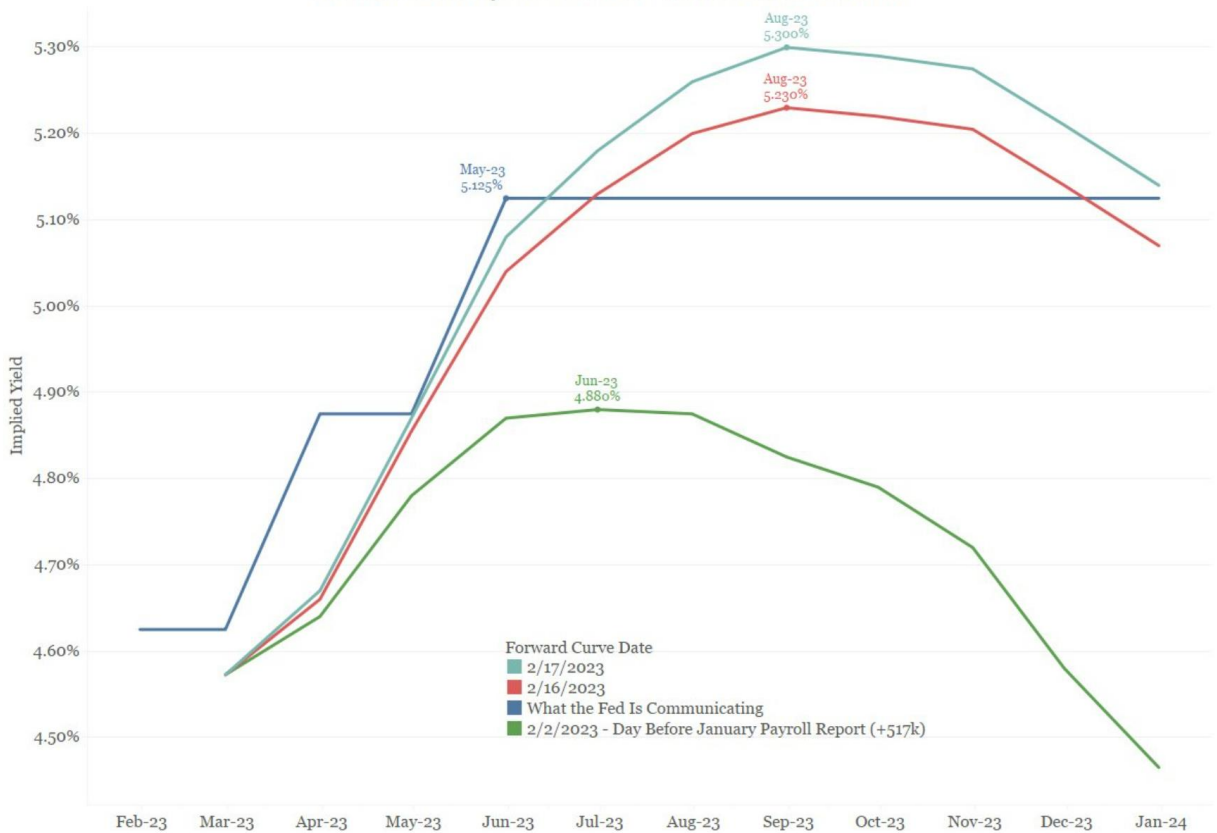


Chart of the week

Fed Pivot is no longer priced in !

For the first time this cycle, the market is pricing in MORE than the Fed is communicating.

What the Fed Says vs. What the Market Has Priced In



Source: Chicago Mercantile Exchange, Bloomberg

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Source: Bianco Research



Stocks mixed on positive US data surprises

US equities ended mixed as investors weighed some healthy growth and profit signals against worries that inflation trends might surprise on the upside. Fears that the Fed would need to raise short-term interest rates more than previously expected caused US Treasury yields to increase and fostered a rise in the U.S. dollar, taking an especially large toll on oil prices and energy stocks. US CPI rose 0.5% in January, as expected, versus a revised 0.1% increase in December. A “sticky” increase in shelter prices accounted for nearly half of the gain. On a year-over-year basis, the inflation rate came in at 6.4%, higher than expected but the slowest pace since October 2021. Annual core (less food and energy costs) inflation was 5.6%, also modestly above expectations but its slowest pace since December 2021. US stocks fell on Thursday, however, after PPI surprised on the upside. The producer price index rose 0.7% in January, its biggest gain since June. The US 10-year yield rose to a three-month high on Friday morning before decreasing a bit to end the week. Shares in Europe rebounded as better-than-expected corporate results helped markets shrug off fears about additional interest rate hikes. Chinese equities fell for a third consecutive week as concerns over escalating geopolitical tensions with the U.S. hampered prospects of faster economic growth. Bitcoin rallied over 12% on the week, topping \$25k intraday - the highest since June 2022.

#GLOBALMARKETS WEEKLY WRAP-UP

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#markets

#weekly #returns

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	33,827	-0.1%	2.1%
S&P 500 Index	4,079	-0.3%	6.2%
NASDAQ	11,787	0.6%	12.6%
MSCI EAFE	2,096	0.5%	7.8%
10-yr Treasury Yield	3.81%	0.1%	-0.1%
Oil (\$/bbl)	\$76.60	-3.9%	-4.6%
Bonds	\$97.97	-0.5%	1.1%

Source: Factset 02/17/2023. Bonds represented by the iShares Core U.S. Aggregate Bond ETF. Past performance does not guarantee future results. * 4-day performance ending on 2/16/2023.

Source: Edward Jones



#us #equities #weekly #performance

Utilities outperformed on the week (defensive bid despite higher bond yields) while Energy stocks puked...

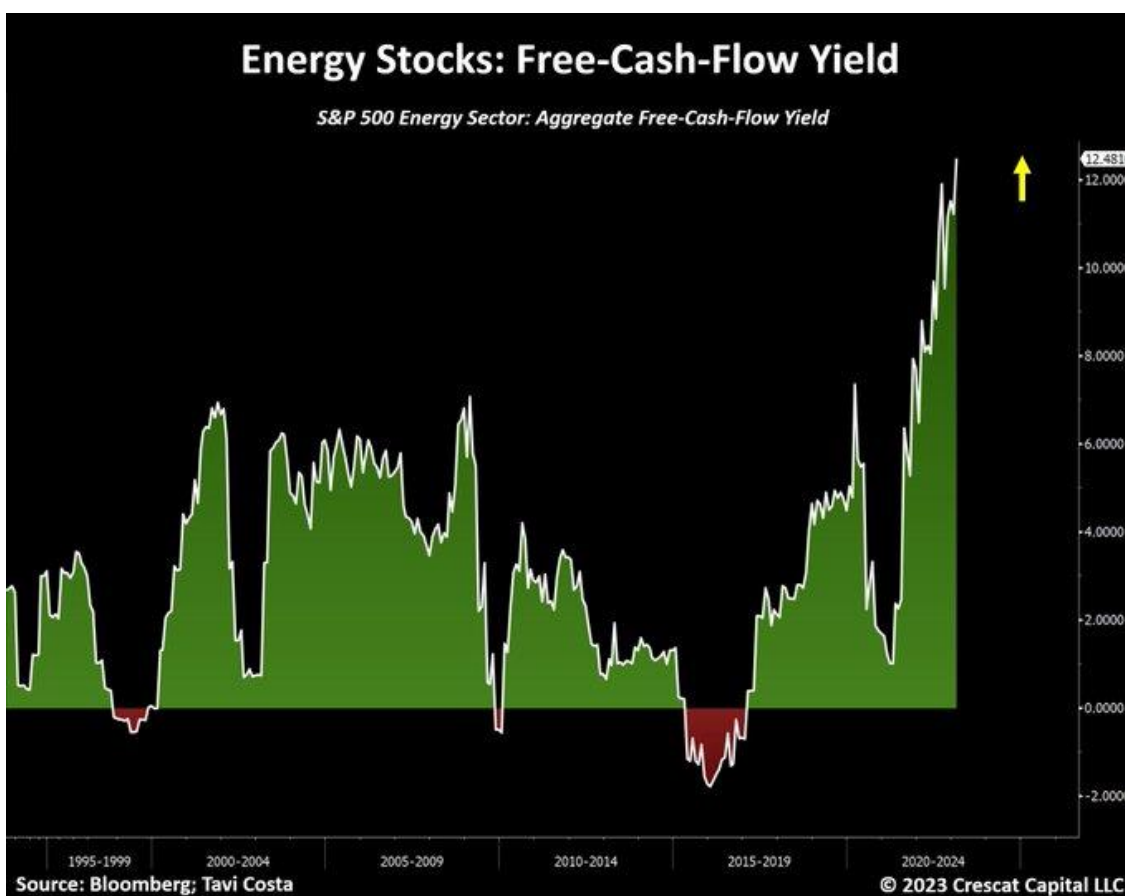


Source: Bloomberg, www.zerohedge.com



#energy #valuations

Energy stocks are again trading at their cheapest level in history on a free-cash-flow yield basis.



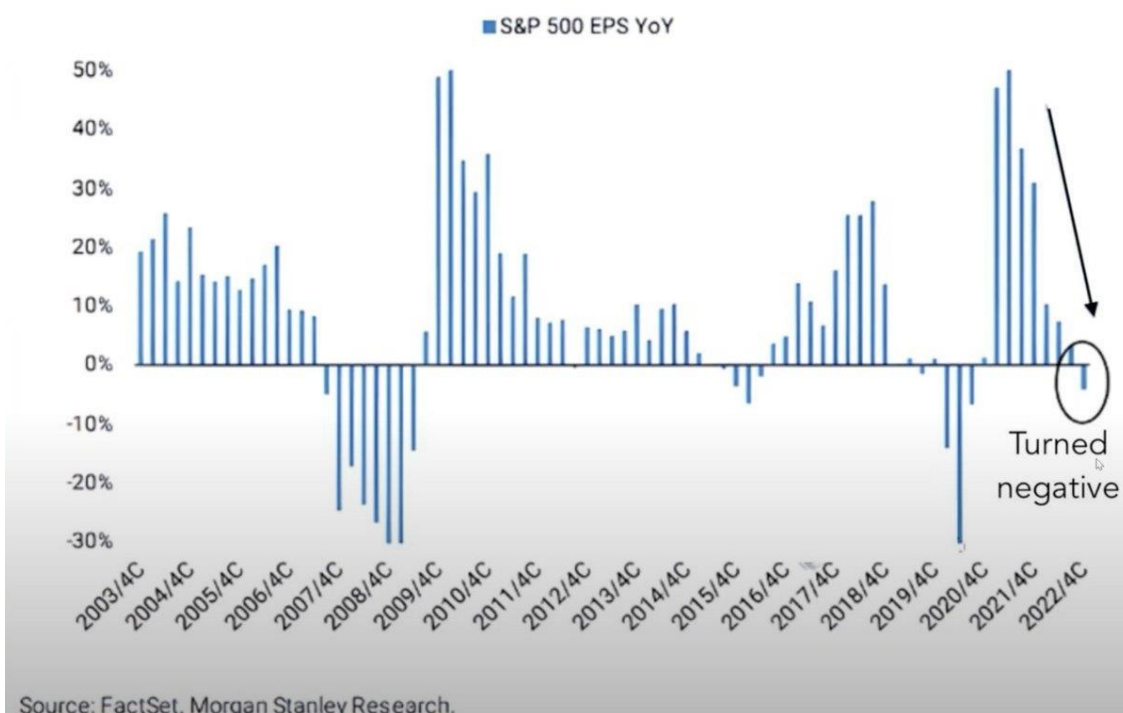
Source: Tavi Costa



#us #earnings

An earnings recession is happening.

Y/Y EPS Growth Quarter Turned Negative For The First Time Since Covid



Source: Markets Mayhem

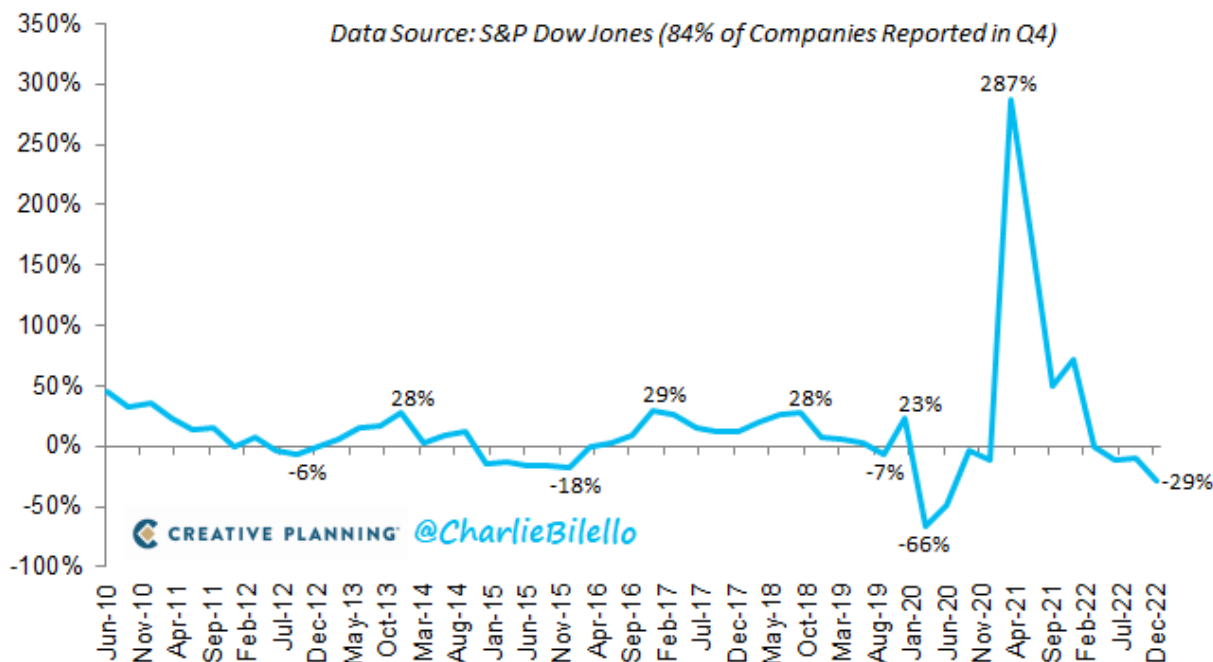


#us #earnings

S&P 500 Q4 GAAP earnings are down 29% year-over-year. With 84% of companies reported, S&P 500 Q4 GAAP earnings are down 29% year-over-year, the 3rd straight quarter of negative YoY growth and the largest decline since Q2 2020.

S&P 500 As Reported (GAAP) EPS Growth (YoY %)

Data Source: S&P Dow Jones (84% of Companies Reported in Q4)

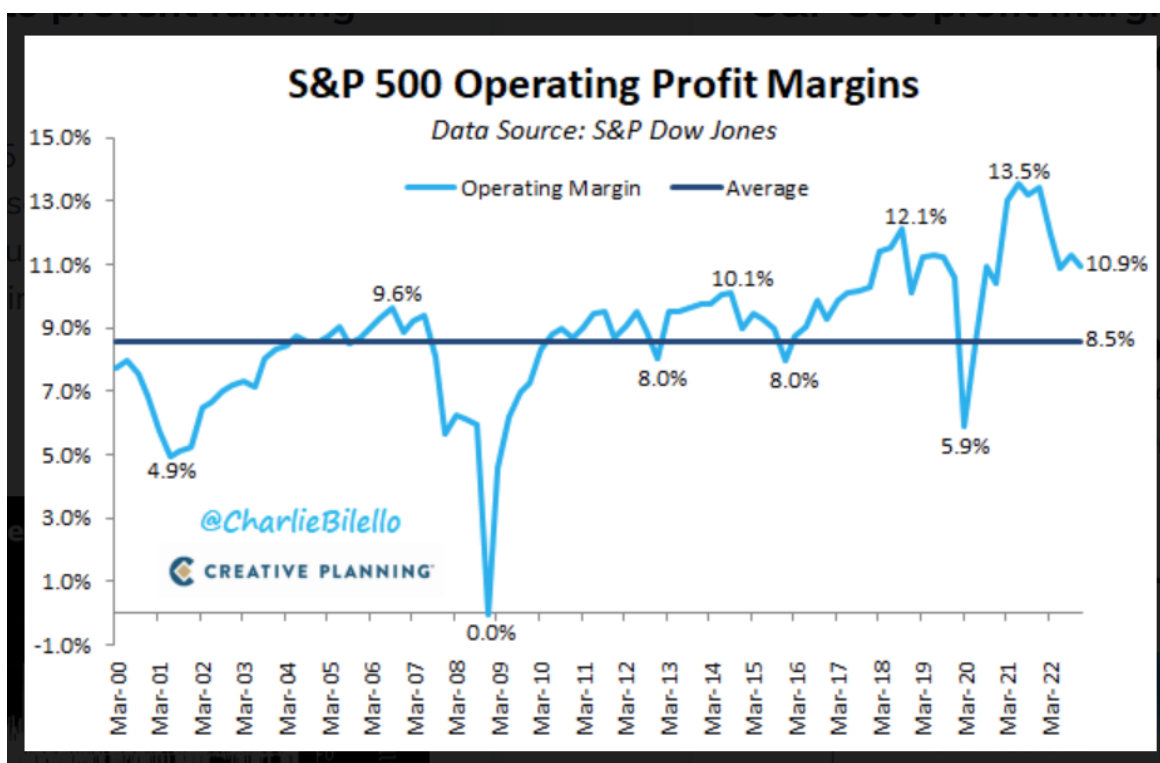


Source: Charlie Bilello



#us #earnings

S&P 500 profit margin in Q4 2021: 13.4% S&P 500 profit margin in Q4 2022: 10.9%

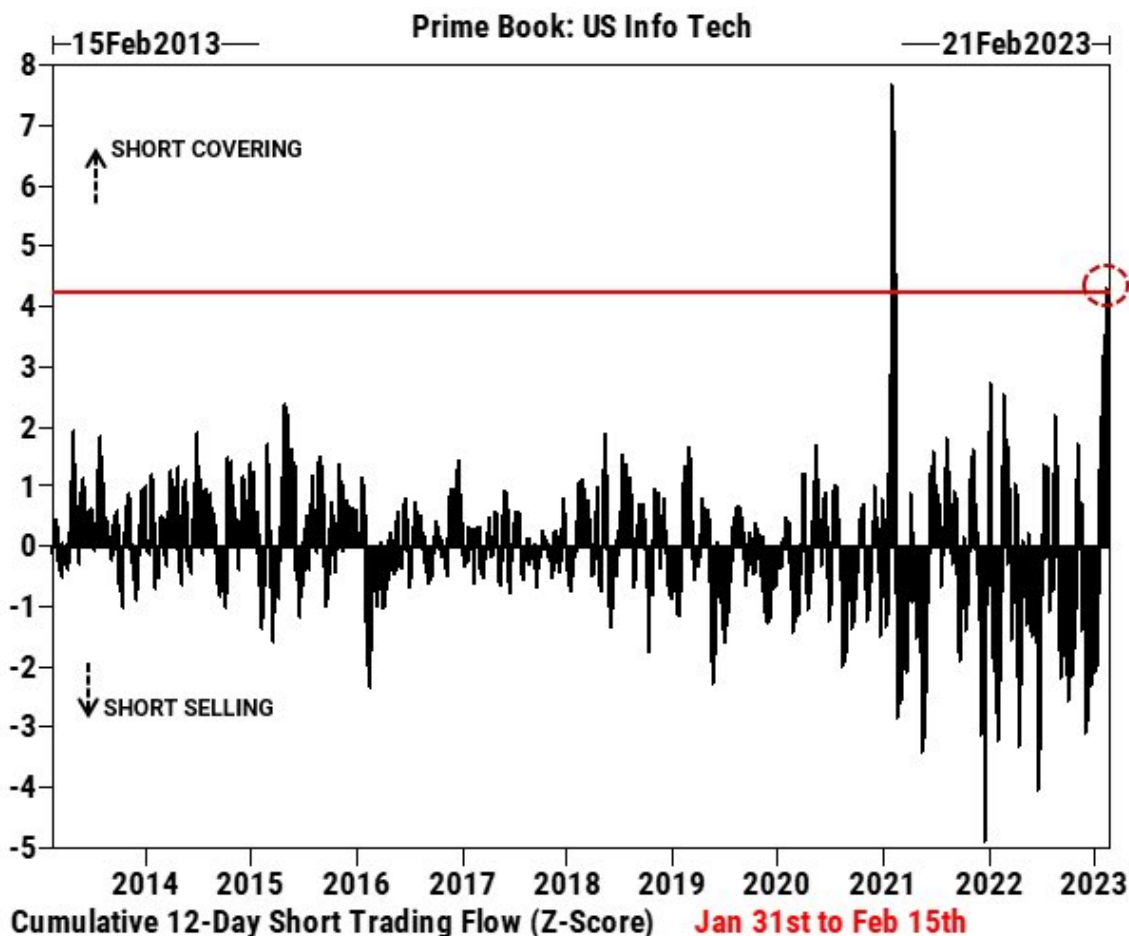


Source: Charlie Bilello



#tech #stocks #short-covering

Over the past 12 days, hedge funds covered more US Tech shorts than at any point in the last decade (except meme blow up Jan 21). With the cover bid gone, will the sector resumes its underperforming trend?



Source: Florian Kronawitter





#retail #investors #flows

Retail investors are reportedly injecting a record \$1.5 billion per day into the stock market in 2023.

With \$TSLA being a retail favourite, totalling ~\$9.7 billion of inflows year to date.



Source: Bloomberg, VandaTrack

Source: Commonstock





#tesla #volume

The volume in TSLA lately is unreal, it's regularly trading more than the next 5-6 stocks combined and double SPY. On pace to trade over \$6T worth of shares this year.

Volume	Chg Up	Chg Down	Value	Δ AVAT	52Wk
Security	Last	%Chg	Value↓		
1) Tesla Inc	198.265	-4.37%	16.21B		
2) NVIDIA Corp	213.91	-4.24%	4.15B		
3) Apple Inc	E:150.546	-0.06%	2.49B		
4) Meta Platforms Inc	175.862	-1.16%	2.13B		
5) Microsoft Corp	262.851	-0.29%	2.05B		
6) Alphabet Inc	95.42	+0.43%	1.87B		
7) Alphabet Inc	95.70	+0.25%	1.83B		
8) Amazon.com Inc	97.87	-0.38%	1.70B		
9) Advanced Micro De...	81.7022	-1.81%	1.49B		
10) Berkshire Hathawa...	467990	+0.42%	1.44B		
11) PayPal Holdings Inc	79.13	+0.91%	1.41B		
12) Salesforce Inc	166.30	-4.24%	835.97M		

Source: Bloomberg

#markets

#elon-musk

With the surge of Tesla stock, Elon Musk is getting closer to become regain its seat of the World' richest man spot...

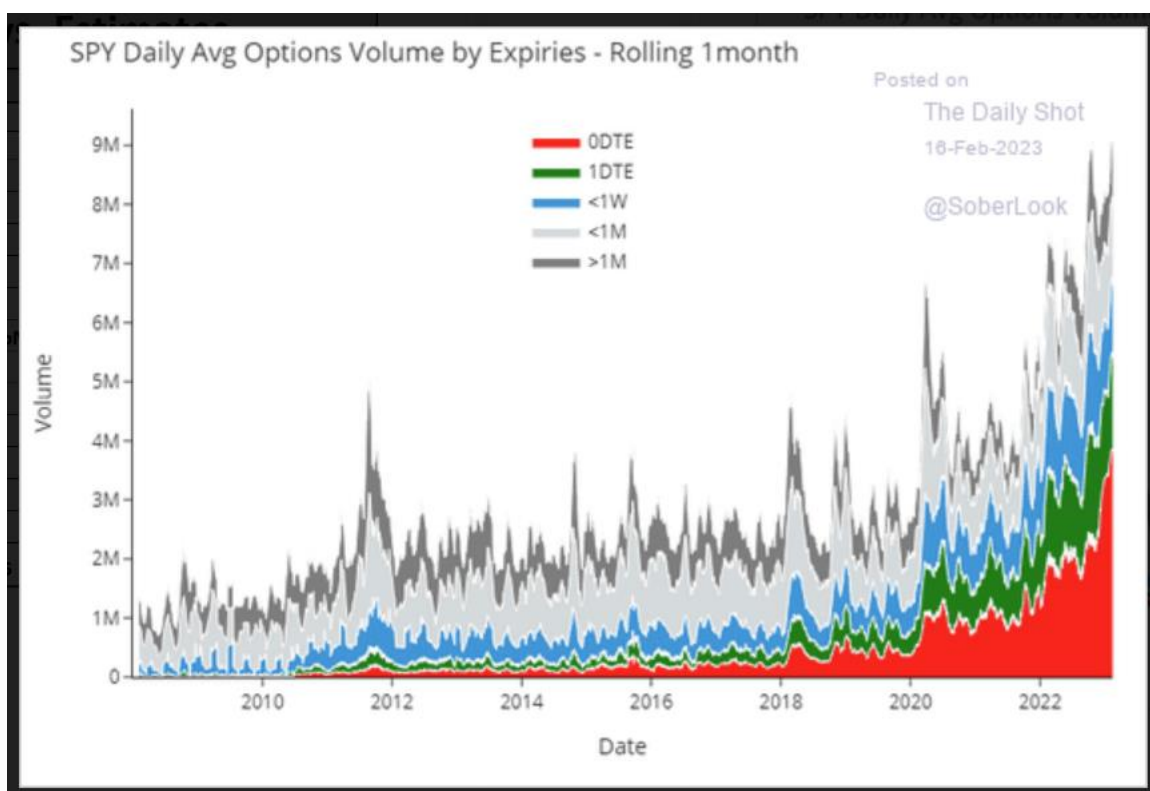
Name	Rank	Worth	Chg 1D	Chg YTD
1) Bernard Arnault	1	192.0B	1.5B	29.9B
2) Elon Musk	2	191.3B	4.4B	54.2B
3) Jeff Bezos	3	125.1B	1.4B	18.2B
4) Bill Gates	4	117.4B	128.4M	8.2B
5) Warren Buffett	5	107.9B	-785.7M	434.3M
6) Larry Ellison	6	103.4B	-400.9M	11.5B
7) Steve Ballmer	7	95.7B	-909.8M	9.9B
8) Larry Page	8	90.8B	1.7B	7.8B
9) Sergey Brin	9	86.8B	1.6B	7.5B
10) Mukesh Ambani	10	83.3B	1.8B	-3.8B
11) Francoise Bettencourt Meye...	11	83.0B	76.0M	11.5B
12) Carlos Slim	12	83.0B	641.7k	8.7B
13) Charles Koch	13	68.3B	-128.1M	1.2B
14) Julia Flesher Koch & family	14	68.3B	-130.6M	1.2B
15) Jim Walton	15	67.1B	378.4M	3.3B

Source: Bloomberg, Eric Balchunas



#s&p500 #options

Nearly half the options on S&P 500 stocks as well as on SPY and QQQ have maturities of less than 24 hours.



Source: The Daily Shot, Nomura



#vix #derivatives

"50 Cent" is Back

The trader (not the rapper) who became famous years ago is likely back with a huge volatility bet. Late in Tuesday's trading, someone bought 100,000 \$VIX May expiry 50 strike calls for \$0.50. And yesterday, another 50k contracts were bought for \$0.51.

Unusual Index Options Activity Wed, Feb 15th, 2023 [Help ?](#)

Unusual Options Activity identifies options contracts that are trading at a higher volume relative to the contract's open interest. Unusual Options can provide insight on what "smart money" is doing with large volume orders, signaling new positions and potentially a big move in the underlying asset. When the last price is at or above the ask price the strike price is highlighted in green; when the last price is at or below the bid price the strike price is highlighted in red.

FREE NEWSLETTER: Sign up to receive Barchart's daily Unusual Options Activity Report via email, featuring in-depth ideas and analysis. [Sign Up!](#)

Date: Unusual Options - Historical Date 02/14/2023 Reset

FILTER TO OPTIMIZE RESULTS

Symbols: X Delta: greater than

Options Type: Calls Puts Exp Type: Monthly Weekly All Expiration Dates APPLY

Email me this report: Mid-Day Email End-of-Day Email

STOCKS ETFs **INDICES**

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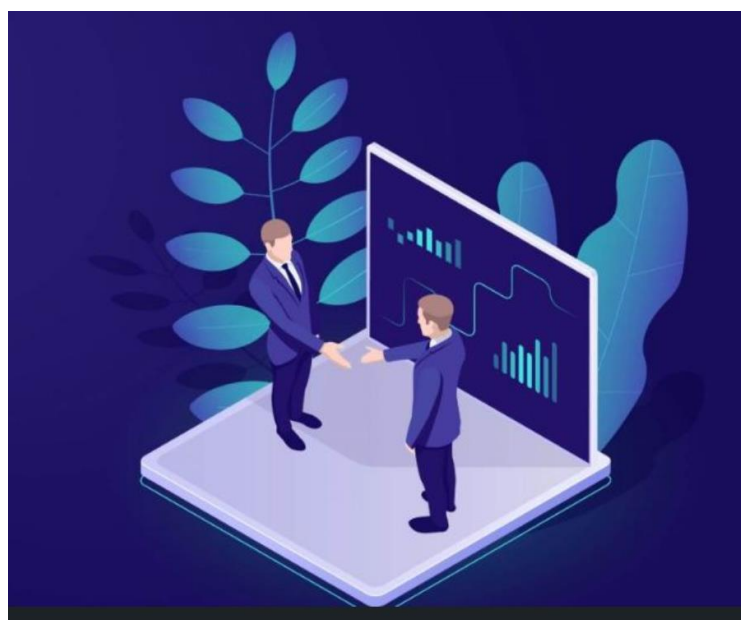
Symbol	Price Type	Strike	Exp Date	DTE	Bid	Midpoint	Ask	Last	Volume	Open Int	Vol/OI	IV	Delta	Last Trade	Details	Links
+ \$VIX	18.91 Call	50.00	05/17/23	92	0.52	0.54	0.56	0.52	103,330	32,712	3.16	125.94%	0.11411	02/14/23	Details	i

Source: Barchard



#settlement #sec

SEC votes 3-2 to shorten the standard settlement cycle for most broker-dealer transactions in securities to T+1 from T+2. The final rules will become effective 60 days after publication in the Federal Register and have a compliance date of May 28, 2024. Changes "will make our market plumbing more resilient, timely, orderly, and efficient," said SEC Chair Gary Gensler. Gensler Says Change Aims to Boost Efficiency. A T+1 settlement cycle, the norm in the 1920s, is also used by the U.S. Treasury market and was adopted by India in January. The changes are expected to reduce the credit, market, and liquidity risks faced by market participants and U.S. investors. It will also reduce the number of unsettled trades.



#berkshire-hathaway

Berkshire Hathaway Inc. revealed several changes to its stock portfolio in documents filed with the Securities and Exchange Commission Tuesday.

- Picked up 21 mio more shares of Apple
- Cut its US Bancorp investment from 52.5 million shares to 6.7 mio by the end of the year.
- Cut Bank of New York Mellon again and sold off more than 37 mio shares to leave it with just over 25 mio shares
- Cut its Taiwan Semi down to 8.3 million shares.
- Picked up more than 1.2mio Louisiana Pacific shares to give it control of nearly 10%
- Trimmed his investment in Activision Blizzard to 52.7mio shares.
- Trimmed its investments in the grocer Kroger and Ally Financial.
- Occidental Petroleum remained unchanged
- Pick up nearly 2mio more Chevron to give it control of 8.7%
-



Source: yahoo!finance

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#berkshire-hathaway

Buffett's Berkshire Hathaway top positions.



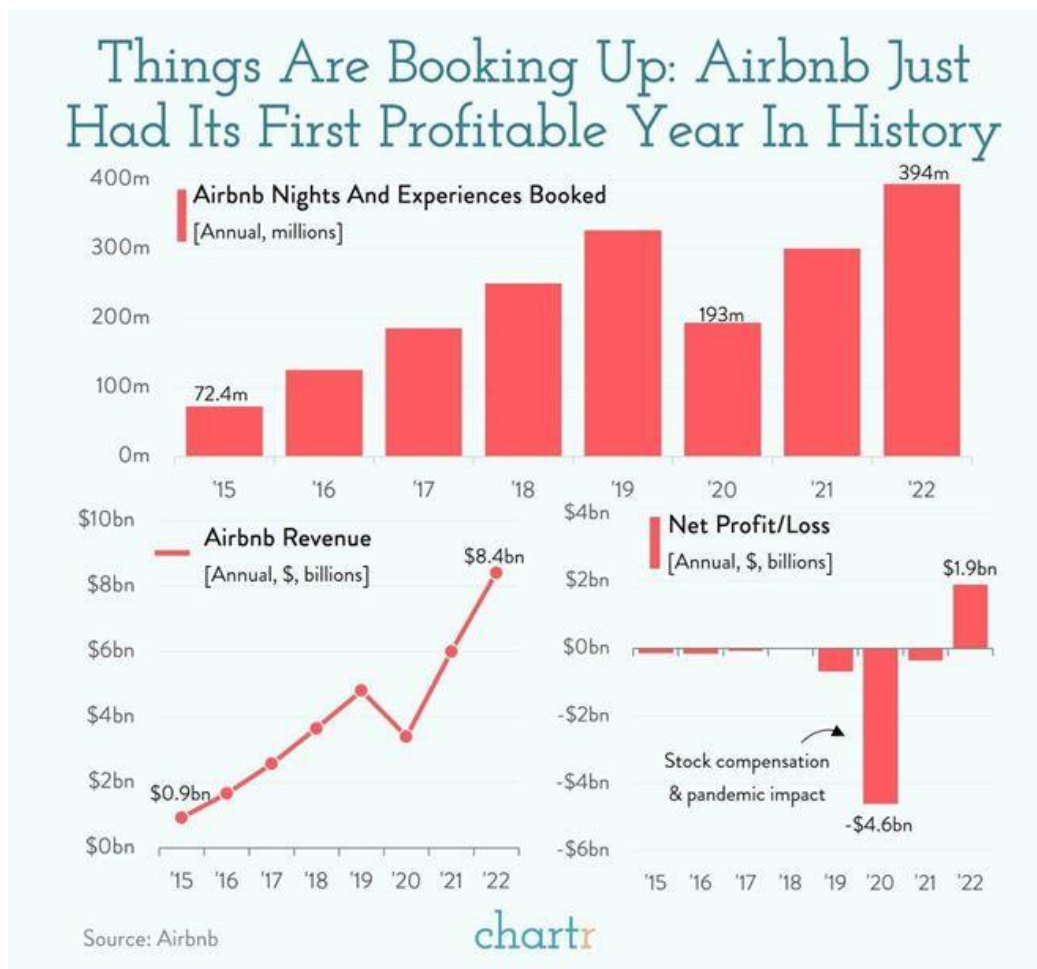
Source: Bloomberg, HolgerZ





#airbnb #2022 #results

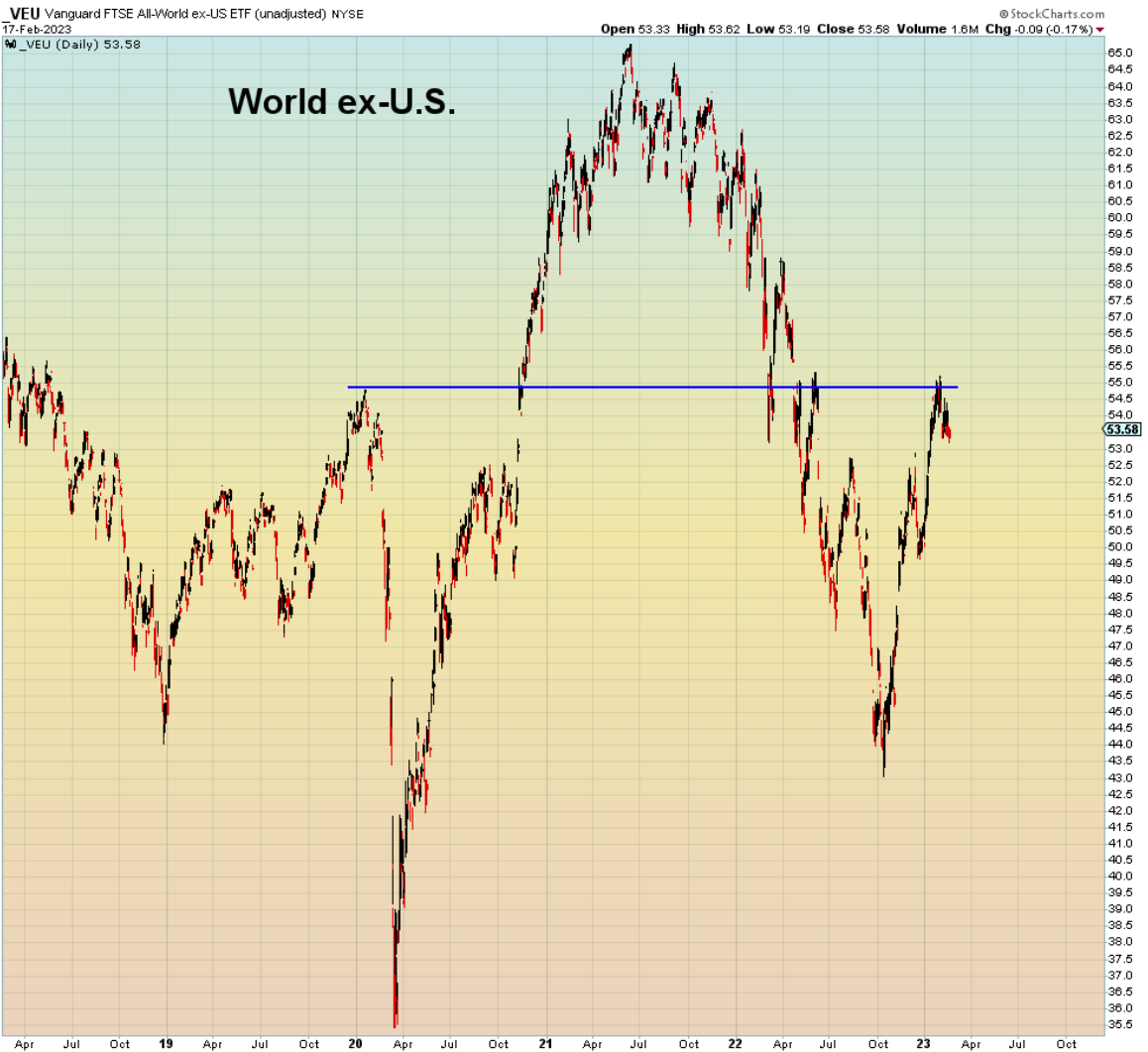
Airbnb just booked its first annual profit in its near-15-year history, minting a whopping \$1.9bn in 2022. It may come as a surprise to some — particularly those who see the platform as a home for sneaky add-on charges — but, last year aside, Airbnb has lost ~\$6bn since 2015.





#world-ex-US #technicals

At key resistance



Source: Mac10

#GLOBALMARKETS WEEKLY WRAP-UP

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#markets

#greek #stocks

Greek stocks just won't stop going up. 4th best performing market in the world this year.



Source: Bloomberg

#markets

#ipos #adrs #china

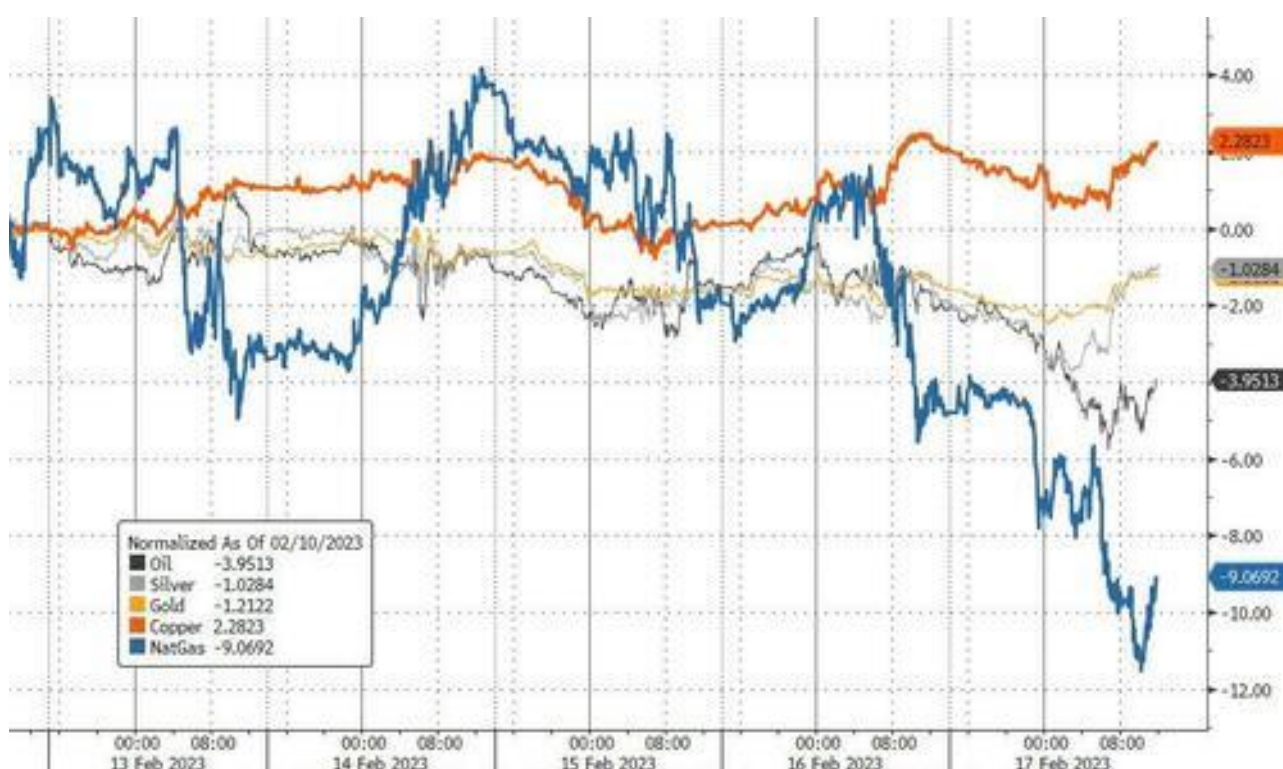
Chinese IPOs are returning to the U.S. as relations and regulations improve. Only six China-based companies had issued American depository receipts in the U.S. in 2022. However, after a long dry spell, signs are emerging that they're coming back, with three IPOs over the last two months. The improved regulatory clarity has helped pave the way for companies . One new rule Chinese authorities announced requires internet platform operators with personal information of more than 1 million users to apply for a cybersecurity review before they can list overseas.





#global #commodities

Copper was the only major commodity to make gains this week while PMs were down modestly, oil was dumped while Natural Gas puked...



Source: Bloomberg, www.zerohedge.com

#GLOBALMARKETS WEEKLY WRAP-UP

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#markets

#oil

WTI closed the week lower, with a \$76 handle...



Source: Bloomberg, www.zerohedge.com

#markets

#gold

Gold was down for the 3rd straight week (after rising for 6 straight weeks), unable to get back above \$1900...



Source: Bloomberg, www.zerohedge.com

#GLOBALMARKETS WEEKLY WRAP-UP

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#markets

#lithium

Lithium prices have more than doubled since the end of 2021.



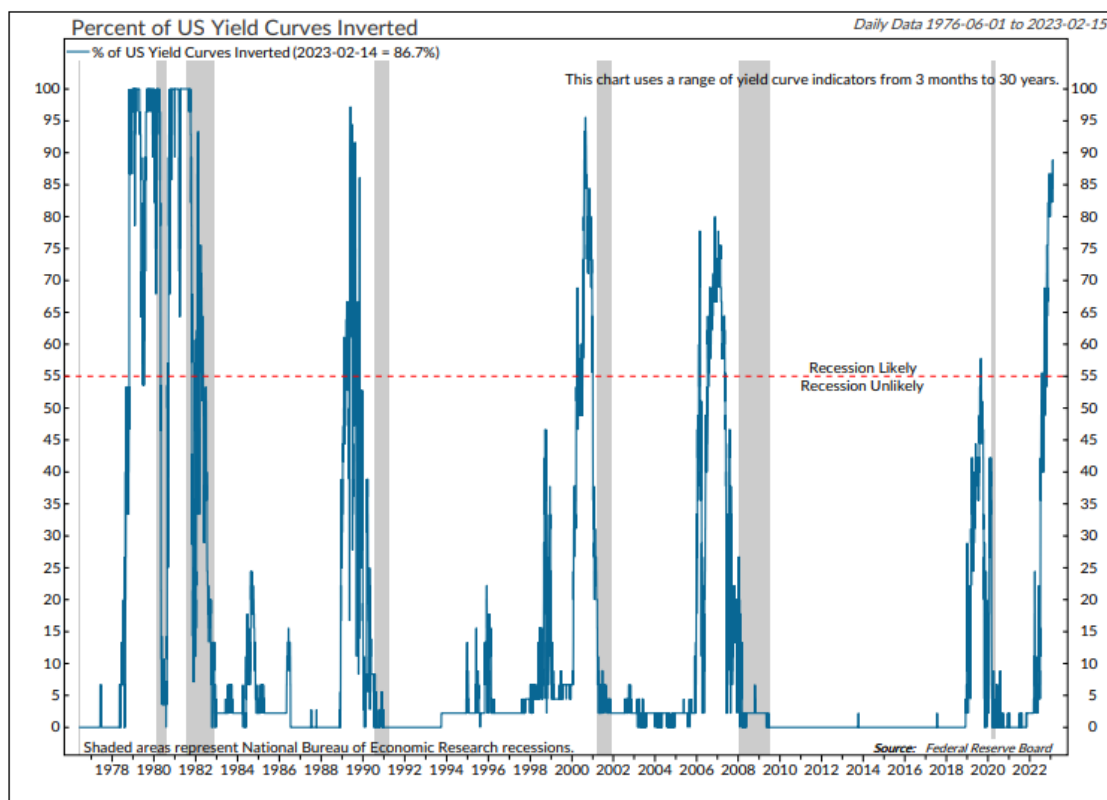
Source: Bloomberg, Lisa Abramowicz



#yield-curves #inverted

Most yield curves in the U.S. and around the world are inverted. Conventional thinking says this maps to recession. But an inverted curve may tell you more about inflation & the expected policy response.

87% of curves are inverted



BS9SU



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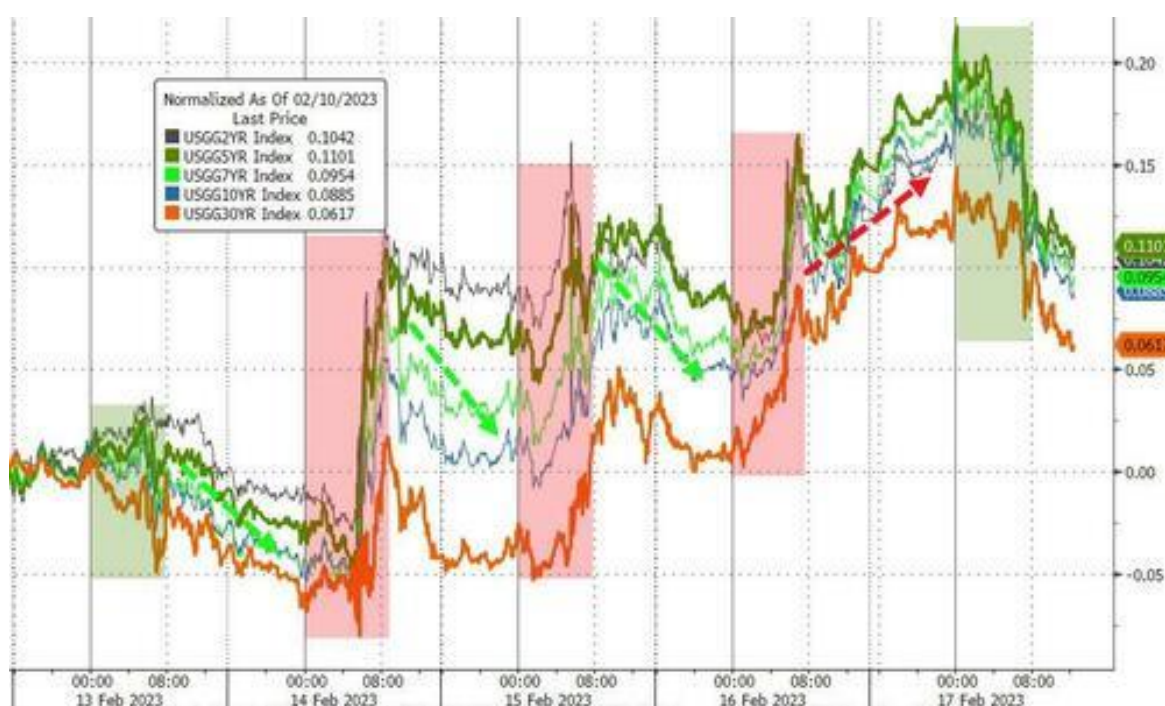
Source: NDR Research





#us #treasuries #weekly

Bonds yields spiked with the belly underperforming. 30Y yields rose the least on the week with all TSYs relatively well bid on Friday...

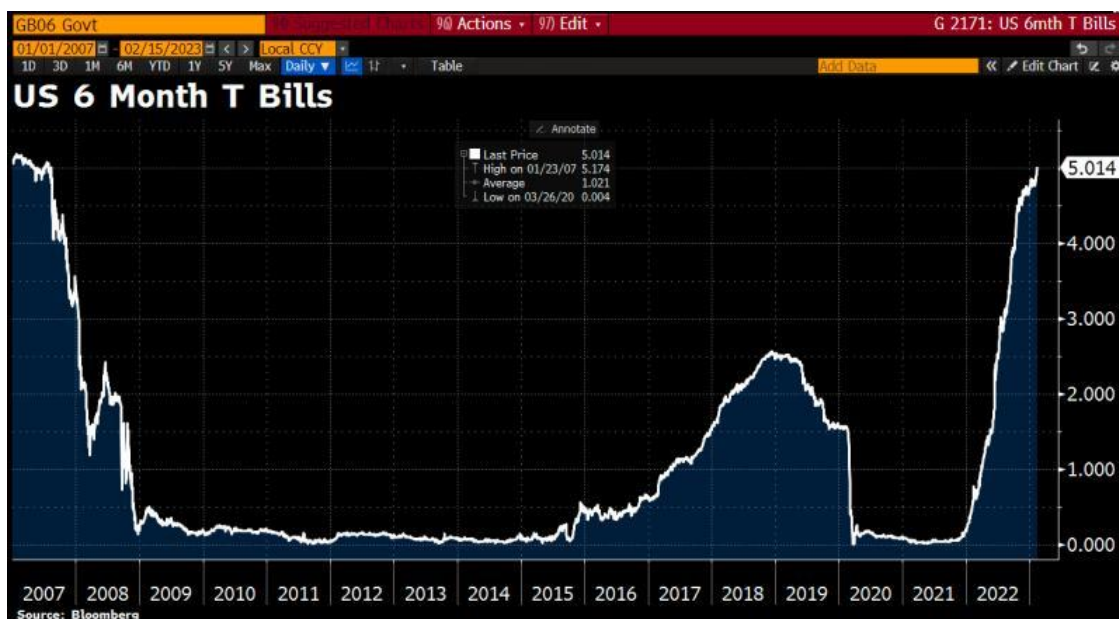


Source: Bloomberg, www.zerohedge.com



#jomo

WELCOME TO JOMO ("The Joy Of Missing Out"). With US 6 months T-Bills above 5%, many investors prefer JOMO over FOMO "Fear Of Missing Out the risk asset rally"...



Source: Source: HolgerZ, Bloomberg



#jomo

US 6-month T-bills now yield about 5%, the highest since 2007, compared with a 5.08% S&P 500 earnings yield. The gap between them is the slimmest advantage that stocks have held since 2001.

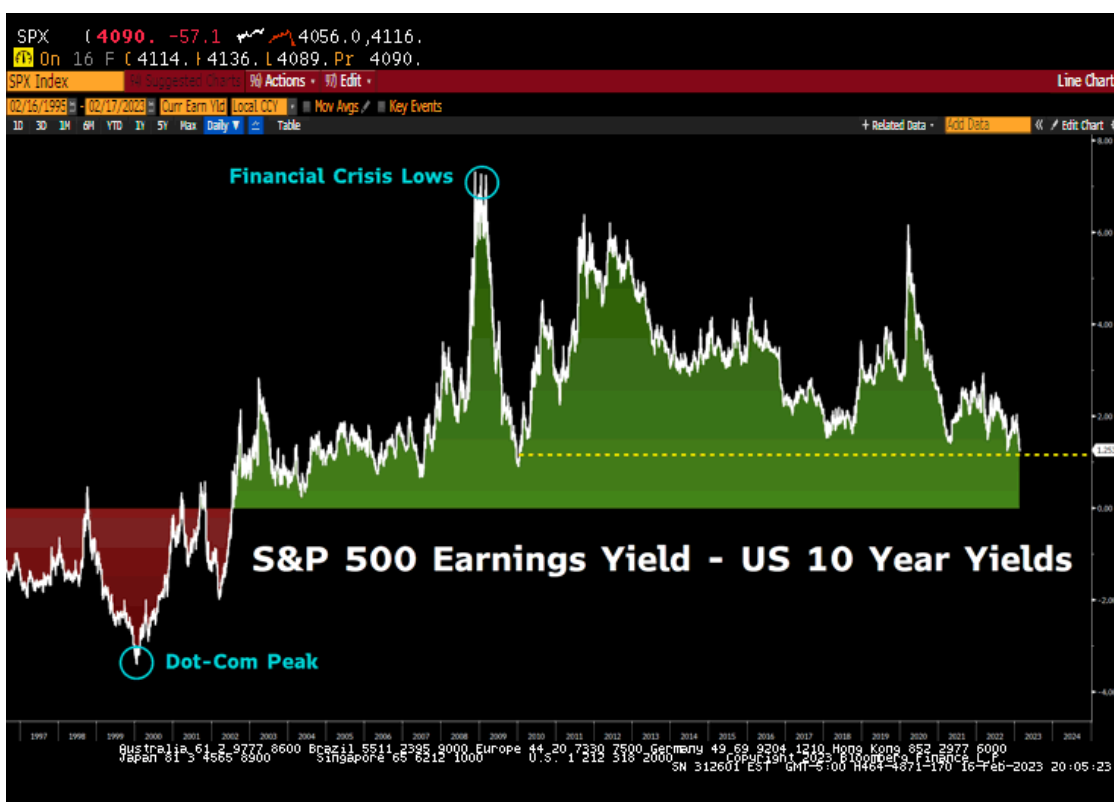


Source: Bloomberg, Lisa Abramowicz



#jomo

S&P 500 Earnings Yields - US 10 Year Yields: Equities are now the least attractive relative to 10 year Treasuries since 2010.



Source: Bloomberg, Bastien Chenivresse



#us #treasuries #5y

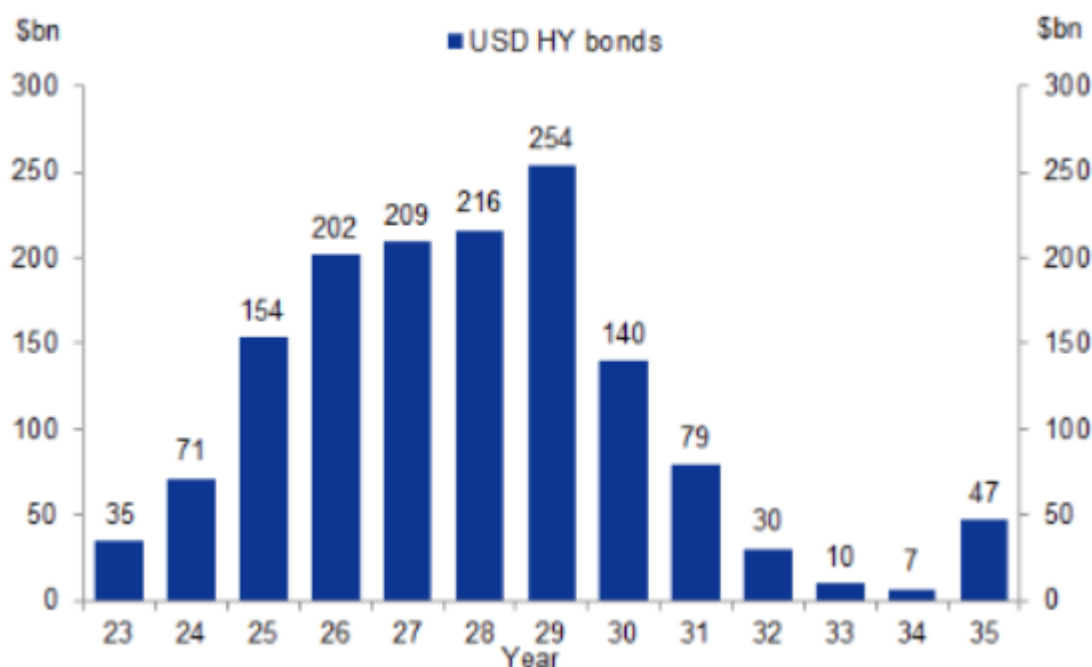
The spread between the SOFR 3-month June and September 2023 futures turned positive yesterday, reflecting the fact that no further rate cuts are expected by the market from June to September.





#us #high-yield #bonds

No refinancing pressure yet for US high yield companies! One of the main factors supporting US high yield is technical. The U.S. high yield market is not facing an "avalanche" of new issuance because refinancing needs are very low for 2023. Therefore, the potential negative impact of rising interest rates should be limited for U.S. high yield companies for the time being



Source: Goldman Sachs



#japan #bonds-holders

Japanese investors` Top Government Bond holdings.



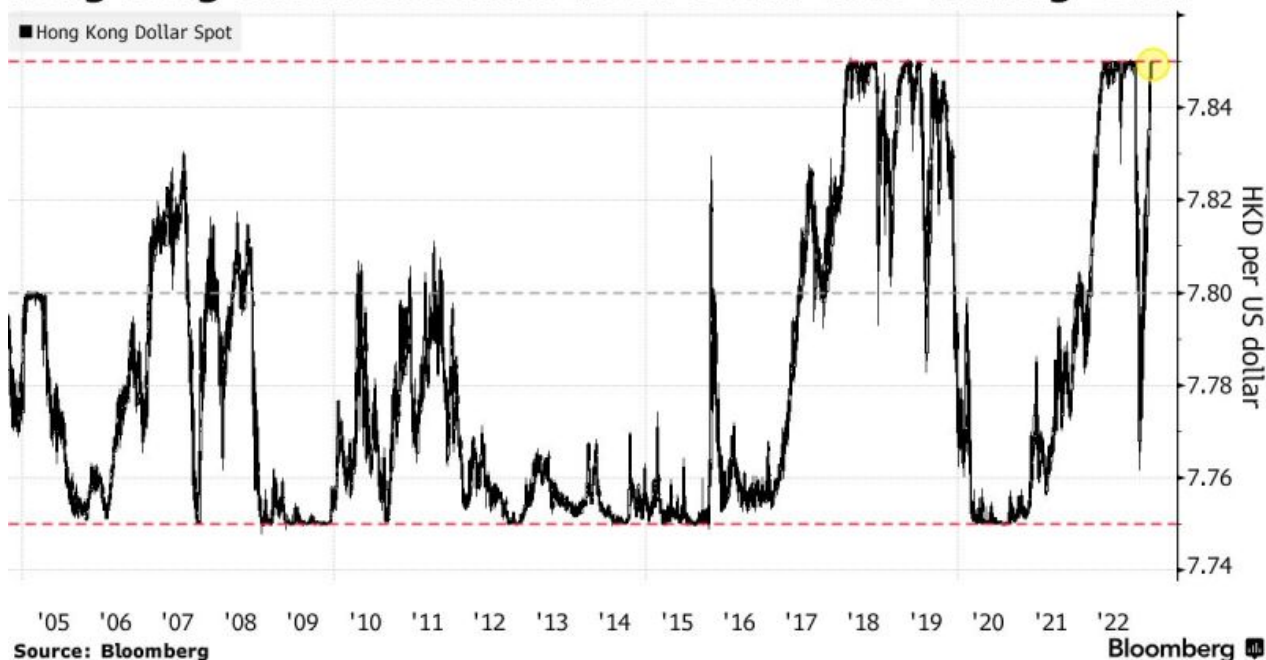
Source: Bloomberg TV



#forex #hkd

Hong-Kong Dollar hits weak end of band as HKMA Intervenes for first time since November.

Hong Kong Intervenes After Local Dollar Hits Trading Band

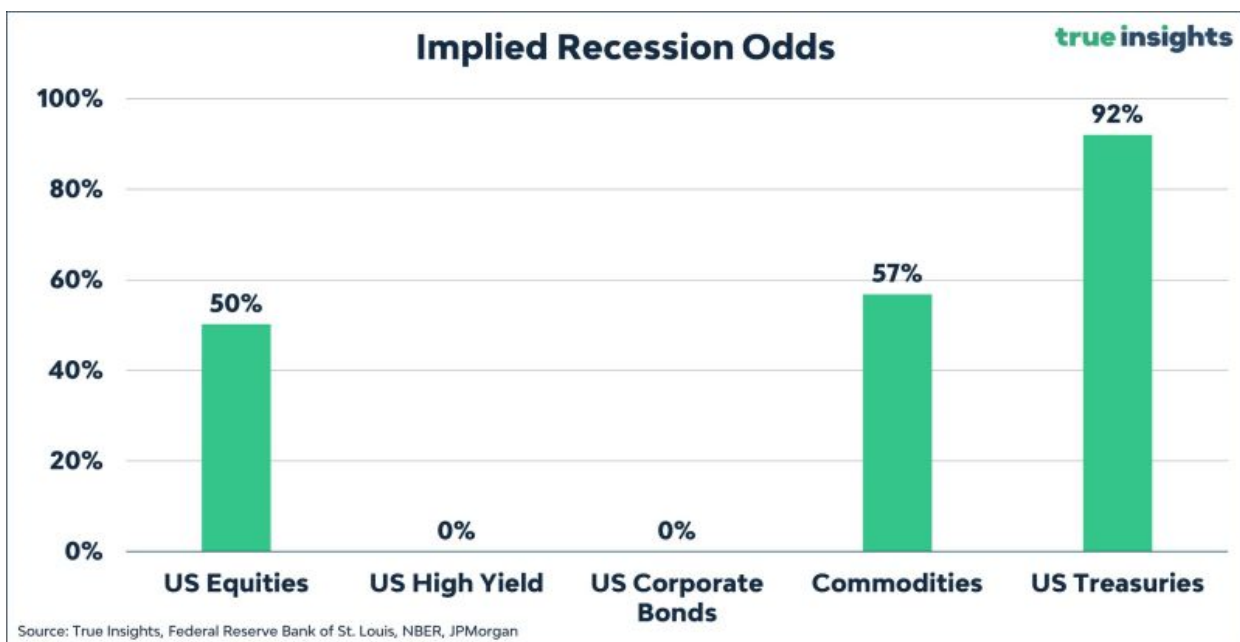


Source: Bloomberg, www.zerohedge.com



#us #recession #odds

Not all classes are pricing in recession risk in the same way...



Source: True insights



#us #macro #surprises

US Macro surprise index (in green) trumps hawkish market repricing (Fed terminal rate - in red inverted). Despite the rise of interest rates expectations (the terminal rate spiked to cycle highs (above 5.30%), a stronger than expected economy is seen as a positive by the market. 2022 was about #stagflation risk -> macro surprise data DOWN + Fed terminal expectations UP. 2023 looks (so far) as goldilocks -> macro surprise data UP + disinflation (so the market does care less about higher Fed terminal rate).



Source: Bloomberg, www.zerohedge.com



#macro

#us #macro

14 economic indicators reported this week related to the US consumer and prices. 12 of them came in above expectations.

US Economic Data Releases vs. Estimates		
Indicator	Survey	Actual
Headline CPI MoM	0.5%	0.5%
Core CPI MoM	0.4%	0.4%
Headline CPI YoY	6.2%	6.4%
Core CPI YoY	5.5%	5.6%
Adjusted Retail & Food Services Sales MoM	2.0%	3.0%
Adjusted Retail Sales Less Autos MoM	0.9%	2.3%
Adjusted Retail Sales Less Autos and Gas Stations MoM	0.9%	2.6%
Retail Sales Less Food Services Auto Dealers & Build Mat & Gas Station MoM	1.0%	1.7%
PPI Final Demand MoM	0.4%	0.7%
PPI Less Food and Energy MoM	0.3%	0.5%
PPI Less Food, Energy, and Trade MoM	0.2%	0.6%
PPI Final Demand YoY	5.4%	6.0%
PPI Less Food and Energy YoY	4.9%	5.4%
PPI Less Food, Energy, and Trade YoY	4.0%	4.5%
Source: Bloomberg; Tavi Costa Data Release From 2/14 - 2/16 © 2023 Crescat Capital LLC		

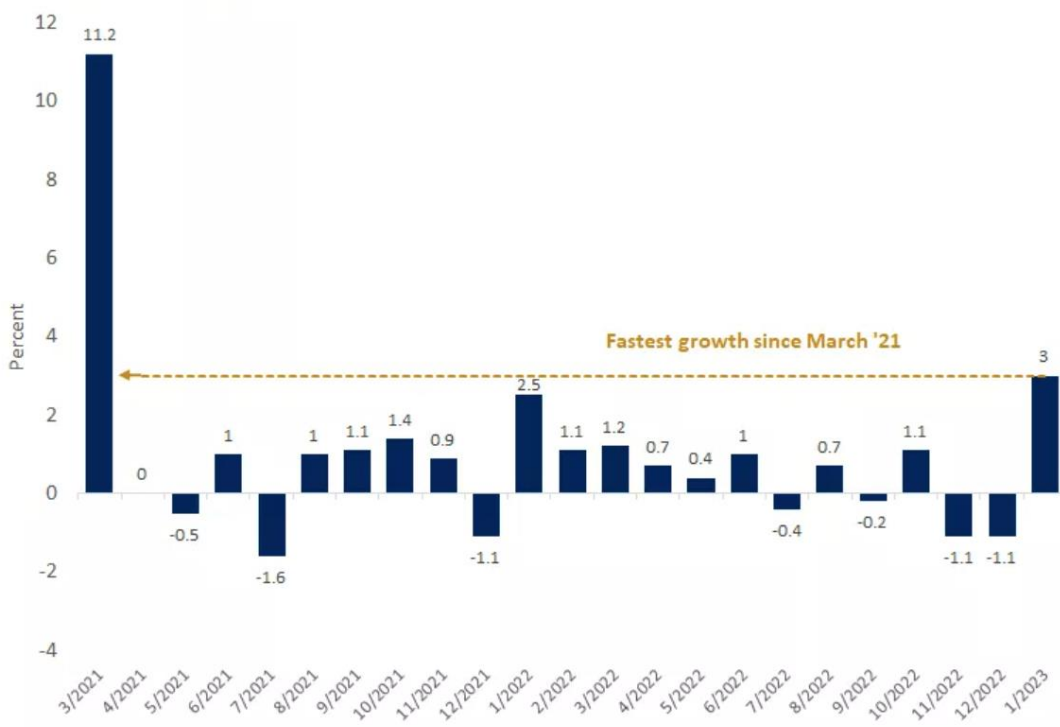
Source: Crescat Capital



#us #retail-sales

U.S. retail sales, which soared the most in almost two years. Sales for January rose 3% from the prior month, well ahead of expectations for a 2% increase, and more than offsetting December's decline.

Retails sales surge in January, more than reversing last quarter's weakness



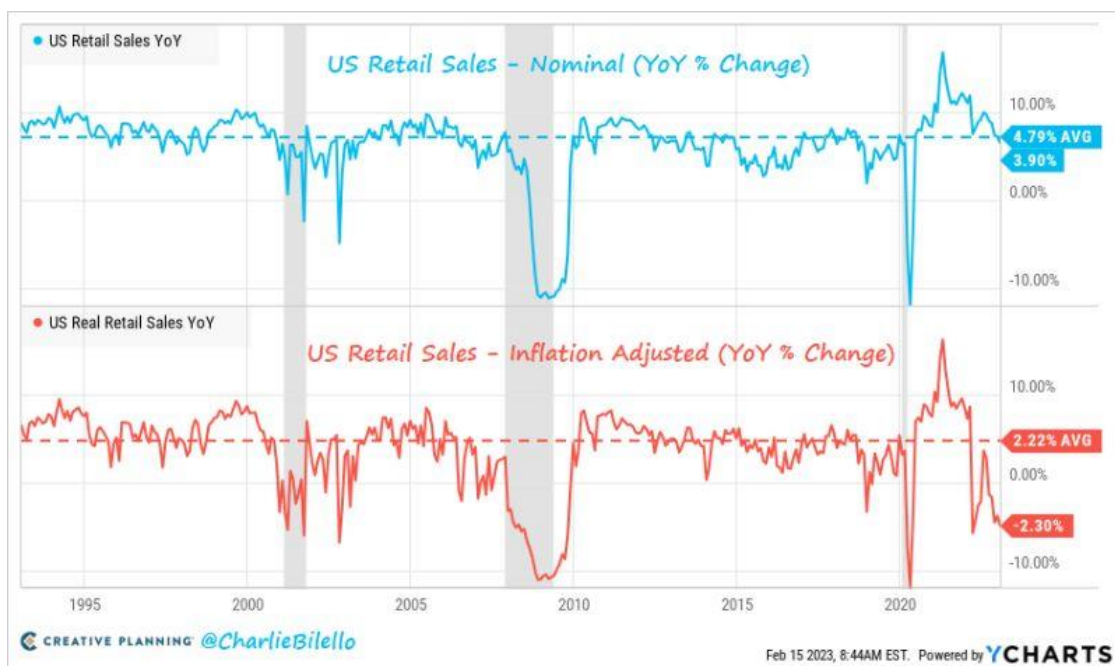
Source: Edward Jones





#us #retail-sales

US retail sales increased 3.9% over the last year, the lowest growth rate since May 2020 & below the historical average of 4.8%. After adjusting for #inflation, though, the picture is much worse. Real retail sales declined 2.3% over the last year, the 5th consecutive YoY decline.



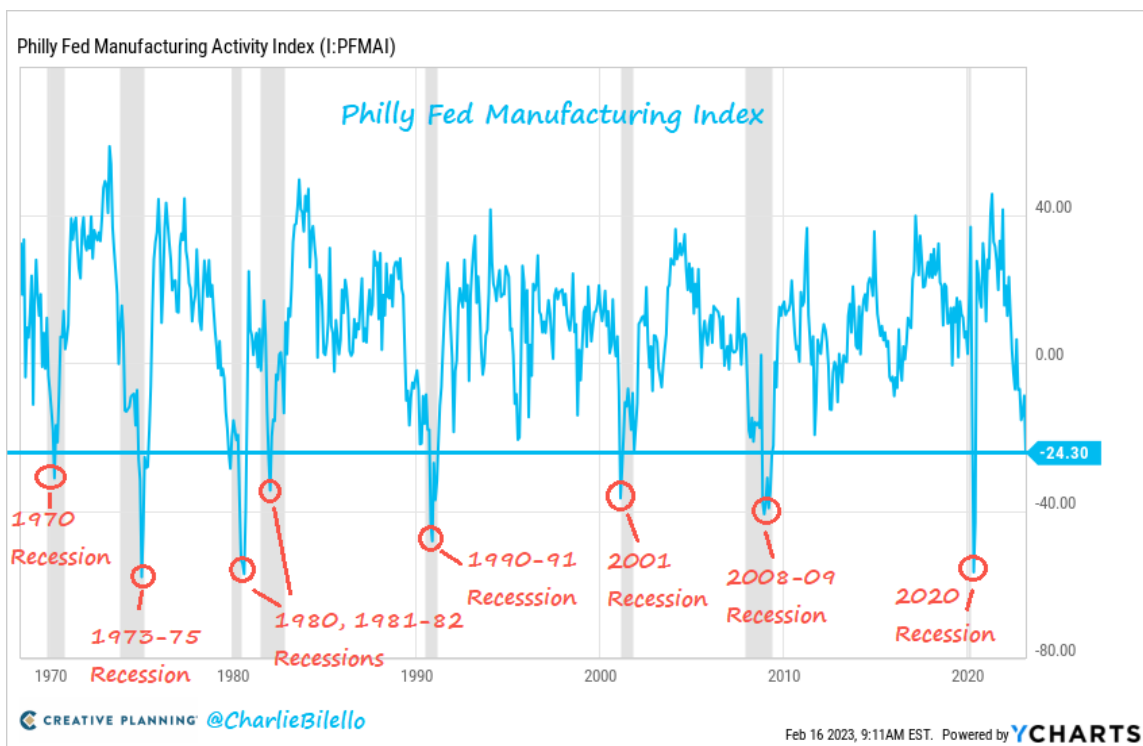
Source: Charlie Bilello



#us #manufacturing

The Philly Fed Manufacturing Index has moved down to -24, its lowest level since May 2020.

In the past (data since 1968), every time this indicator was at or below current levels the US economy was either in or approaching a recession



Source: Charlie Bilello



#macro

#us #inflation

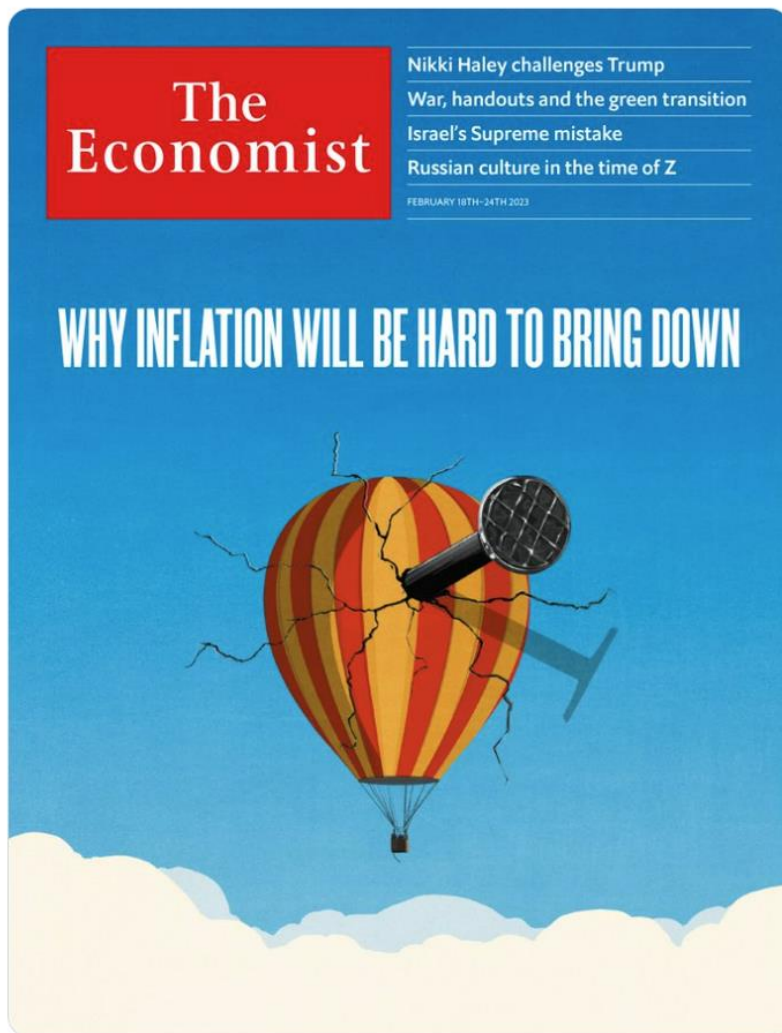
A contrarian signal?



Michael A. Arouet
@MichaelAArouet

...

Based on The Economist Cover Theory inflation should drop like a stone soon



#macro

#us #inflation

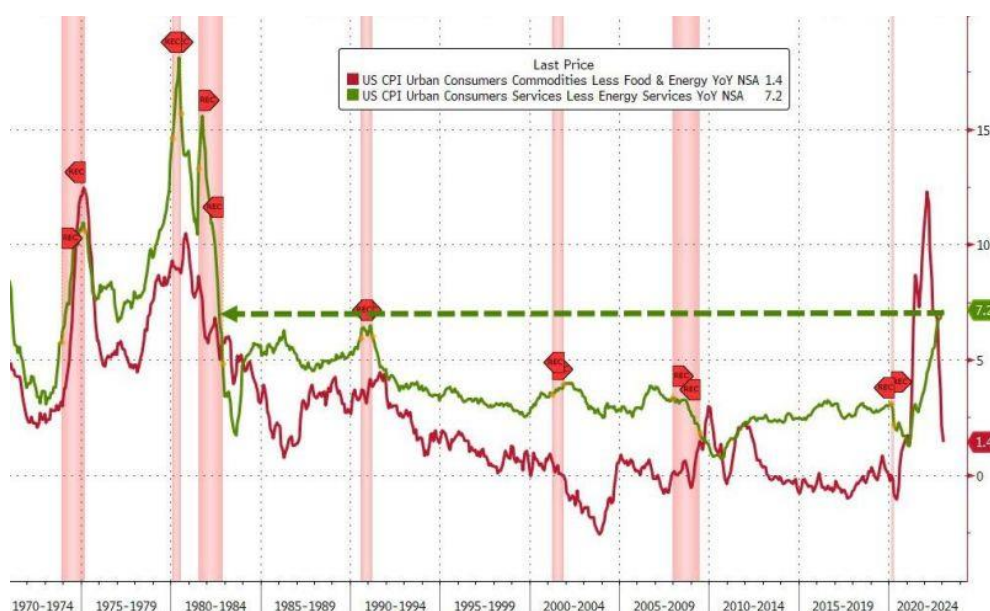
A slightly more hawkish than expected US inflation report: Services CPI soared to its highest since July 1982 and Goods inflation continues to slow.

-> Headline CPI came higher than expected at +6.4% YoY (+6.2% expected) and +0.5% MoM (vs. +0.4% expected).

-> Core CPI is up +5.6% YoY (vs. +5.5% expected) and +0.4% MoM (vs. +0.3% expected).

-> The Cleveland Nowcast model was very close to these numbers (+6.5% YoY for Headline and +5.6% for Core).

-> The shelter index (which is lagging) continued to increase, rising 0.7 percent over the month and +7.9% YoY (highest on record).



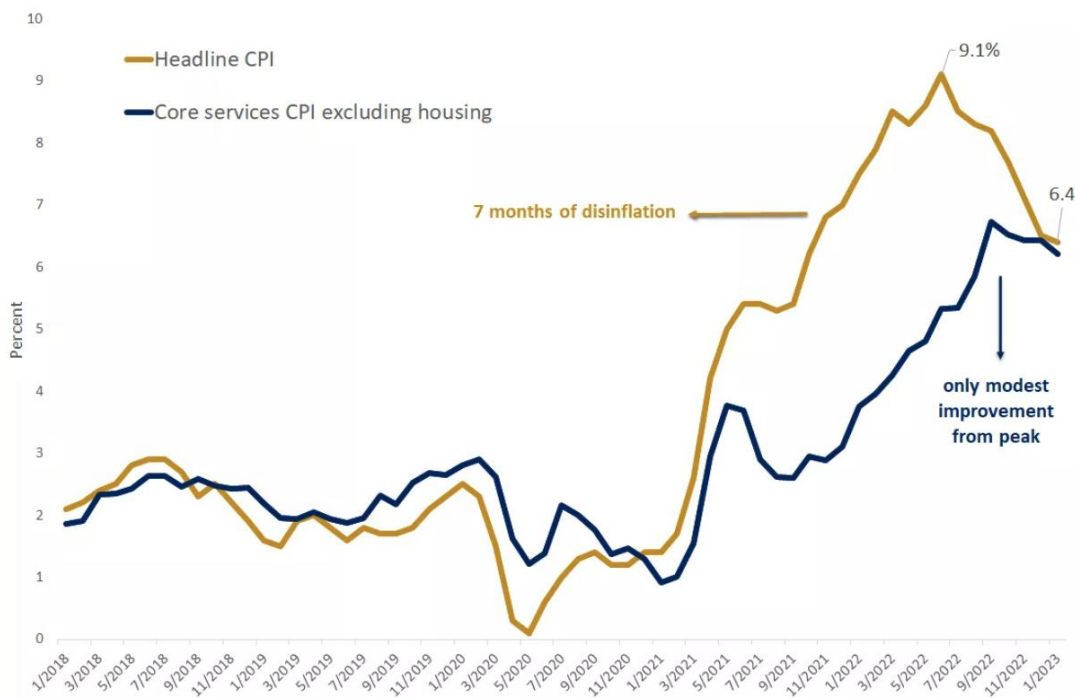
Source: xxx



#us #inflation

The slower-than-expected pace of disinflation does not change the downward trend but is a reminder that the path to the Fed's target will not be a straight glide down. As investors are now convinced that the peak is behind us, the pace of disinflation is becoming increasingly important.

January inflation continued to cool but at a slowing pace



Source: Edward Jones



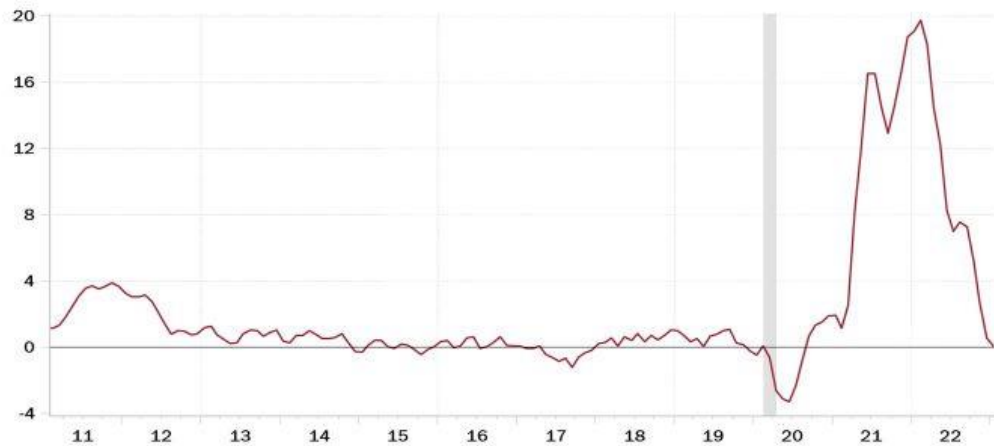


#us #inflation

Things in Atlanta are dropping like a stone... The Atlanta Fed Flexible CPI is a price series developed by the Atlanta Fed to capture the price of items that change the most frequently. This price series is supposed to be more responsive to real-time changes in the economy than the CPI, so generally, it is looked at as a leading indicator of the CPI.

Atlanta Fed Core Flexible CPI

United States
(year-over-year percent change)



Shading indicates recession
Source: Haver Analytics, Rosenberg Research

Source: Rosenberg Research

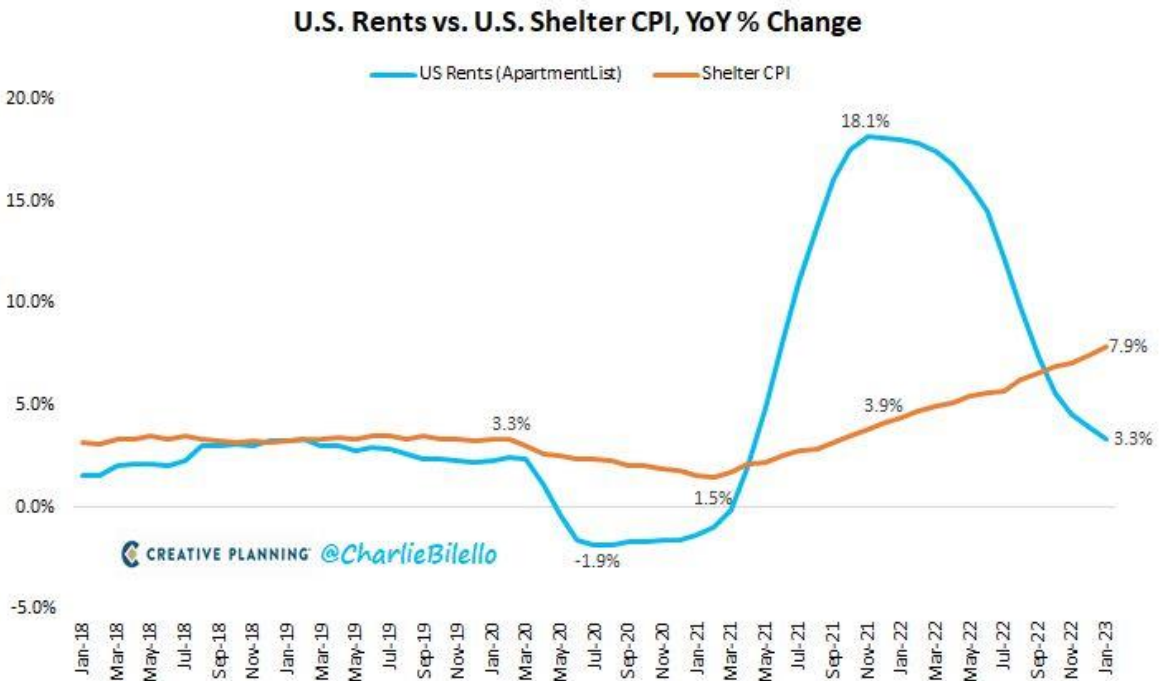


#us #inflation #shelter

Shelter CPI moved up to 7.9%, the highest rate of housing inflation since 1982.

Why is Shelter CPI still moving higher while actual rents are moving lower?

Shelter CPI is a lagging indicator that had significantly understated actual housing inflation over the last 2 years.

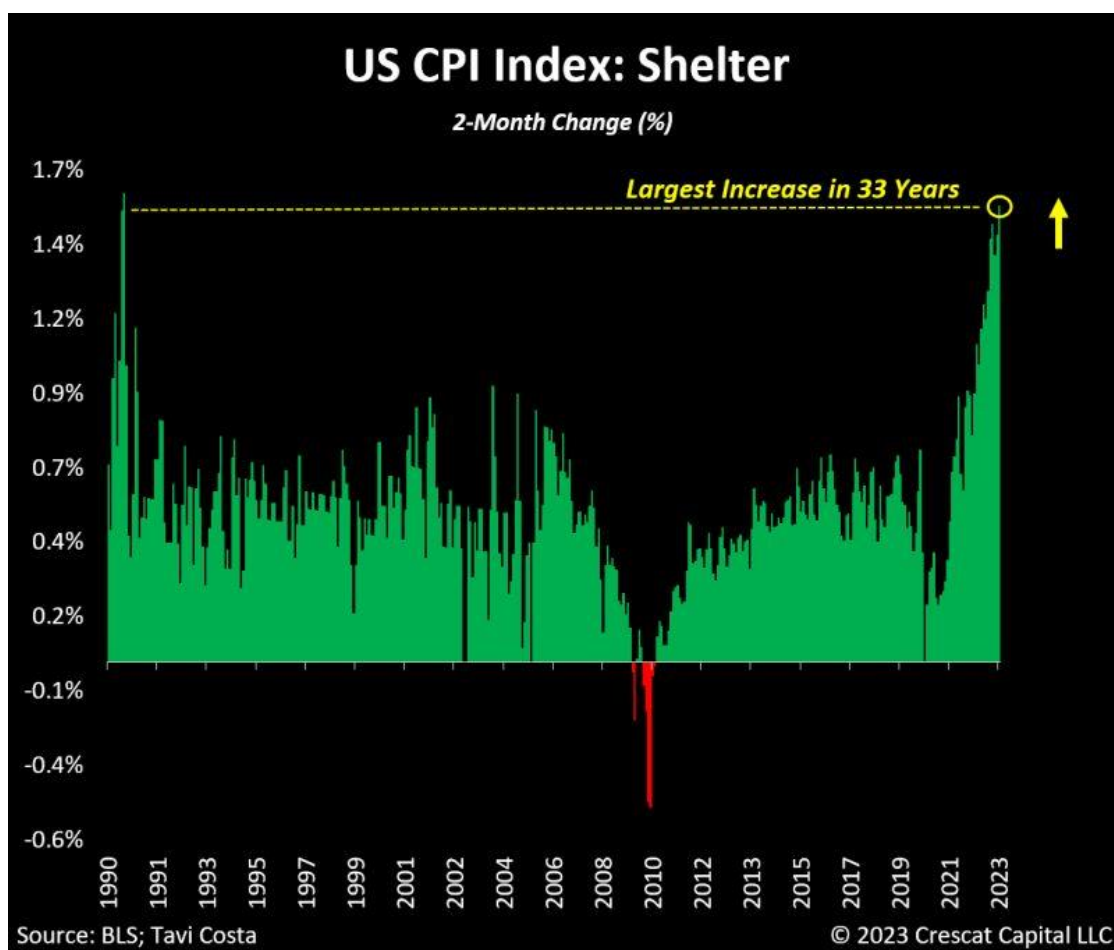


Source: Charlie Bilello

#macro

#us #inflation #shelter

The shelter component of CPI just had its highest 2-month increase in 33 years.



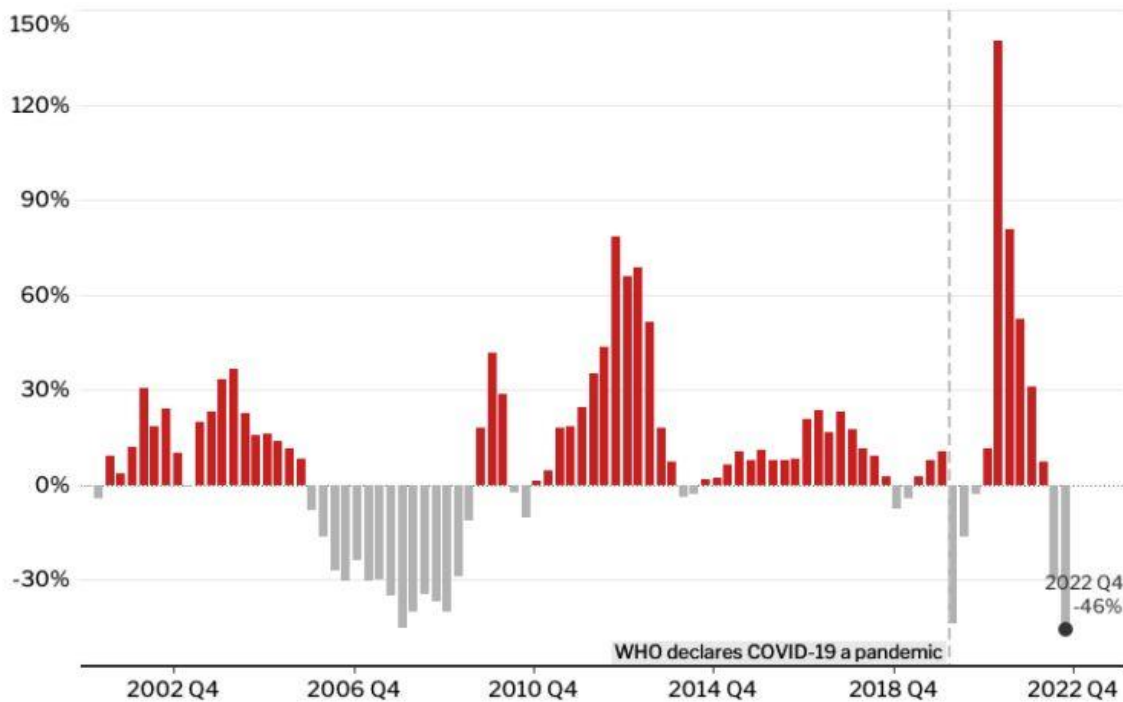
Source: Bloomberg, Tavi Costa



#us #housing

"Investor purchases of U.S. homes fell a record 45.8% year over year in the fourth quarter as the high cost of borrowing money and the prospect of substantial home-price declines made real estate investing less attractive."

Investor Home Purchases Fell Most on Record in Fourth Quarter Year-over-year change in number of U.S. homes bought by investors



Source: Redfin analysis of county records



Source: Redfin, Charlie Bilello

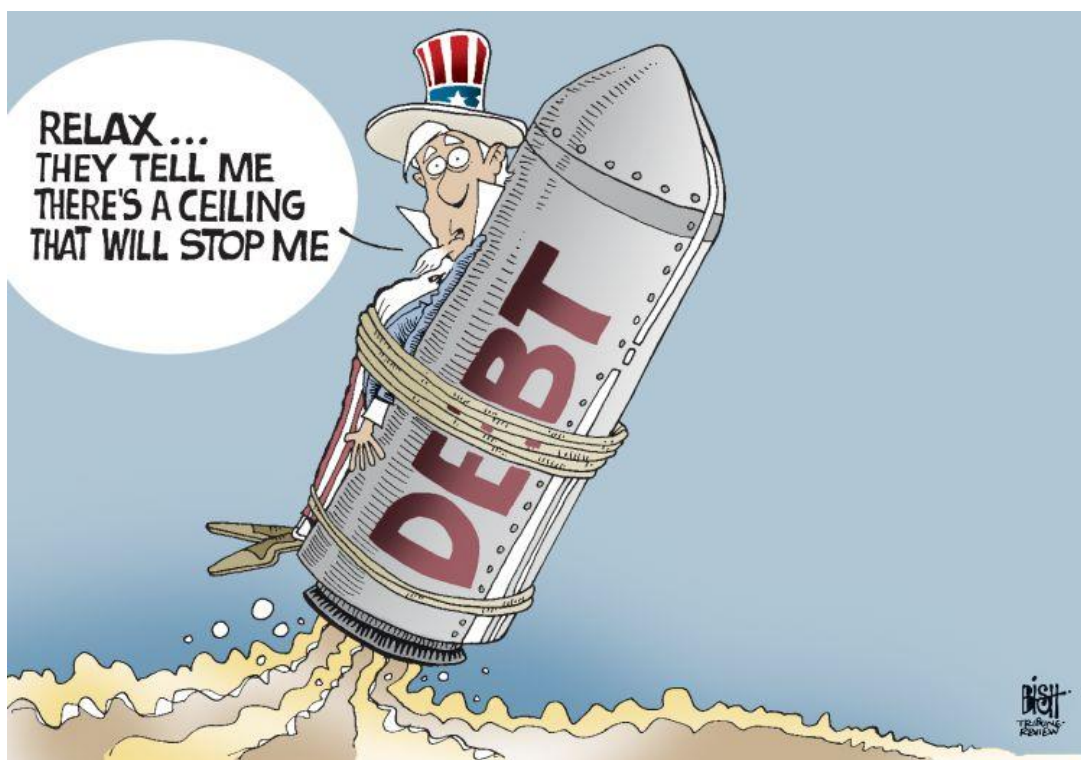


#macro

#us #debt

U.S. on Track to Add \$19 Trillion in New Debt Over 10 Years. Congressional Budget Office projections released on Wednesday suggested rising interest rates and bipartisan spending bills are adding to deficits.

The United States is on track to add nearly \$19 trillion to its national debt over the next decade, \$3 trillion more than previously forecast, the result of rising costs for interest payments, veterans' health care, retiree benefits and the military, the Congressional Budget Office said on Wednesday.



Source: www.cagle.com, The New York Times

#macro

#us #debt

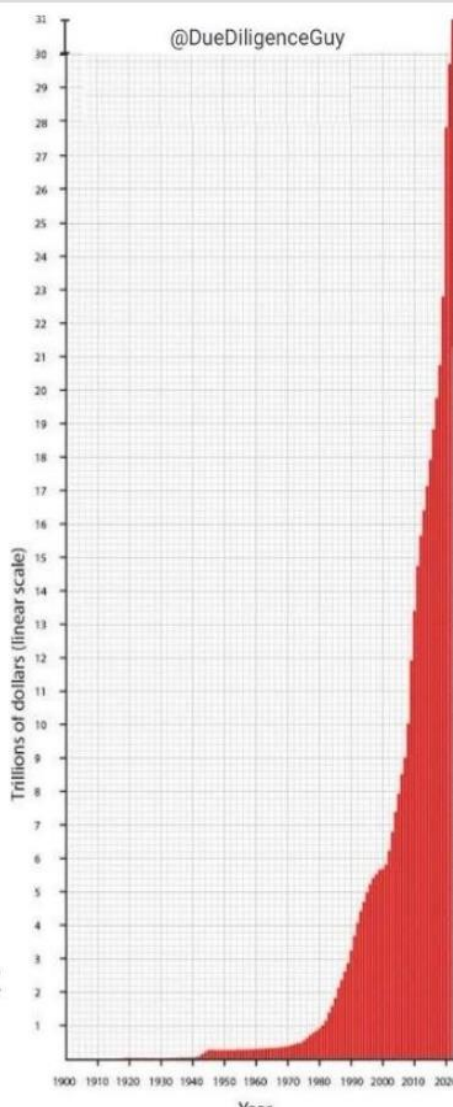
This is

X NOT a meme stock

X NOT a penny stock

X NOT a crypto coin

✓ This is US Gov debt



Source: Compounding Quality



#us #eu #consumers

The picture that's emerging from both sides of the Atlantic: a resilient US and slowing Europe. Real retail sales in the US (black) remain near their post-COVID highs, while retail sales volumes for Germany (blue) tanked towards the end of 2022. The dollar could very well resume its uptrend versus Euro later this year.

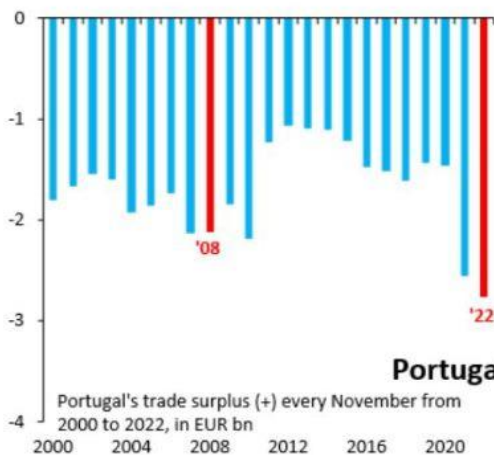
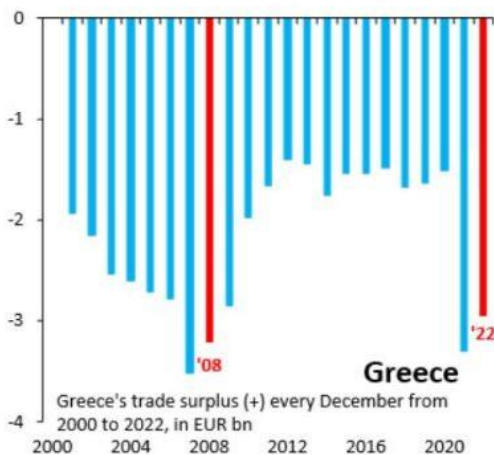
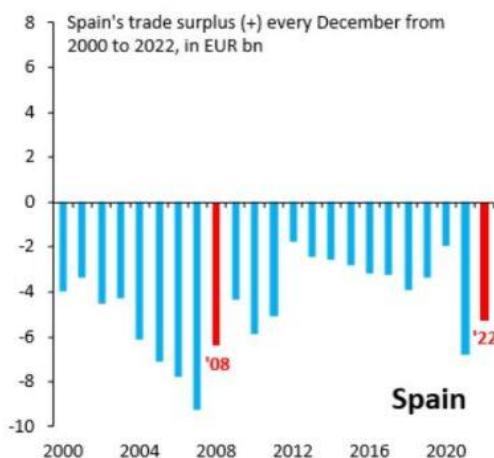
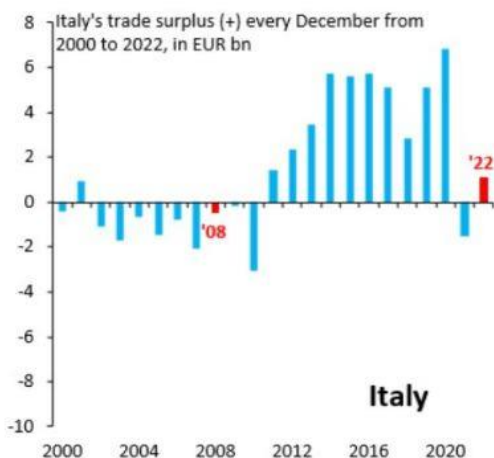


Source: Robin Brooks



#eu #energy-shock

The Euro periphery during last year's energy shock. Italy (top left) is the only country with a trade surplus in Dec 2022. That's down from the past, but it's still impressive. Spain (top right), Greece (bottom left) and Portugal (bottom right) are back to debt crisis deficits...

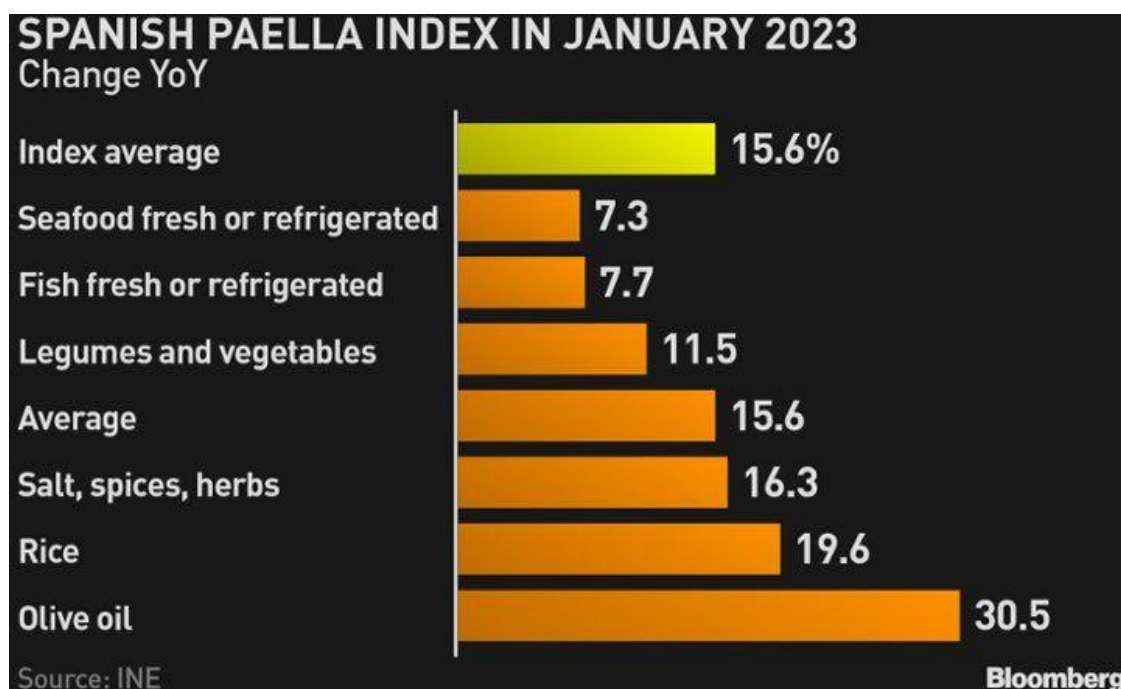


Source: Robin Brooks

#macro

#eurozone #inflation

THE SPANISH PAELLA INDEX. Spaniards paid more to cook paella in January as the price of rice, oil and seafood climbed strongly even after the government slashed taxes on food staples. Ingredients for the meal cost 15.6% more than they did a year ago, as arroz shot up nearly 20% and olive oil surged 30.5%.



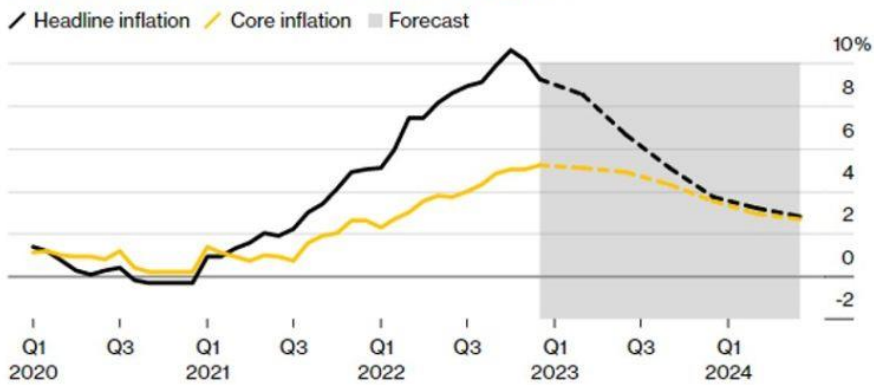
Source: Bloomberg



#eurozone #inflation

Last year, inflation was surprising on the upside while investors feared a deep recession. Fast forward to 2023: disinflation is the new buzz world while a recession now looks avoidable. The macro picture has definitely improved.

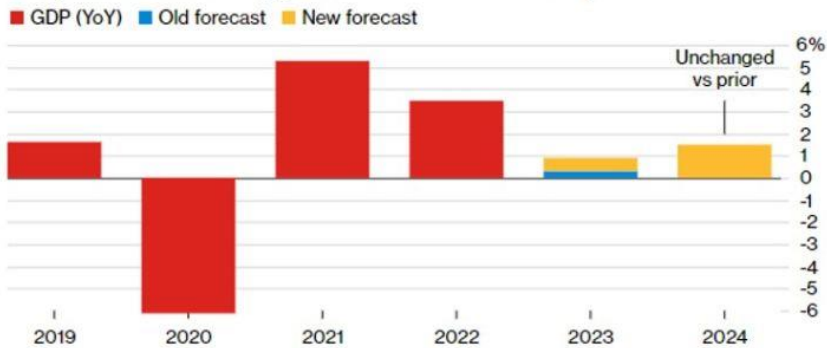
Core Inflation Is Set to Peak This Quarter



Source: Bloomberg survey of economists conducted Feb. 3-9

Euro-Area Growth Set to Be Stronger Than Expected in 2023

European Commission upgrades GDP estimate for this year



Source: European Commission

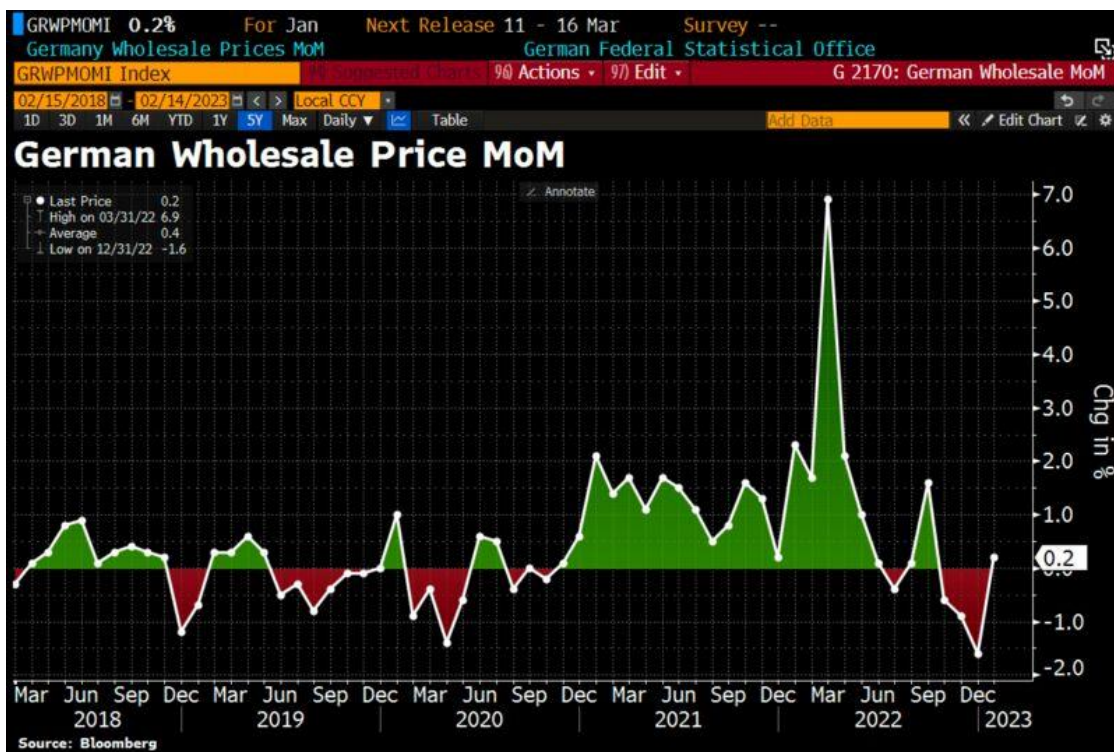


Source: Source: Bloomberg, C.Barraud.



#germany #inflation

Is inflation re-accelerating in Germany? Wholesale prices rose 0.2% MoM in Jan for 1st time in 4mths vs -1.6% in Dec. Wholesale inflation decelerated to 10.6% YoY from 12.8% in Dec, slowest since May 2021. Annual rate of change mainly derives from increased prices for food, beverages, tobacco.

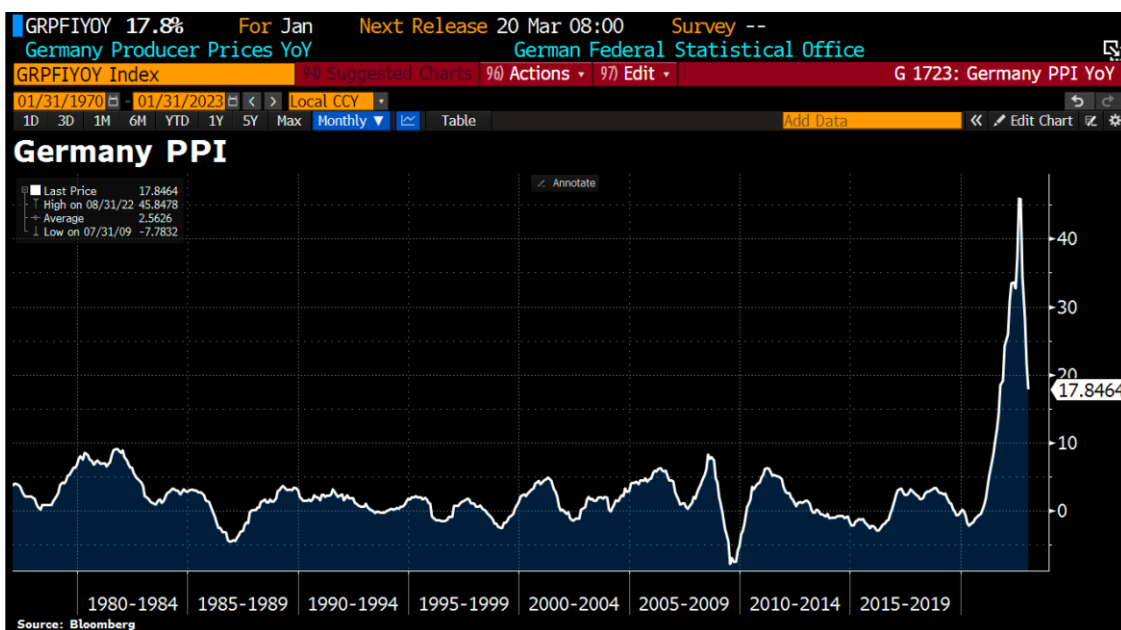


Source: Bloomberg, Tavi Costa



#germany #inflation

Producer Price Inflation in Germany keeps decelerating. January PPI drops to 17.8% YoY, slowest since September 2021.

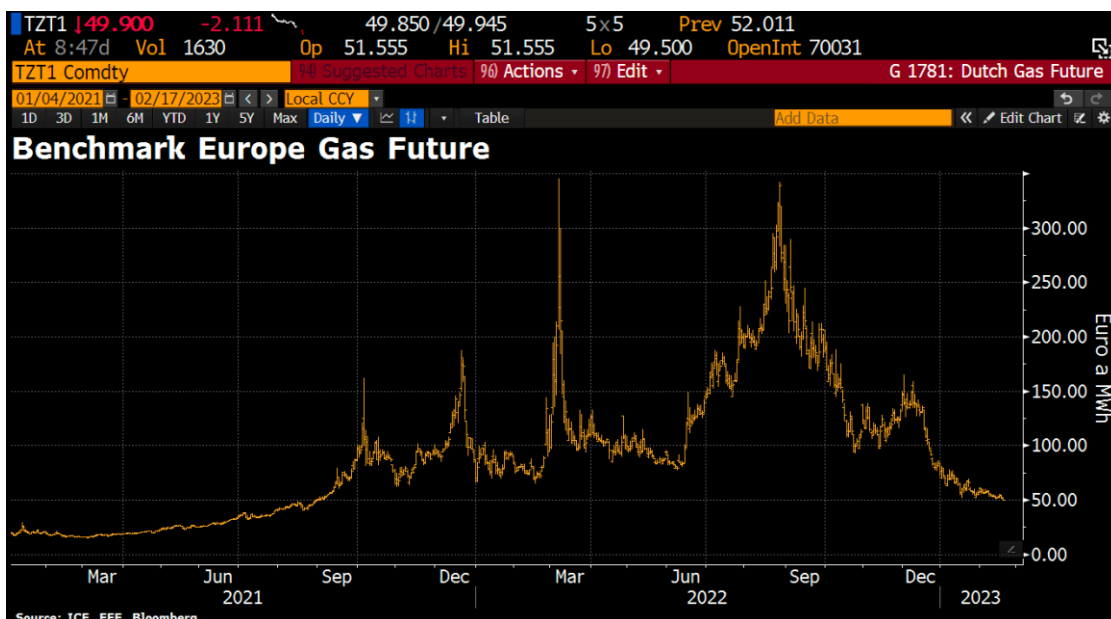


Source: Bloomberg, HolgerZ



#eu #natural-gas

EU Gas futures slumped <€50 for 1st time in 17mths, as region's worst energy crisis in decades recedes. Prices plunged >80% from Aug peak when Russia's gas cuts hit Europe w/\$1tn in costs due to relatively mild weather, efforts to reduce energy consumption & strong LNG inflows.



Source: Bloomberg, HolgerZ



#germany #trade

In 2022, Germany recorded largest trade deficit with China since WWII. While imports from China in 2022 increased by 33.6% YoY, exports rose by only 3.1%, resulting in record trade deficit of €84.3bn.



Source: HolgerZ, Bloomberg



#germany #housing

German house prices suffered their biggest six-month fall in more than 20 years in the second half of 2022, underlining how an unprecedented rise in interest rates has brought an abrupt end to the decade-long boom in Europe’s largest property market.



Source: FT



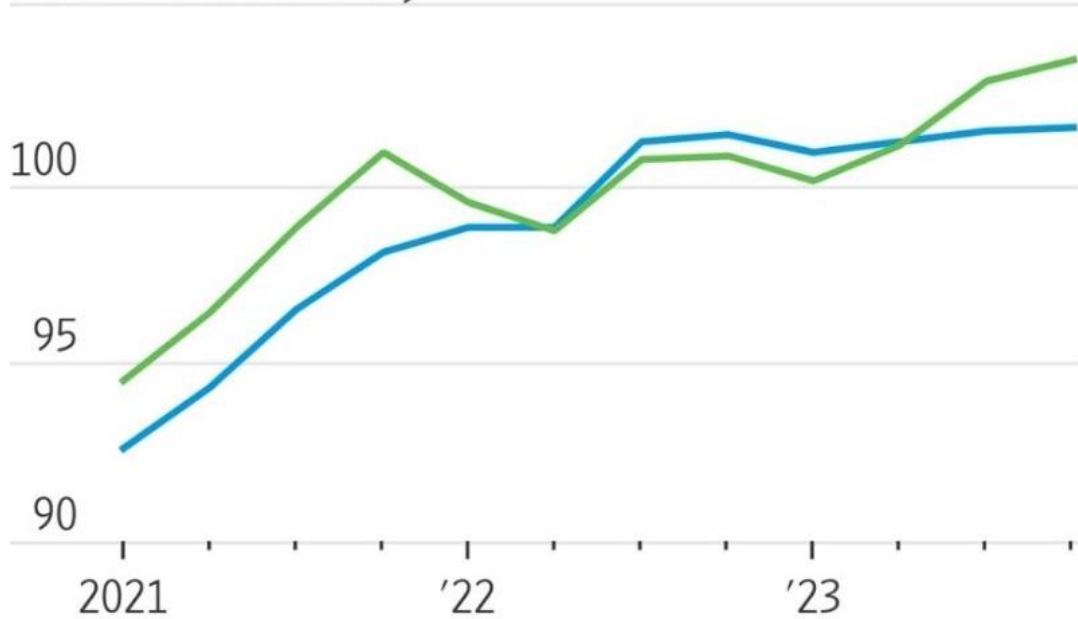
#oil #supply #demand

IEA global oil supply and demand estimates.

IEA Global Oil Supply, Demand Estimates

■ Demand ■ Supply

105 million barrels a day



Note: Supply figures based on current OPEC+ targets
Source: IEA

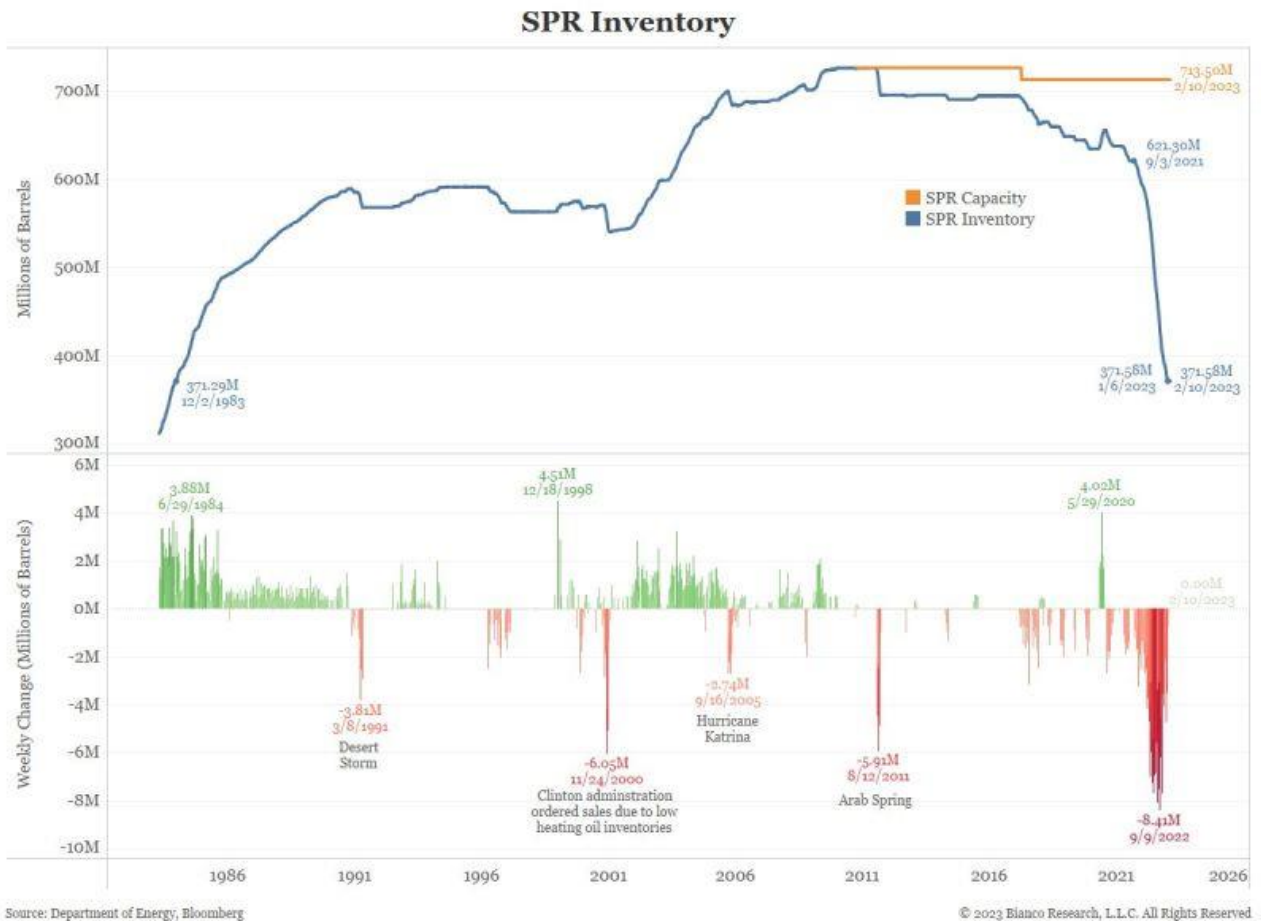
Source: IEA





#us #strategic-reserves

*US TO SELL 26 MILLION MORE BARRELS FROM STRATEGIC CRUDE RESERVE
They stopped selling 5-weeks ago and are restarting it.



Source: Bianco Research

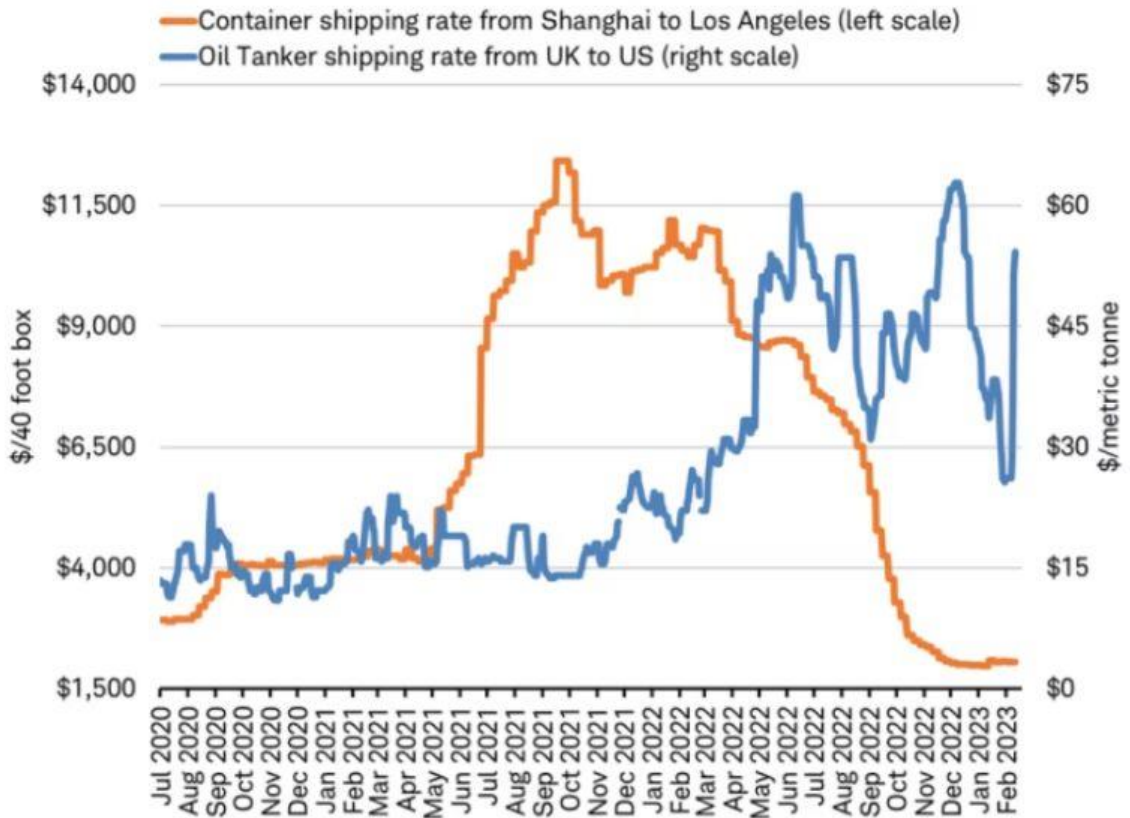


#macro

#oil #shipping #rates

If the oil transportation shortage translates into tighter supplies or higher prices it could slow global growth and lift inflation.

Oil tanker shipping rates soared even as containership rates fell



Source: Charles Schwab, Drewry, Bloomberg data as of 2/10/2023.

Source: Charles Schwab

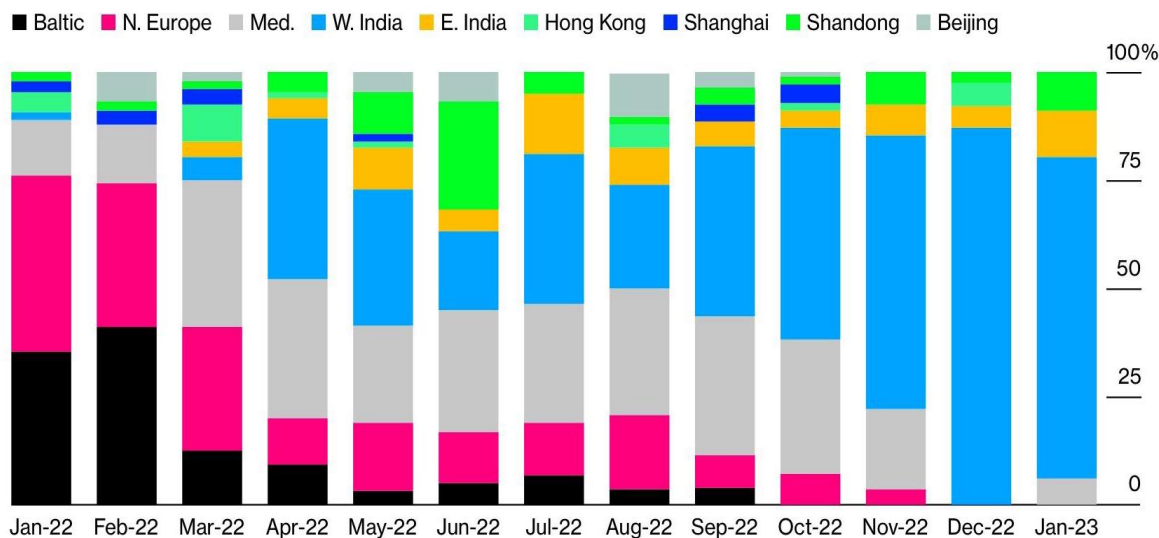


#russian #oil #exports

India has replaced Europe as the dominant buyer of Russia's western crude oil.

India Bound

India has replaced Europe as the dominant buyer of Russia's western crude



Source: Vessel tracking monitored by Bloomberg

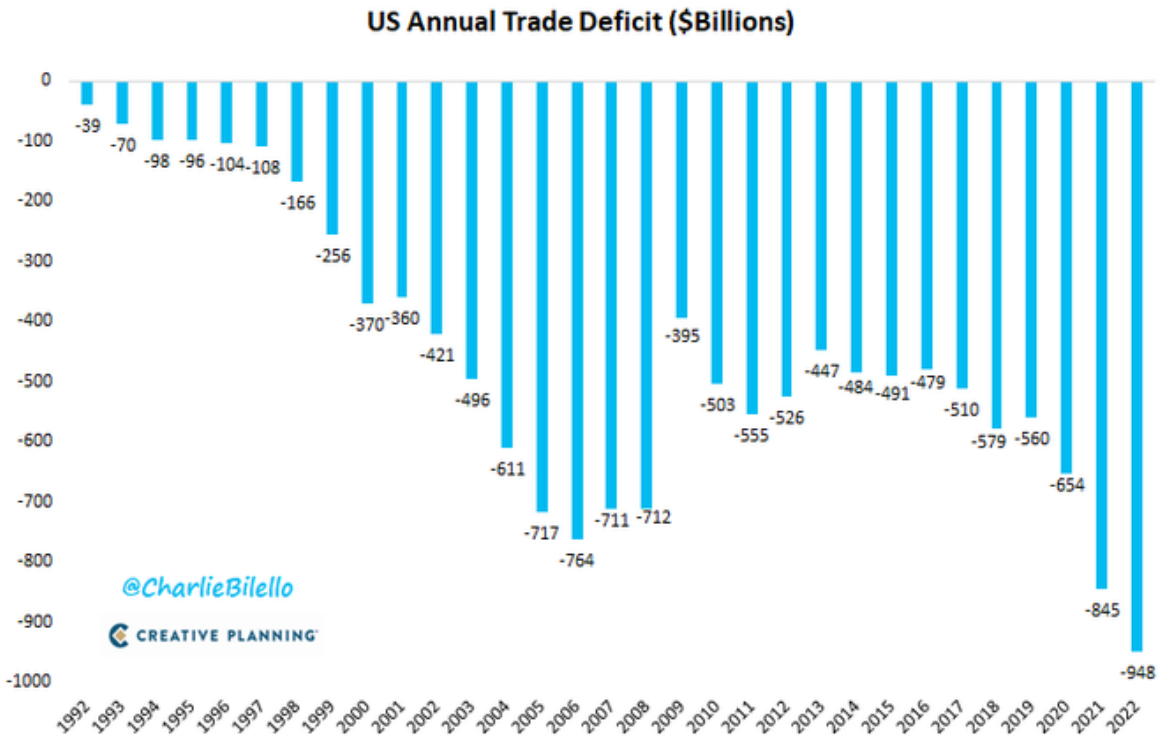


Source: Bloomberg



#us #trade-deficit

The US Trade Deficit totalled \$948 billion in 2022, the largest annual deficit on record.



Source: Charlie Bilello

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

18 FEBRUARY 2023

#centralbanks

#global #rates

Global Central Bank Policy Rates						
Country	Rate	Central Bank Rate (Today)	CPI YoY	Real Central Bank Rate	Last Move	Last Move Month
Japan	Policy Rate Bal	-0.10%	4.0%	-4.1%	Cut	Jan-16
Switzerland	Target Rate	1.00%	3.3%	-2.3%	Hike	Dec-22
Thailand	Policy Rate	1.50%	5.0%	-3.5%	Hike	Jan-23
Taiwan	Discount Rate	1.75%	3.0%	-1.3%	Hike	Dec-22
Denmark	Deposit Rate	2.10%	7.7%	-5.6%	Hike	Feb-23
Eurozone	Deposit Rate	2.50%	8.5%	-6.0%	Hike	Feb-23
Norway	Deposit Rate	2.75%	7.0%	-4.3%	Hike	Dec-22
Malaysia	Policy Rate	2.75%	3.8%	-1.1%	Hike	Nov-22
Sweden	Repo Rate	3.00%	12.3%	-9.3%	Hike	Feb-23
Australia	Cash Rate	3.35%	8.4%	-5.1%	Hike	Feb-23
South Korea	Repo Rate	3.50%	5.2%	-1.7%	Hike	Jan-23
China	Loan Prime Rate	3.65%	2.1%	1.6%	Cut	Aug-22
UK	Bank Rate	4.00%	10.1%	-6.1%	Hike	Feb-23
New Zealand	Cash Rate	4.25%	7.2%	-3.0%	Hike	Nov-22
Canada	Overnight	4.50%	6.3%	-1.8%	Hike	Jan-23
US	Fed Funds	4.63%	6.4%	-1.8%	Hike	Feb-23
Hong Kong	Base Rate	5.00%	2.0%	3.0%	Hike	Feb-23
Saudi Arabia	Repo Rate	5.25%	3.4%	1.9%	Hike	Feb-23
Indonesia	Repo Rate	5.75%	5.3%	0.5%	Hike	Jan-23
Philippines	Key Policy Rate	6.00%	8.7%	-2.7%	Hike	Feb-23
India	Repo Rate	6.50%	6.5%	0.0%	Hike	Feb-23
Poland	Repo Rate	6.75%	17.2%	-10.5%	Hike	Sep-22
Czech Republic	Repo Rate	7.00%	17.5%	-10.5%	Hike	Jun-22
South Africa	Repo Rate	7.25%	6.9%	0.3%	Hike	Jan-23
Russia	Key Policy Rate	7.50%	11.8%	-4.3%	Cut	Sep-22
Peru	Policy Rate	7.75%	8.7%	-0.9%	Hike	Jan-23
Turkey	Repo Rate	9.00%	57.7%	-48.7%	Cut	Nov-22
Mexico	Overnight Rate	11.00%	7.9%	3.1%	Hike	Feb-23
Chile	Base Rate	11.25%	12.3%	-1.1%	Hike	Oct-22
Colombia	Repo Rate	12.75%	13.3%	-0.5%	Hike	Jan-23
Brazil	Target Rate	13.75%	5.8%	8.0%	Hike	Aug-22
Argentina	Benchmark Rate	75.00%	98.8%	-23.8%	Hike	Sep-22



CREATIVE PLANNING

@CharlieBilello

Data as of 2/16/23

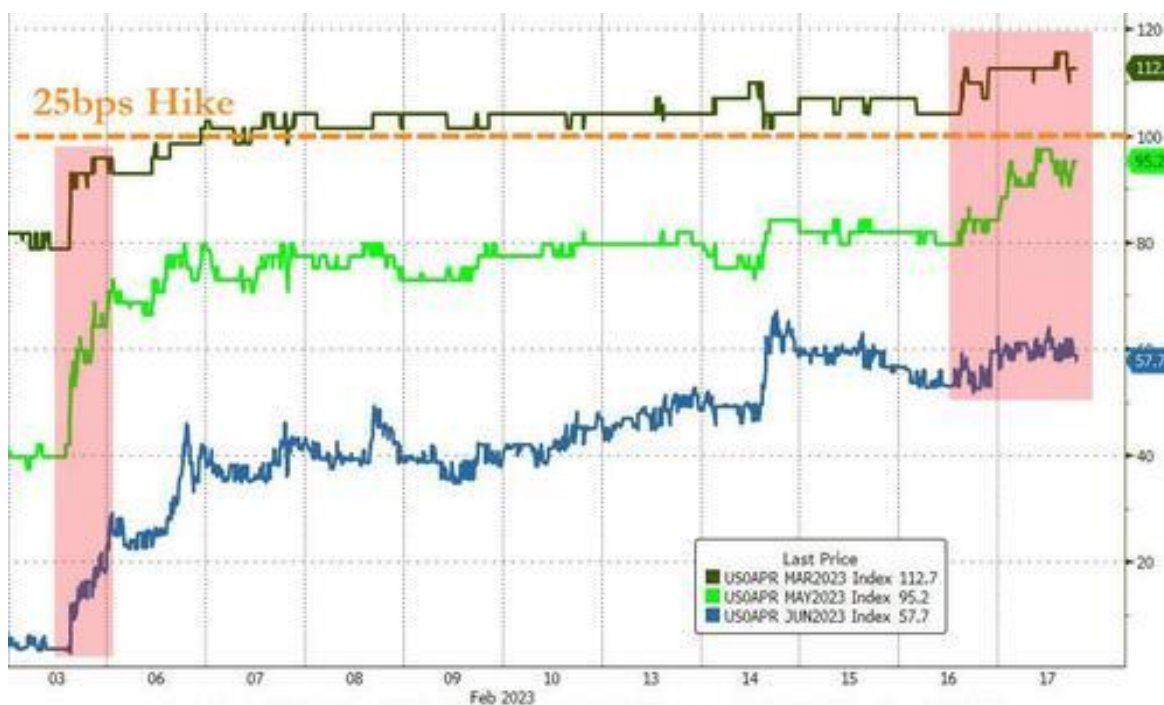


Source: Charlie Bilello

#centralbanks

#fed #rates #expectations

Rate-hike odds rose across the March (12% odds of 50bps), May (95% odds of a 25bps hike), and June (60% odds of a 25bps hike)...



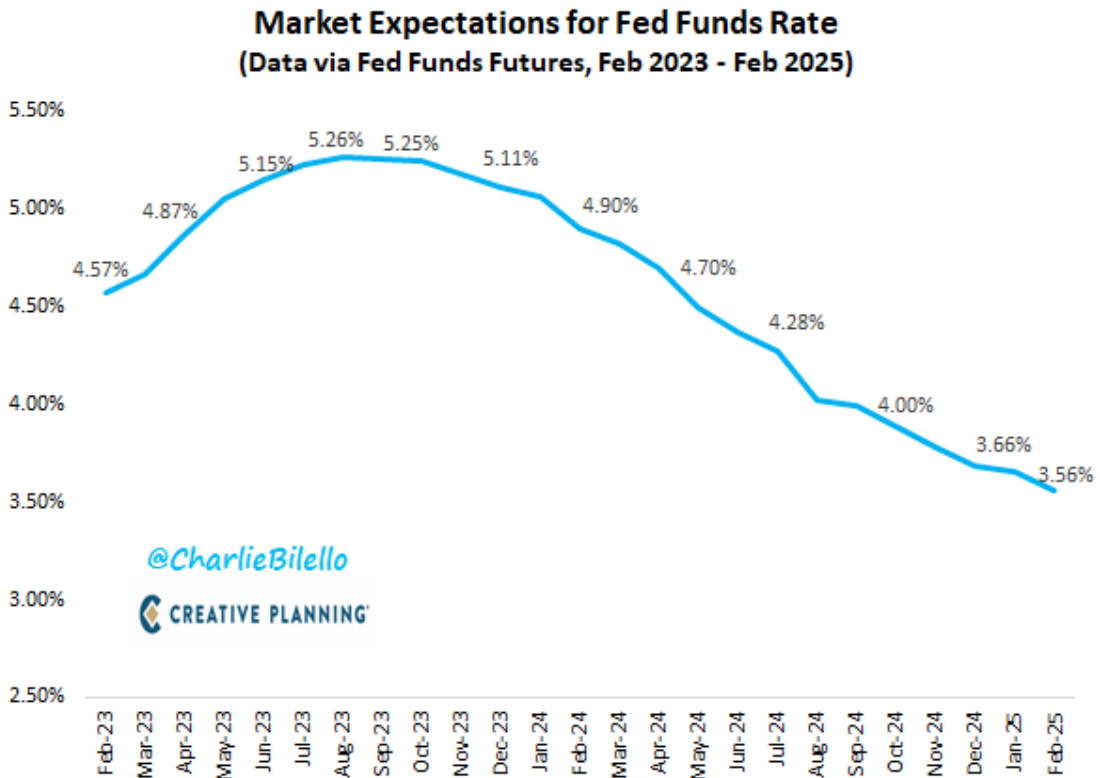
Source: Bloomberg, www.zerohedge.com

#centralbanks

#fed #rates #expectations

Current market expectations for the path of the Fed Funds Rate...

- Mar 22, 2023: 25 bps hike to 4.75%-5.00%
- May 3, 2023: 25 bps hike to 5.00-5.25%
- Jun 14, 2023: 25 bps hike to 5.25-5.50%
- Pause
- Rate cuts start in December 2023 and continue throughout 2024



Source: Charlie Bilello

#centralbanks

#fed #speeches

*MESTER: LATEST CPI DATA IS 'CAUTIONARY TALE' FOR POLICYMAKERS, GOODS PRICE DISINFLATION SEEMS TO BE SLOWING

*MESTER: GOOD TO SEE FINANCIAL CONDITIONS TIGHTENING

*BULLARD: MORE RATE HIKES NEEDED TO LOCK IN DISINFLATION

*BULLARD: FED RISKS REPLAY OF 1970S IF CAN'T LOWER INF. SOON

*BULLARD SAYS HE WOULDN'T RULE OUT SUPPORTING 50-BP MARCH HIKE

Source: www.zerohedge.com

#centralbanks

#china #liquidity

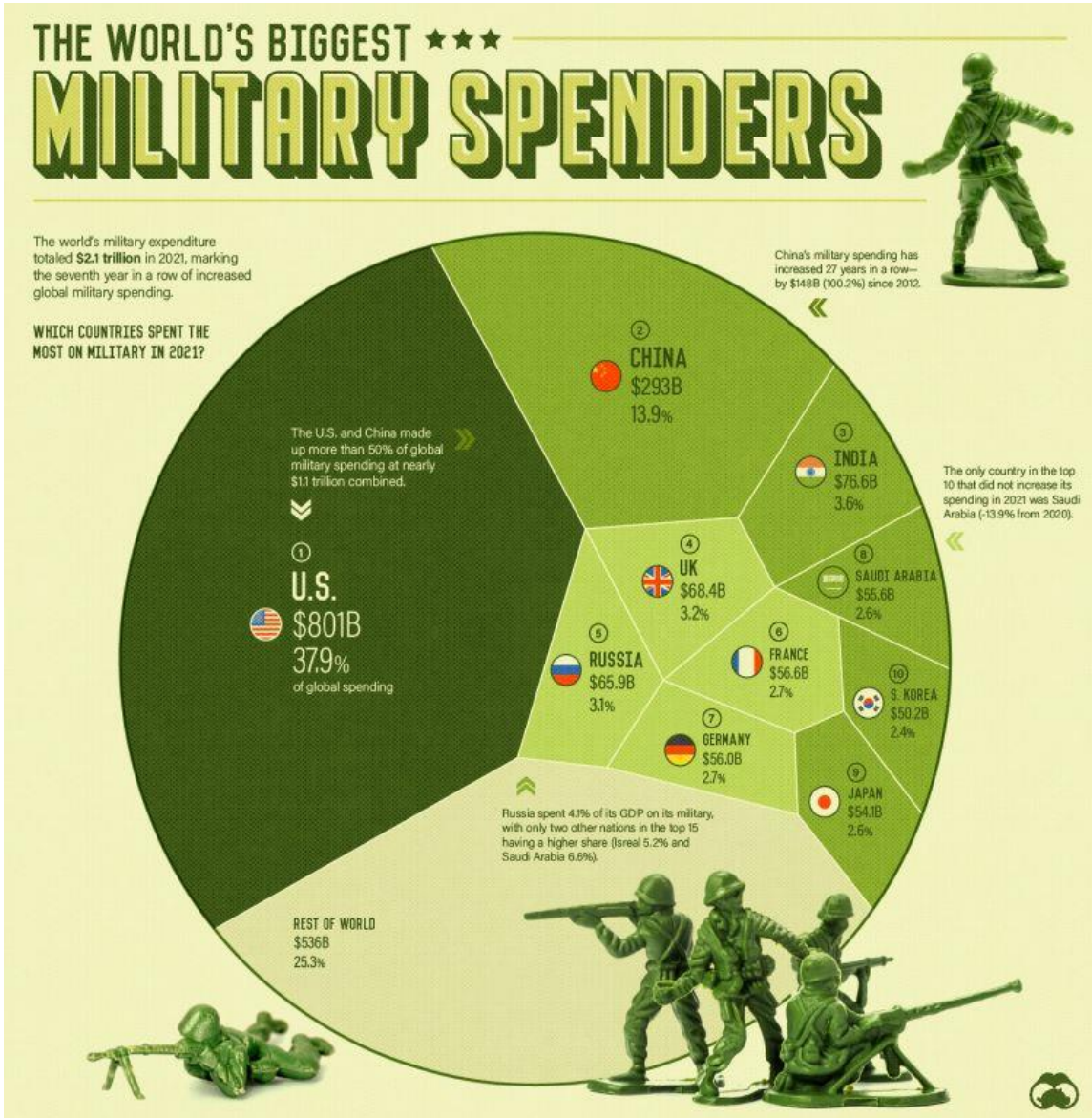
The People’s Bank of China offered 835 billion yuan (\$121 billion) of cash via seven-day reverse repurchase contracts on Friday, resulting in an injection of 632 billion yuan on a net basis. That’s the largest one-day addition on record in data going back to 2004.



Source: Bloomberg

#geopolitics

#military #spending



Source: The Visual Capitalist



#bitcoin #weekly

Bitcoin rallied over 12% on the week, its 4th weekly rise in the last 6 weeks, topping \$25,000 intraday - the highest since June 2022...



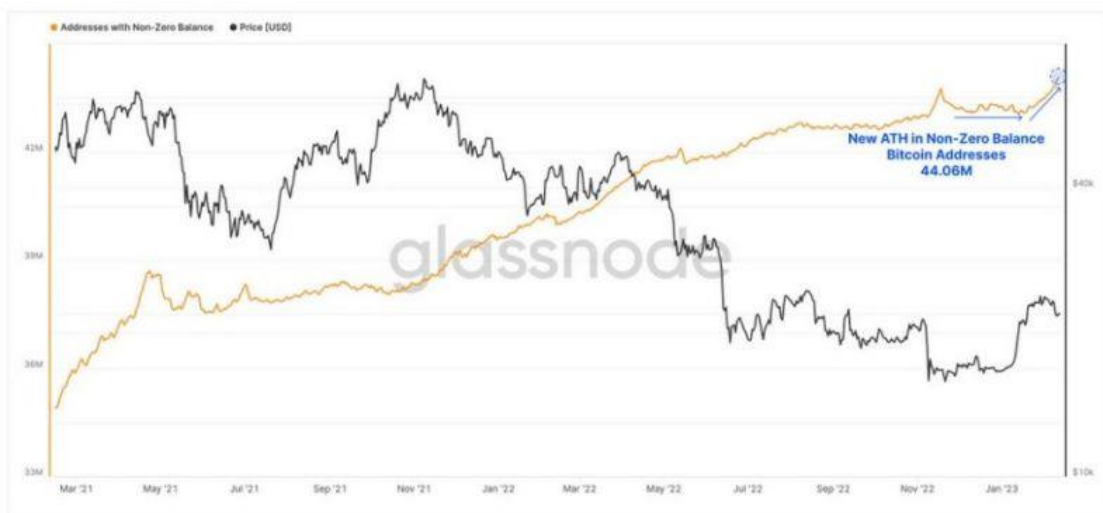
Source: Bloomberg, www.zerohedge.com



#bitcoin #trend

Despite some news of heavy US regulatory moves and SEC crackdown, BTC is flirting with \$25k. One of the reasons for this renewed interest for the leading cryptocurrency is named #ordinals, a protocol which enables Bitcoin’s version of NFTs, described as “digital artifacts” that can include JPEGs, PDFs, or video or audio formats. The launch of Bitcoin nonfungible tokens (NFTs) — known as Ordinals — has tipped the number of non-zero Bitcoin addresses to a new all-time high of 44 million, according to crypto analytics platform Glassnode.

Bitcoin: Number of Addresses with a Non-Zero Balance



© 2023 Glassnode. All Rights Reserved.

glassnode

Source: Glassnode



#bitcoin #trend

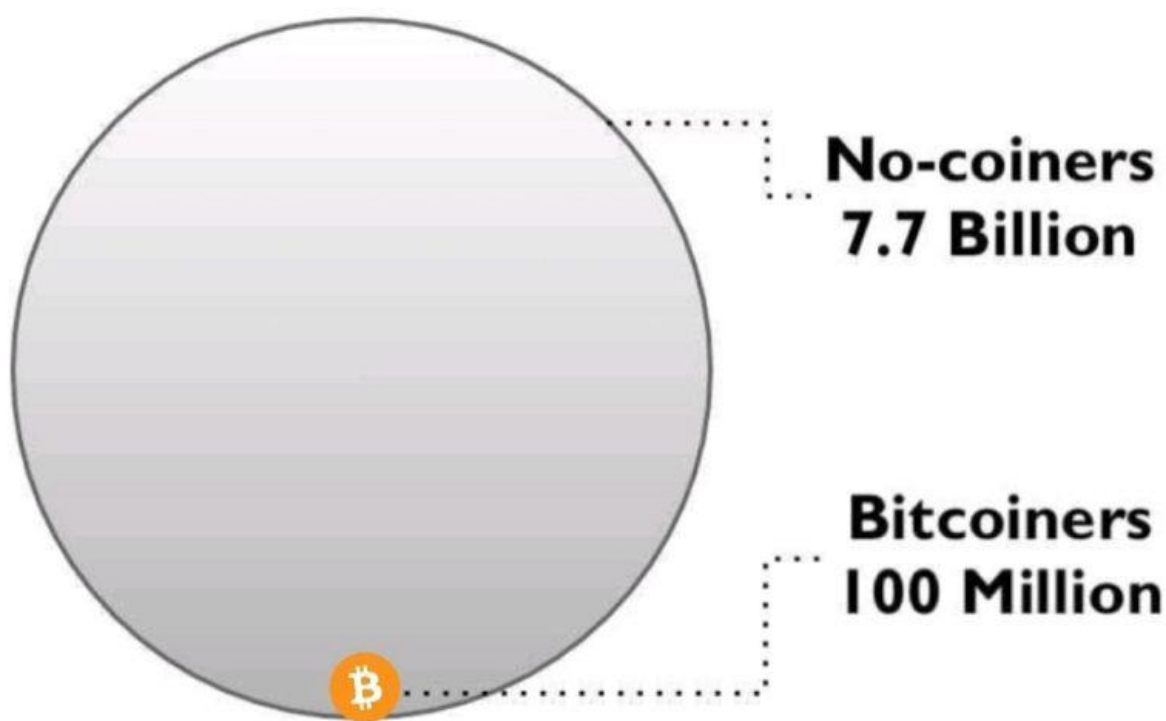
Bitcoin and Nasdaq have the same sensitivity to interest rates.



#cryptos

#bitcoin #ownership

Mass adoption or adaptation?



Source: David Madrona Salazar

#cryptos

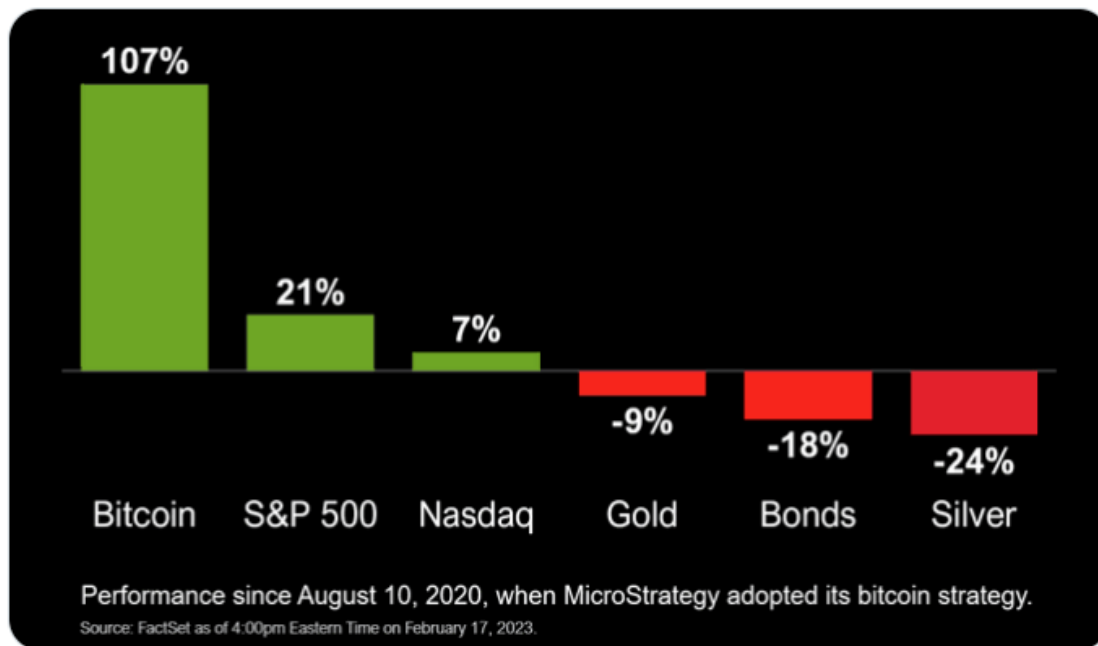
#bitcoin #microstrategy



Michael Saylor ⚡ ✓
@saylor



The #Bitcoin 📈 Strategy is the Winning Strategy.



Source: Bloomberg, Twitter



#ethereum

Ethereum also soared this week, topping \$1740 intraday, its highest since Sept 2022...



Source: www.zerohedge.com, Bloomberg

#food-for-thought

#humor #week-end

Meanwhile on Wall Street



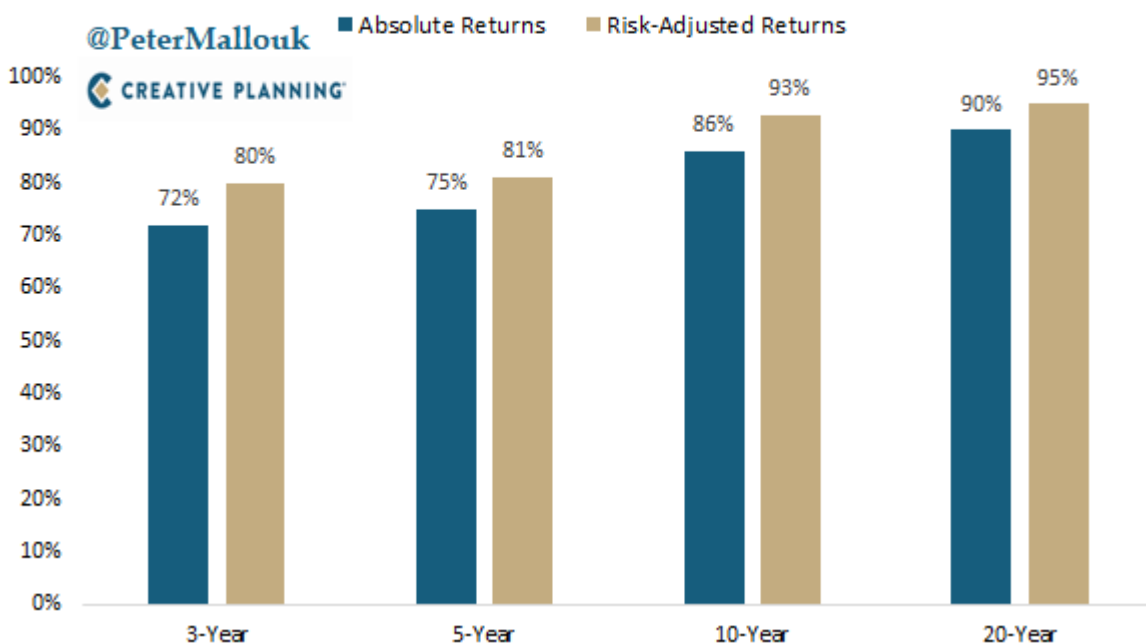
Source: Hedgeye

#food-for-thought

#active-management

The longer you invest in active strategies, the more certain it becomes you will underperform, and it looks even worse on a risk-adjusted basis.

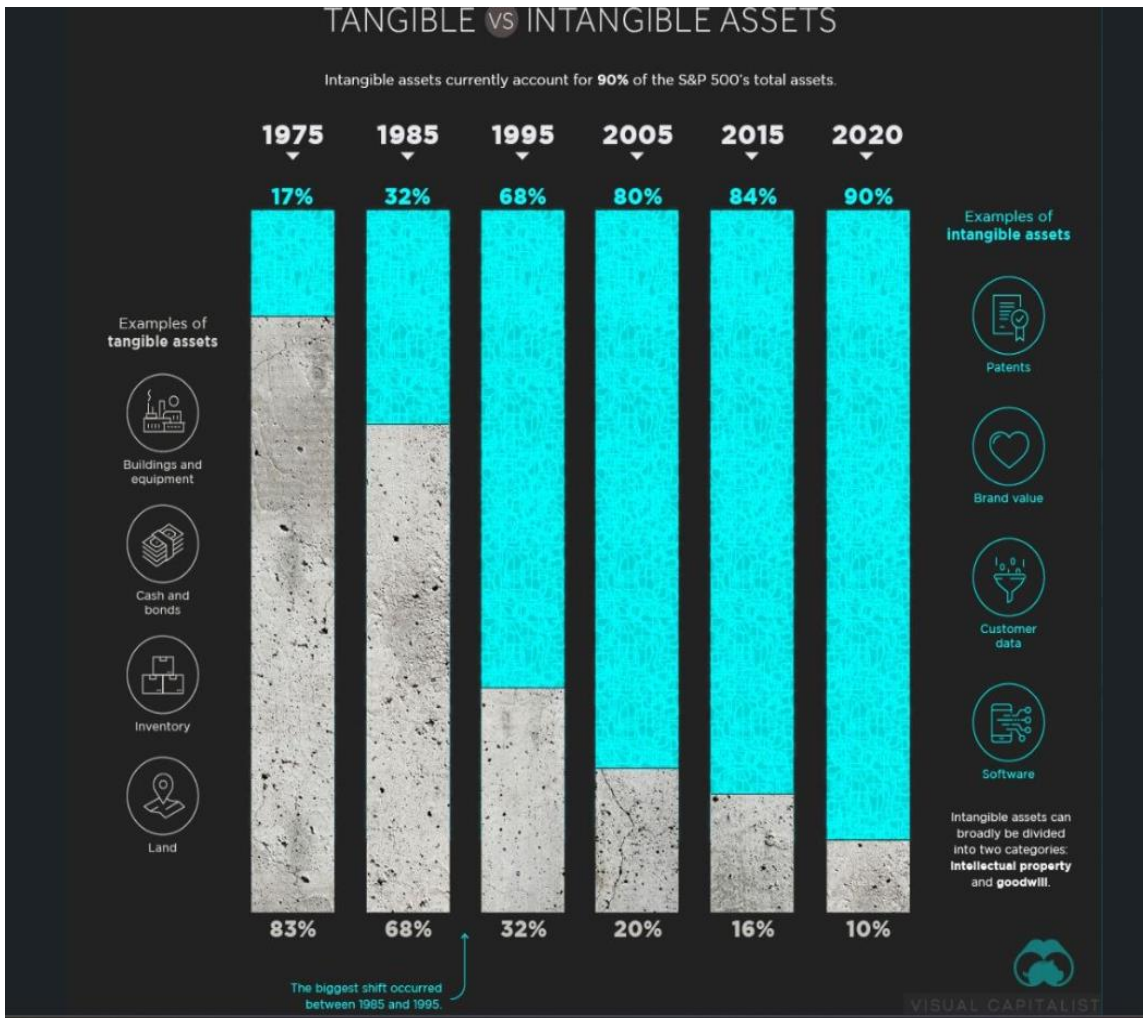
% of US Equity Funds Underperforming S&P 1500
(Source: S&P Dow Jones as of 12/31/21)



Source: Peter Mallouk

#food-for-thought

#tangibles #intangibles

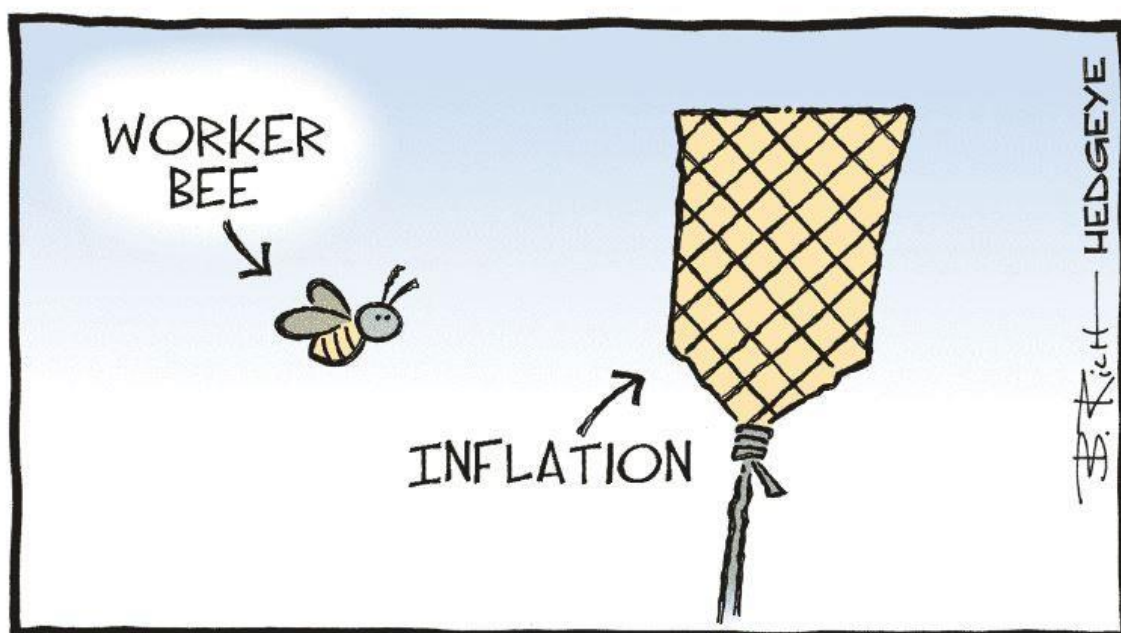


Source: Visual Capitalist

#food-for-thought

#inflation #humor

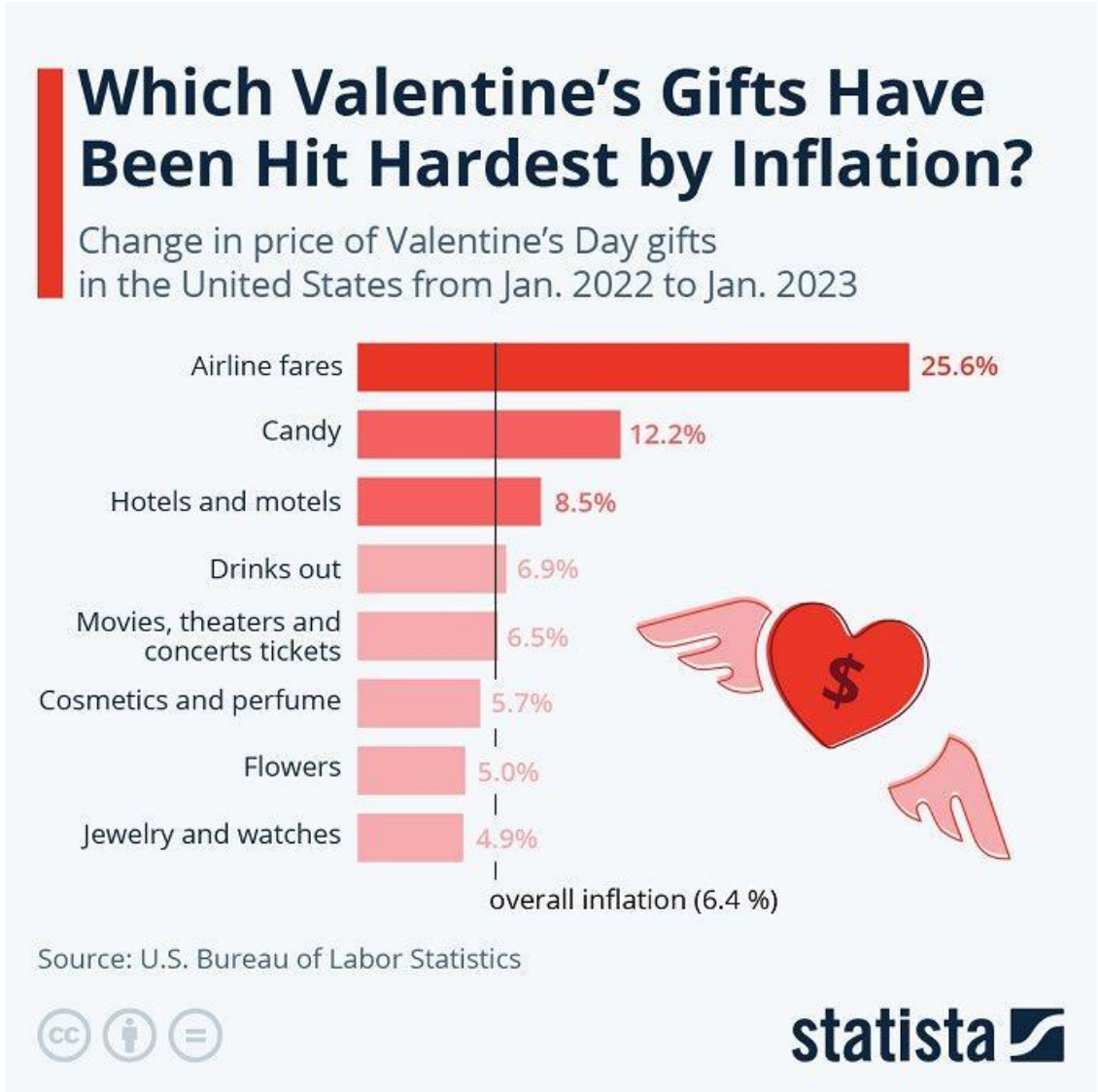
Cartoon of the Day



Source: Hedgeye

#food-for-thought

#inflation #valentine



Source: Statista

#food-for-thought

#search-engines

Search engine market share \$GOOG \$MSFT by Commonstocks

- Desktop

Google 84.7% vs Bing 8.9%

- Tablet

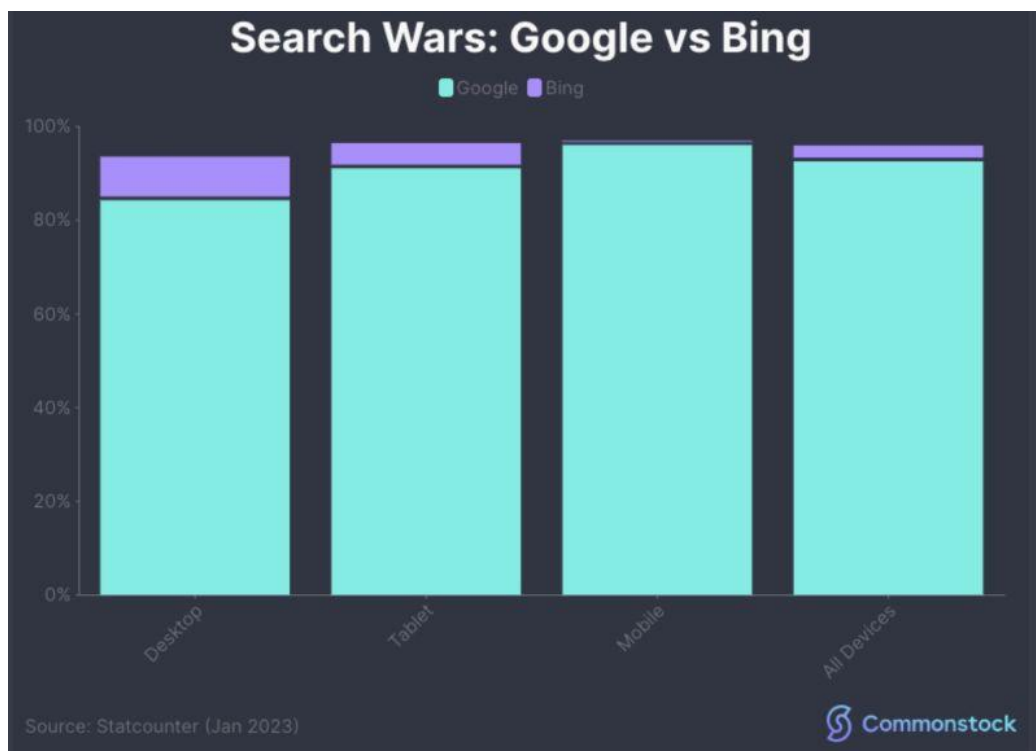
Google 91.5% vs Bing 5.0%

- Mobile

Google 96.5% vs Bing 0.5%

- All Devices

Google 92.9% vs Bing 3.0%

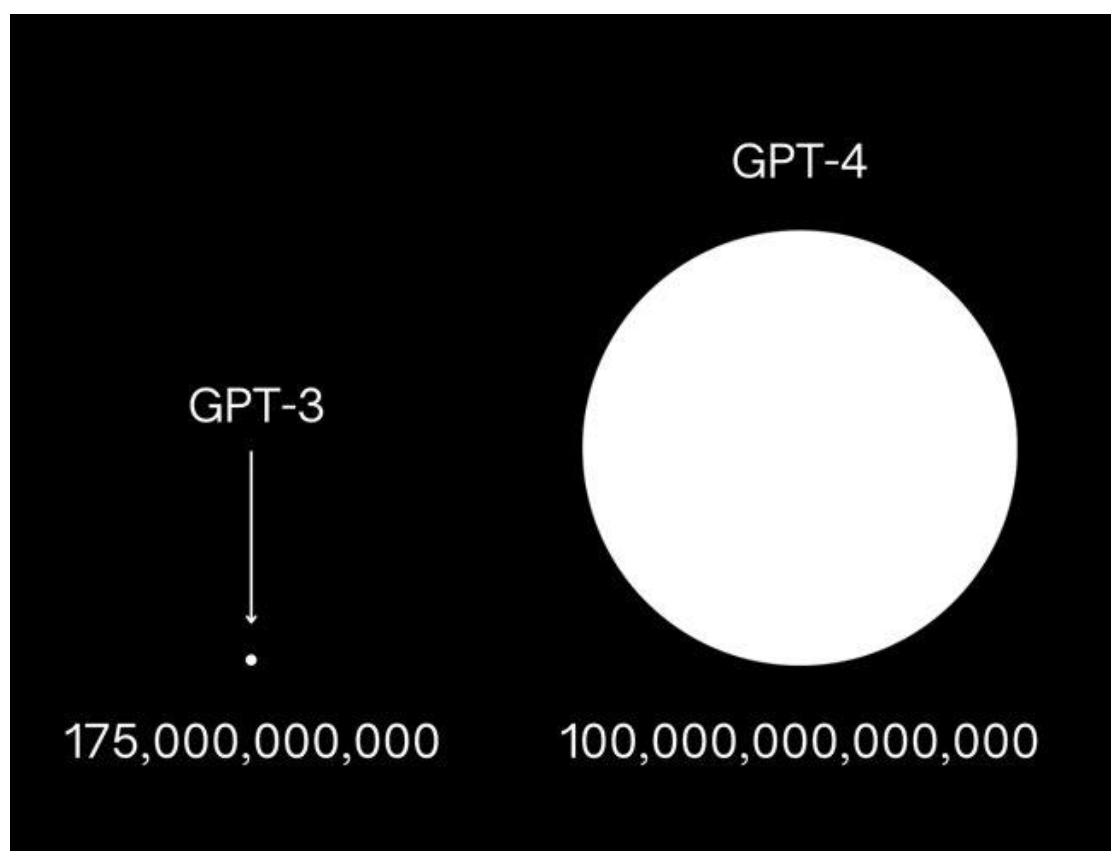


Source: Commonstock

#food-for-thought

#artificial-intelligence

ChatGPT is the most powerful conversational AI in the world. It has 175 billion parameters. GPT-4 is estimated to have 100 trillion.



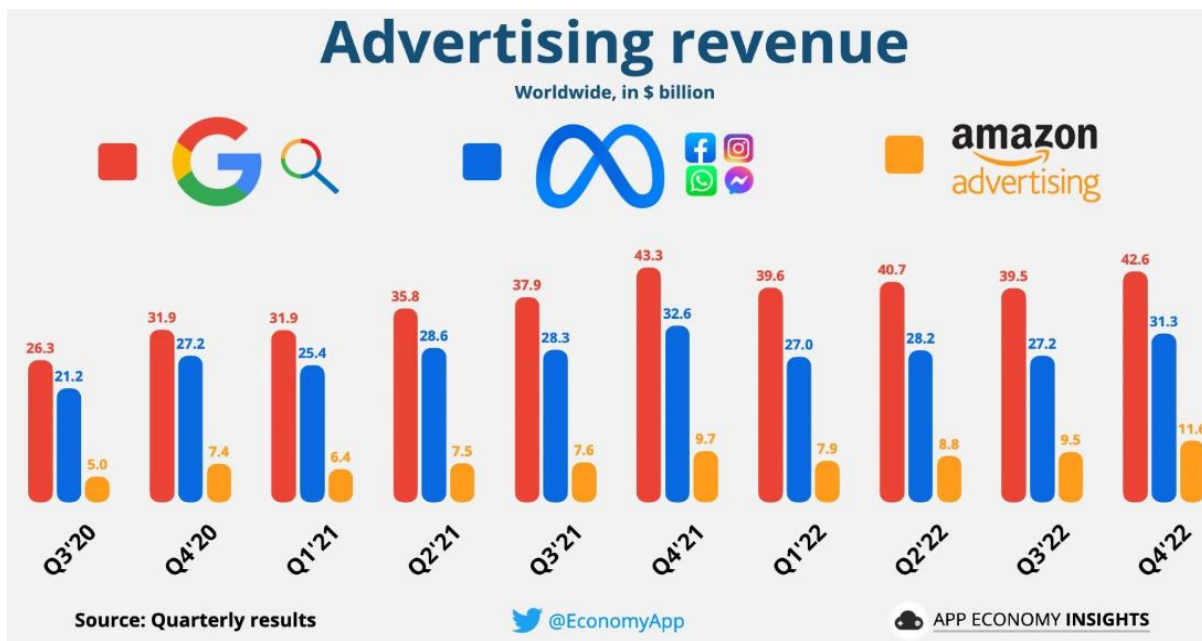
Source: Alex Banks

#food-for-thought

#tech #advertising

Advertising Revenue in Q4'22:

- Google Search: \$42.6B. (-4% Y/Y).
- Meta: \$31.3B (-4% Y/Y).
- Amazon: \$11.6B (+19% Y/Y).

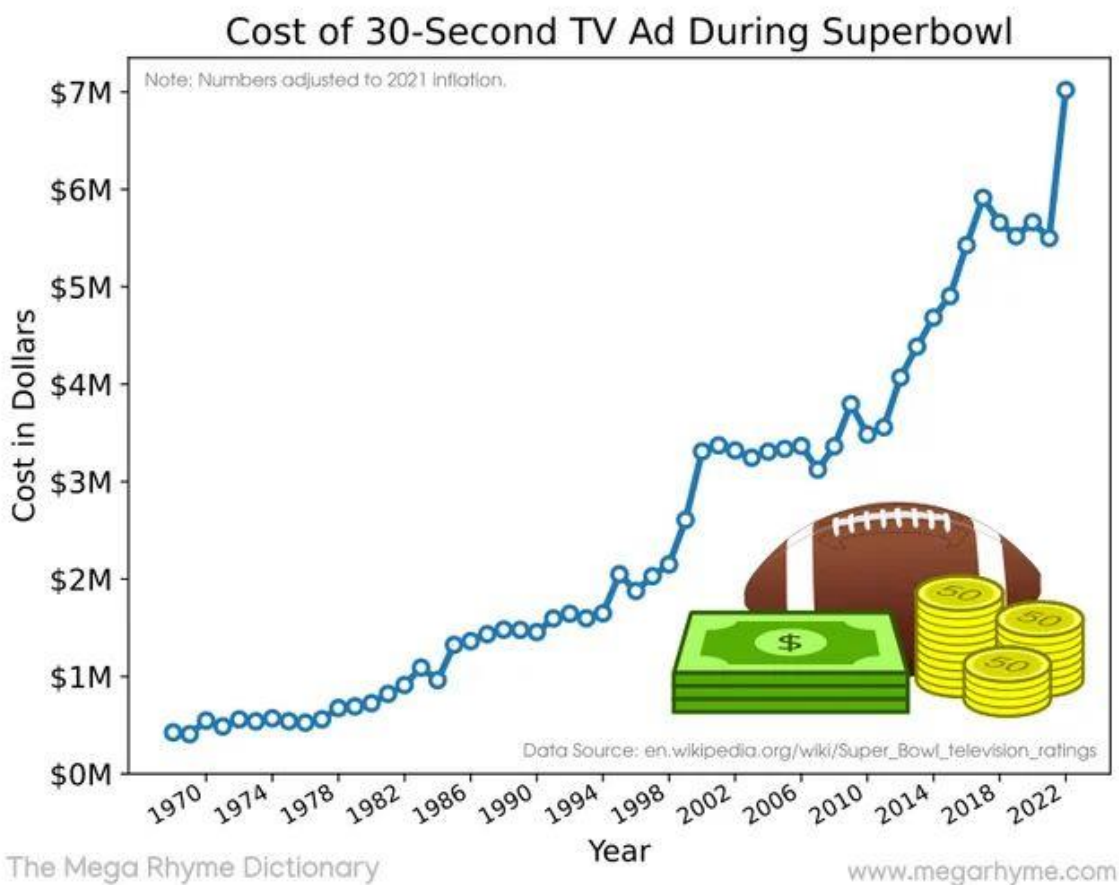


Source: Economy App

#food-for-thought

#superbowl #ads

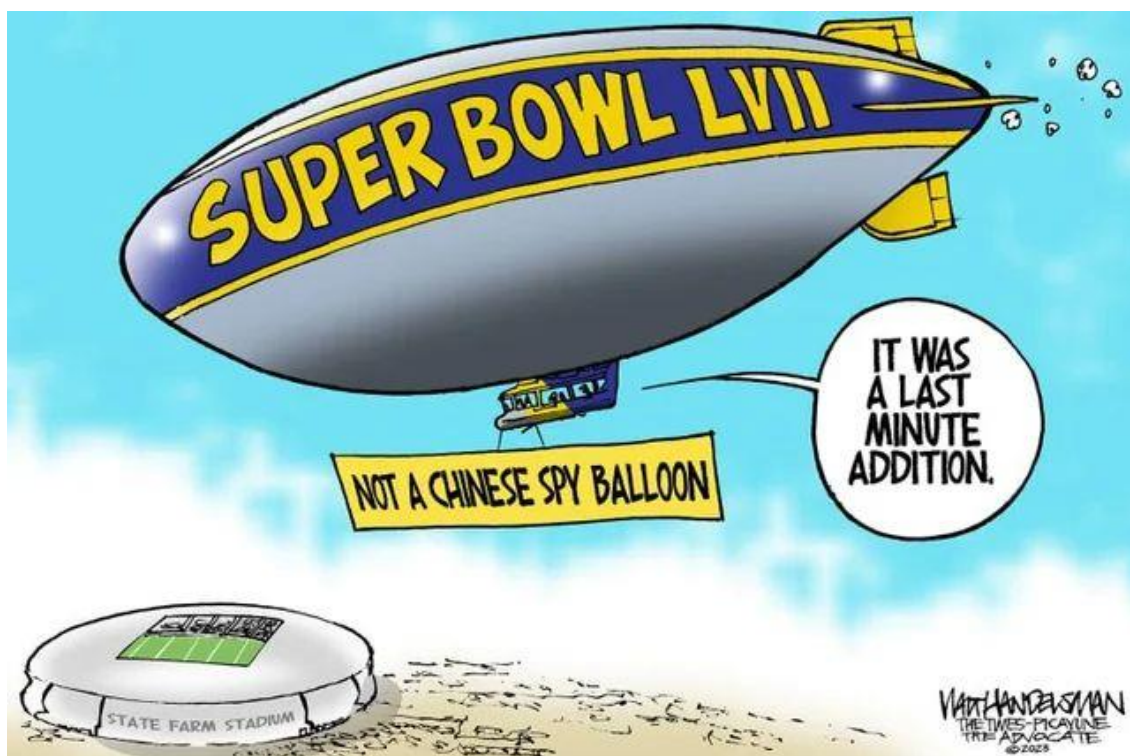
The Cost of TV Ads During the Super Bowl by Year.



Source: Source: Wall Street Silver, OfficialWireGrind

#food-for-thought

#superbowl #humor

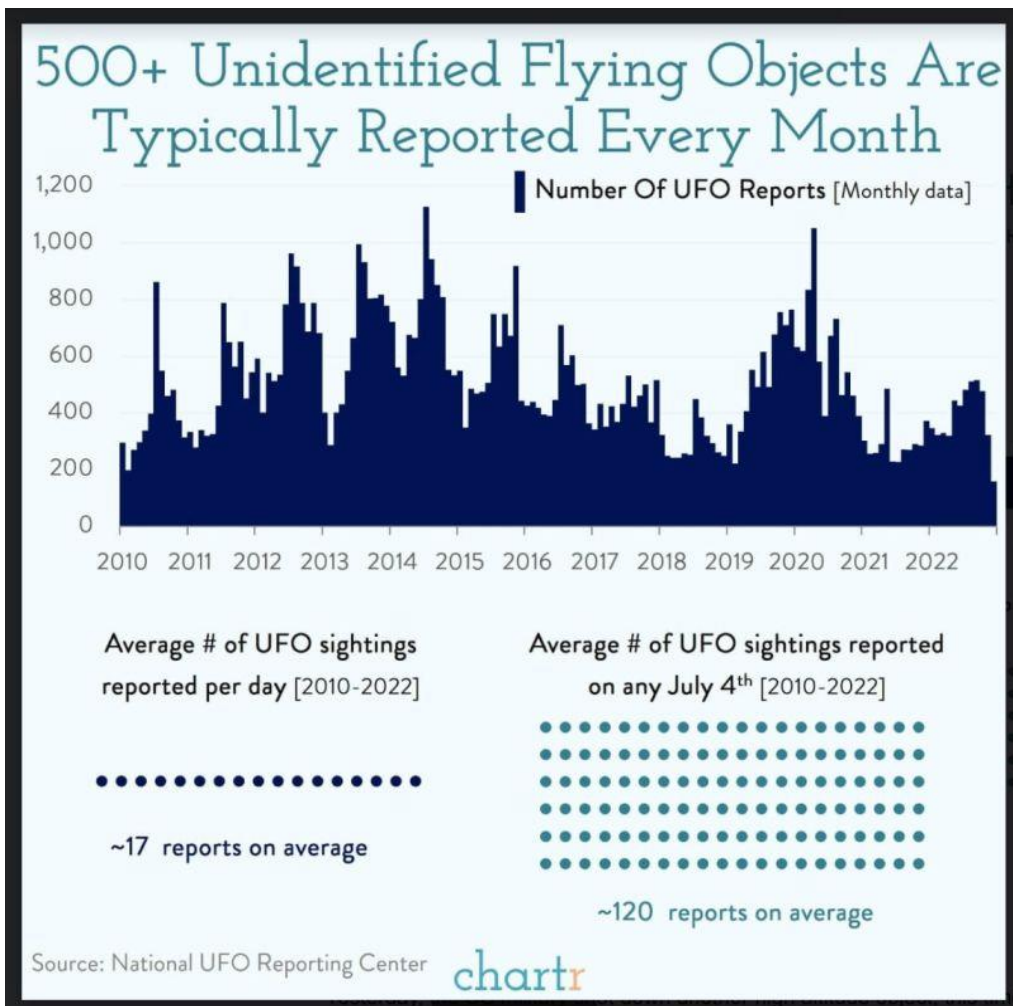


Source: Wall Street Silver

#food-for-thought

#ufos

The National UFO Reporting Center, which is a non-governmental non-profit organization, has been collating public reports of unidentified flying objects for decades, with ~500 typically reported in any given month.



Source: Chart

#food-for-thought

#success

Bernard Arnault in 1989:
 "I'm trying to build the No. 1 luxury-goods group in the world"
 "I'm in for the the long term"

CEO INTERVIEW



Bernard Arnault of LVMH
Luxurious takeovers

Now that he has acquired a string of prestigious companies, Arnault is counting on synergy to produce profits.

From designer dresses to perfumes to champagnes, French luxury products of all kinds are enjoying nearly unprecedented sales growth. But the traditional world of *luxe*—small, gated, family-run businesses—is fast being reshaped by a series of glitzy off-takeovers by corporate buyers in France and elsewhere.

No one has contributed as much to this transformation as 41-year-old Bernard Arnault, who last January became head of LVMH Moët Hennessy Louis Vuitton, the huge luxury-goods conglomerate. Arnault's purchase and skillful restructuring of French businesses such as Financière Arachée, a holding company in difficulty, and his rescue of the falling Baccarat textile empire were the first steps in a string of acquisitions that went on to include Paris's Bon Marché department store and designers Christian Dior, Céline and Christian Lacroix. Such astute corporate maneuvering has left Arnault with the world's largest luxury empire, which in 1988 posted nearly \$3 billion in worldwide sales.

Arnault spent two years with a New York real estate development and finance company. And because of his lightning-quick business reflexes and aggressive way of doing business, he is frequently depicted in the French press as an ambitious, American-style corporate raider. But he says that his approach to corporate restructuring has little to do with the raids launched in the U.S. Having proved his skills as a financier, Arnault is now eager to prove that he can run a multinational industrial group. He discusses his plan in this interview with Paris correspondent Madlyn Renese.

How is your approach to corporate acquisitions different from American-style takeovers?

In the U.S.—with LBOs, junk bonds, or ceteris—pari—the idea is always the same. You start off with a modest amount of capital, you borrow a lot of money, and then you try to make money by selling off pieces of the company you've bought. The American system often has no real economic or industrial utility except the profits made by the person doing the investing.

That's not the way I work. I'm trying to build the No. 1 luxury-goods group in the world, not to buy companies and then sell them two years later. I'm in for the long term, and that means that the financing of an acquisition also has to be long term. We can't work with junk bonds; we need real capital. The company I head, Financière Arachée, which is the parent company of LVMH, has never borrowed money to make an acquisition. What we do is ask friendly investors to participate in the purchase, to associate themselves with us by investing money and leaving it in the company. For us the question will never come up of selling off our brands.

Your 66 percent gain in first-half net shows that LVMH is very profitable. Can you sustain such increases?

Perhaps not at that rate. But the markets for luxury goods are growing, so our profits will also rise rapidly. The gain will come from the higher volume of our business and also from the growth of our market shares. In that regard, our established and prestigious brands represent a very important competitive advantage. It's obviously easier for us to continue to develop our brands, our boutiques and our products, which already have a good foundation, than to start from scratch.

What about marketing new brands?

Here again we have an advantage. Twenty years ago it was easy to launch a new prod-

"We can't work with junk bonds. We need real capital."

and the best placement in magazines. Because we have highly prestigious products, we can insist that they be distributed in the best shops and have the best display in these shops.

What do you think about the trend toward global advertising? Could it make sense to produce an advertising campaign in France and then export it all over the world?

Absolutely, although it depends on the products. The clientele for luxury products is now completely international. We have the same clients in the U.S., in Tokyo and in Europe, and these clients travel a great deal. So it's indispensable that they be able to find the same products everywhere and that the image of these products be the same all over the world. That doesn't mean we don't have to adapt certain products to certain markets; Dior dresses have to be adjusted to the size of Japanese women, for example. But the image should be concentrated in order to be strong.

What is the fastest-growing market for LVMH?

The Far East. That's where purchasing power is rising. The U.S. is a difficult market, because it is highly competitive and because there are major changes in retailing and so on. I believe that over the next ten years in the U.S. you'll have a few high-prestige brands in perfumes and cosmetics and you'll have the mass market. The middle will tend to disappear.

Have your marketing principles or concepts of management been influenced by the time you spent working in the U.S.?

I've kept the pragmatism. The American way of doing business is much more concrete and moves more quickly than in Europe. And you have to face reality the way it is, not as you would like it to be. But more and more, businesses in France are being managed in a pragmatic way.

How will the unified European market of 1992 affect LVMH?

For us it's a movement because we are already a completely international company. About 70 percent of our revenues come from outside France. Apart from regulatory questions, fiscal questions and the free flow of goods, 1992 won't change much for us, because unlike some French companies, we won't find ourselves faced with new competition arriving in France. Our field of action is already the world, so our competitors are worldwide. ■

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I've kept the pragmatism. The American way of doing business is much more concrete and moves more quickly than in Europe. And you have to face reality the way it is, not as you would like it to be. But more and more, businesses in France are being managed in a pragmatic way.

How will the unified European market of 1992 affect LVMH?

For us it's a movement because we are already a completely international company. About 70 percent of our revenues come from outside France. Apart from regulatory questions, fiscal questions and the free flow of goods, 1992 won't change much for us, because unlike some French companies, we won't find ourselves faced with new competition arriving in France. Our field of action is already the world, so our competitors are worldwide. ■

and the best placement in magazines. Because we have highly prestigious products, we can insist that they be distributed in the best shops and have the best display in these shops.

What do you think about the trend toward global advertising? Could it make sense to produce an advertising campaign in France and then export it all over the world?

Absolutely, although it depends on the products. The clientele for luxury products is now completely international. We have the same clients in the U.S., in Tokyo and in Europe, and these clients travel a great deal. So it's indispensable that they be able to find the same products everywhere and that the image of these products be the same all over the world. That doesn't mean we don't have to adapt certain products to certain markets; Dior dresses have to be adjusted to the size of Japanese women, for example. But the image should be concentrated in order to be strong.

What is the fastest-growing market for LVMH?

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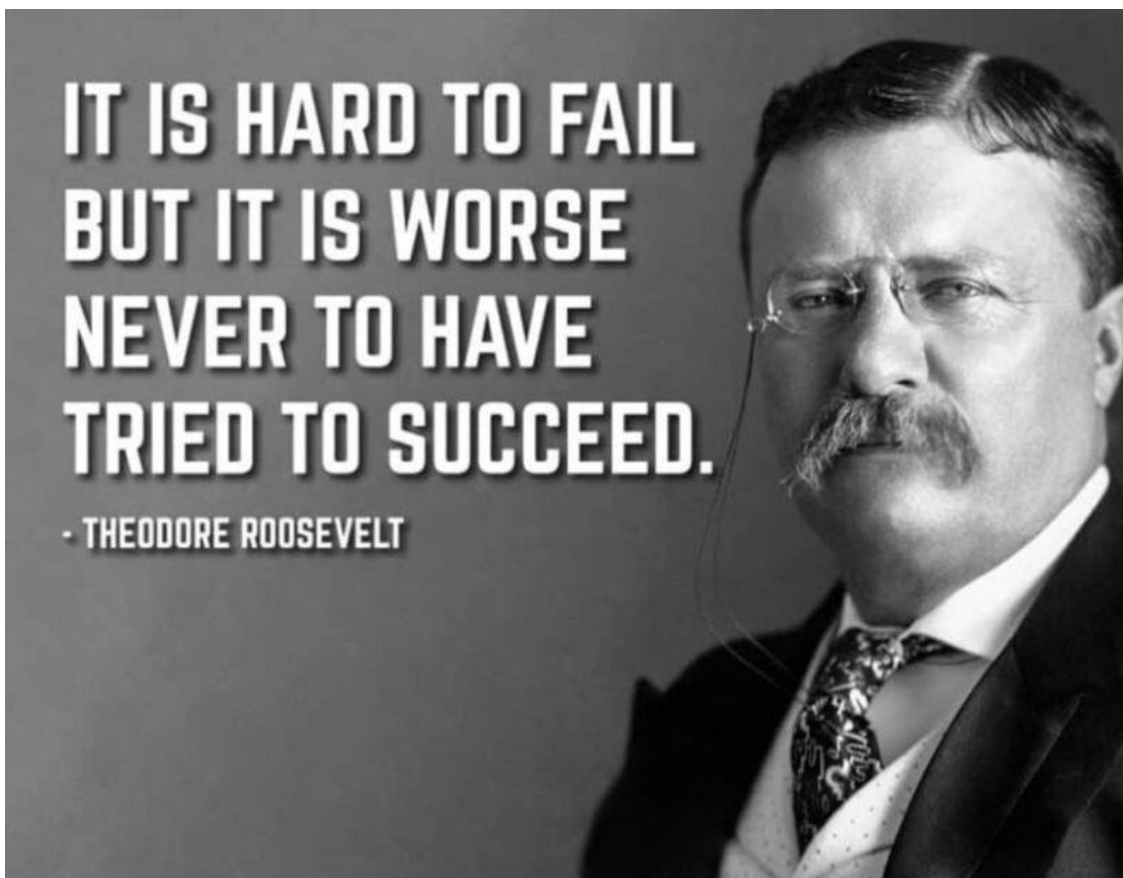
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Source: Institutional Investor

#food-for-thought

#success



Source: Compounding Quality

#food-for-thought

#mindset

Limiting Mindset VS Empowered Mindset

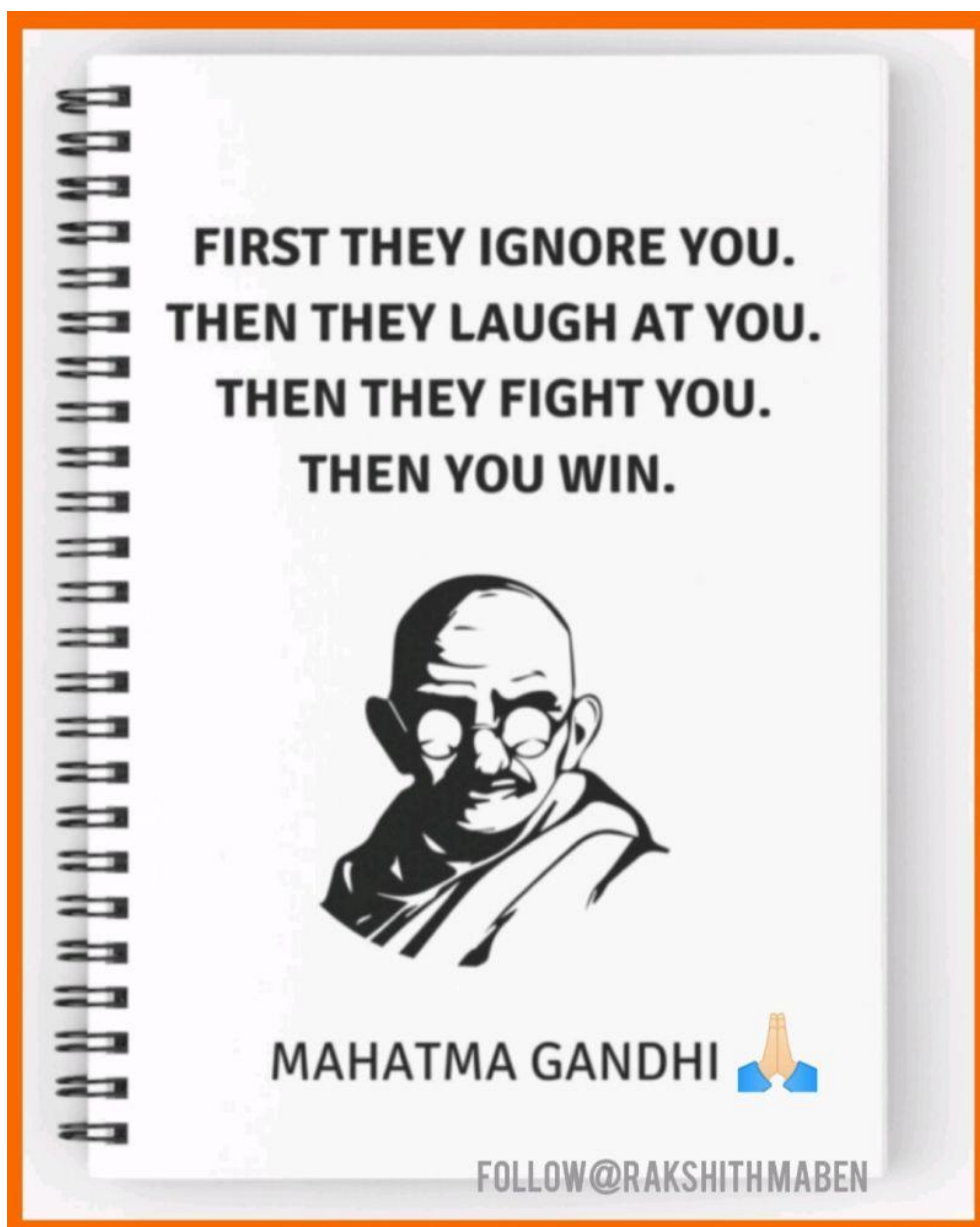
Data source: @business.mindset678 | Infographic design by @agrassoblog for educational and motivational purposes

I don't think I can..			I will find a way..
There are people better than me..			No one is me and that is my super power..
If this doesn't work I give up..			If this doesn't work I'll try plan b..
Who do I think I am to do this?			If other people can do it, I can do it too.
What if I fall?			What if I fly?

Source: agrassoblog.org

#food-for-thought

#winning



#food-for-thought

#leadership

3 Simple Rules in Life

1. If you do not go after what you want, you will never have it.

2. If you don't ask, the answer will always be NO.

3. If you do not step forward, you will always be in the same place.

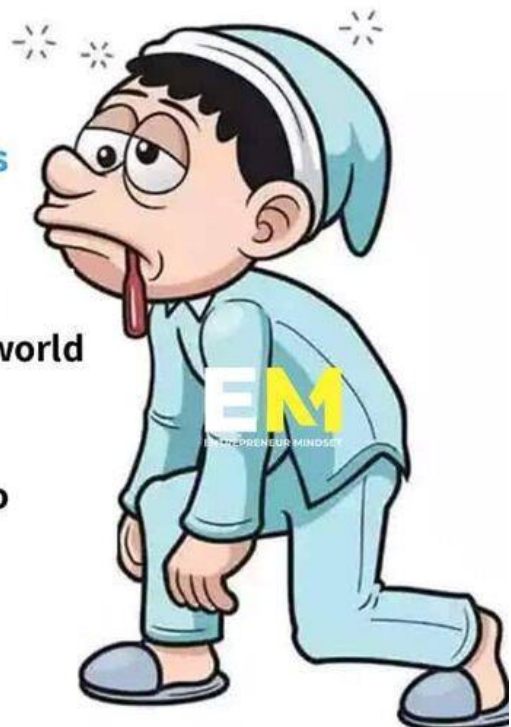
Source: European Leadership

#food-for-thought

#leadership

WHY SHOULD WAKE UP AT 5:00 AM

1. **No interruptions, No kids yelling.**
No phone calls
2. Extra 2 hours per day = 14 hours per week = 728 extra hours = **30 days per year** to get shit done
3. Waking up early in the morning was one of the **secrets to success by most successful people** around the world
4. Less likely to **procrastinate**
5. Builds **discipline** and good time to **exercise**
6. Mental edge over **other people**
7. **Build momentum** for day ahead



Source: European Leadership

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For the future...