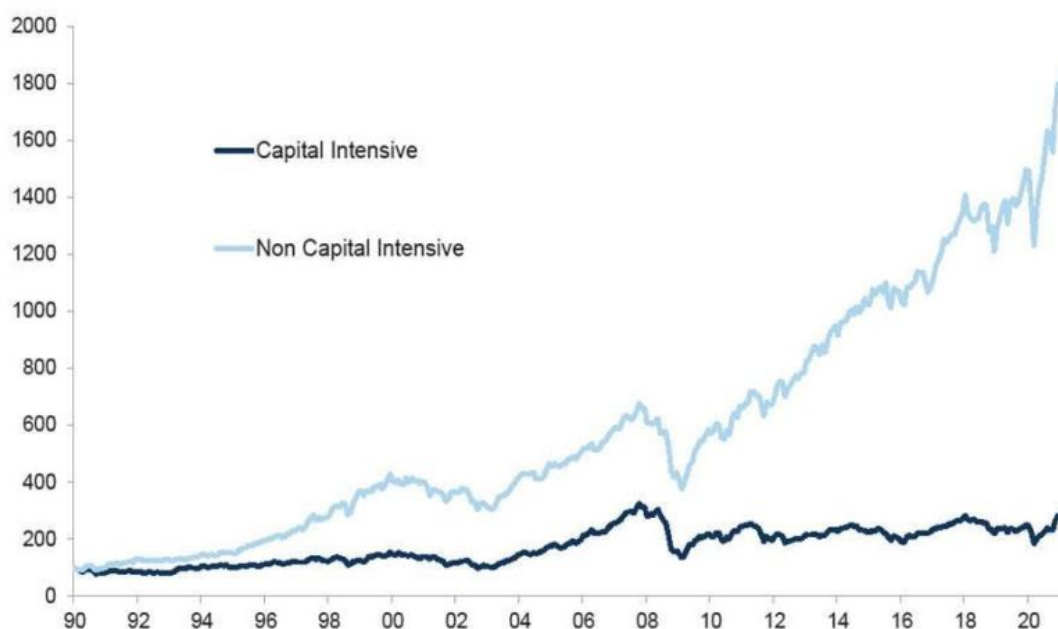
#food-for-thought

#asset-light #capital-intensive #performance

Asset LIGHT businesses generally outperform capital INTENSIVE businesses. Some of the best ratios for screening for asset light businesses are:

- high return on tangible assets
- high asset turnover ratio
- high operating leverage
- low fixed asset as a percentage of total assets
- low CAPEX / OCF

Exhibit 7: Capital-light businesses have significantly outperformed those that employ heavy capital
World equities. Indexed price performance in USD

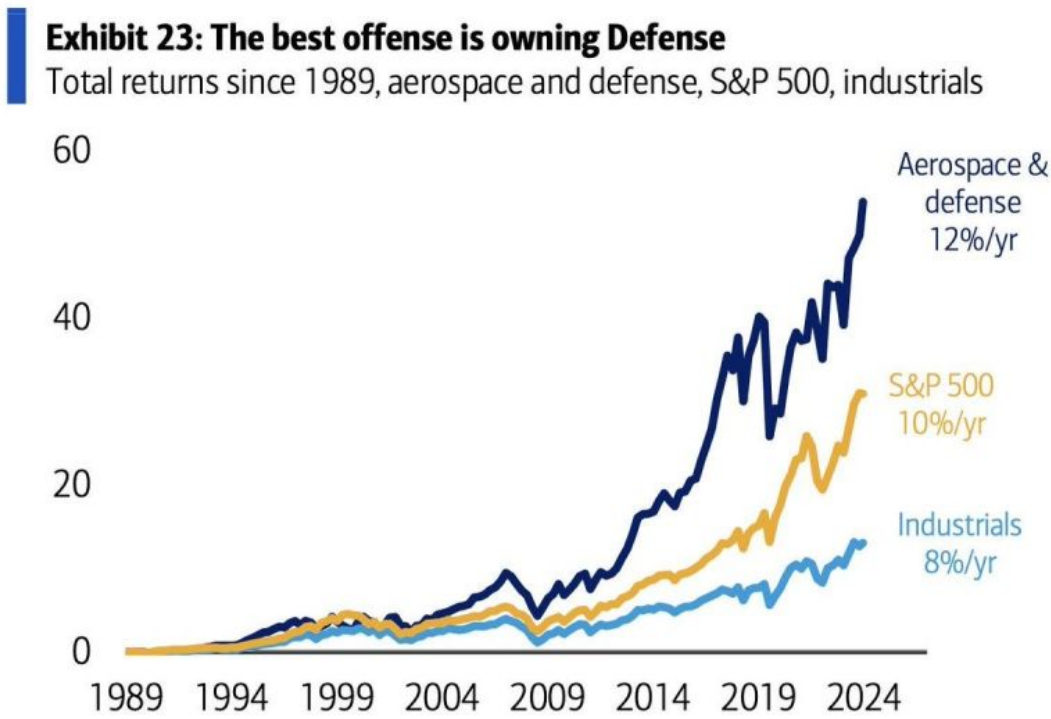


Source: Goldman Sachs thru @long equity on X

#food-for-thought

#sp500 #industrials #aerospace

Sad but true...



Source: BofA Global Research, Bloomberg








BofA GLOBAL RESEARCH

Source: BofA, Bloomberg

#food-for-thought

#restaurant-chains #cava #mcdonald

Crazy to think that Cava is already the 7th most valuable restaurant chain in the world by market cap-just 14 months after going public!

Rank	Name	Market Cap	Price
1	 McDonald MCD	\$ 207.19 B	\$288.83
2	 Chipotle Mexican Grill CMG	\$ 73.40 B	\$53.60
3	 Yum! Brands YUM	\$ 38.22 B	\$135.96
4	 Restaurant Brands International QSR	\$ 31.90 B	\$70.68
5	 Darden Restaurants DRI	\$ 18.36 B	\$155.06
6	 Domino's Pizza DPZ	\$ 14.77 B	\$422.49
^1 7	 CAVA Group CAVA	\$ 14.02 B	\$123.01

Source: morning brew

#food-for-thought

#us #back-to-school #shopping #inflation #retail

Americans set to spend a total of \$39 billion on back-to-school shopping this year. Last year, consumers spent a record-breaking \$41.5 billion on back-to-school shopping, according to the National Retail Federation. That's over \$890 per household, marking a 12% increase from 2021's previous high. While higher prices contributed, so did confidence in the strong labor market, slowing inflation, and a resilient US economy. Looking ahead, the NRF predicts 2024's back-to-school spending will reach \$38.8 billion, or \$874.68 per household, making it the second-highest on record.

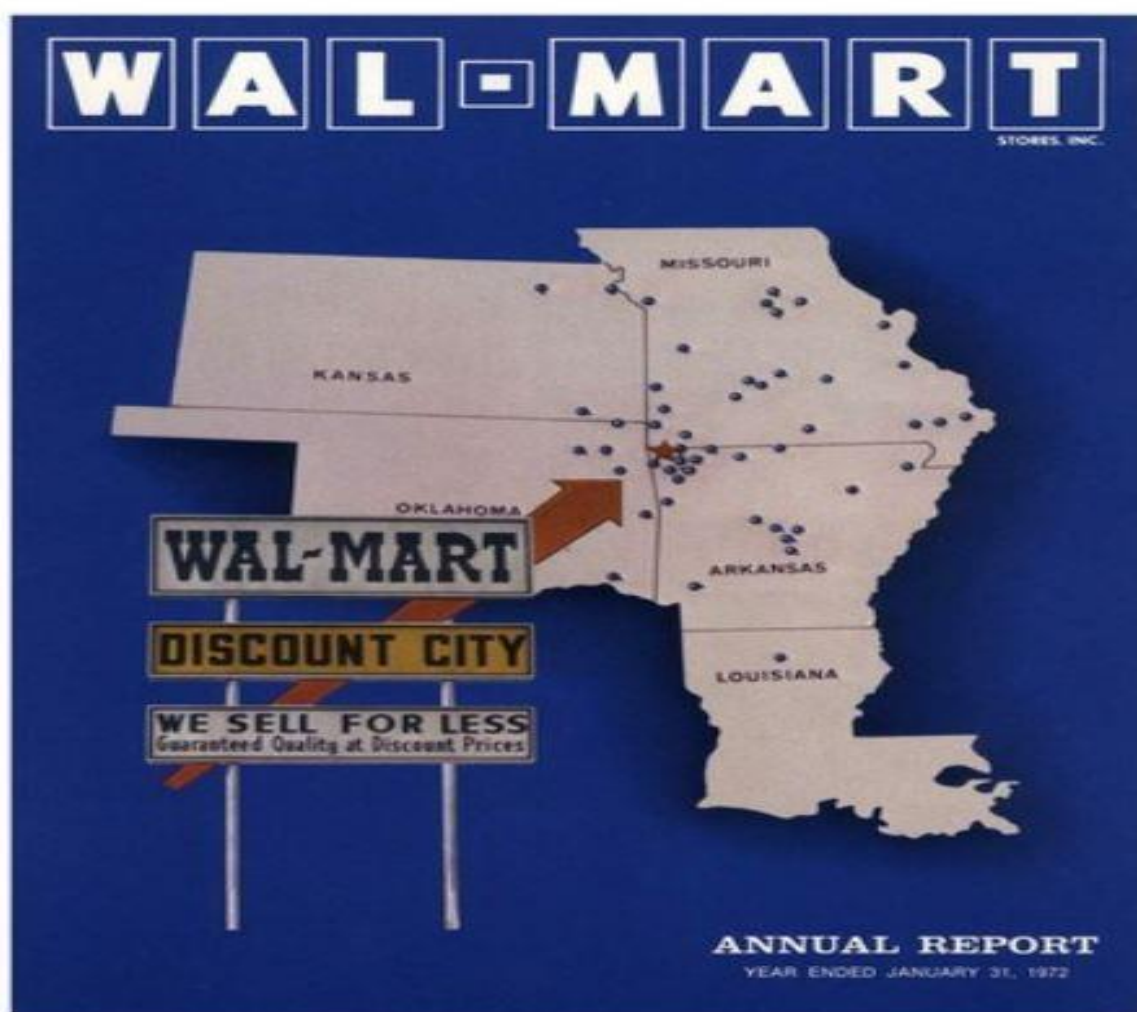


Source: cnn

#food-for-thought

#us #walmart #wmt #holders

In August 1972, Walmart was listed on the New York Stock Exchange. (WMT). If you had invested \$10K into Walmart in 1972 and held to today you'd currently have \$54.3 million.

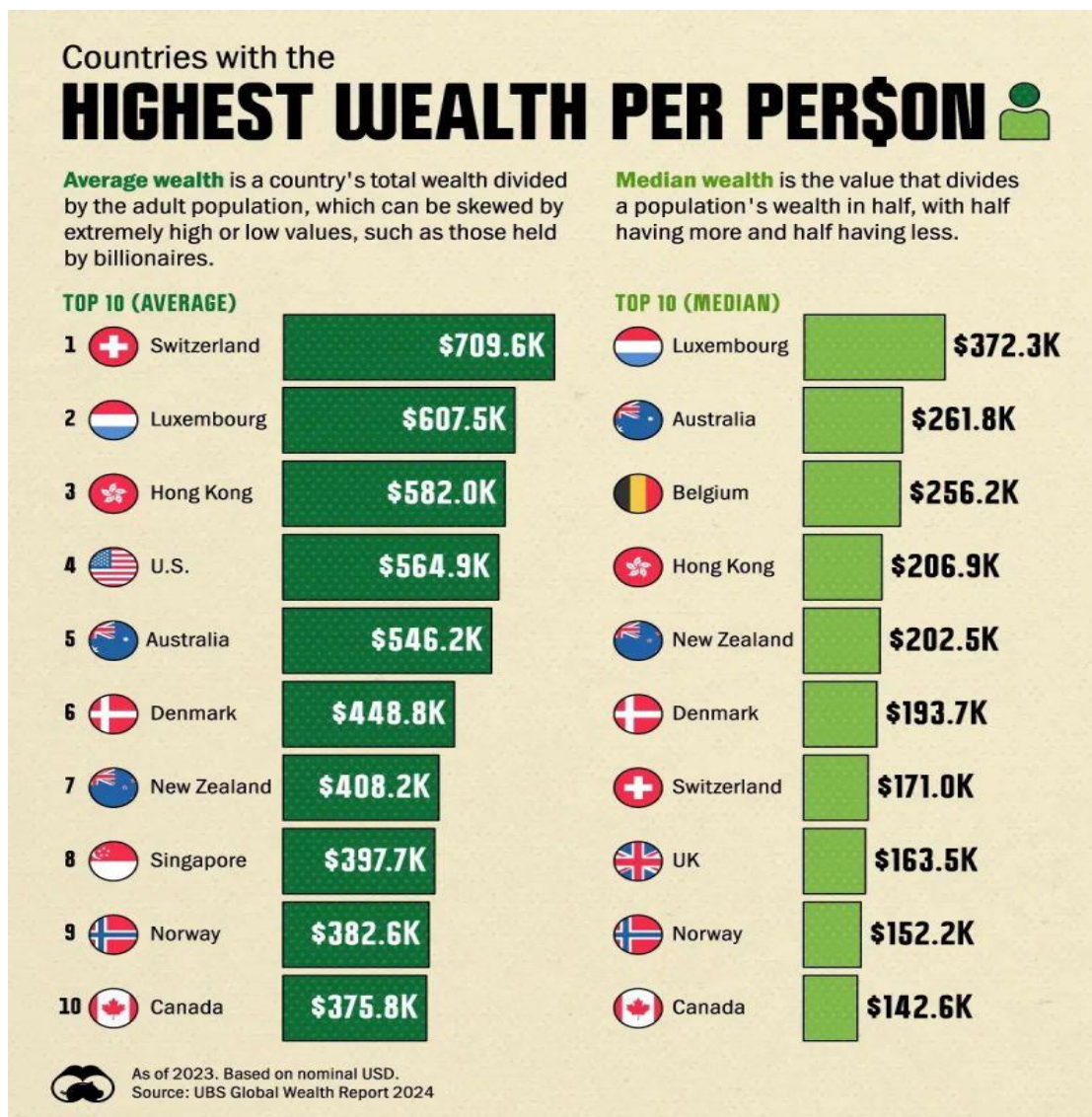


Source: walmarthistory, evan

#food-for-thought

#countries #wealth #switzerland #luxembourg

Countries with the Highest Wealth Per Person.

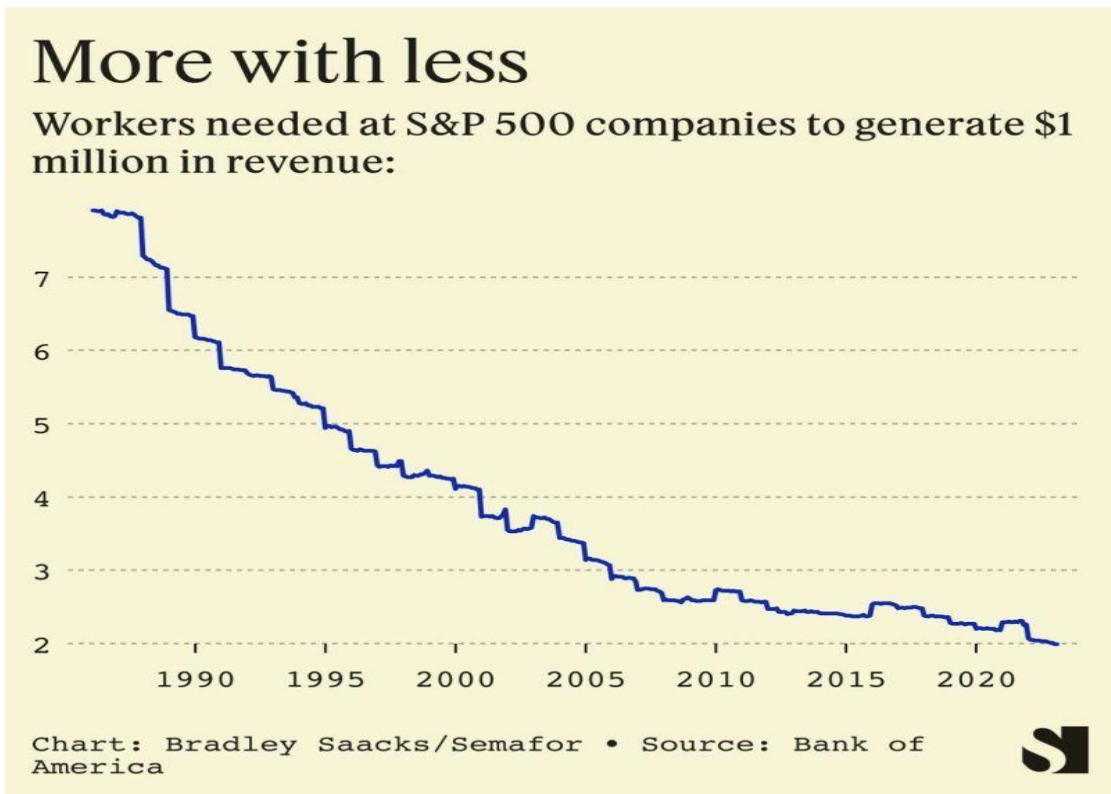


Source: Barchart, [Visual Capitalist](#), UBS Global Report

#food-for-thought

#sp500 #ai #employees

The number of workers needed at S&P 500 companies to generate \$1 million in revenue has fallen rapidly over the years. The average number of workers at an S&P 500 company needed to generate \$1 million in top-line has halved from 4 workers in 2000 to 2 workers today 📉 The key message: companies can generate more revenue with fewer employees as time goes by. And with the rise of AI, the trend is unlikely to revert...



Source: Saacks thru Linas Beliūnas

#food-for-thought

#ai #efficiency #technology

54 AI Tools To Finish Hours of Work in Minutes:

The image displays a grid of 30 AI tool categories, each with a list of tools and their logos. The categories are: RESEARCH, IMAGE, COPYWRITING, SEO, CHATBOT, PRESENTATION, LOGO, AUDIO, and MARKETING. Each category is represented by a white-bordered box on a black background, containing a pink header with the category name, a list of tool names, and their corresponding logos.

RESEARCH	IMAGE	COPYWRITING
CHATGPT	SEGMIND	WORDTUNE
CLAUDE AI	ZAPIER	WRITESONIC
BING CHAT	LEAP	COPY AI
CLEARSCOPE	CLARIF AI	CRAYON
MARKETMUSE	GENCRAFT	RYTR
PERPLEXITY	MIDJOURNEY	SURFERSEO

SEO	CHATBOT	PRESENTATION
BLOGSEO	CHATBOT	DECKTOPUS
SEONA AI	CHATFUEL	BEAUTIFUL AI
SERPSTAT	CHATSIMPLE	DESIGNS AI
VIDIQ	DIALOGFLOW	GAMMA AI
WORDLIFT	DROXY	LUMENS
ALLI AI	CHATBASE	SLIDES AI

LOGO	AUDIO	MARKETING
LOGASTER	DESCRIPT	SENDERBIRD
BRANDMARK	ELEVENLABS	SIMPLIFIED
LOGO AI	AUPHONIC	TRYPENCIL
LOOKA	LOVO AI	ADCOPY
NAMECHEAP	LYREBIRD	ADCREATIVE
STOCKING AI	SONIC	MAILCHIMP

Source: Oliver Jane

#food-for-thought

#buffet #leader #investing

Quote of the Day.

"I don't know how to predict the stock market, I don't know how to predict interest rates, I don't know how to predict business. All I know is if I buy the right kind of business at the right price with the right people I'll do well over time."

– Warren Buffett

#food-for-thought

#buffet #genius #intelligence

An idiot with a plan can beat
a genius without a plan.

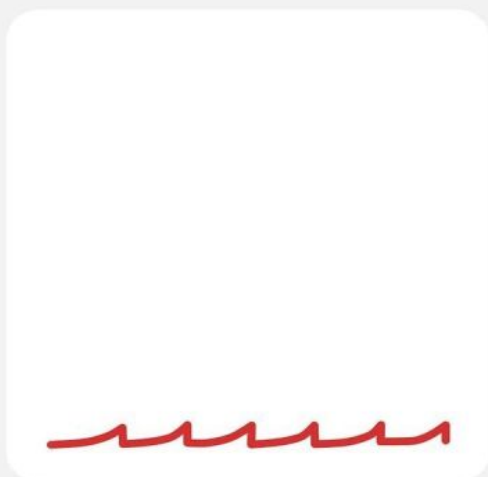
~ *Warren Buffet*

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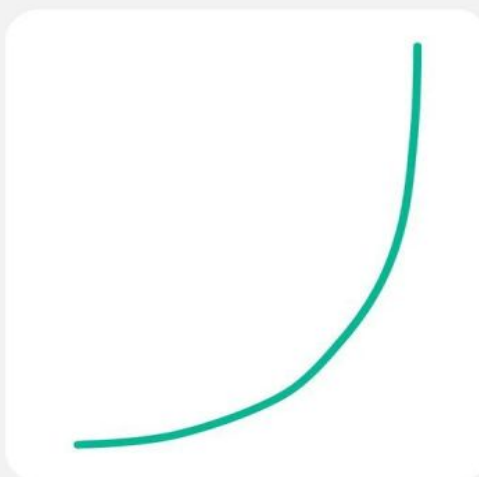
#compounding #interruption #rule

Never interrupt compounding:

THE FIRST RULE
OF COMPOUNDING...



... IS TO NEVER
INTERRUPT IT



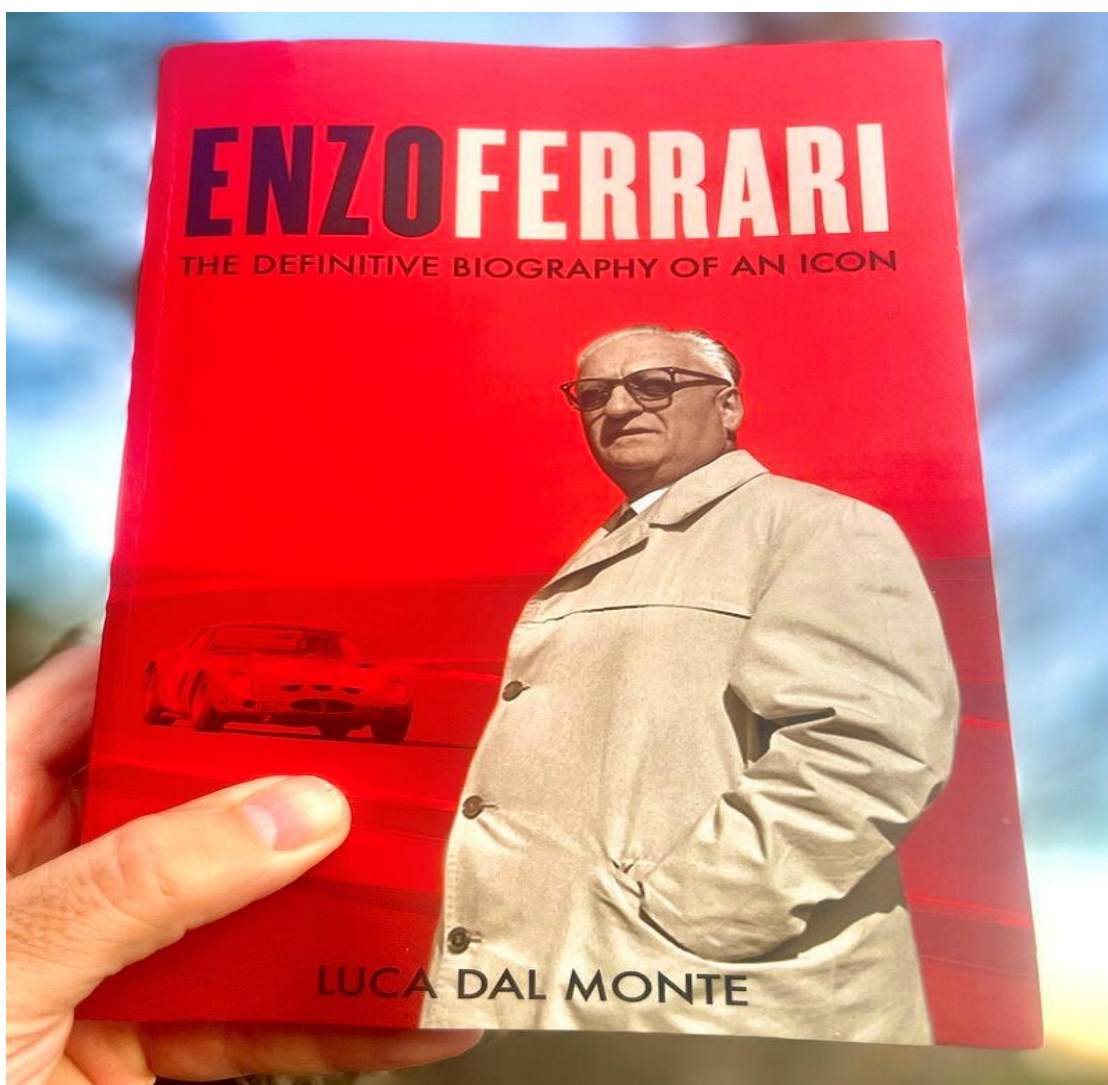
Source: Invest in Assets

#food-for-thought

#ferrari #enzoferrari #health #wealth

A person who is healthy is rich without knowing it.'

- Adalgisa Ferrari



Source: [MastersInvest.com](https://www.mastersinvest.com)

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For the future...