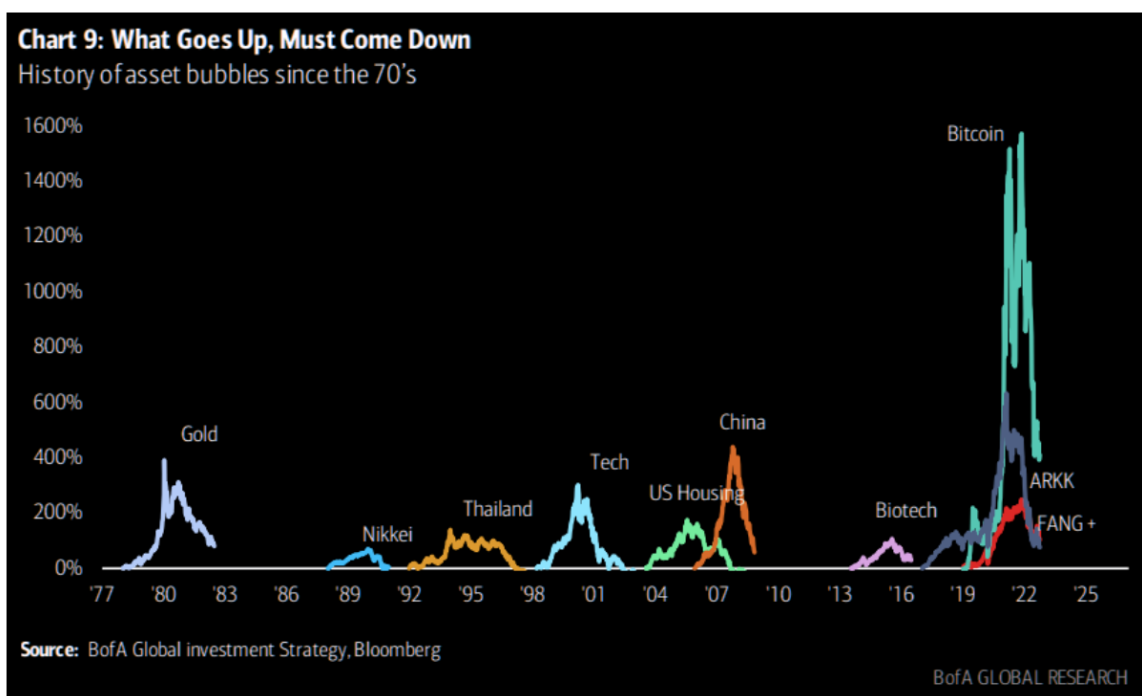


## Chart of the week

### Gravity

History of asset bubbles since the 70's...



Source: BofA, TME

### Stocks surged as inflation eases. Cryptos collapsed.

US equities recorded strong gains and bond yields fell as investors celebrated reassuring inflation data. The S&P 500 recorded its best week since June and hit its best intraday level in two months. Growth stocks — tech in particular— benefited the most from falling yields. An index of nonprofitable tech stocks jumped over 15% on Thursday. The event of the week was Thursday morning's release of the US consumer price data for October. The headline CPI rose 0.4% in October, less than consensus expectations of 0.6% and bringing the yoy increase to 7.7%, the slowest increase since January. The yoy core (less food and energy) reading fell back to 6.3% from a 40-year high of 6.6% in September. U.S. Treasury yields fell sharply in response; the 10-year U.S. Treasury note yield ended Thursday at 3.81%, down from 4.17% at the end of the previous week. Tuesday's midterm election results and the chance that the Democratic Party might retain some control of Congress may have weighed on markets earlier in the week. The collapse of FTX drove a further decline in Bitcoin and other cryptocurrencies. In the rest of the world, the pan-European STOXX Europe 600 Index ended the week 3.66% higher. Shares in China received a late boost from the surprise drop in U.S. inflation but trailed most other global markets as investors worried about new signs of economic fragility. In Forex, the U.S. dollar had its worst week since March 2020. Gold soared to its highest level in 3 months.

## #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

12 NOVEMBER 2022

#markets

### #weekly #returns

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	33,748	4.1%	-7.1%
S&P 500 Index	3,993	5.9%	-16.2%
NASDAQ	11,323	8.1%	-27.6%
MSCI EAFE *	1,872	5.7%	-19.9%
10-yr Treasury Yield	3.82%	-0.3%	2.3%
Oil (\$/bbl)	\$88.96	-3.9%	18.3%
Bonds	\$96.51	2.3%	-13.7%

Source: Edward Jones

# #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

12 NOVEMBER 2022



## #sp500 #weekly

What a week!



Source: Bloomberg





## #stocks #volatility

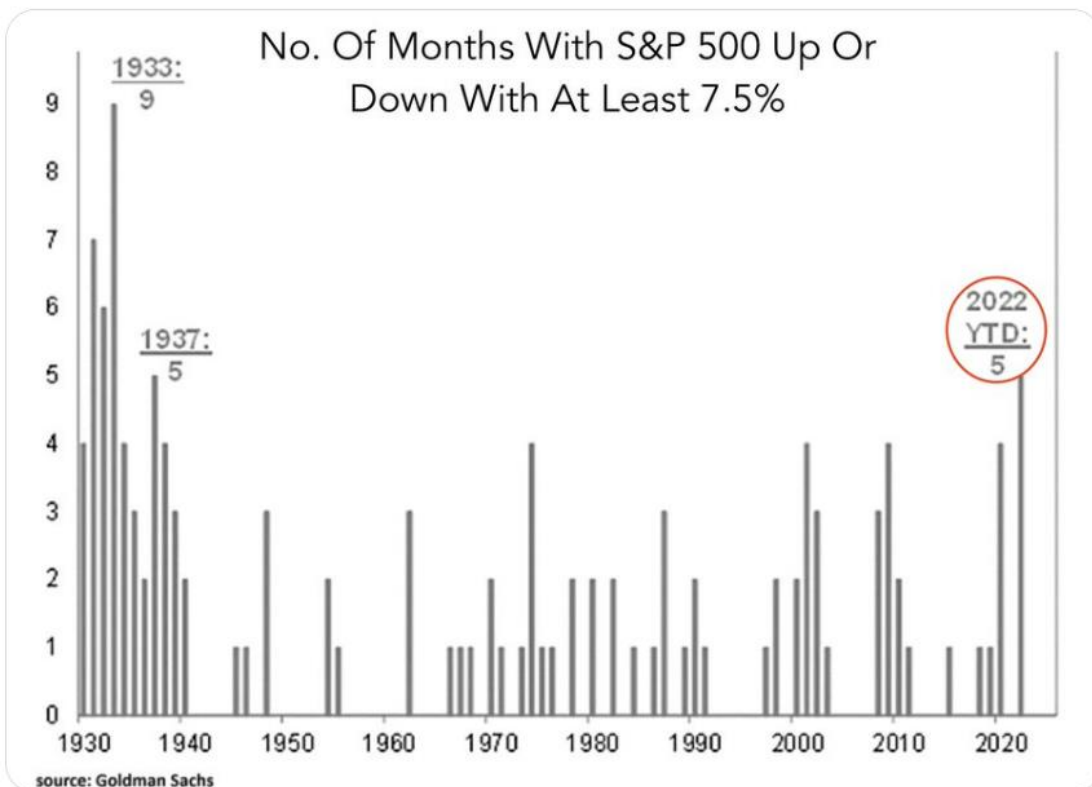


Game of Trades  
@GameofTrades\_



The last time this happened was in 1937.

Volatility at its best.



Source: Game of Trades



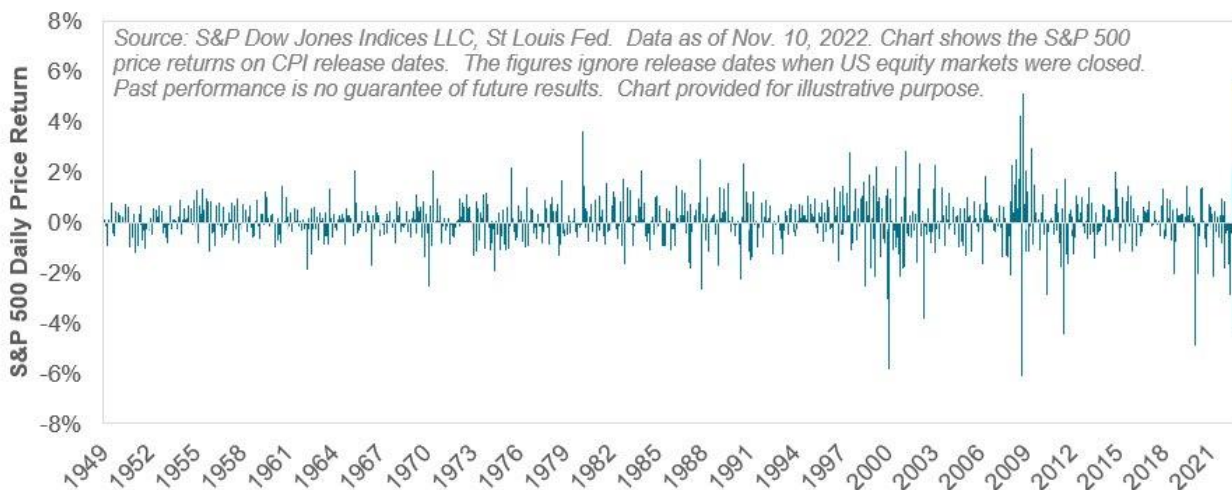


## #sp500

What a week!

Best CPI day return EVER for the S&P 500: Thursday was the best-ever daily price return for the S&P 500 on a CPI release date since the BLS\_gov began publishing consumer price index data in 1949

**S&P 500® Price Return On CPI Release Dates**  
(Mar. 1949 - Nov. 2022)



Source: Liz Ann Sonders

#markets

### #sp500

The S&P hit 4,000 on Friday, breaking above the 50- and 100-DMA on the week (200DMA is at 4080)...



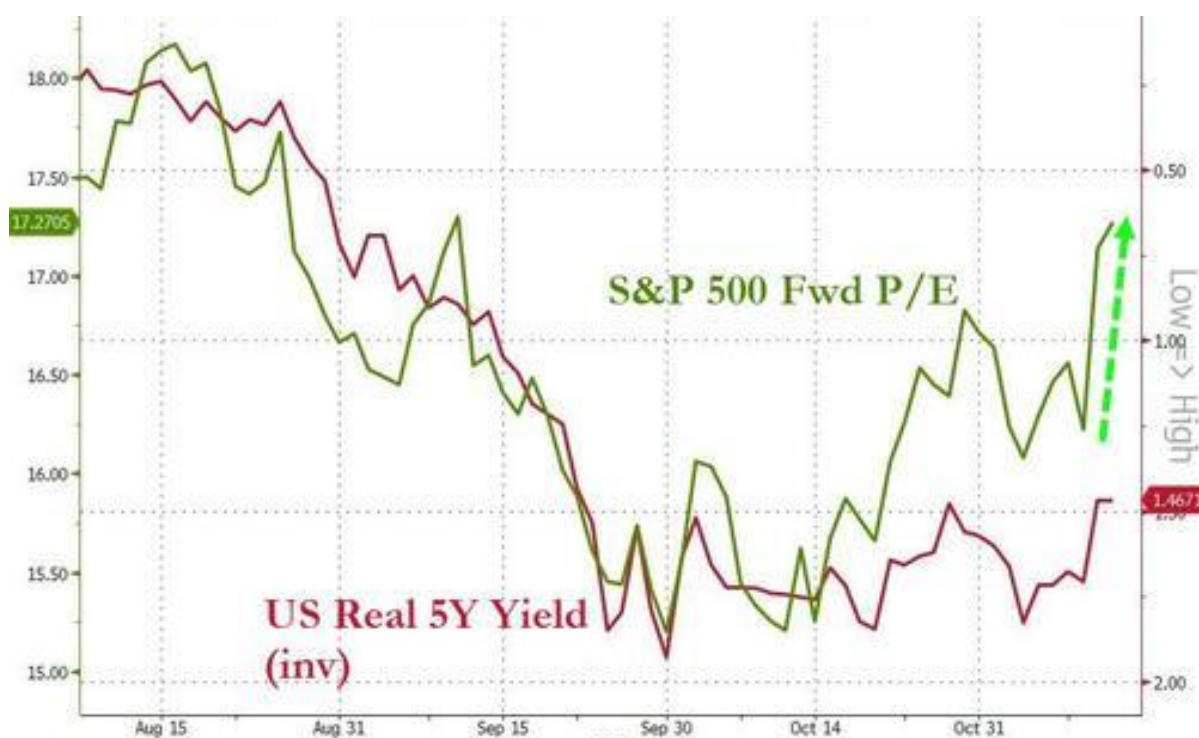
Source: Bloomberg, [www.zerohedge.com](http://www.zerohedge.com)





## #us #equities #valuations

This week was valuation-driven as P/Es soared.



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



## #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

12 NOVEMBER 2022

#markets

### #us #equities #sector #weekly #performance

On the week, tech (longest duration stocks) were the biggest gainers (up over 10%) while Utes lagged (up only 1.4%)...



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

## #GLOBALMARKETS WEEKLY WRAP-UP

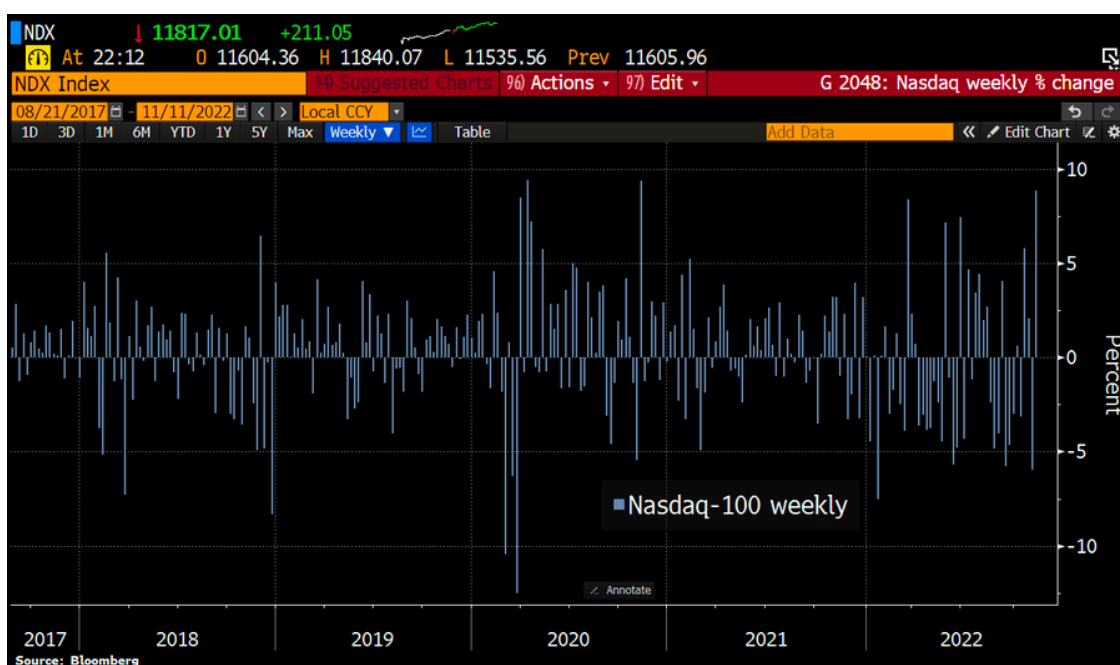
Hand-curated selection of the best charts & news flow

12 NOVEMBER 2022

#markets

### #nasdaq100 #weekly

Nasdaq 100 climbs 8.8% in best weekly gain since Nov 2020. Gained 9.4% in best 2 days gain since 2008.



Source: Bloomberg



## #nasdaq100 #thursday

Nasdaq 100 jumps 7.5% in the biggest gain since March 2020 as inflation eases. Investors bet that the #Fed will #pivot away from tightening monetary policy & shift from interest-rate increases to rate cuts as early as next year.



Source: Bloomberg

#markets

## #unprofitable #tech #stocks

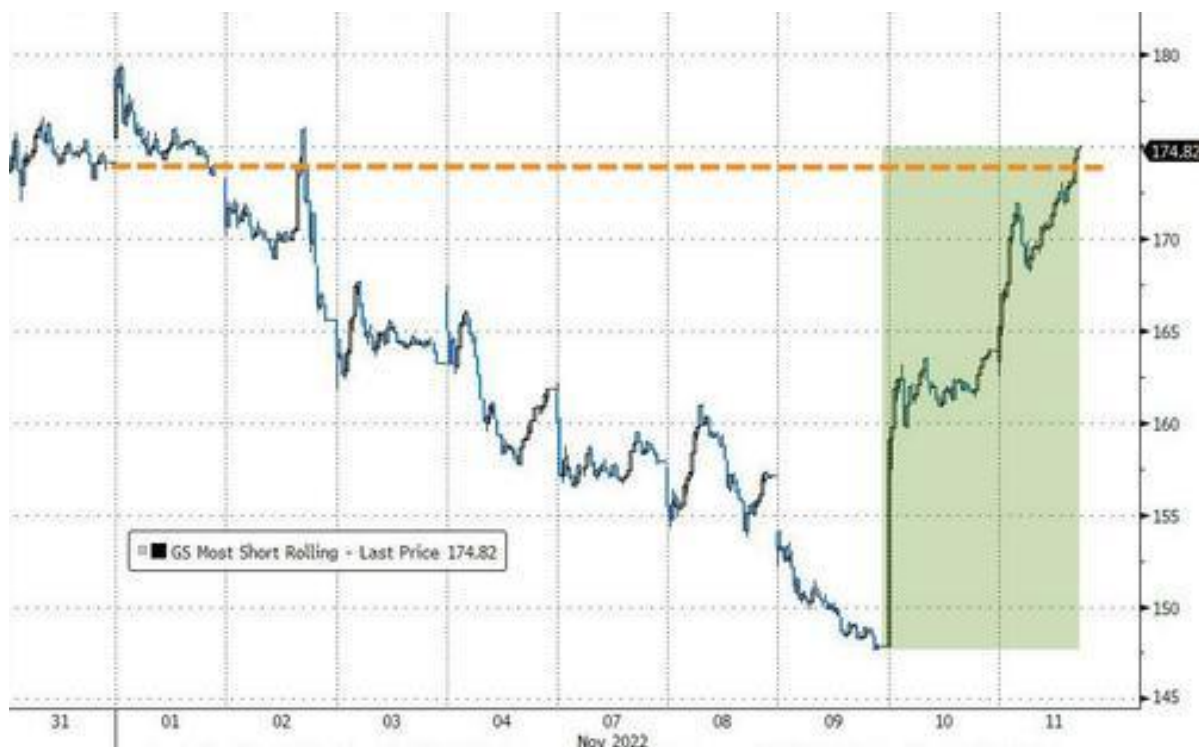
If you did nothing all year, and two days ago bought the Unprofitable Tech basket, your year is done. +25% in 48 hours.



Source: Bloomberg

## #us #most-shorted stocks

The last two days have seen the biggest short-squeeze on record, based on Goldman's "Most Shorted" basket. The 19% surge from Wednesday's close is bigger than March 2020's rebound surge and Jan 2021's melt-up to the highs....



Source: Bloomberg

#markets

## #etfs #flows #thursday

A Net \$17b went into ETFs on Thursday, \$13b of it into equity ETFs, \$3b into junk and \$1b came OUT of treasury ETFs.

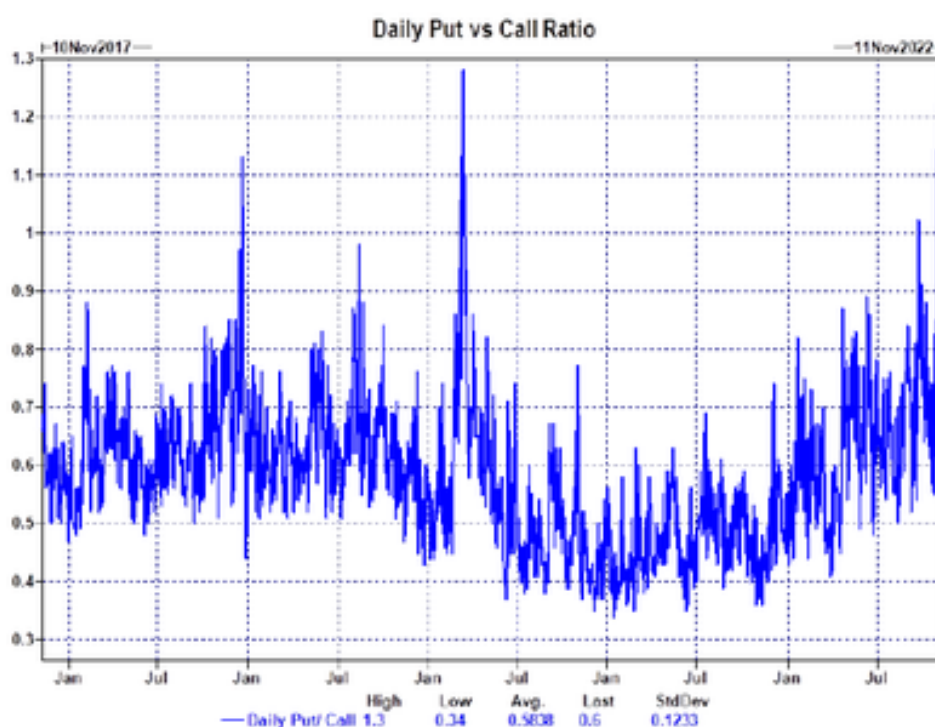
Ticker		1D Flow ↓ (M)
Average		+5.81
Sum		+17,560.49
1) SPY	US	+4,244.17
2) VTI	US	+2,081.47
3) QQQ	US	+1,937.83
4) HYG	US	+1,153.25
5) JNK	US	+1,044.55
6) IWM	US	+991.60
7) LQD	US	+778.43
8) TLT	US	+715.83
9) MUB	US	+308.98
10) XLI	US	+283.97
11) XBI	US	+262.01
12) QQQM	US	+183.86
13) VTEB	US	+178.78
14) GLD	US	+178.66
15) USHY	US	+171.94
16) DIA	US	+168.67



## #put #buying

Institutional put option hedging just hit a record high...

**2. [Put Options] - Record Institutional Put Option hedging: The daily put call ratio hit the highest level since 2008**

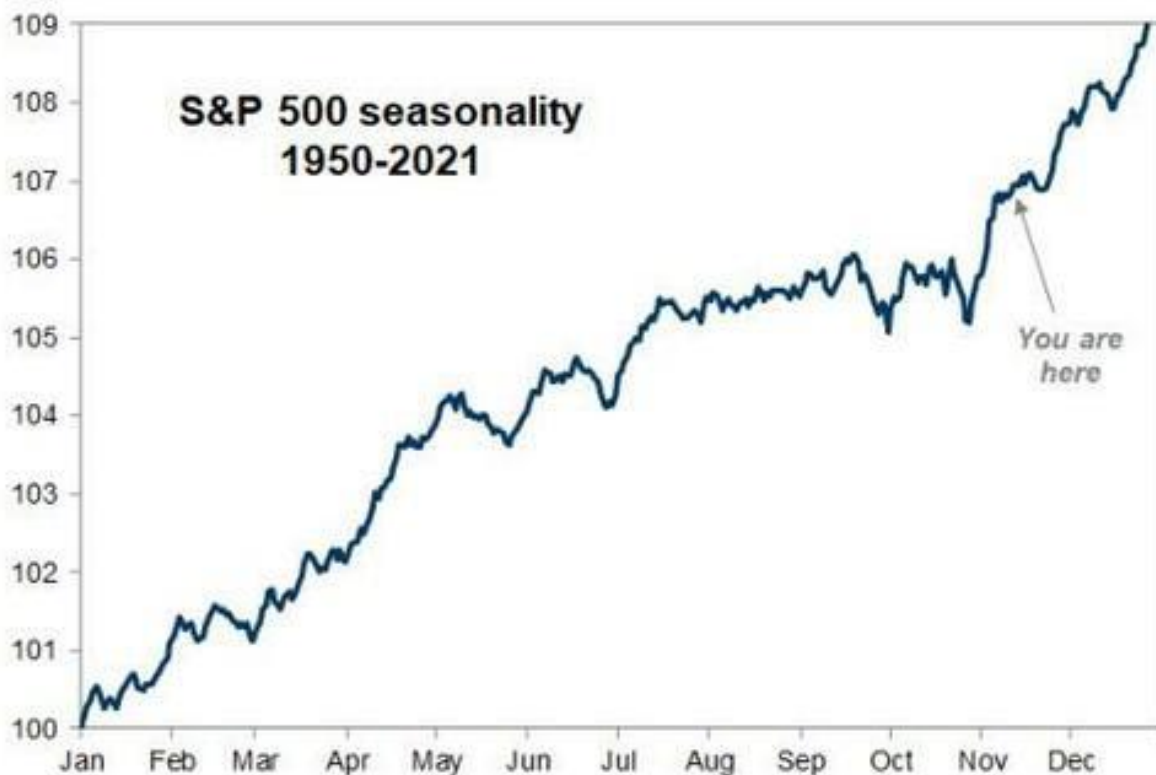


Source: Bloomberg





#us #equities #seasonality



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

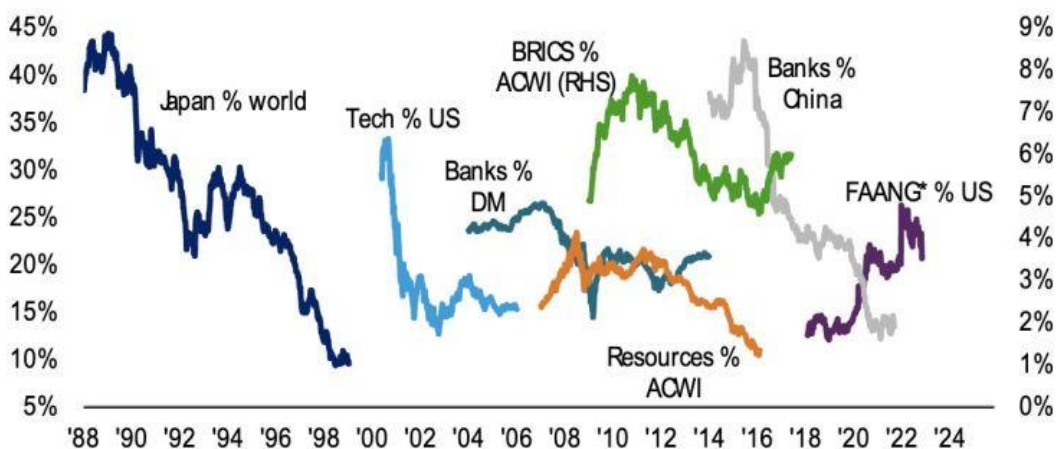


## #faangs

Hartnett: “2022 was the early-stage secular leadership shift from deflation assets to inflation assets; like Japan 1990, US internet 2000, US/EU banks 2007, BRICs & resources 2011, tech & FAANG to underperform in coming years...new leadership is commodities, small cap value, US industrials, EU banks, EM resources.

**Chart 2: The Great Secular De-Ratings since 1990**

History of great secular de-ratings



Source: BofA Global investment Strategy, Bloomberg, Refinitiv, \*NYSE FANG+ Index

Source: BofA



## #faangs #valuations

FANG+ are getting de-fanged. The P/E collapse of Big Tech is reminiscent of what happened to Microsoft when the dotcom bubble burst in the early 2000s (from 70x -> 20x)..

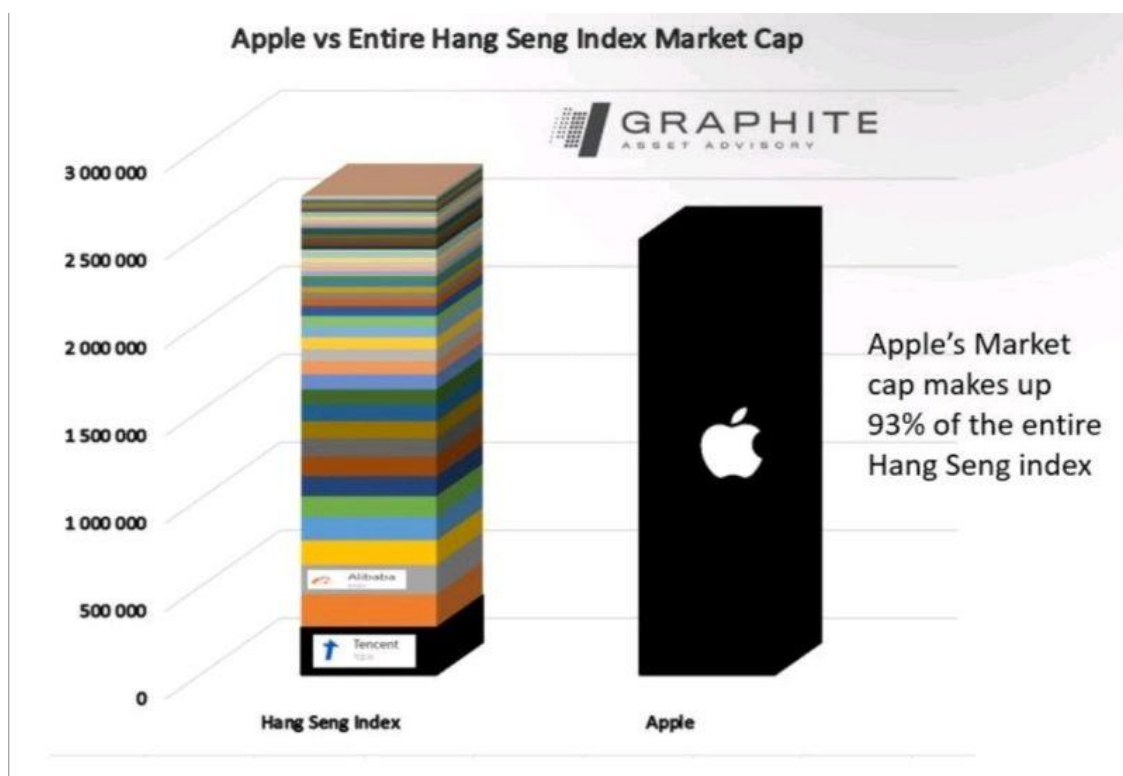


Source: Bloomberg



## #apple #hong-kong #stocks

Apple market cap is 93% of Hang Seng Index.

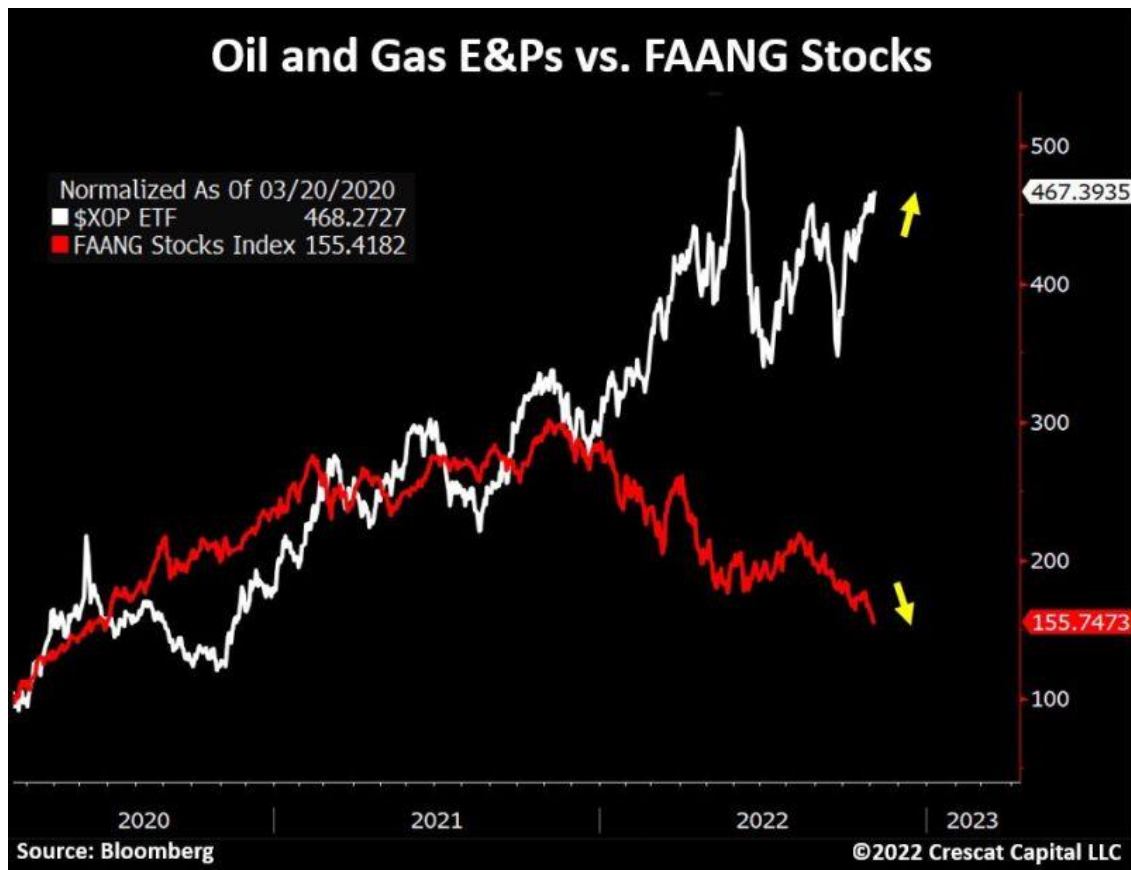


Source: John Haslett, CA(SA), FRM, Graphite Asset Advisory



#oil #stocks #faangs

The reflection of a paradigm shifting from growth to value.

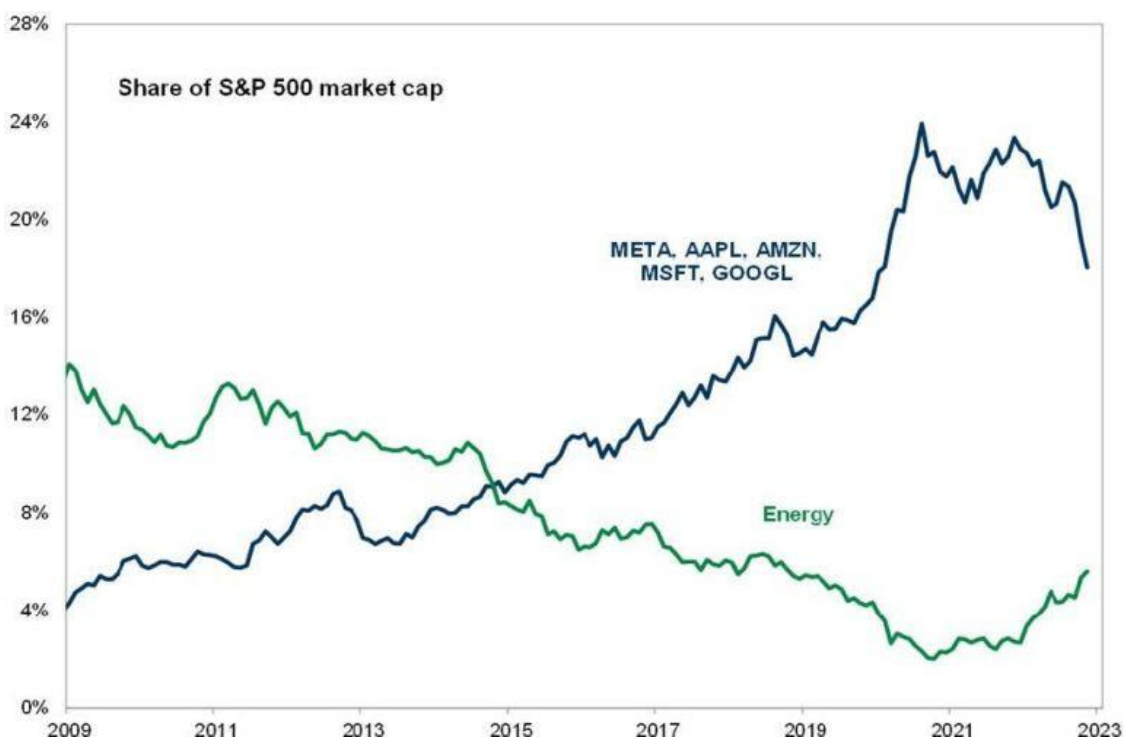


Source: Crescat Capital



## #fang #energy #stocks

S&P500 market cap FAAMG vs the energy sector. More rotation to come?



Source: Goldman Sachs

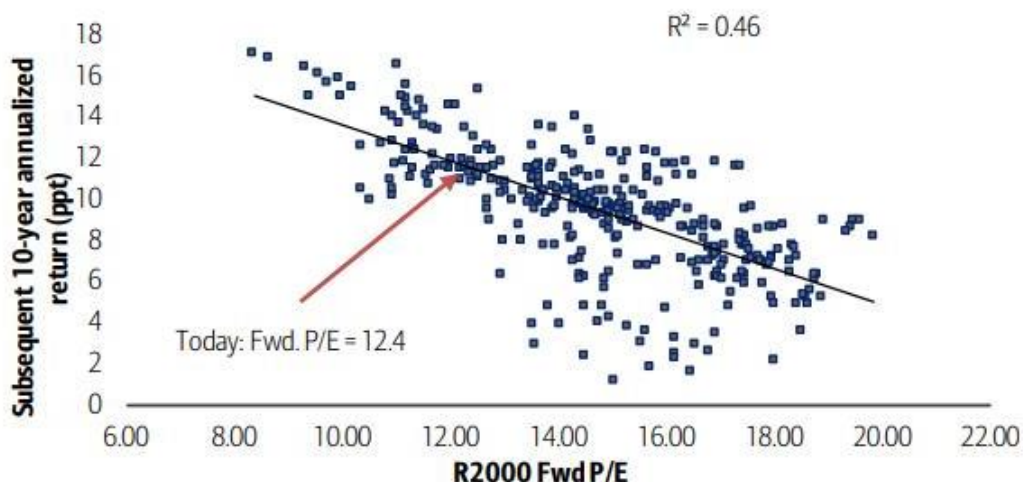


## #us #small-caps #valuation

US small & mid caps stocks valuations remain cheap.

### Exhibit 11: The absolute forward P/E for the Russell 2000 suggests double-digit annualized ten-year returns

Russell 2000 forward P/E vs. subsequent ten-year annualized returns, 1985-present (as of 10/31/22)



Source: BofA US Equity & Quant. Strategy, FactSet

BofA GLOBAL RESEARCH

Source: BofA





## #us #ex-large-caps #valuation



Mike Zaccardi, CFA, CMT  
@MikeZaccardi



BofA: Sell the nifty 50, buy the S&P 450

Relative fwd P/E of bottom S&P 500 ex. top decile stocks vs. S&P 500 (1986-10/22)

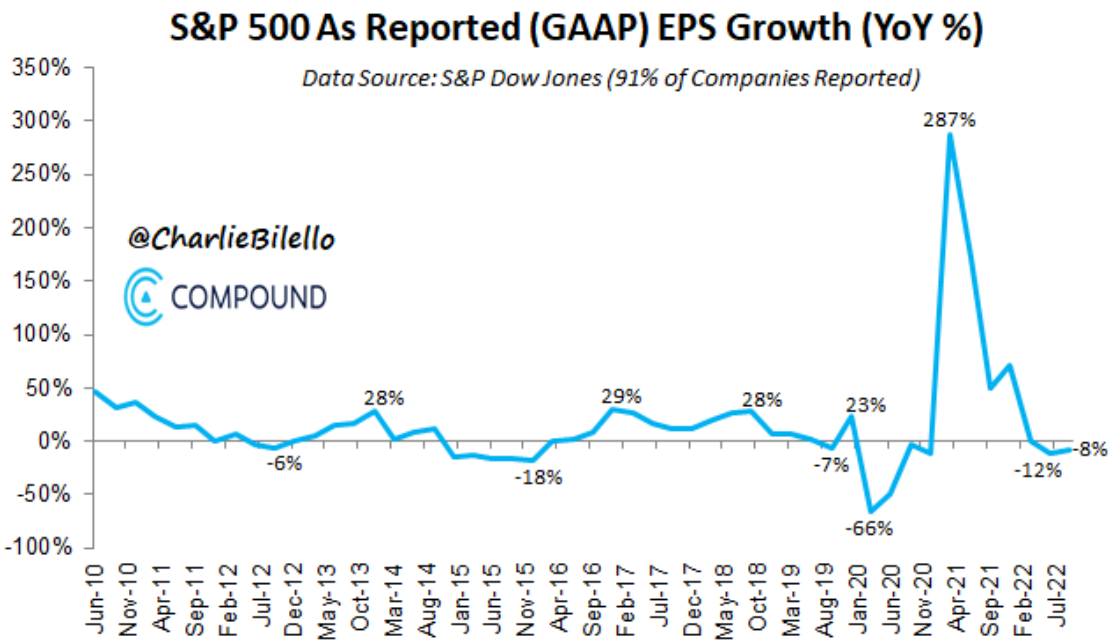


Source: BofA



## #us #earnings

With 91% of companies reported, S&P 500 Q3 GAAP earnings are down 8% year-over-year, the 2nd quarter in row of negative YoY growth.



Source: Charlie Bilello



## #us #sales #earnings #forecasts

Divergence between S&P 500's forward 12m sales (blue) and forward 12m EPS (orange) continues, with latter falling faster relative to former.



Source: Bloomberg

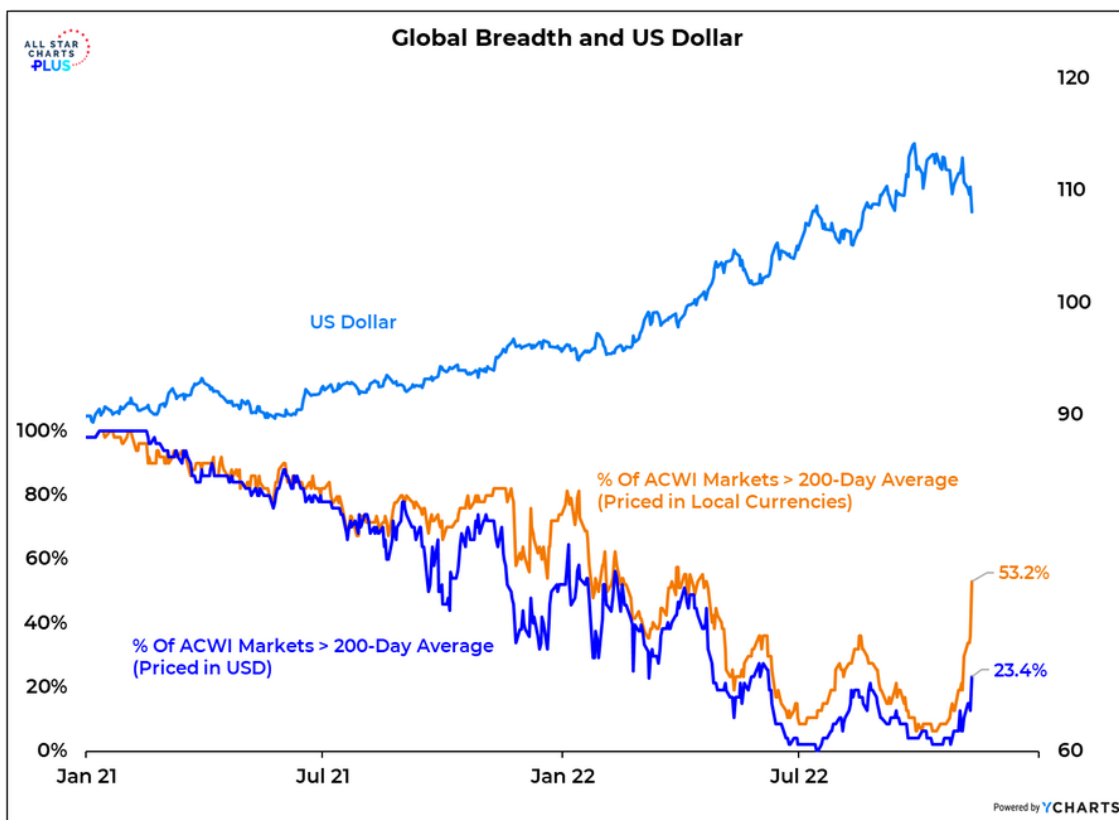


## #global #equities #dollar

Dollar's impact on global equities:

Priced in USD, fewer than a quarter of ACWI markets are above their 200-day average.

Priced in local currencies, more than half are (and US is not among them).



Source: All Stars Charts





## #commodities #friday

Commodities soared after China eases quarantine rules...

Index Bloomberg Commodity Index			
Current	117.671	Change	1.674
High	118.032	% Chg	+1.44%
Low	115.960	MTD% Chg	+4.09%
Last Update	6:15	YTD% Chg	+18.98%
Sector	Current	No Wtd	% Chg on Day
Description	Current	Change	% Chg
Nickel	25920.00 y	+1258.00	+5.10
Crude Oil, WTI	88.54	+2.88	+3.36
Crude Oil, Brent	96.51	+2.84	+3.03
NY Harbor ULSD	353.17	+9.90	+2.88
Crude Oil, Brent	93.32	+2.61	+2.88
Gasoline, RBOB	257.40	+6.54	+2.61
Copper	384.95	+9.15	+2.43
Copper	384.00	+9.05	+2.41
Low Sulphur Gasoil Futures (...)	999.25	+22.00	+2.25
Soybean	1447 <sup>3</sup> / <sub>4</sub>	+24 <sup>3</sup> / <sub>4</sub>	+1.74
Soybean Meal	406.30	+5.90	+1.47
Cotton, No. 2	85.78	+1.22	+1.44
Soybean Oil	74.69	+1.06	+1.44
Cotton, No. 2	87.55	+1.17	+1.35
Zinc	2893.00 y	+31.00	+1.08
Sugar, #11 World	19.61	+0.20	+1.03
Cattle, Live	153.075 y	+1.500	+0.99
KC HRW Wheat	934 <sup>1</sup> / <sub>4</sub>	+9	+0.97
Corn	659 <sup>1</sup> / <sub>2</sub>	+6 <sup>1</sup> / <sub>4</sub>	+0.96
Corn	665 <sup>1</sup> / <sub>2</sub>	+6	+0.91
KC HRW Wheat	929	+7 <sup>1</sup> / <sub>2</sub>	+0.81
Wheat	809 <sup>3</sup> / <sub>4</sub>	+6 <sup>3</sup> / <sub>4</sub>	+0.78
Wheat	831 <sup>1</sup> / <sub>4</sub>	+5 <sup>1</sup> / <sub>2</sub>	+0.67
Cattle, Live	155.025 y	+0.875	+0.57
Gold, 100 oz	1758.90	+5.20	+0.30
Primary Aluminum	2322.50 y	+6.50	+0.28



Source: Commodities

#markets

### #gold

Gold soared this week, topping \$1770 - its highest in 3 months. This was gold's best week since March 2020...



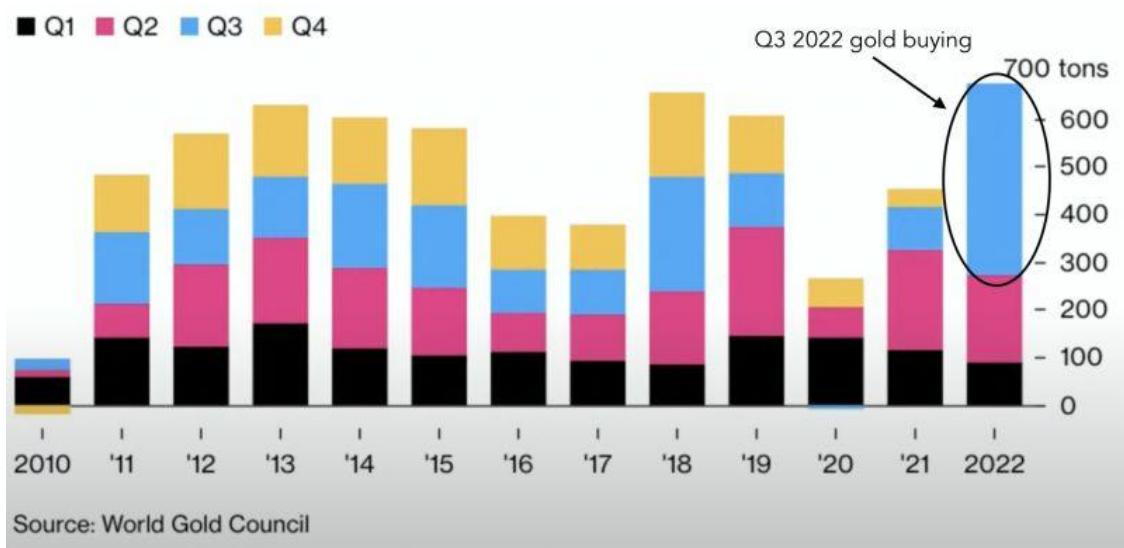
Source: [www.zerohedge.com](http://www.zerohedge.com)



## #gold #central-banks

Central banks around the world have loaded up on Gold in Q3 this year more than ANY other quarter since 2010.

Central Banks Accumulated A Lot Of Gold In Q3 2022

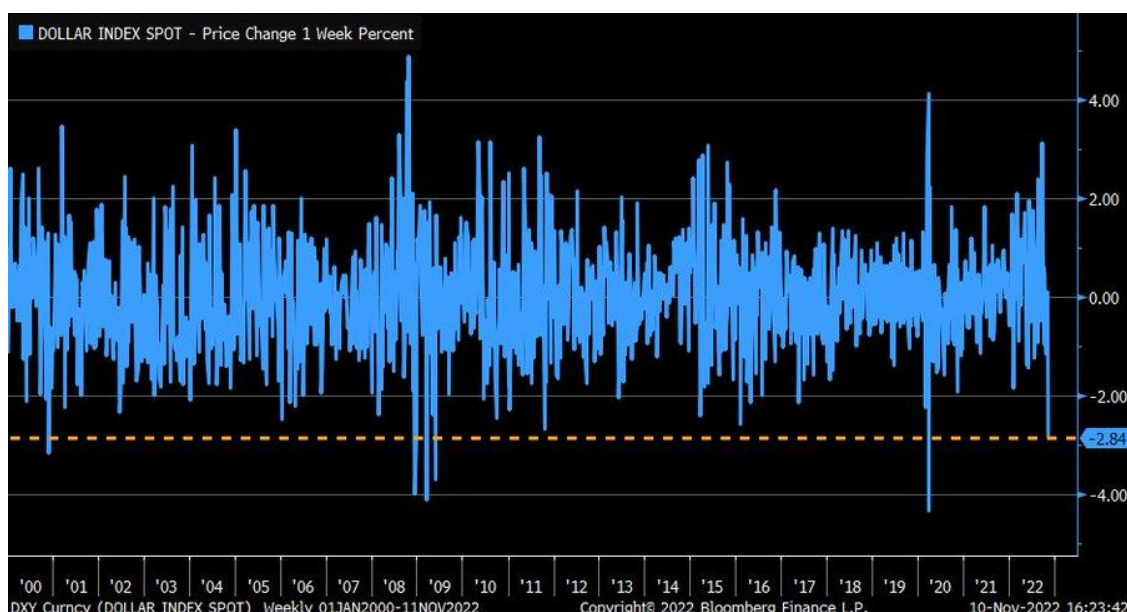


Source: World Gold Council, Game of Trade



## #dollar

The U.S. dollar had its worst week since March 2020 and, before that, since May 2009.



Source: Liz Ann Sondors



## #us #treasuries #dollar #correlation

Rising correlations between the US dollar and the US Treasury yields.

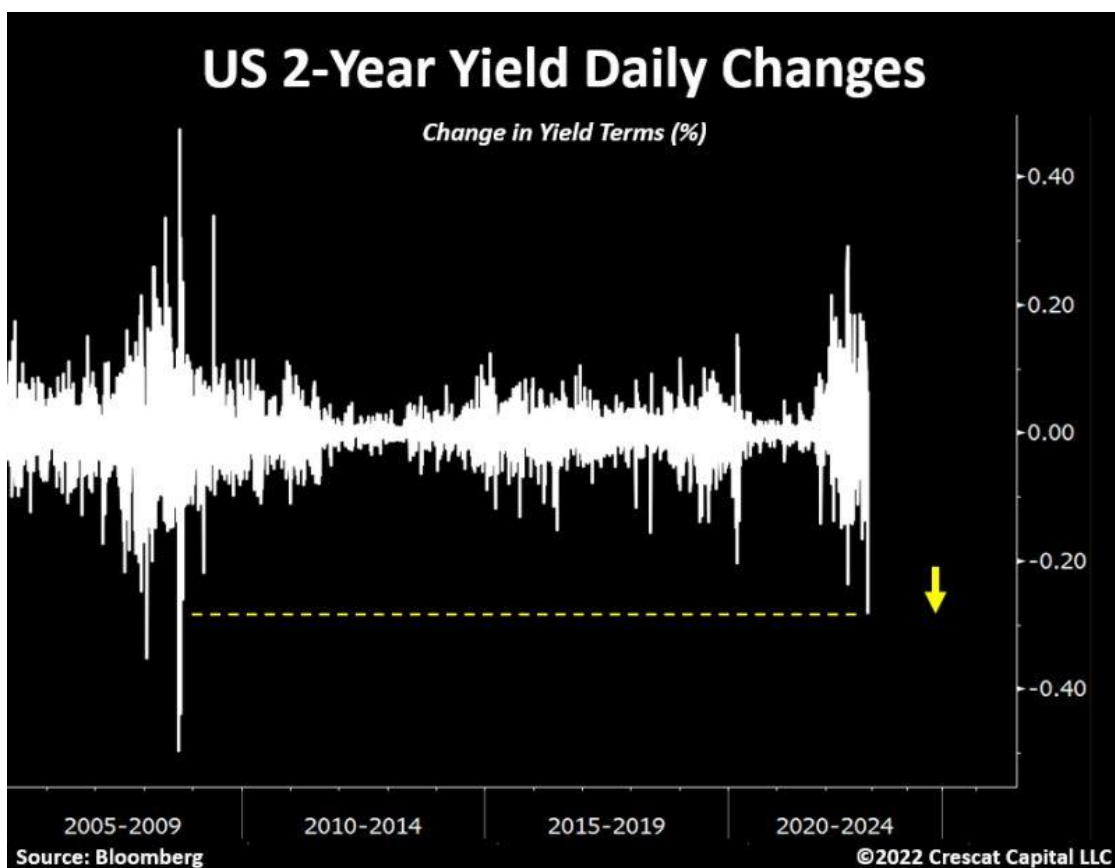


Source: Bloomberg



#us #treasuries #2y #volatility

Today we are seeing the largest daily change in #us 2-year Treasury yield since the Global Financial Crisis.



Source: Crescat Capital, Bloomberg



## #us #yield-curve

Deeper plunge into negative territory for spread between 3m & 10y Treasury yields.

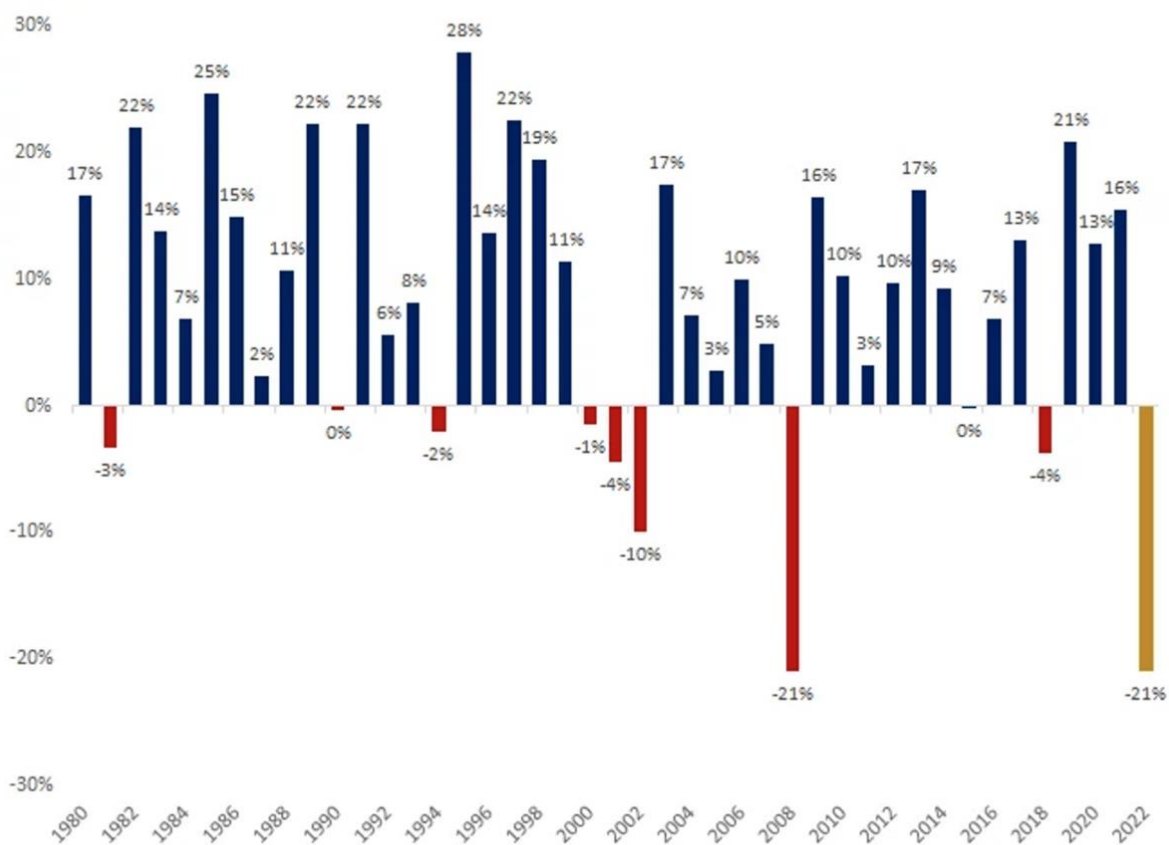


Source: Bloomberg



# #60-40

### 60/40 portfolio calendar year returns

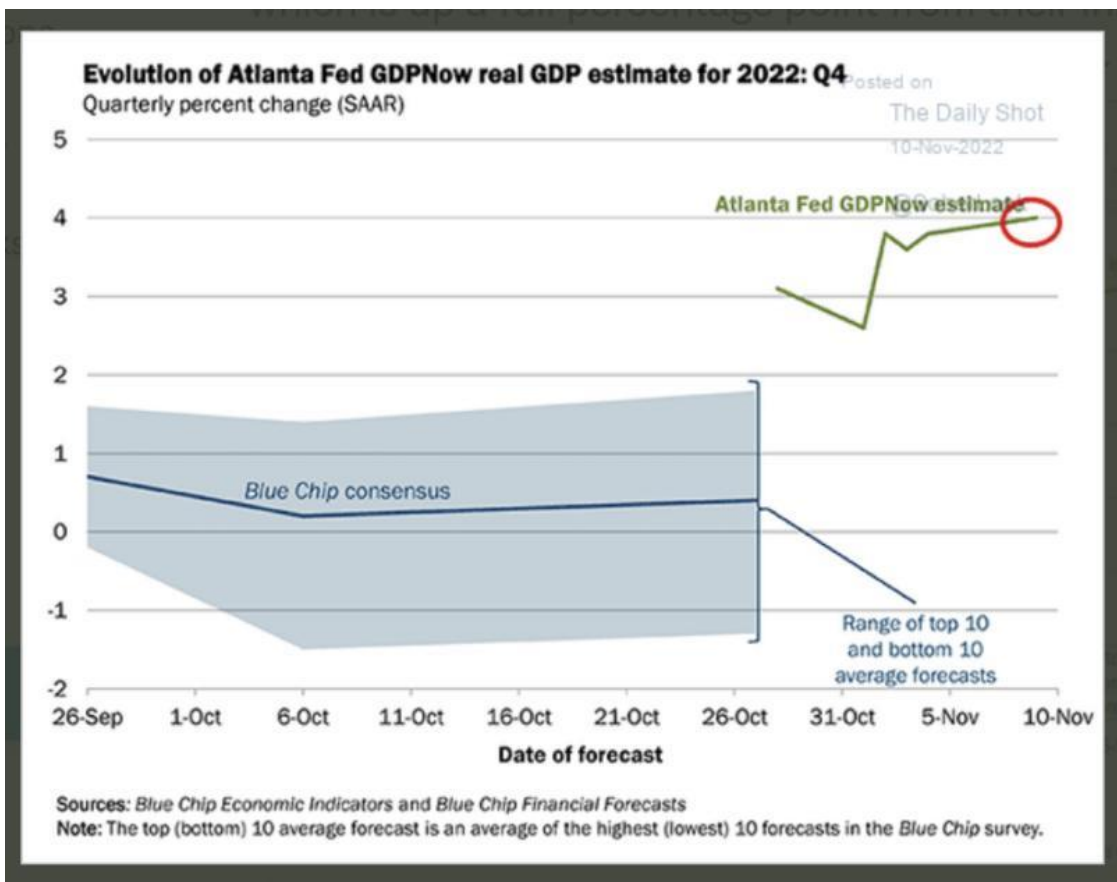


Source: Edward Jones



#us #gdp #q4

No recession in the US. Atlanta Fed Nowcast model is running at +4pct, well ahead of consensus estimates.




Source: The Daily Shot

#macro

## #global-inflation

Global Inflation Rates	
Country/Region	CPI Inflation (YoY %)
CHINA	2.1%
TAIWAN	2.7%
JAPAN	3.0%
SWITZERLAND	3.0%
SAUDI ARABIA	3.1%
SOUTH KOREA	5.7%
INDONESIA	5.7%
THAILAND	6.0%
FRANCE	6.2%
BRAZIL	6.5%
CANADA	6.9%
NEW ZEALAND	7.2%
AUSTRALIA	7.3%
SPAIN	7.3%
INDIA	7.4%
SINGAPORE	7.5%
SOUTH AFRICA	7.5%
PHILIPPINES	7.7%
US	7.7%
FINLAND	8.1%
MEXICO	8.4%
IRELAND	9.2%
UK	10.1%
PORTUGAL	10.2%
GERMANY	10.4%
EUROZONE	10.7%
SWEDEN	10.8%
ITALY	11.9%
RUSSIA	12.6%
NETHERLANDS	14.3%
POLAND	17.9%
ARGENTINA	82.9%
TURKEY	85.5%
VENEZUELA	156%

 @CharlieBilello

Source: Charlie Bilello

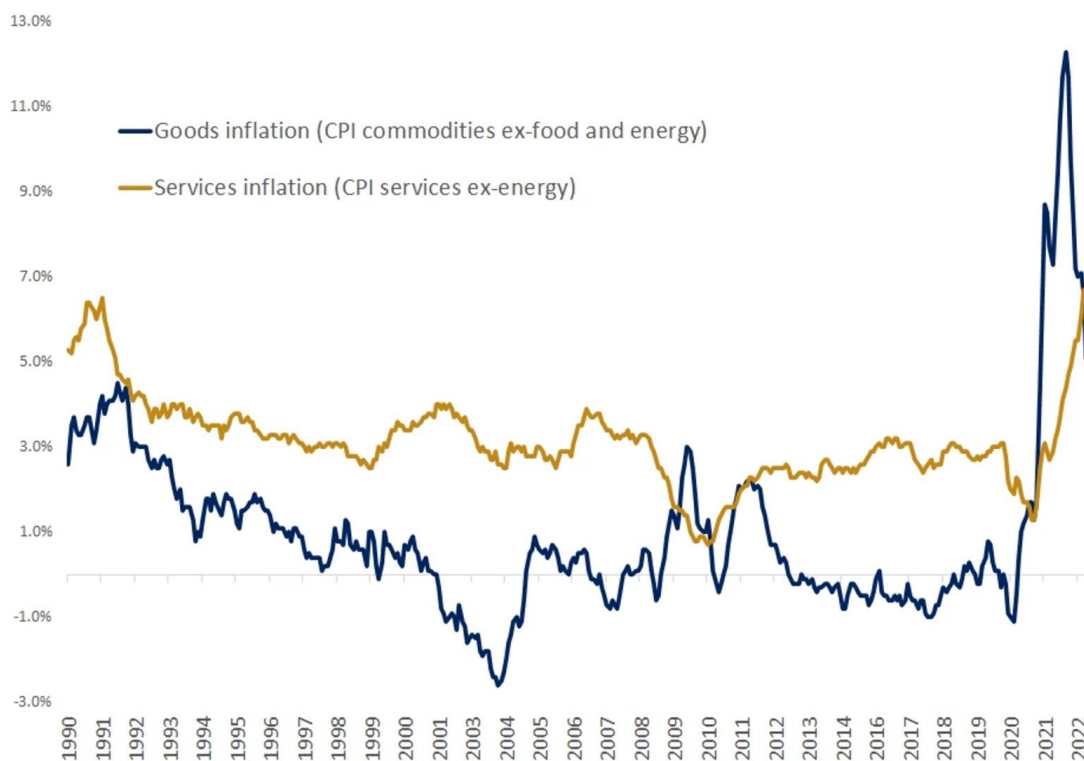




#us #cpi

Goods inflation is falling while services inflation is stabilizing.

Goods inflation is falling while services prices are stabilizing

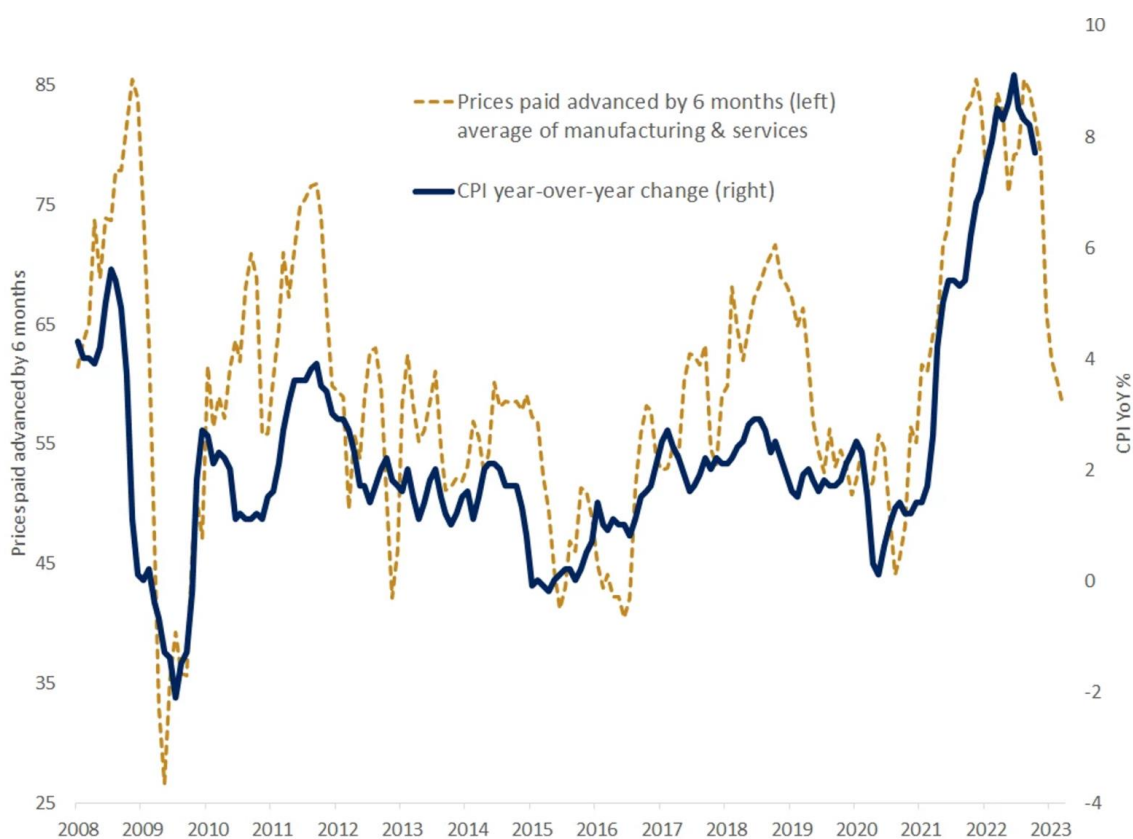


Source: Edward Jones



#us #cpi

Leading indicators of inflation suggest price pressures will ease in 2023.

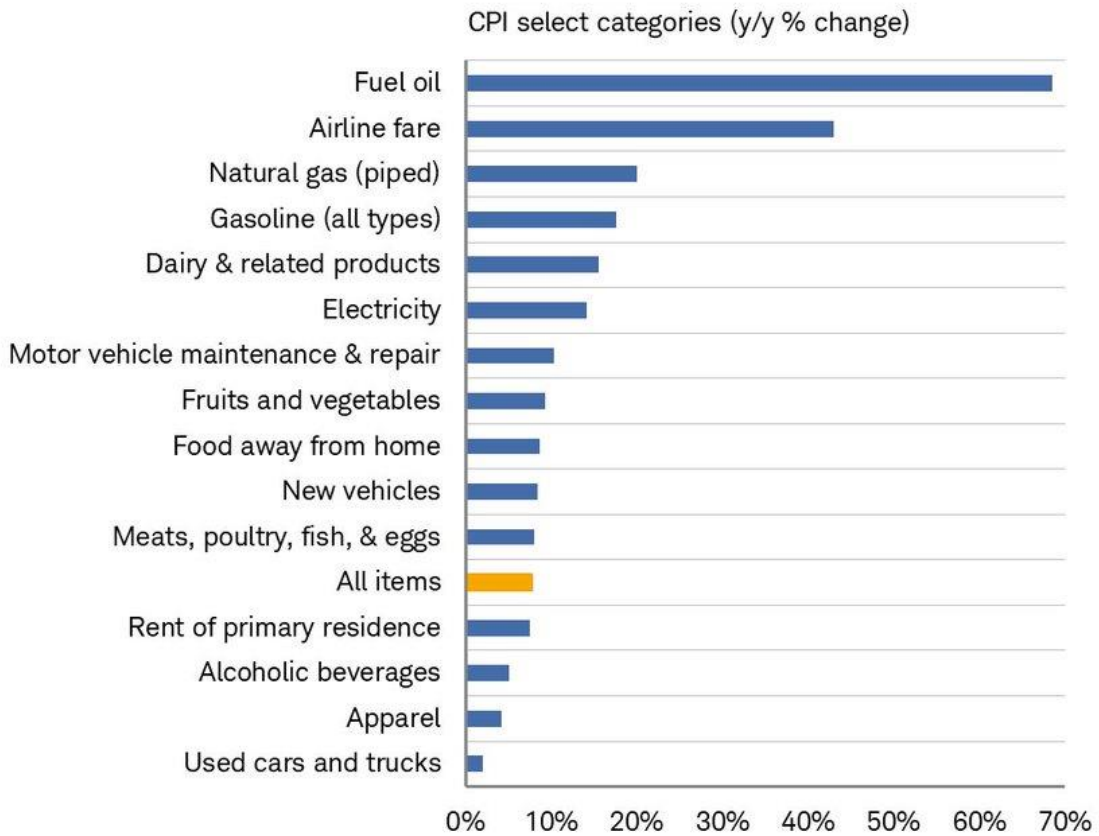


Source: Edward Jones



#us #cpi

CPI categories



Source: Charles Schwab, Bureau of Labor Statistics, as of 10/31/2022.

Source: Liz Ann Sonders



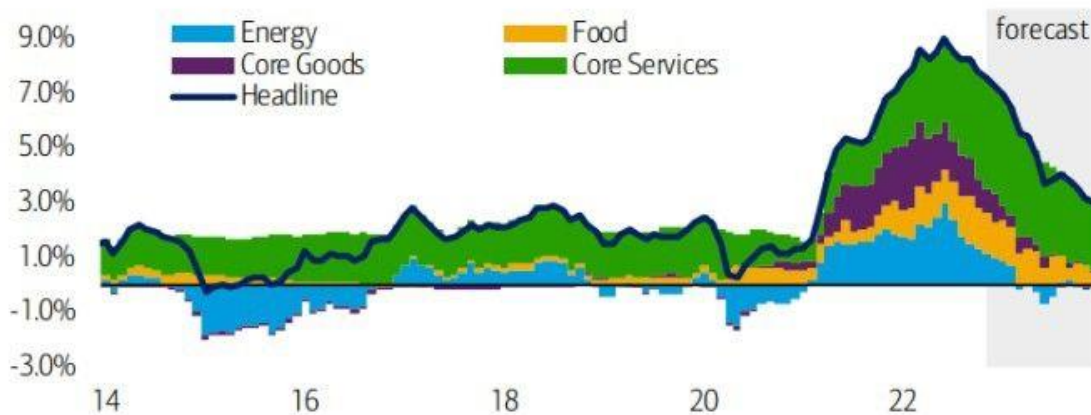


#us #cpi

BofA: We expect CPI inflation to become increasingly driven by services next in 2023.

**Exhibit 1: Contributions to annual growth in headline CPI inflation by major component**

We expect CPI inflation to become increasingly driven by services next in 2023



Source: Bureau of Labor Statistics, Haver Analytics, BofA Global Research

BofA GLOBAL RESEARCH

Source: BofA

#macro

## #us #cpi

Will we see a replay of the 70s? In 1972-84, #inflation initially collapsed before moving back to double-digit.

Inflation today vs. 1970s



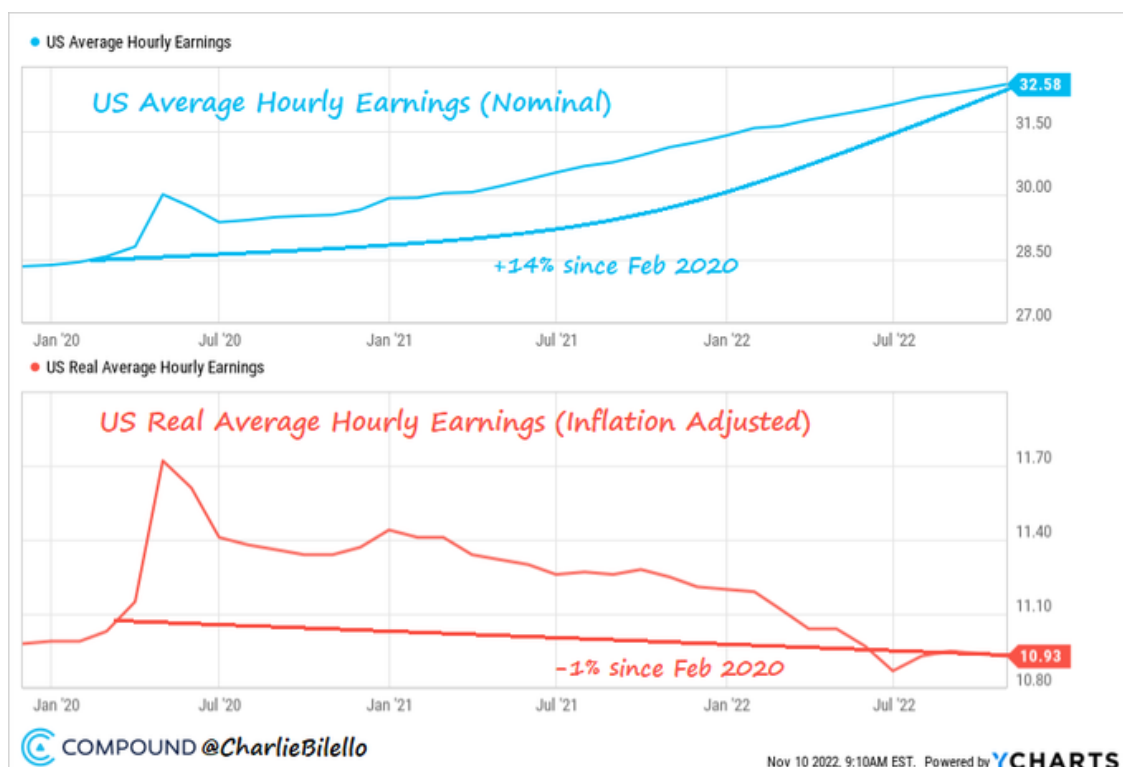
Source: Steno Research and Macrobond

Source: Andreas Steno



## #us #real #earnings

All of the US wage growth since the start of the borrowing/printing binge in March 2020 has been a mirage, up 14% in nominal terms but down 1% after adjusting for higher prices.



Source: Charlie Bilello





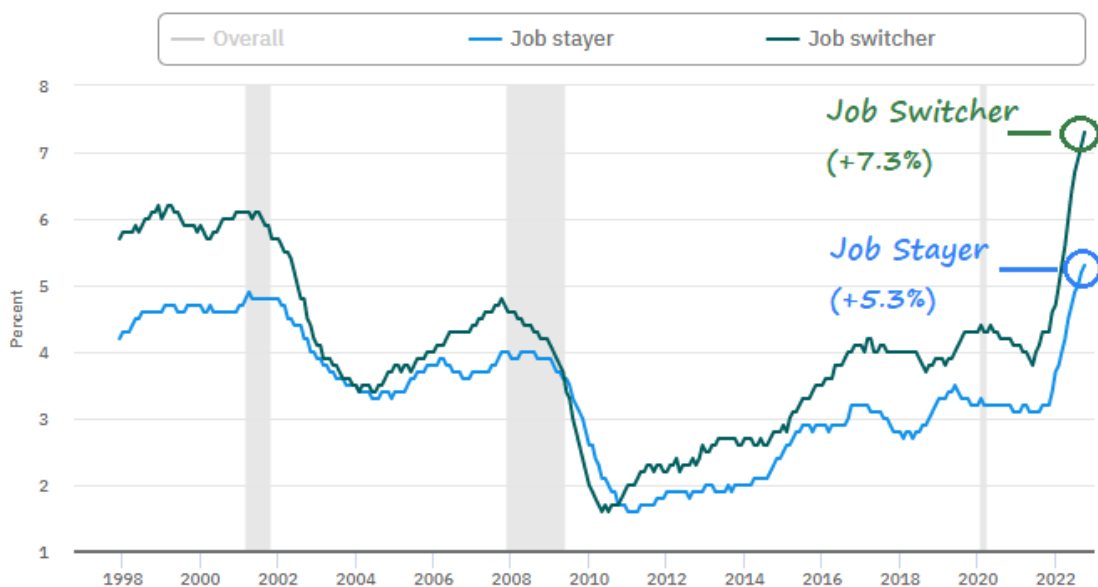
## #us #wages #growth

US workers who switched jobs received pay increases of 7.3% over the last year vs. 5.3% for those who stayed at their jobs. With data going back to 1997, this is the widest gap we've ever seen.

### Wage Growth Tracker by Job Switcher/Stayer

Export

12-month moving average of median wage growth, hourly data



Sources: Current Population Survey, Bureau of Labor Statistics and author's calculations



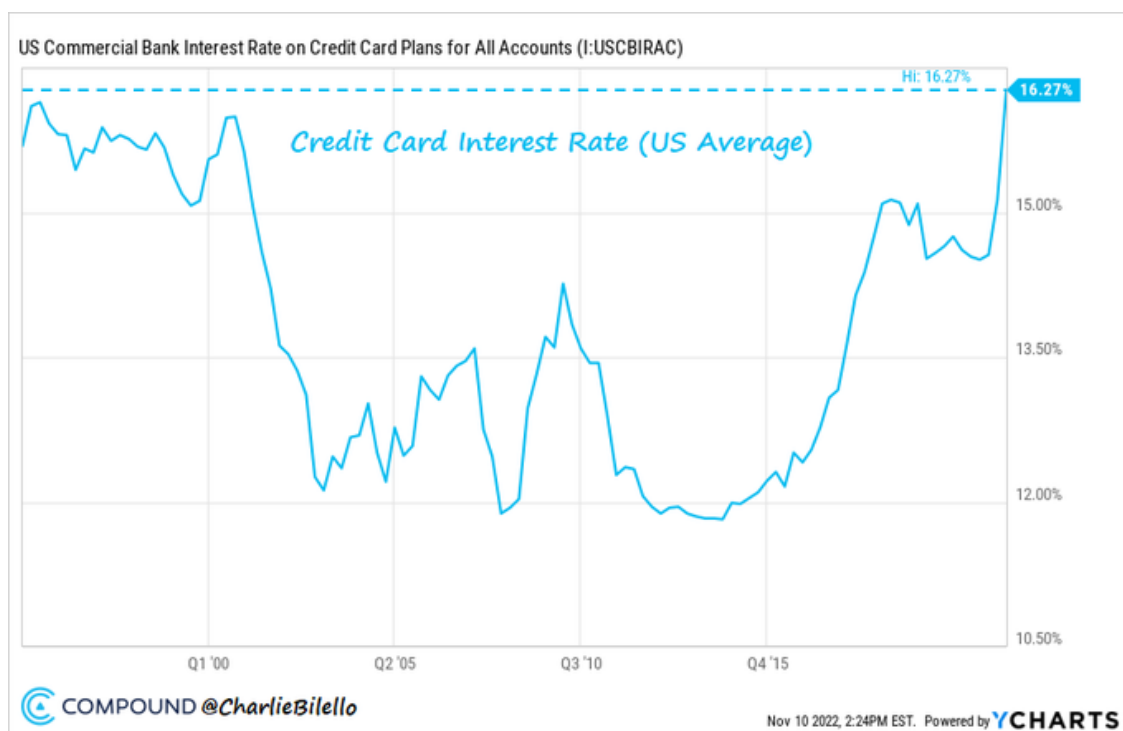
Source: Charlie Bilello





## #us #credit-card #interest-rates

The average interest rate on US credit card balances moved up to 16.27% in the 3rd quarter. With data going back 1994 that's the highest rate we've ever seen.



Source: Charlie Bilello

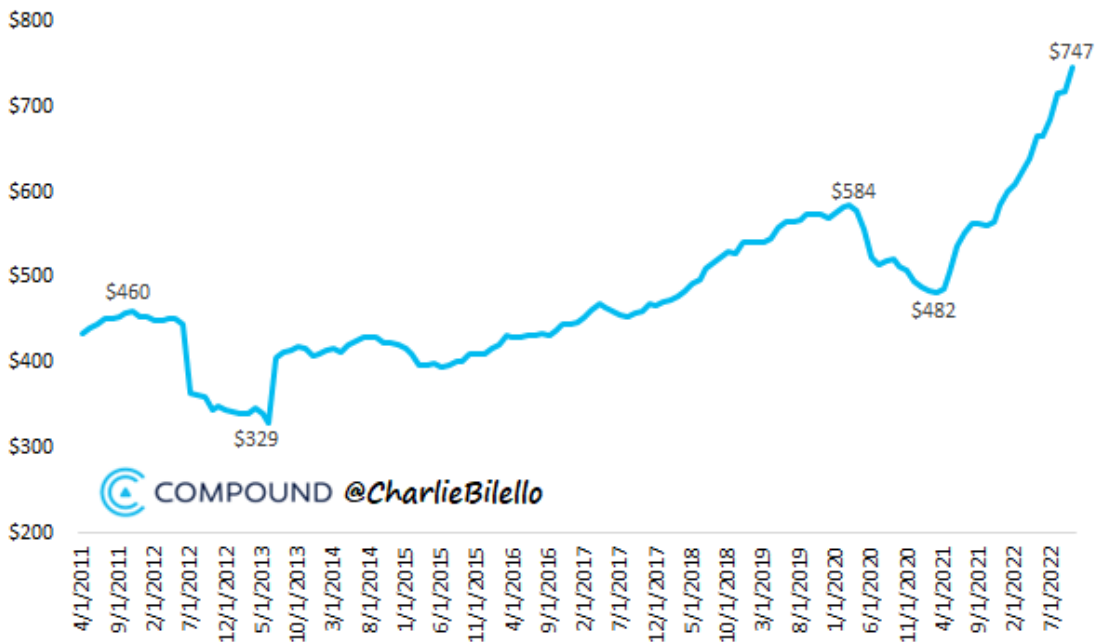




## #us #debt #interests

The Interest Expense on US Public Debt rose to \$747 billion over the past year, a record high. At the current pace it will soon be the largest line item in the Federal budget, surpassing Social Security..

**Interest Expense on US Public Debt Outstanding**  
(\$Billions, Trailing 12 Months, Through October 2022)



COMPOUND @CharlieBilello

Source: Charlie Bilello



## #germany #natural-gas #electricity #prices

Energy crisis in Germany is easing somewhat. Electricity price w/1y delivery now just >€300 per MWh, while the price of gas is ~€100 per MWh. But that's also due to the mild weather. The real test to come next week, when temperatures are expected to drop.



Source: Bloomberg, HolgerZ

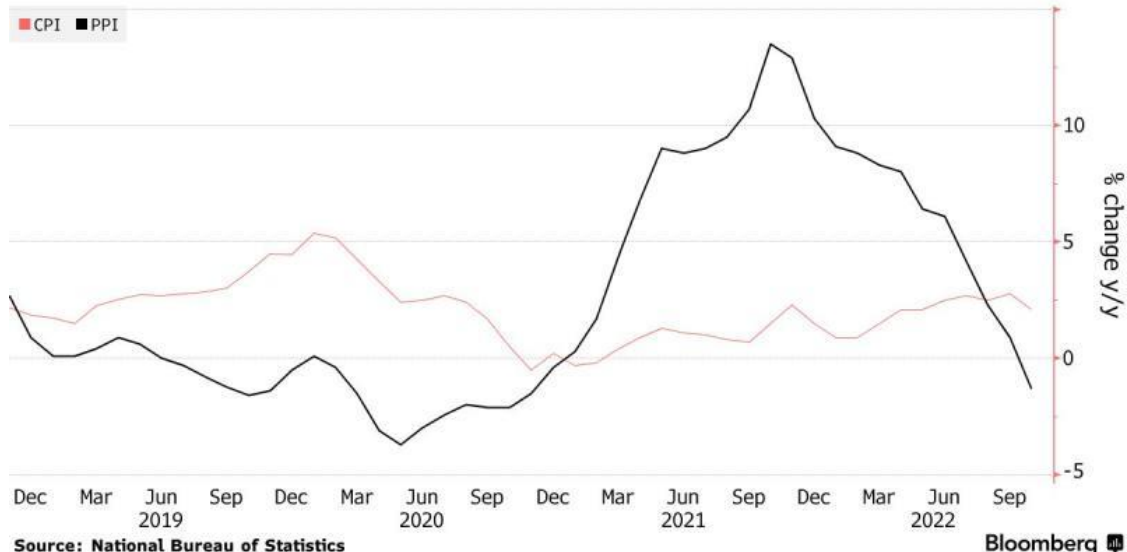


## #china #inflation

China PPI fall for the first time since December 2020

### Factory Deflation

China's PPI fell for the first time since December 2020



Source: Bloomberg

#centralbanks

## #global #interest-rates

Global Central Bank Update:

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%	3.0%	-3.1%	Cut	Jan-16
Switzerland	Target Rate	0.50%	3.0%	-2.5%	Hike	Sep-22
Thailand	Policy Rate	1.00%	6.0%	-5.0%	Hike	Sep-22
Denmark	Deposit Rate	1.25%	10.1%	-8.9%	Hike	Oct-22
Eurozone	Deposit Rate	1.50%	10.7%	-9.2%	Hike	Oct-22
Taiwan	Discount Rate	1.63%	2.7%	-1.1%	Hike	Sep-22
Sweden	Repo Rate	1.75%	10.8%	-9.1%	Hike	Sep-22
Norway	Deposit Rate	2.50%	7.5%	-5.0%	Hike	Nov-22
Malaysia	Policy Rate	2.75%	4.5%	-1.8%	Hike	Nov-22
Australia	Cash Rate	2.85%	7.3%	-4.5%	Hike	Nov-22
UK	Bank Rate	3.00%	10.1%	-7.1%	Hike	Nov-22
South Korea	Repo Rate	3.00%	5.7%	-2.7%	Hike	Oct-22
New Zealand	Cash Rate	3.50%	7.2%	-3.7%	Hike	Oct-22
China	Loan Prime Rate	3.65%	2.1%	1.6%	Cut	Aug-22
Canada	Overnight	3.75%	6.9%	-3.2%	Hike	Oct-22
US	Fed Funds	3.88%	7.7%	-3.8%	Hike	Nov-22
Hong Kong	Base Rate	4.25%	4.4%	-0.1%	Hike	Nov-22
Philippines	Key Policy Rate	4.25%	7.7%	-3.5%	Hike	Sep-22
Saudi Arabia	Repo Rate	4.50%	3.1%	1.4%	Hike	Nov-22
Indonesia	Repo Rate	4.75%	5.7%	-1.0%	Hike	Oct-22
India	Repo Rate	5.90%	7.4%	-1.5%	Hike	Sep-22
South Africa	Repo Rate	6.25%	7.5%	-1.3%	Hike	Sep-22
Poland	Repo Rate	6.75%	17.9%	-11.2%	Hike	Sep-22
Czech Republic	Repo Rate	7.00%	15.1%	-8.1%	Hike	Jun-22
Peru	Policy Rate	7.25%	8.3%	-1.0%	Hike	Nov-22
Russia	Key Policy Rate	7.50%	12.6%	-5.1%	Cut	Sep-22
Mexico	Overnight Rate	10.00%	8.4%	1.6%	Hike	Nov-22
Turkey	Repo Rate	10.50%	85.5%	-75.0%	Cut	Oct-22
Colombia	Repo Rate	11.00%	12.2%	-1.2%	Hike	Oct-22
Chile	Base Rate	11.25%	12.8%	-1.6%	Hike	Oct-22
Brazil	Target Rate	13.75%	6.5%	7.3%	Hike	Aug-22
Argentina	Benchmark Rate	75.00%	82.9%	-7.9%	Hike	Sep-22

COMPOUND

@CharlieBilello

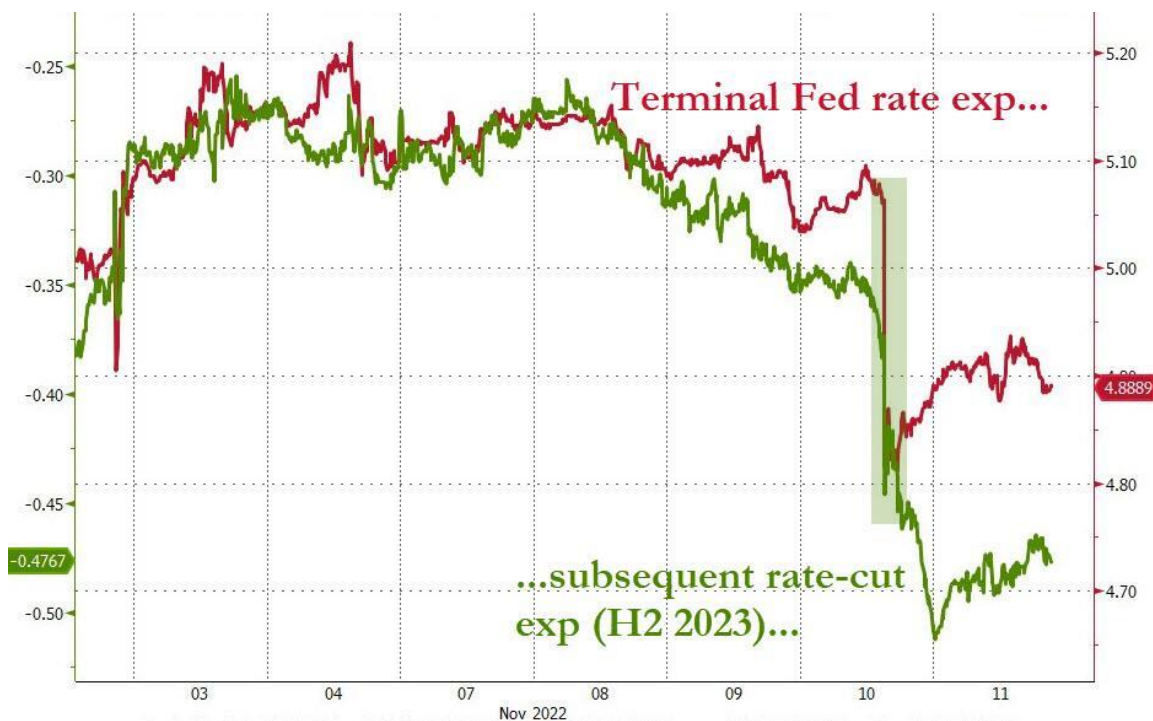


Source: Charlie Bilello

#centralbanks

## #fed #terminal-rate #expectations

CPI numbers sent rate trajectory expectations dramatically dovishly lower on the week...



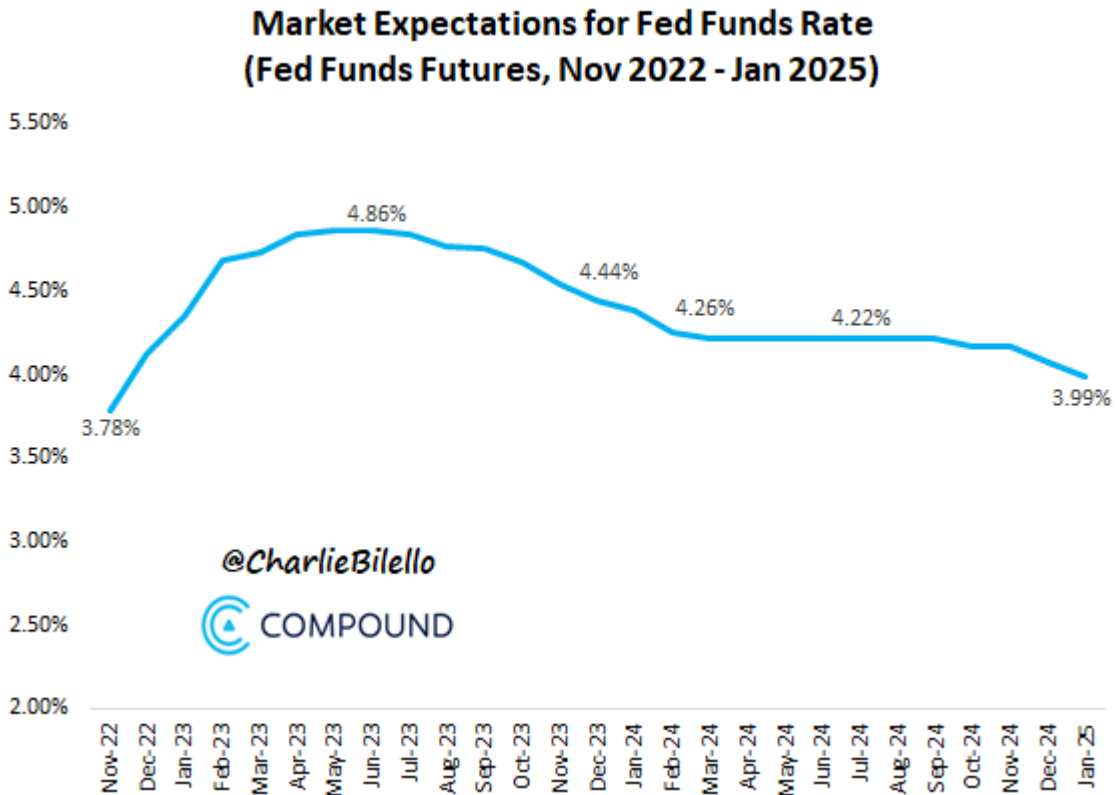
Source: Bloomberg, [www.zerohedge.com](http://www.zerohedge.com)

#centralbanks

## #fed #markets #expectations

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

- Dec 2022: 50 bps hike to 4.25%-4.50%
- Feb 2023: 25 bps hike to 4.50%-4.75%
- Mar 2023: 25 bps hike to 4.75%-5.00%
- Pause
- Rate cuts start in Nov 2023, continue in 2024...



Source: Charlie Bilello



#centralbanks

## #fed #december

“The October inflation report could keep Federal Reserve officials on track to approve a half-percentage-point interest-rate increase next month, even as they pencil in slightly higher rates next year than they had anticipated previously.”

THE WALL STREET JOURNAL

### Inflation Report Leaves Fed on Track for 0.5-Point Rate Rise in December

[wsj.com](https://www.wsj.com)

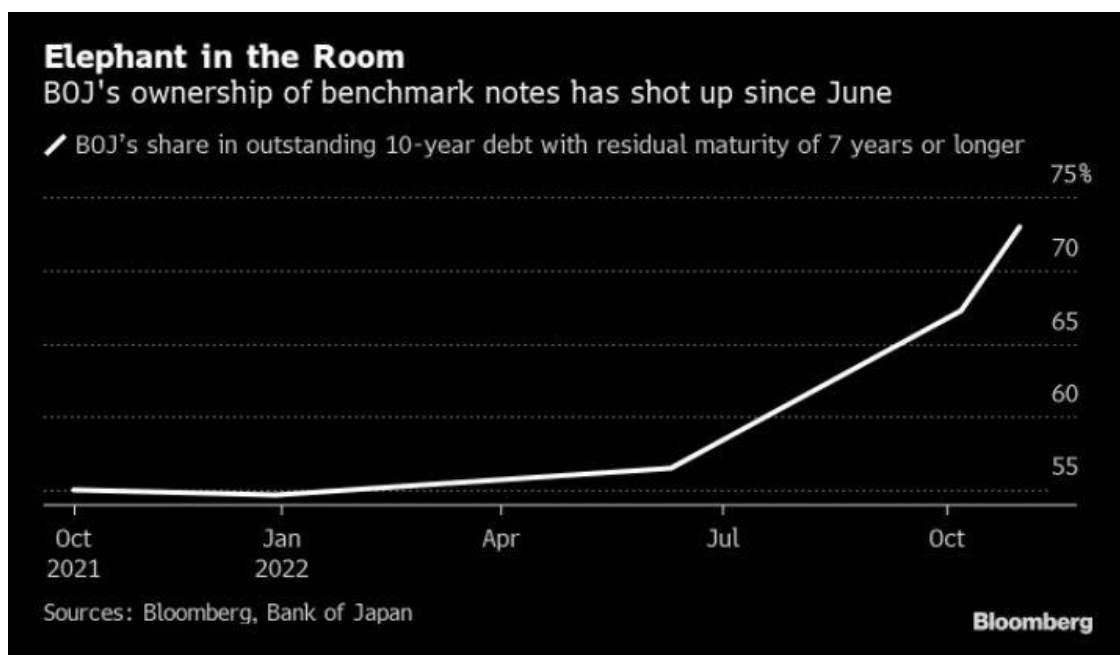


Source: The WSJ

#centralbanks

#boj #jgbs #ownership

The Bank of Japan (BoJ) held 73% of 10-year government notes with a residual maturity of at least seven years as of end-October, up from 56.5% in June and 54.7% at the end of last year, according to data compiled by Bloomberg.



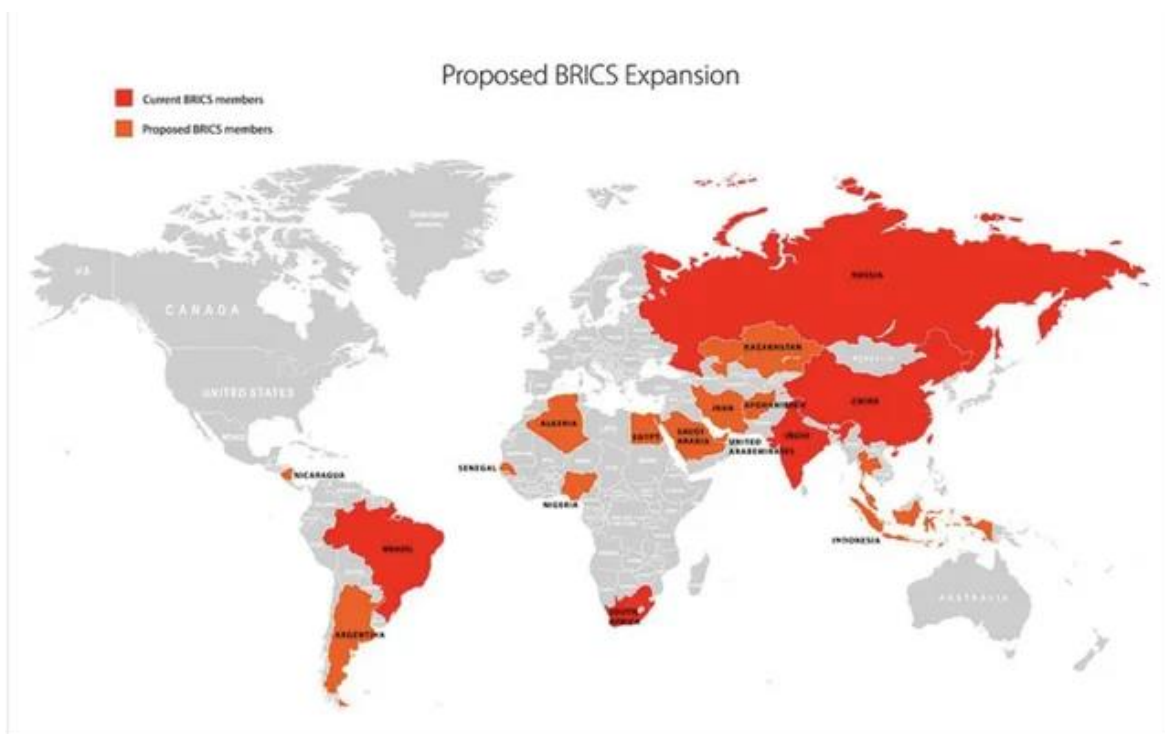
Source: Bloomberg



## #geopolitics

### #brics

Russia announces 12 more countries want to join BRICs. If all are accepted BRICS will have 50% of the world population... and an even larger share of commodities such as oil, gas, metals, etc...

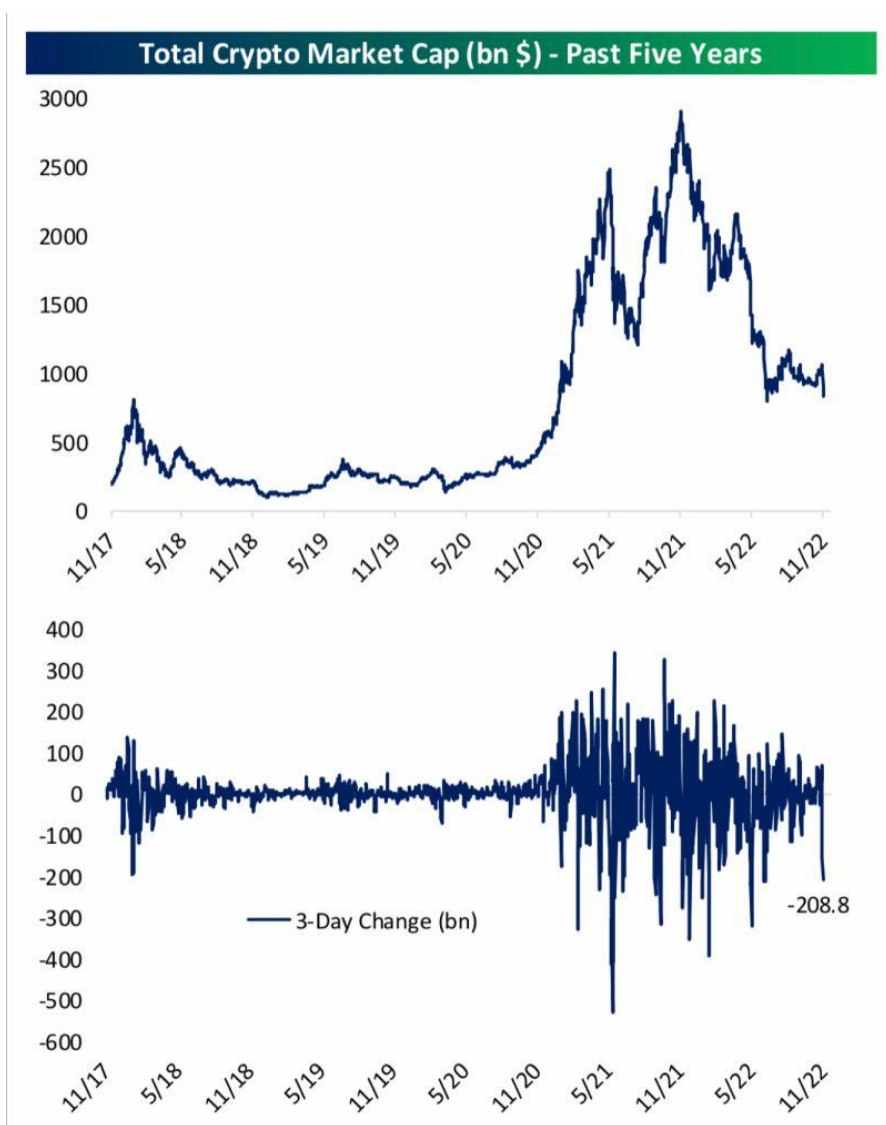


Source: Wall Street Silver



## #cryptocurrencies #drawdown

The decline in Bitcoin and other major cryptos brought total crypto market cap down to 840 billion USD whereas it started the week above 1 trillion USD.

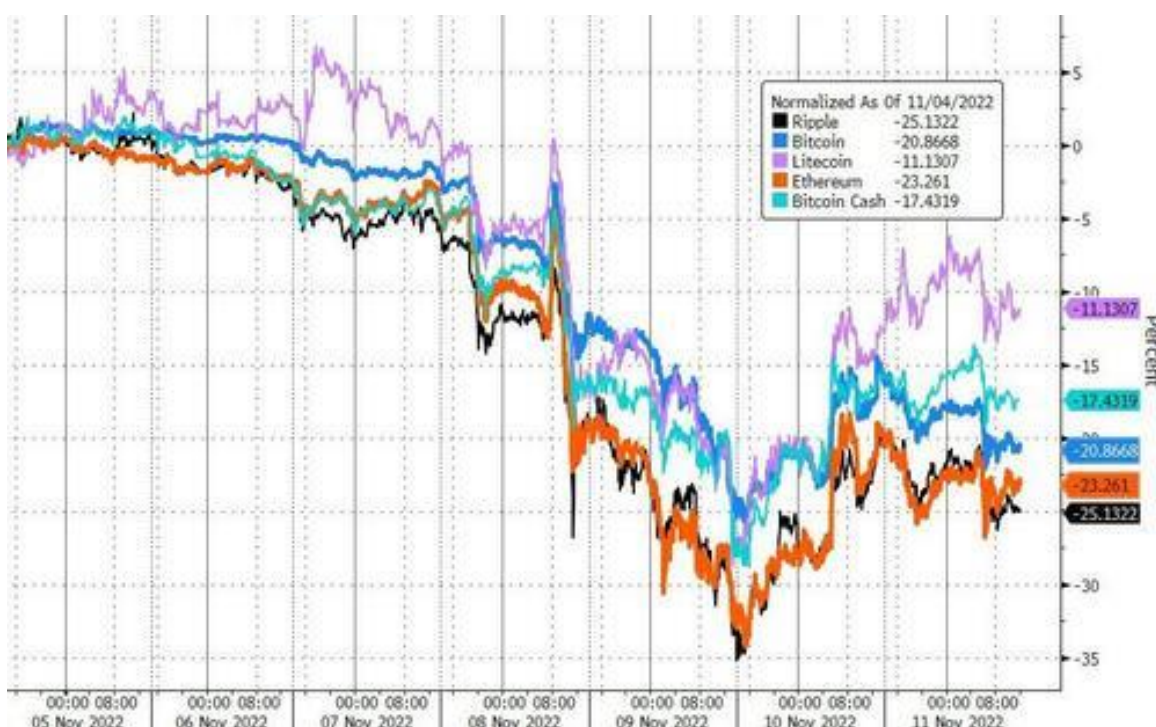


Source: Bespoke



## #cryptocurrencies #performance

Cryptos were a bloodbath this week after SBF and his girlfriend were exposed. Bitcoin & Ethereum were down over 20% on the week...

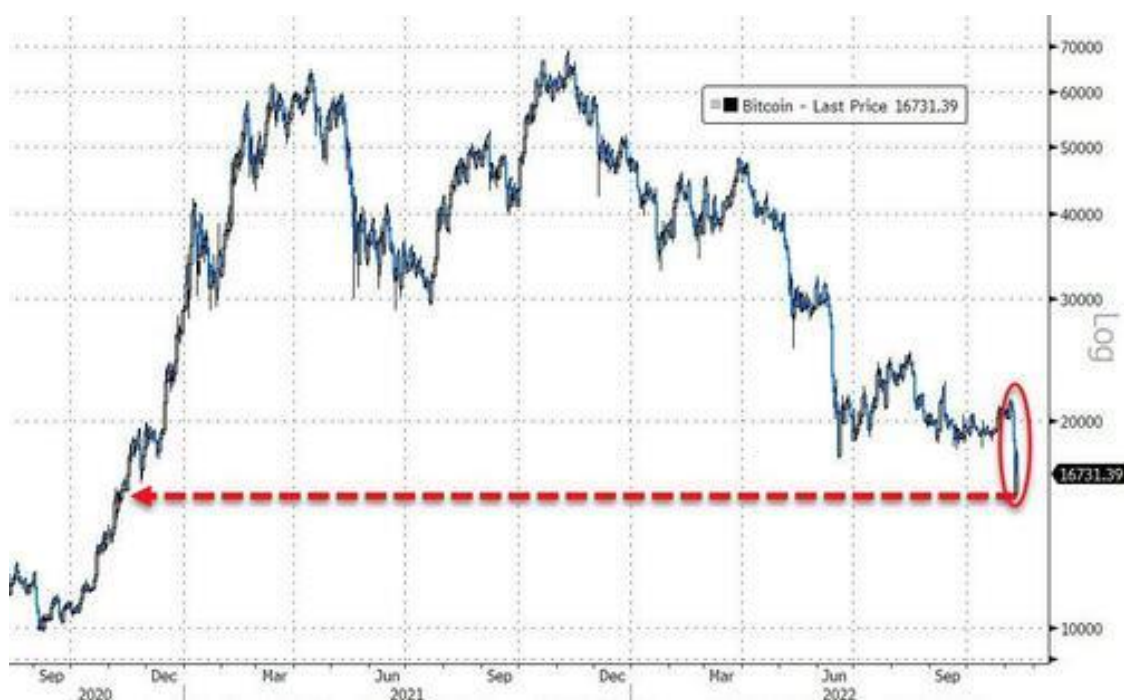


Source: Bloomberg, [www.zerohedge.com](http://www.zerohedge.com)



## #bitcoin

Bitcoin puked to a \$15k handle at its lows this week, the lowest since Nov 2020...



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



## #bitcoin

77% peak-to-trough crash in Bitcoin (\$70k peak Nov 10th '21) rivals some of biggest crashes of all time, only Mississippi & South Sea Co, Roaring 20s, Dotcom, Homebuilders are bigger, BofA has calculated. Crypto market cap is down from >\$3tn to <\$900bn.

**Table 1: Crash in crypto rivals biggest crashes of all time**

Market bubbles of the past: Peaks and troughs

Bubble	Index	Peak	Rise	Decline	Valuation at peak (P/E)	Bond yield	Policy rate	Speed of rise
Mississippi Co.	CACAll-Tradeable	01/1720	2955%	-95%	n/a	↑	↑	73%
South Sea Co.	South Sea Co.	06/1720	707%	-89%	n/a	↓	↑	188%
Roaring 20s	DJIndustrial Average	8/30/1929	281%	-89%	19	↑	↑	9%
Black Monday	DJIndustrial Average	8/21/1987	103%	-34%	19	↑	↑	20%
Japan 1980s	Nikkei 225	12/29/1989	72%	-59%	67	↑	↑	10%
Nasdaq Dot-com	Nasdaq 100	3/10/2000	375%	-76%	205	↑	↑	52%
US Homebuilders	DJUS Select Builders	7/22/2005	155%	-83%	12	→	↑	29%
Saudi Arabia	Tadawul All-Share	2/28/2006	305%	-68%	123	↑	↑	22%
China	Shanghai Composite	10/1/2007	445%	-60%	49	↑	→	37%
EM Technology	EMQQ Emerging Markets	1/26/2018	11186%	-64%	100	↑	↑	23%
Big Tech	NYSE FANG	11/4/2021	211%	-49%	37	→	→	180%
Cryptocurrency	Bitcoin	11/9/2021	1281%	-77%	n/a	→	→	668%

Source: BofA Global Investment Strategy, Bloomberg, Global Financial Data, rise & decline measured approx. 2 years from peak

Source: HolgerZ



## #bitcoin #bubbles

Bitcoin vs. Bubbles. It has been one year since Bitcoin peaked north of \$65,000. Compared to other major bubbles, the 12-month gain leading up to the peak was second best behind silver in 1979/1980, while the 12-month drawdown post peak has been the most severe.



Source: NDR

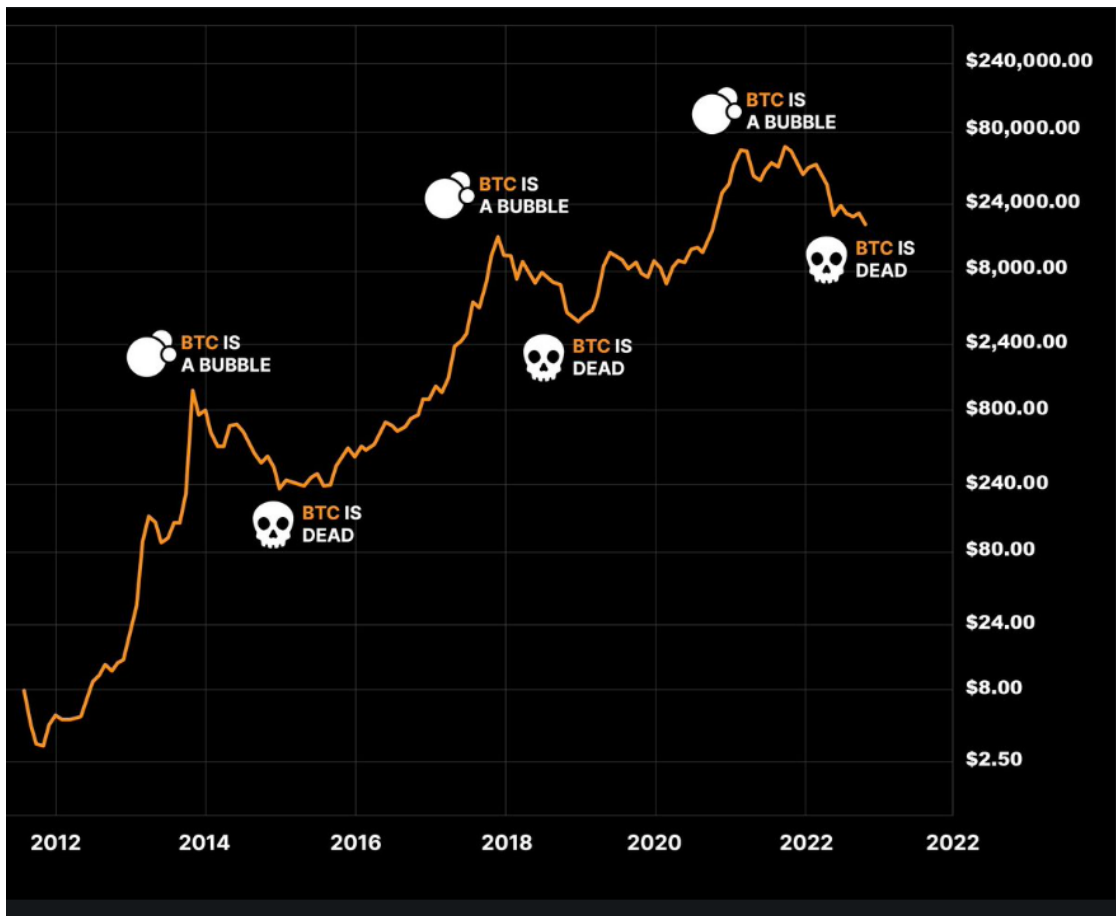






## #bitcoin #history

“Bitcoin is dying” .



Source: Market Rebellion

# #GLOBALMARKETS WEEKLY WRAP-UP

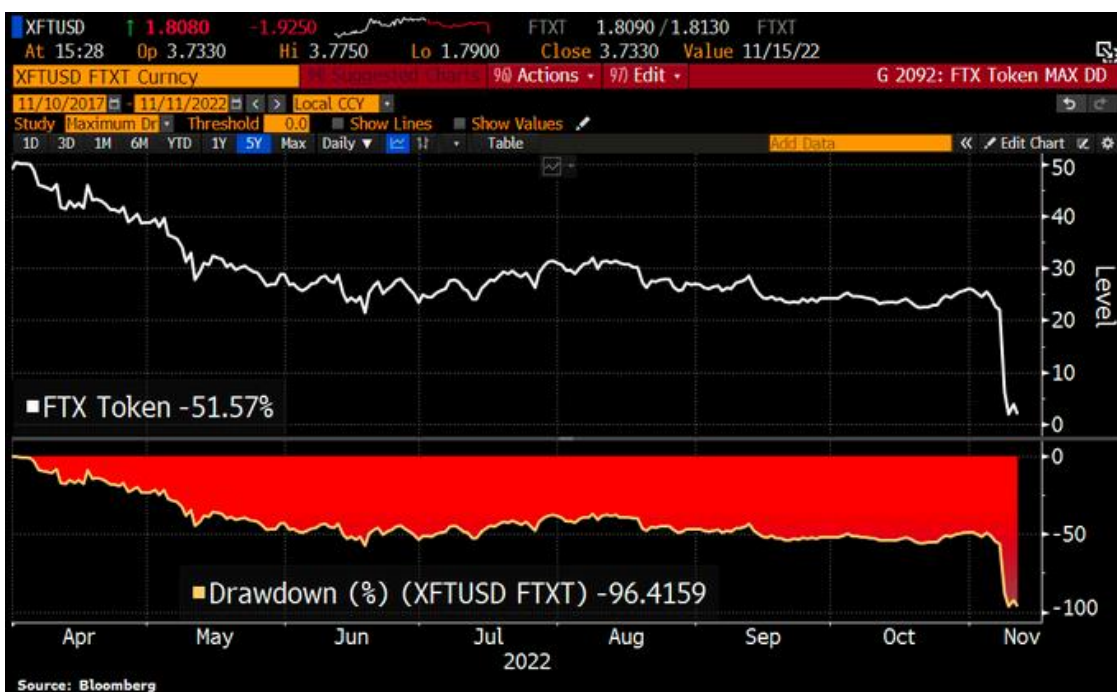
Hand-curated selection of the best charts & news flow

12 NOVEMBER 2022



## #ftx

FTX was rocked by the collapse of FTX Empire and the drama over potential acquisition of FTX by Binance. FTX was a huge player. According to CoinGecko, FTX was the 4th-largest crypto exchange by volume.



Source: Bloomberg



#cryptos

### #sbf

According to Bloomberg data, Sam Bankman-Fried, co-founder of FTX lost 94% of his net worth in 1 day.



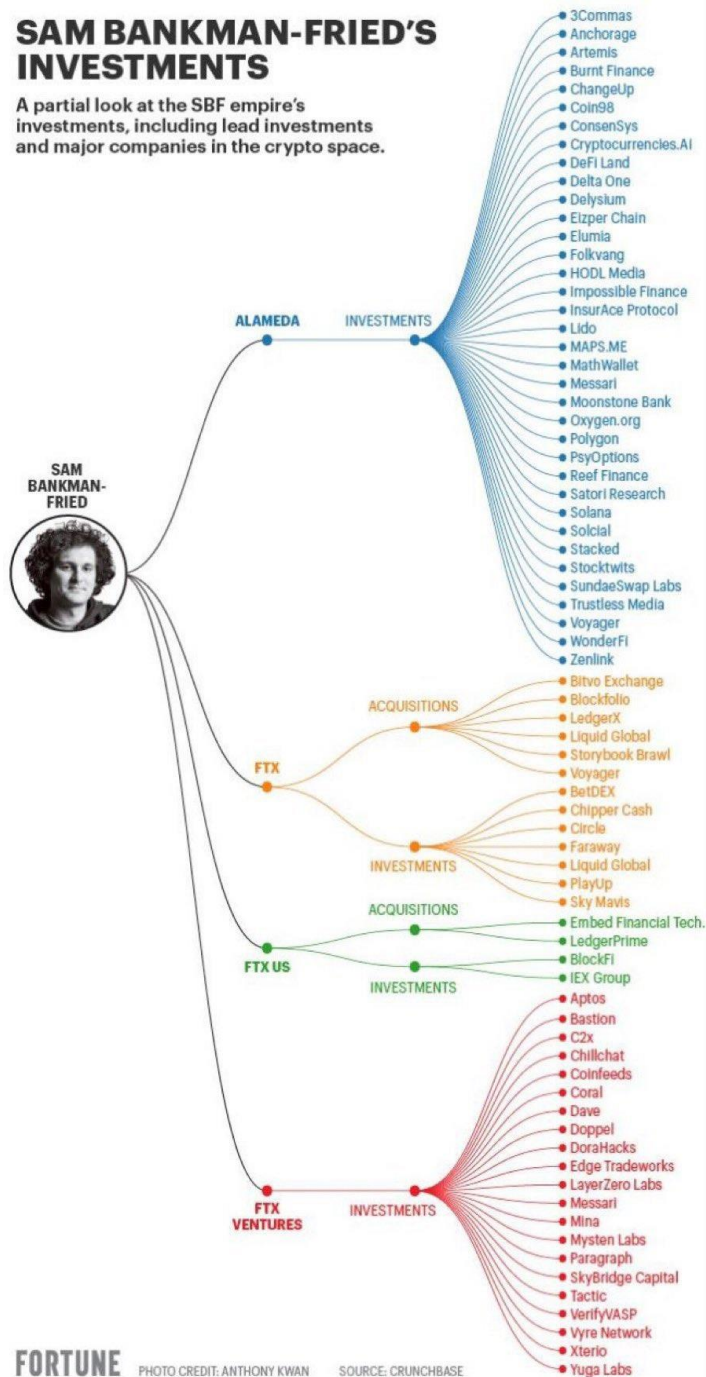
Source: David Ingles



#sbf

## SAM BANKMAN-FRIED'S INVESTMENTS

A partial look at the SBF empire's investments, including lead investments and major companies in the crypto space.

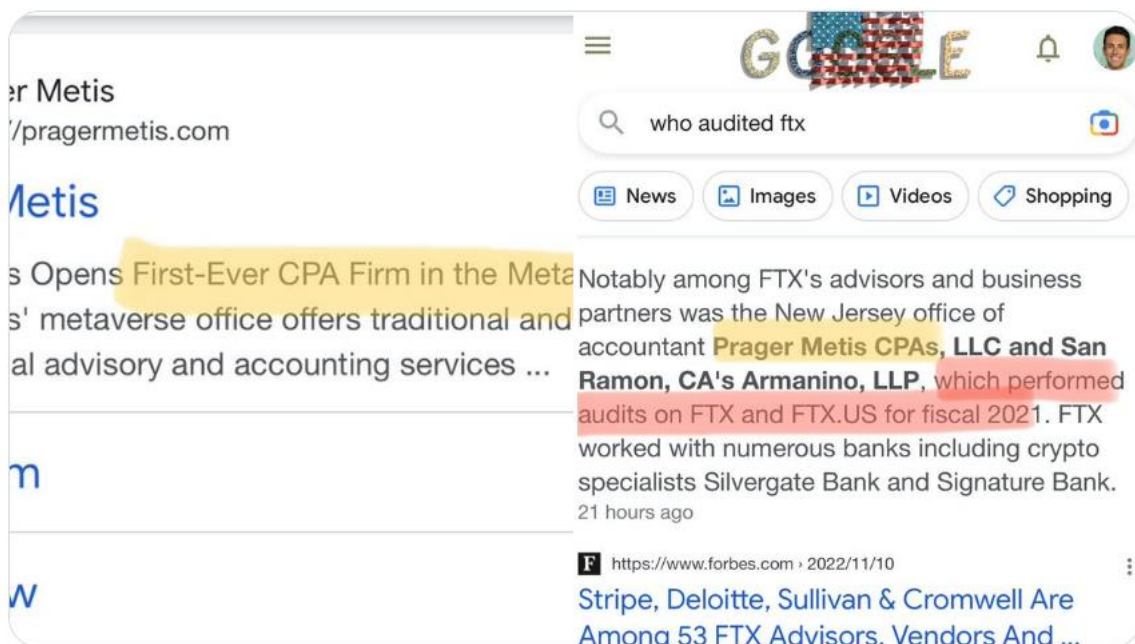


FORTUNE PHOTO CREDIT: ANTHONY KWAN SOURCE: CRUNCHBASE



## #ftx #audit

Audits for #FTX were performed by the “first-ever CPA firm in the Metaverse.”



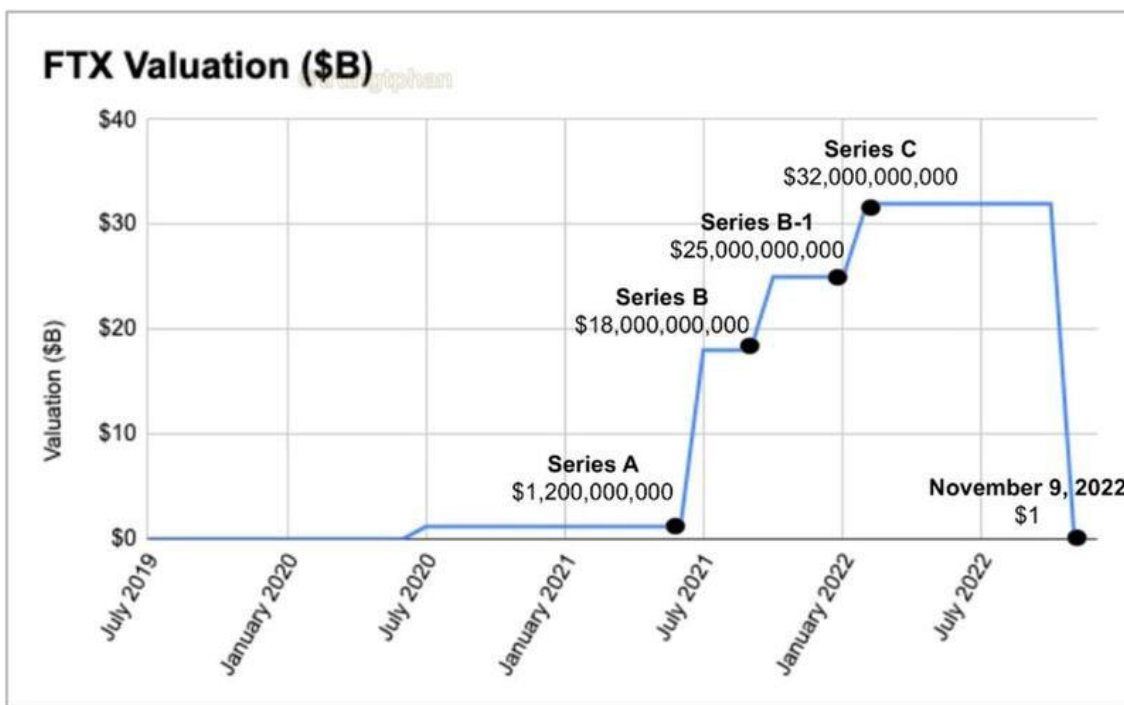
6:22 PM · Nov 11, 2022 · Twitter for iPhone

Source: Meet Kevin



## #ftx #valuation

FTX valuation history.



Source: TrungTPhan

#cryptos

## #ftx #institutional-investors

Ontario Teachers Pension fund is an investor into FTX , viewing FTX as carrying the lowest risk in the entire crypto asset space.

Mohamed A. El-Erian and Dan Held follow



Quoth the Raven @QTRResearch · 7h

The head "risk manager" for Ontario Teachers Pension fund less than two months ago

COMPANY NEWS SEPTEMBER 13, 2022 / 1:17 PM / UPDATED 2 MONTHS AGO

### Ontario Teachers Pension sticks with FTX Trading amid crypto volatility

By Divya Rajagopal

3 MIN READ



TORONTO, Sept 13 (Reuters) - Canada's Ontario Teachers Pension Plan's (OTPP) bet on crypto exchange operator FTX Trading carries the lowest risk in the entire crypto asset class and its investment in the firm has grown well in uncertain times, the OTPP said last week.

Canada's third-largest pension fund OTPP, which oversees C\$242 billion (\$185 billion), invested in FTX Trading in 2021 as part of a \$420 million funding round, along with Tiger Global, Sequoia and Light Speed Venture Partners.

"In terms of the risk profile, it is probably the lowest risk profile you can have in that it's everybody else is trading on your platform," OTPP CEO Jo Taylor told Reuters last week.

Source: xxx



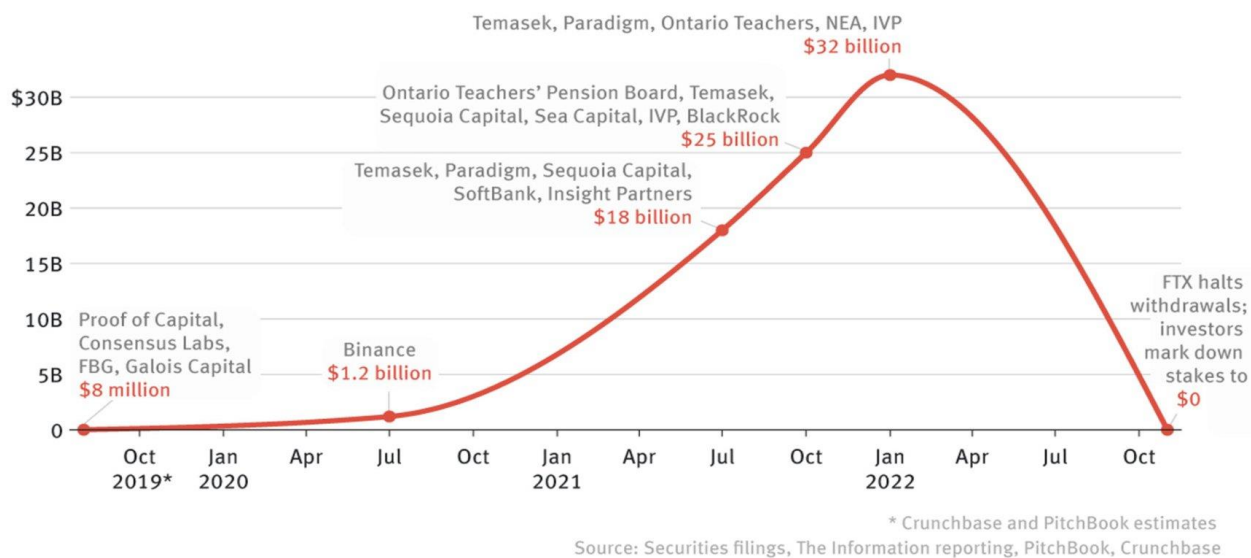


## #ftx #institutional-investors

Sovereign wealth fund of Singapore Temasek, Ontario Teachers' Pension Fund, & dozens of VC firms invested \$2bn in FTX, propelling its valuation to \$32bn in Jan. FTX's chapter 11 bankruptcy filing on Fri will likely wipe out the value of the equity stakes.

### The Rise Before the Fall

FTX attracted new investors at increasing valuations before its recent troubles.



Source: Crunchbase, HolgerZ



#cryptos

### #ftx #sequoia

Sequoia, Tiger, Blackrock, Softbank etc. were among the large investment firms invested into FTX.

#### Sequoia Capital Writes Down Entire Value of FTX Stake

By Sarah McBride

(Bloomberg) -- Sequoia Capital wrote down the entire value of its stake in FTX, the venture capital firm told its investors Wednesday.

"We are in the business of taking risk," Sequoia wrote in a message to investors seen by Bloomberg. "Some investments will surprise to the upside, and some will surprise to the downside."

Sequoia is among a prominent list of backers who stand to lose big on their holdings of Sam Bankman-Fried's FTX. Others include BlackRock, Tiger Global and SoftBank Group Corp.

A smaller venture fund, Multicoïn, told investors Wednesday that about 10% of its assets under management were affected. "Unfortunately, we were not able to withdraw all of the Fund's assets on FTX," Multicoïn wrote in a letter reviewed by Bloomberg.

A sudden loss of confidence in FTX among customers exposed deep problems with the cryptocurrency exchange. People withdrew money and sold off tokens associated with the company, causing a liquidity crunch. A rival, Binance, agreed to buy FTX and then pulled out over concerns with FTX's financial health.

Source: Bloomberg



#cryptos

## #ftx #sequoia

Sequoia Capital's letter to investors is a great example of proper risk management.

SEQUOIA 

To: Sequoia Capital Fundraising  
Limited Partner: Administration  
Subject: Update on FTX

Dear Limited Partner,

We are reaching out to share an update on our investment in FTX. In recent days, a liquidity crunch has created solvency risk for FTX. The full nature and extent of this risk is not known at this time. Based on our current understanding, we are marking our investment down to \$0.

Sequoia Capital's exposure to FTX is limited. We own FTX.com and FTX US in one private fund, Global Growth Fund III. FTX is not a top ten position in the fund, and our \$150M cost basis accounts for less than 3% of the committed capital of the fund. The \$150M loss is offset by ~\$7.5B in realized and unrealized gains in the same fund, so the fund remains in good shape.

Separately, SCGE Fund, L.P. invested \$63.5M in FTX.com and FTX US, representing less than 1% of the SCGE Fund's 9/30/2022 portfolio (at fair value).

We are in the business of taking risk. Some investments will surprise to the upside, and some will surprise to the downside. We do not take this responsibility lightly and do extensive research and thorough diligence on every investment we make. At the time of our investment in FTX, we ran a rigorous diligence process. In 2021, the year of our investment, FTX generated approximately \$1B in revenue and more than \$250M in operating income, as was made [public](#) in August 2022.

The current situation is developing quickly. We will communicate in a timely manner when more information is available. If you have any additional questions, please contact Andrew Reynolds, Marie Klemchuk and Kathleen Forte at: [investorrelations@sequoiacap.com](mailto:investorrelations@sequoiacap.com). For SCGE questions, please contact Kimberly Summe at [summe@sequoiacap.com](mailto:summe@sequoiacap.com).

Sincerely,  
Team Sequoia

Source: Arkon Akin

#cryptos

## #ftx #silvergate

Silvergate plunged 50% on fears of FTX exposure. Turns out the only exposure is in the other direction: the bank only has FTX deposits.

### Silvergate Provides Statement on FTX Exposure

#### Business Wire

LA JOLLA, Calif. -- November 11, 2022

Silvergate Capital Corporation (the "Company" or "Silvergate") (NYSE: SI), the leading provider of innovative financial infrastructure solutions to the digital asset industry, today issued the following statement regarding its exposure to FTX and its related entities ("FTX"):

"In light of recent developments, I want to provide an update on Silvergate's exposure to FTX. As of September 30, 2022, Silvergate's total deposits from all digital asset customers totaled \$11.9 billion, of which FTX represented less than 10%. Silvergate has no outstanding loans to nor investments in FTX, and FTX is not a custodian for Silvergate's bitcoin-collateralized SEN Leverage loans. To be clear, our relationship with FTX is limited to deposits," said Alan Lane, Chief Executive Officer of Silvergate.

Lane continued, "To date, all SEN Leverage loans have continued to perform as expected with zero losses and no forced liquidations. As a reminder, all SEN Leverage loans are collateralized by Bitcoin, and we do not make unsecured loans or collateralize SEN Leverage loans with other digital assets."

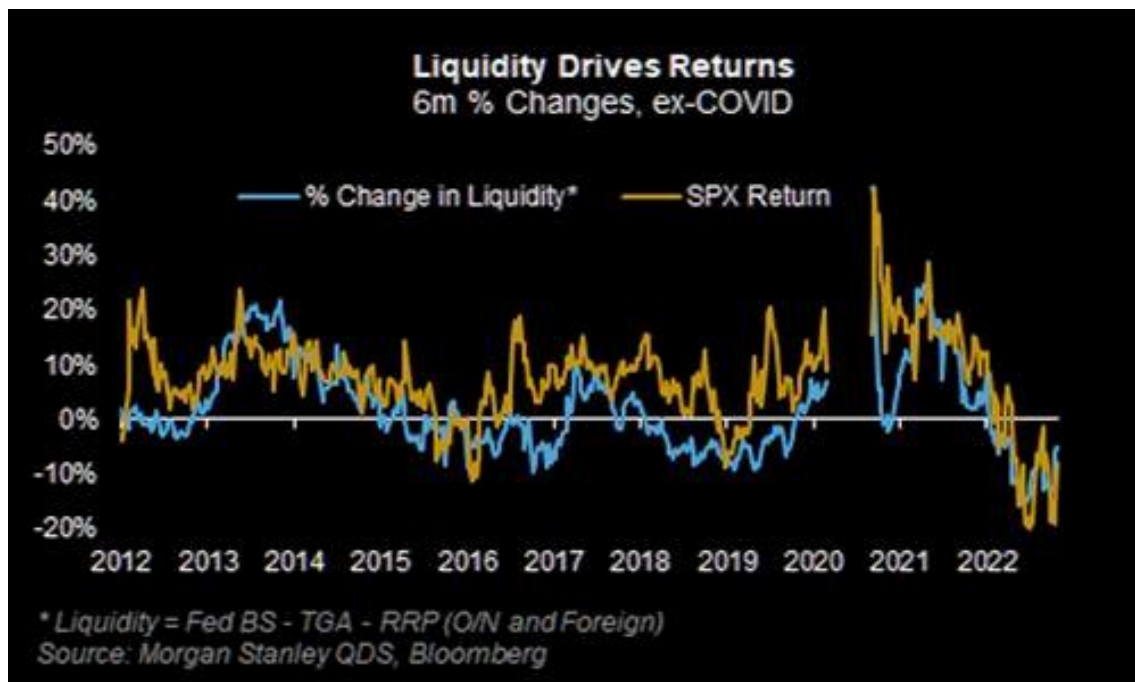
Lane concluded, "Silvergate's platform was built to support our clients during times of market volatility and transformation, and the SEN has continued to operate as designed and without interruption. As a federally regulated banking institution that is well capitalized, we maintain a strong balance sheet with ample liquidity to support our customers' needs."

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

#food-for-thought

#liquidity #us #equities

There's a correlation between changes in liquidity and S&P500 price discovery, suggesting that as long as liquidity is being reduced we're likely to see pressure on stock prices. Said another way, QT is the enemy of equity returns.



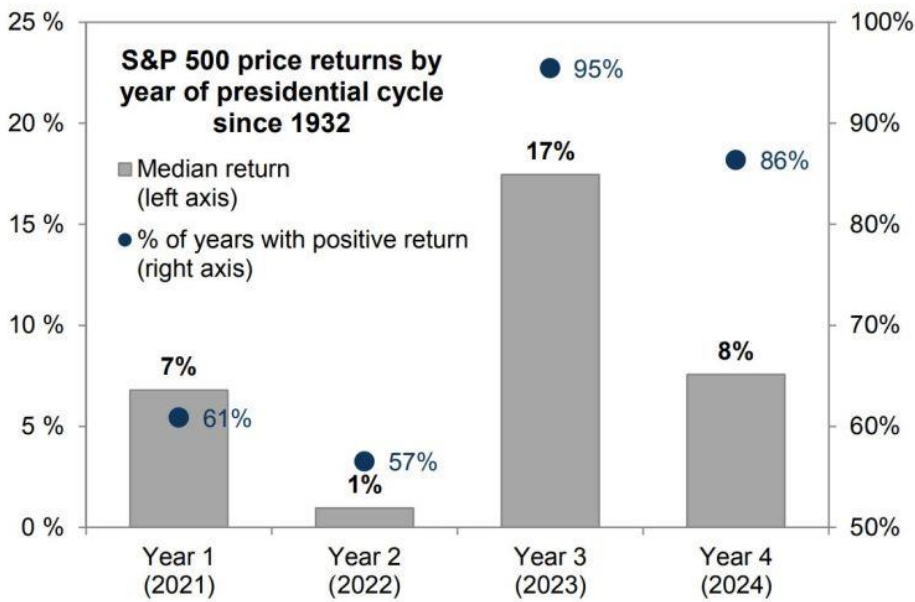
Source: Morgan Stanley

#food-for-thought

#us #equities #presidential-cycle

One of the reasons for the ongoing equity rally is Wall Street positioning ahead of Year 3 of the Presidential cycle which is historically the strongest by far. During the last 90 years, the S&P 500 has generated a median return of 3% through year-end and 17% during 12 months following mid-term elections, Goldman has calculated. Equity returns have been stronger under divided governments.

**Exhibit 7: S&P 500 returns by year of presidential cycle**  
November to November



Source: Goldman Sachs Global Investment Research

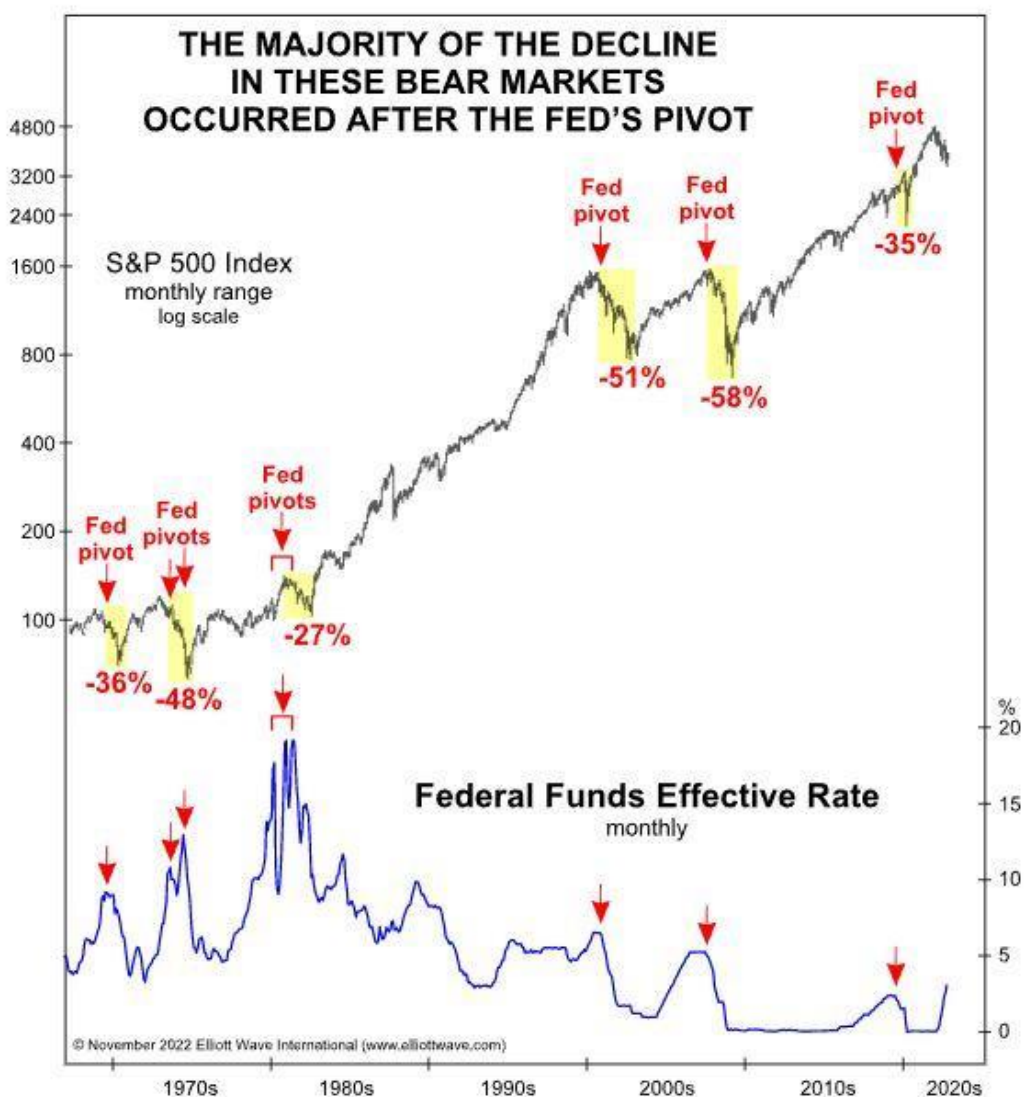
Source: Goldman Sachs



#food-for-thought

## #fed #pivot #history

A Fed's pivot does not necessarily imply a bull run.



Source: Elliott Wave International

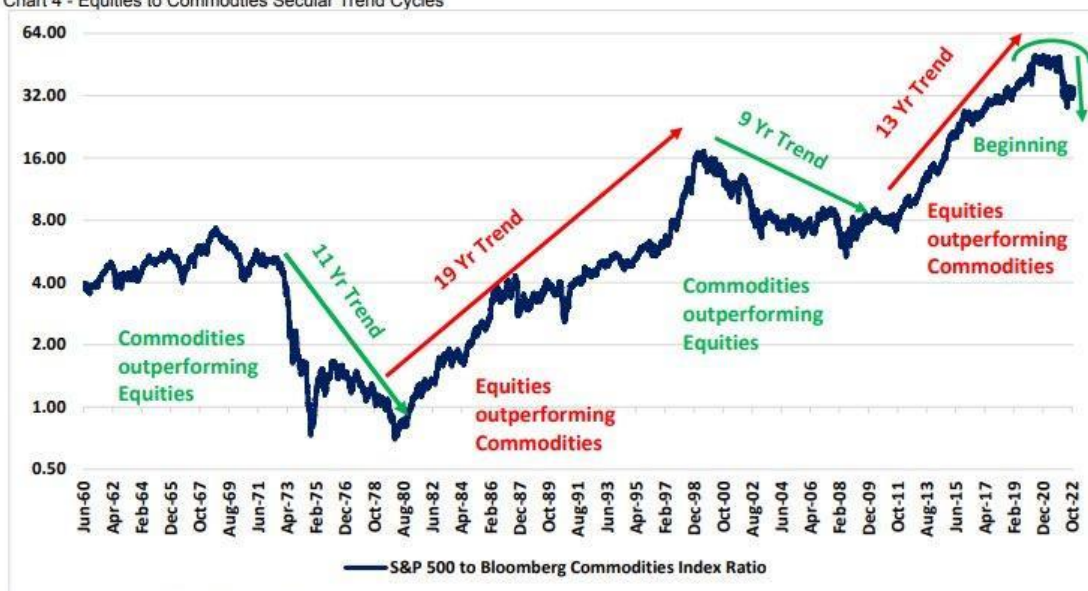


#food-for-thought

#commodities #cycle

Are we at the start of a new commodities outperformance cycle?

Chart 4 - Equities to Commodities Secular Trend Cycles



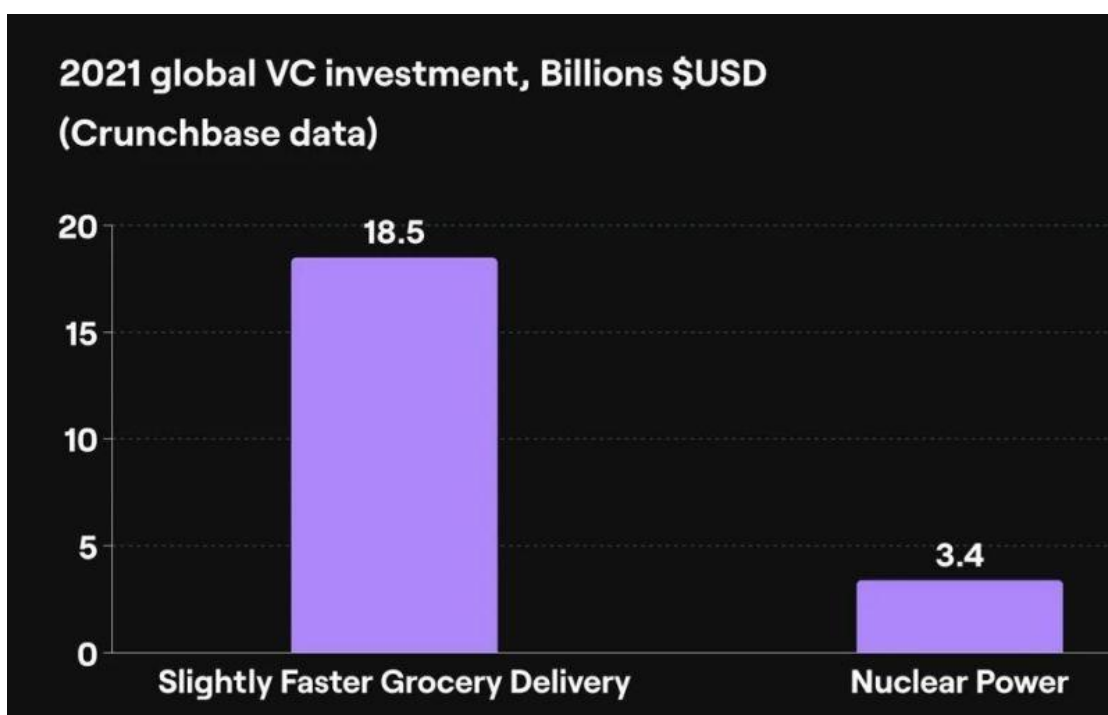
Source: Bloomberg, SNC Research

Source: SNC Research

#food-for-thought

## #venture-capital #misallocation

Misallocation of capital by global venture capital funds? More energy supply seems to be a higher priority than slightly faster grocery delivery...

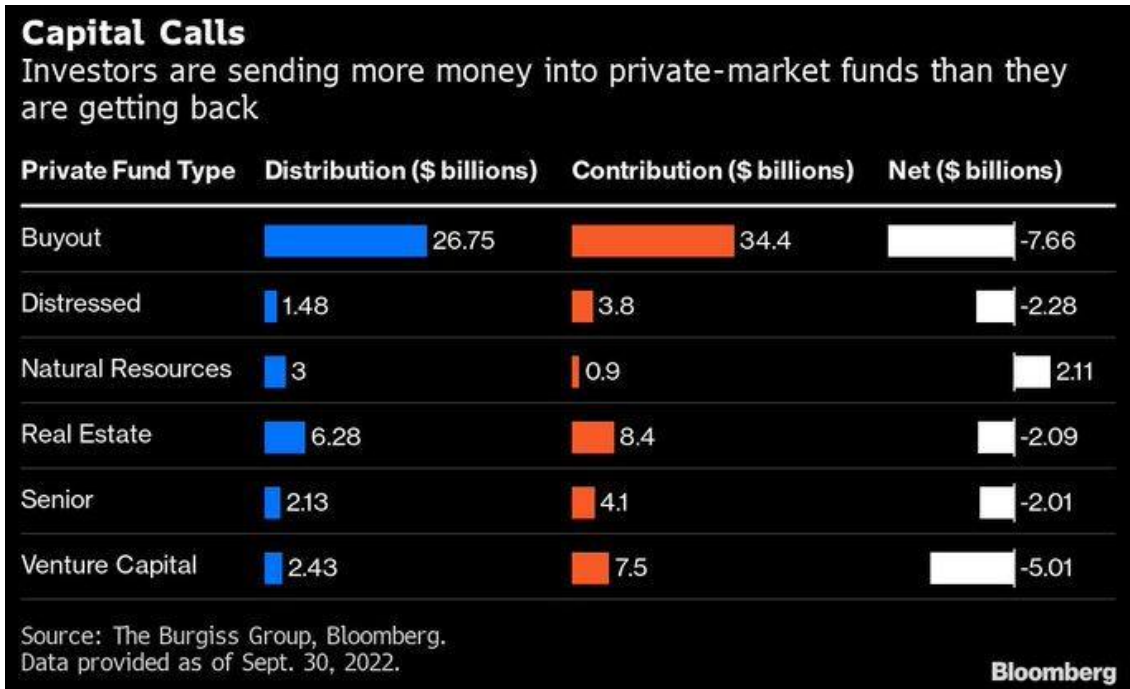


Source: Wall Street Silver

#food-for-thought

#private-funds

Private stress becomes public. 5 out of 6 private market funds categories registered negative commitments in 3Q 2022.



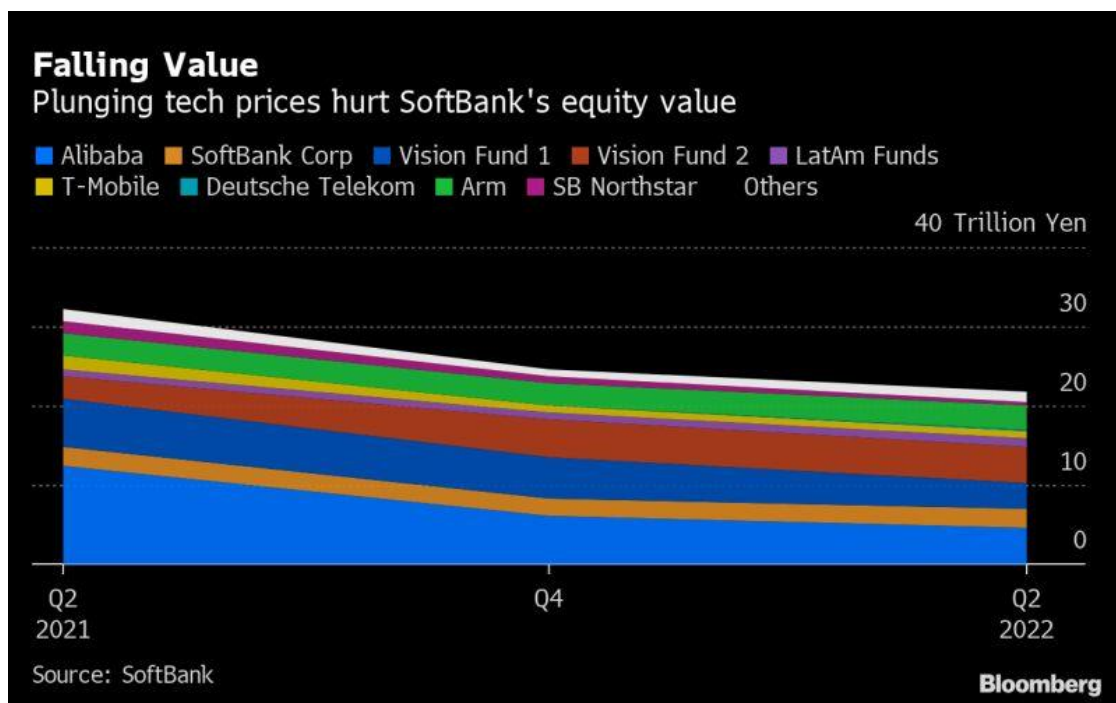
Source: Bloomberg



#food-for-thought

#softbank

SoftBank vision fund loses \$7.2bn as write-downs persist. SoftBank plans to write down its entire investment in FTX, which would amount to almost \$100mln..

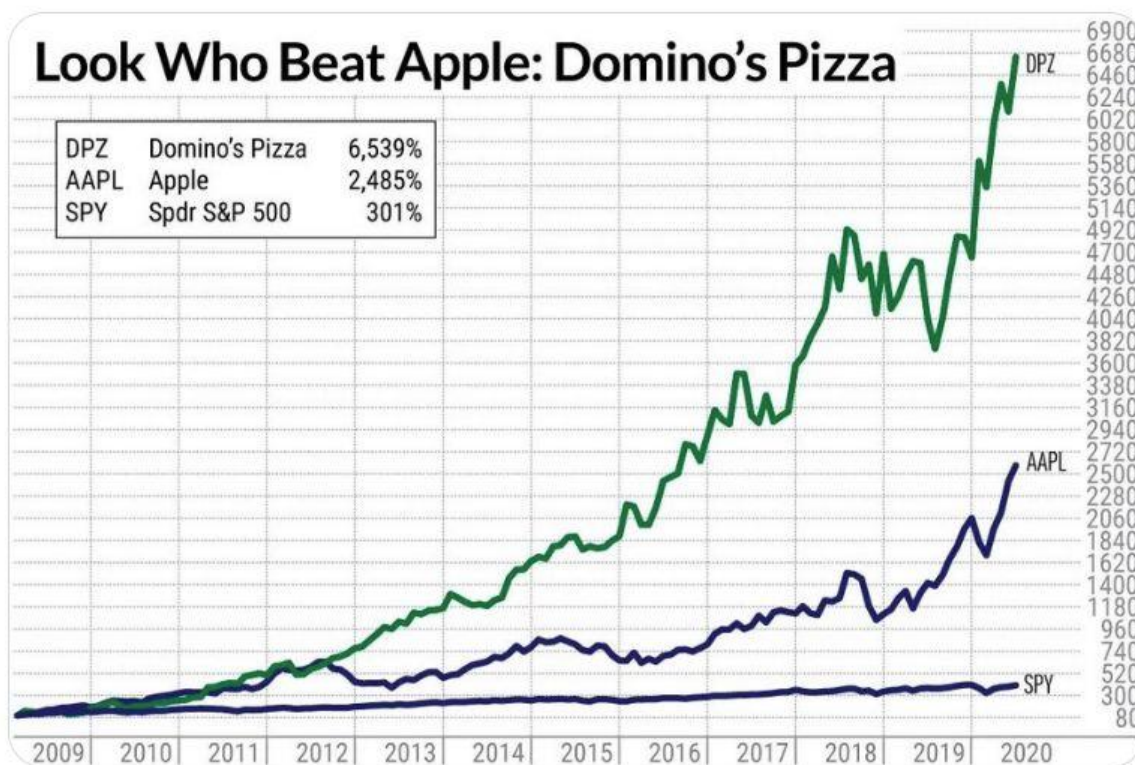


Source: Bloomberg

#food-for-thought

#domino's pizza

All you need is a few winners... look who is beating Apple....



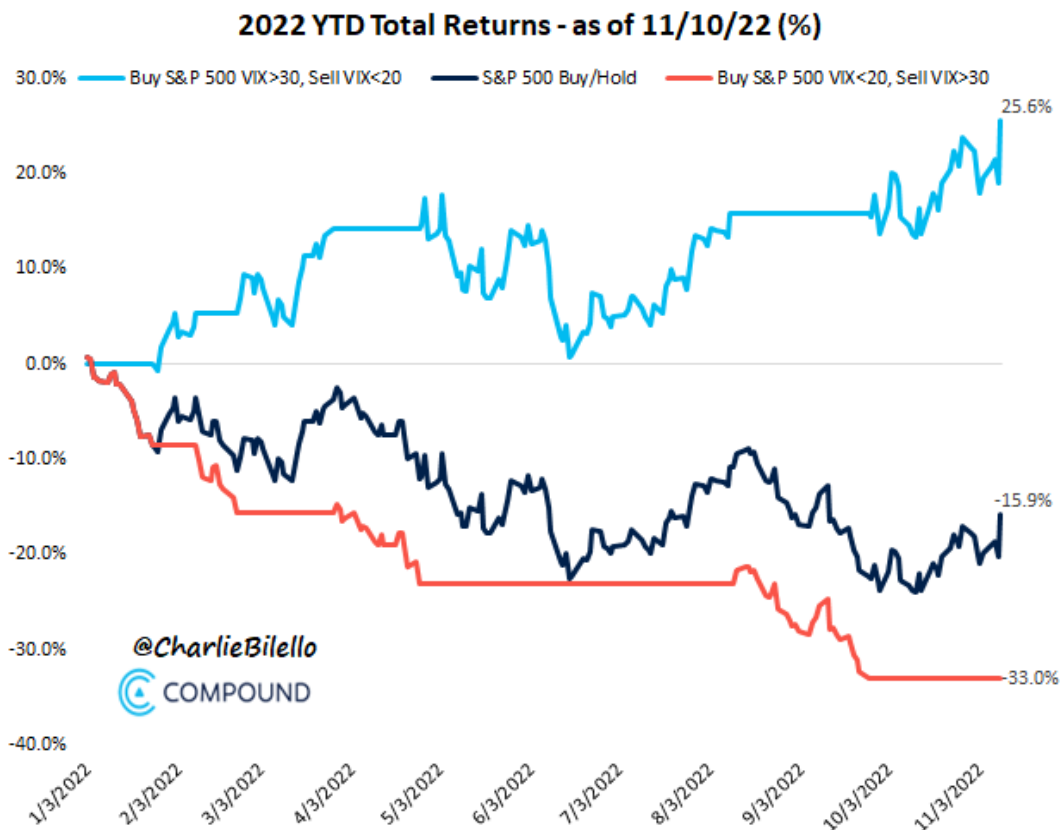
Source: Compound Quality

#food-for-thought

#vix #strategy

Performance of 3 strategies this year...

- a) Buy S&P 500 when \$VIX closes above 30, sell when \$VIX closes below 20: +25.6%
- b) Buy & Hold S&P 500: -15.9%
- c) Buy S&P 500 when \$VIX closes below 20, sell when \$VIX closes above 30: -33.0%



Source: Charlie Bilello



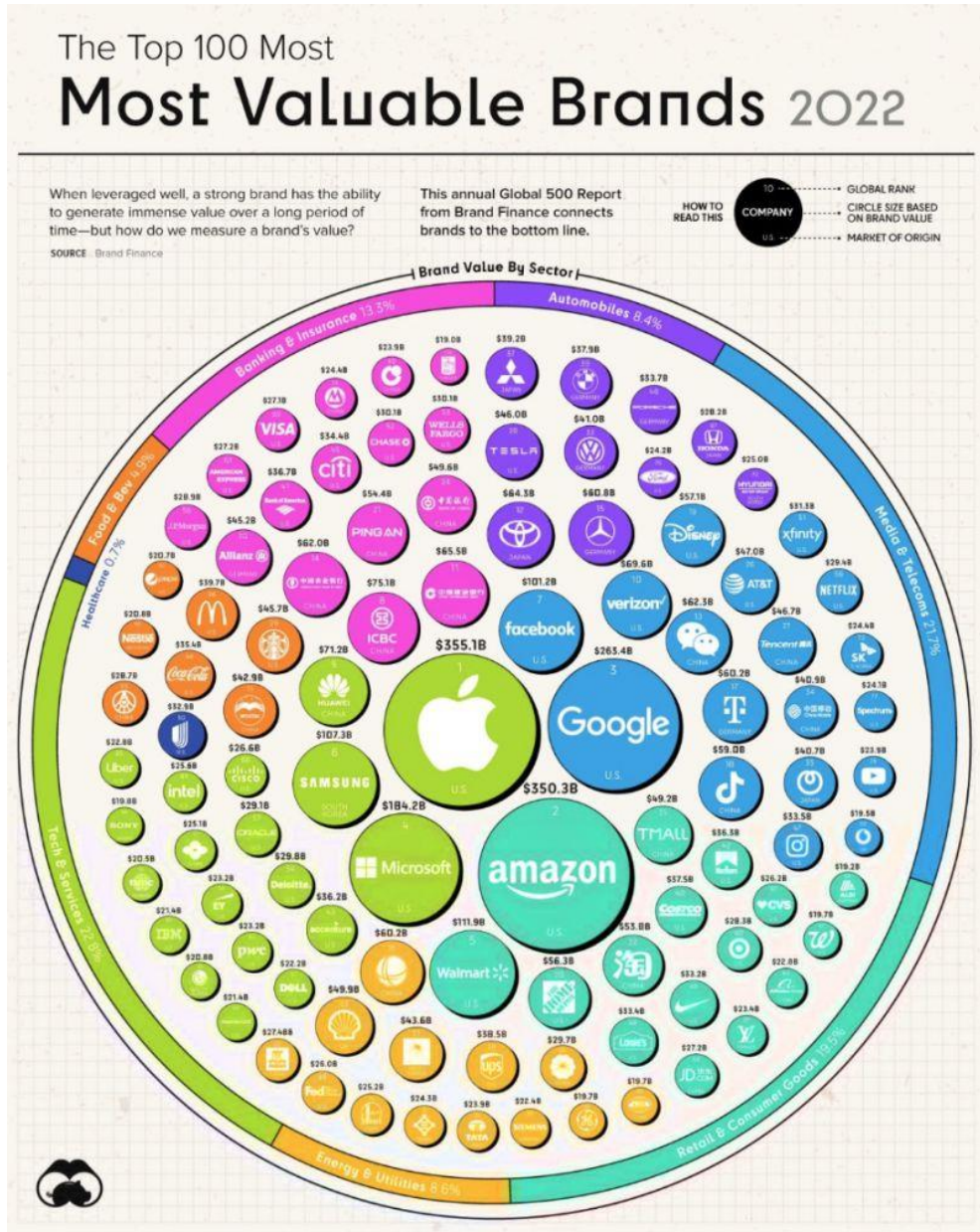
# #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

12 NOVEMBER 2022

#food-for-thought

## #brands







#food-for-thought

## #sp500

When you buy \$10,000 of the S&P, here's how much of the largest stocks you are buying...

### S&P500 weights

When you buy \$10,000 of the S&P500 here's how much of the largest stocks you're buying

\$670 of Apple

\$511 of Microsoft

\$303 of Google

\$253 of Amazon

\$183 of Tesla

\$164 of Berkshire

\$163 of UnitedHealth

\$148 of Exxon

\$144 of JNJ

Source: TME

#food-for-thought

### #berkshire #cash

Berkshire earns on its \$109bn cash pile nearly tripled from a year prior to \$397mn in the third quarter, noting the gain was “primarily due to increases in short-term interest rates”. Berkshire holds the vast majority of its cash in short-term Treasury bills, deposits at banks and in money market account. Berkshire posted a \$2.69 billion third-quarter loss. Operating profit rose by 20%. It also bought back more of its own stock but was cautious, repurchasing \$1.05 billion, similar to the second quarter.





# #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

12 NOVEMBER 2022

#food-for-thought

## #berkshire #tesla



Mike Zaccardi, CFA, CMT  
@MikeZaccardi

...

2-year returns:

Berkshire 34%

Tesla 33%



3:51 PM · Nov 11, 2022 · Twitter Web App



#food-for-thought

#twitter

**Drew Harwell** ✓  
@drewharwell

Spokesperson for pharmaceutical giant Eli Lilly says they're in communication with Twitter to address the fake-but-verified Eli Lilly tweet that has been up for three hours and has 1,500 retweets and 10,000 likes [wapo.st/3UrrHSs](https://wapo.st/3UrrHSs)

**Eli Lilly and Company** ✓  
@EliLillyandCo

We are excited to announce insulin is free now.

1:36 PM · Nov 10, 2022 · Twitter for iPhone

1,575 Retweets   707 Quote Tweets   10.9K Likes

4:45 PM · 10 Nov 22 · [TweetDeck](#)

#food-for-thought

#twitter



#food-for-thought

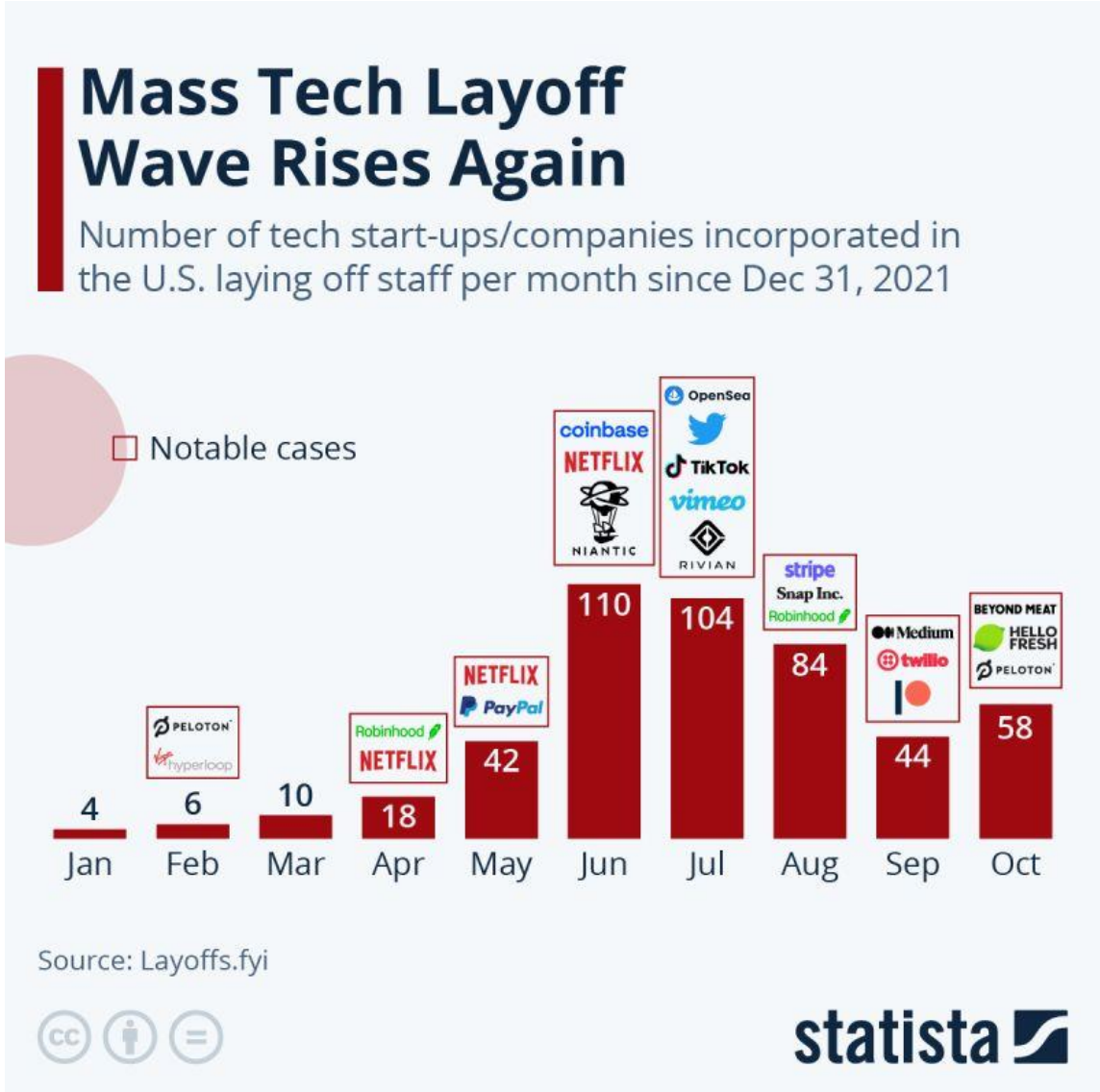
#amazon



Source: Bloomberg

#food-for-thought

#tech #layoffs



Source: Statista

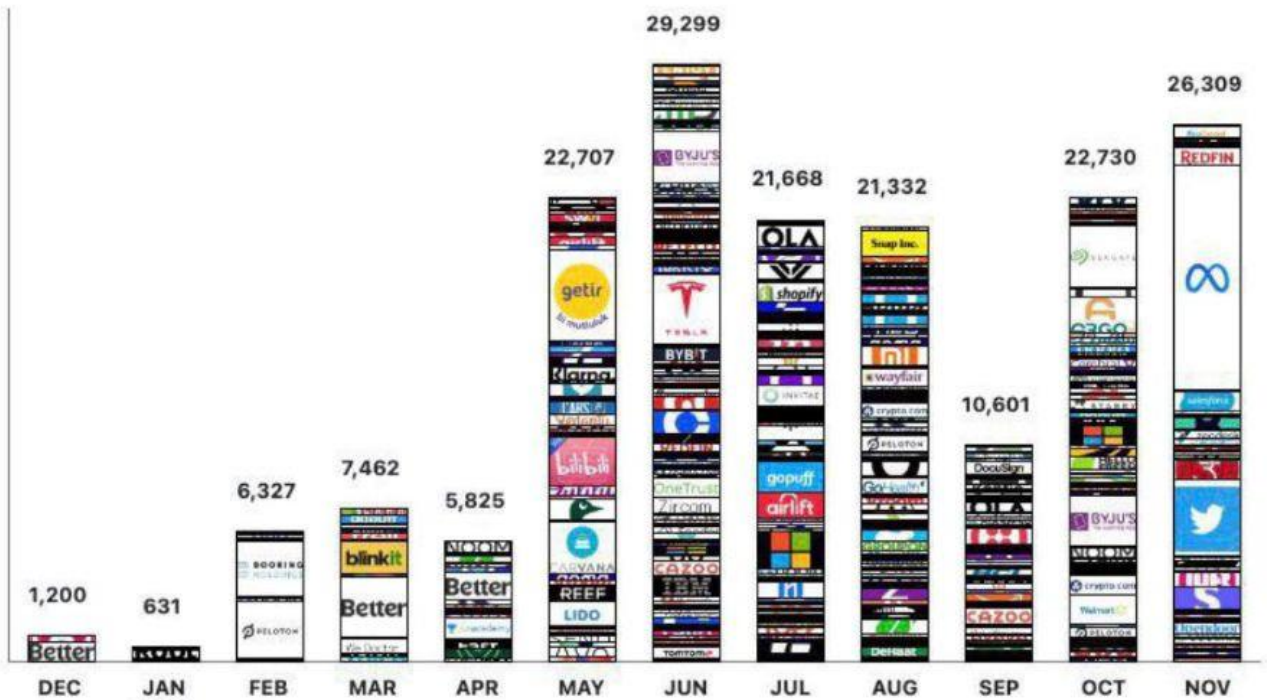


#food-for-thought

#tech #layoffs

# of Tech Employees Let Go

as of November 10, 2022



source: trueup.io/layoffs

Source: www.trueup.io

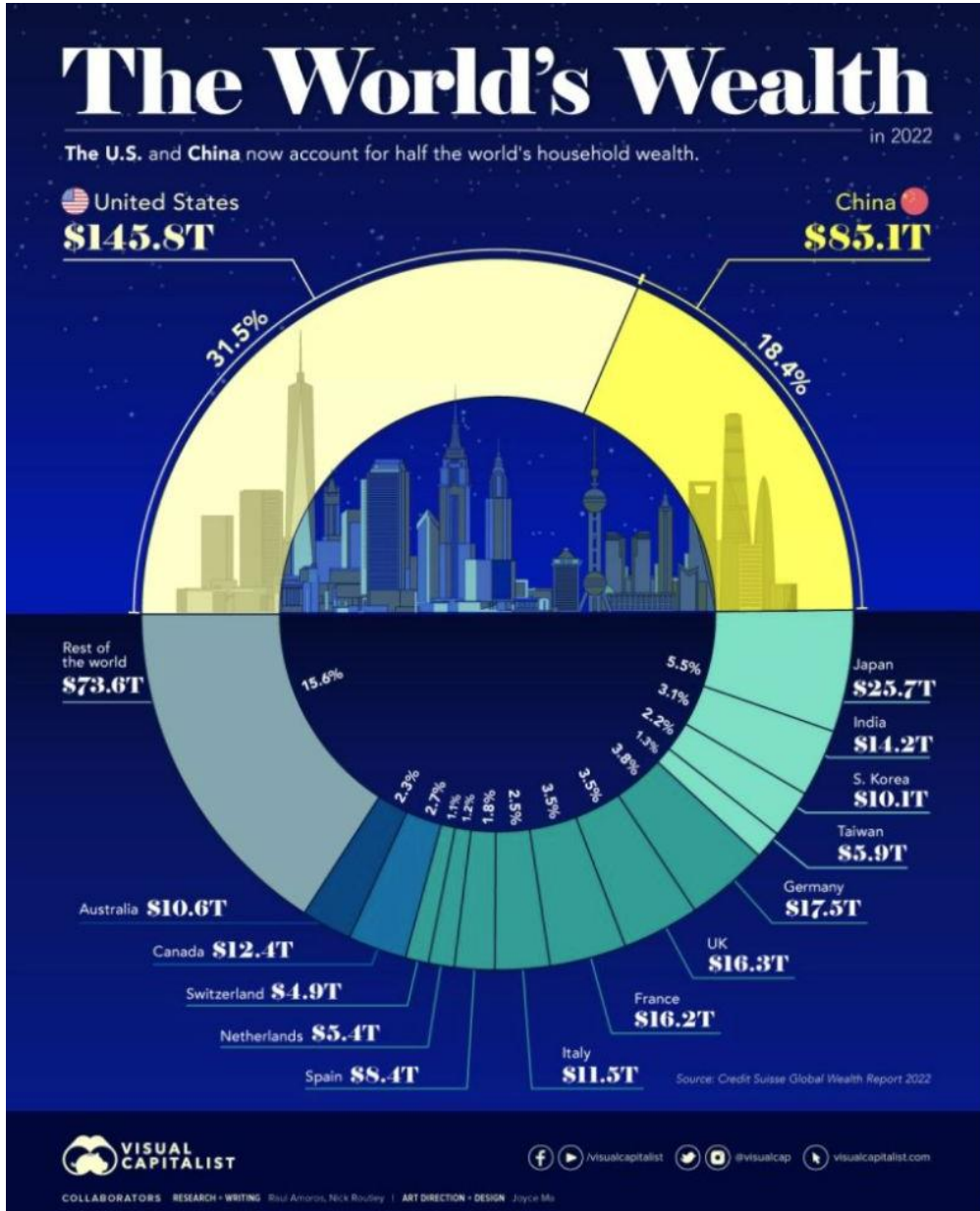
# #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

12 NOVEMBER 2022

#food-for-thought

## #global #wealth



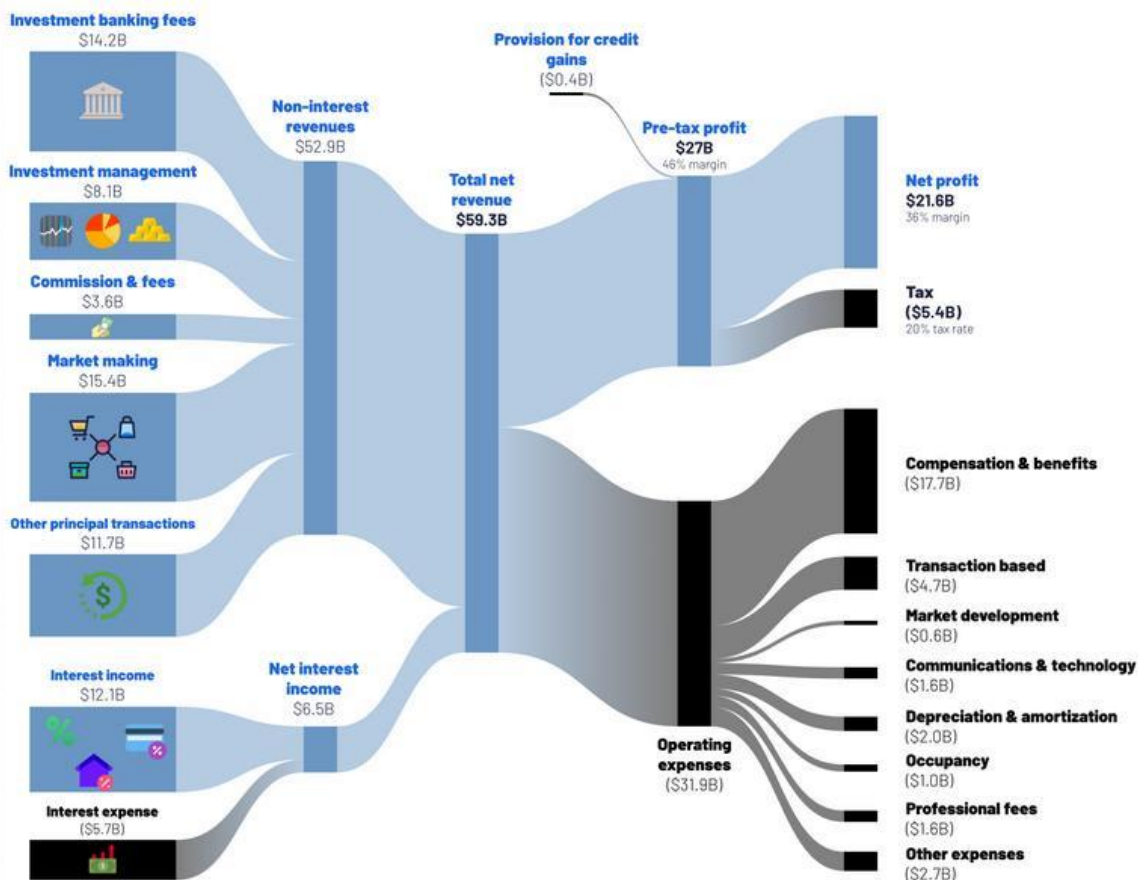
Source: The Visual Capitalist, Credit Suisse



#food-for-thought

#goldman

How does Goldman Sachs make money?



Source: Bank of America 2021 Annual Report

Created by genuine impact + Lightyear

More charts: [genuineimpact.substack.com](https://genuineimpact.substack.com)



Source: Genuine Impact

#food-for-thought

#2022 #disaster

The faces of 2022 markets collapse...



Source: Twitter

#food-for-thought

#us #federal #budget

*The Federal Budget last year was **\$6.8 Trillion**,  
or about **\$16.8 Billion** per day.*

*That means the **government** would spend the  
**entire wealth** of Jeff Bezos or Elon Musk in **under**  
**2 weeks**.*

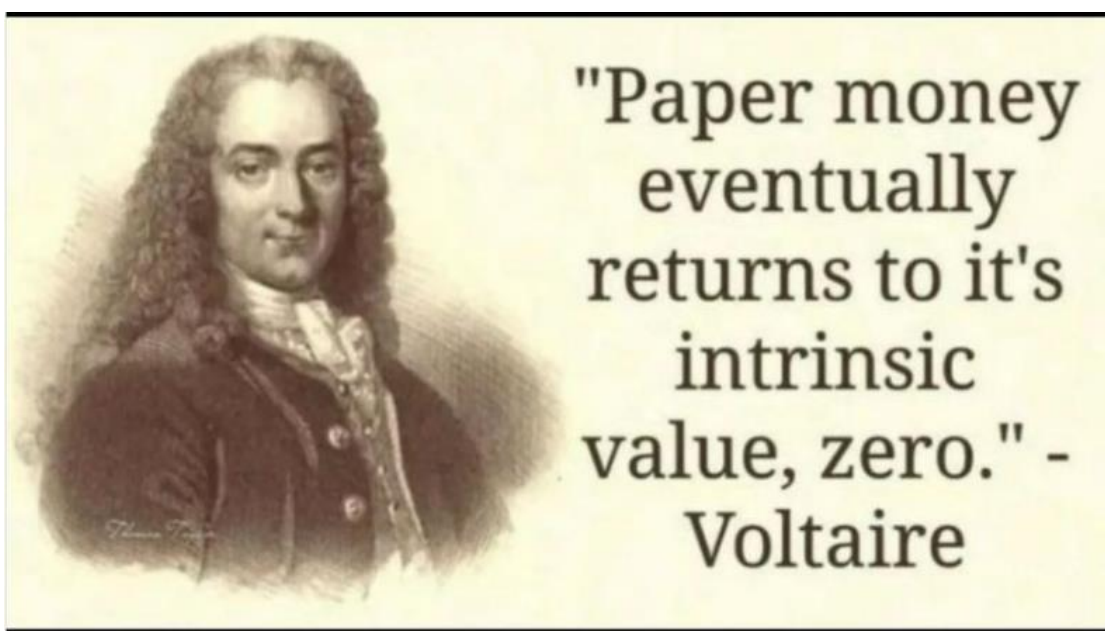
*A wealth tax of **100%** on the entire **Forbes 400**  
list wouldn't even pay for **2 months** of  
**spending**.*



Source: The economics review

#food-for-thought

#paper-money





#food-for-thought

#plastic-waste

Plastic is one of the most useful materials around, but its proliferating use has created a ballooning heap of waste, with more than 350 million tonnes generated each year.

CONTRIBUTORS OF MISMANAGED  
**Plastic Waste**  
AROUND THE WORLD

The world generates over **350 million tonnes of plastic waste every year**. Of that, roughly one-fifth ends up in the mismanaged category, which

means that it is dumped or littered without any waste management. **Here are the world's largest contributors of mismanaged plastic waste (MPW).**

- NORTH AMERICA
- LATIN AMERICA
- EUROPE
- AFRICA
- ASIA
- OCEANIA

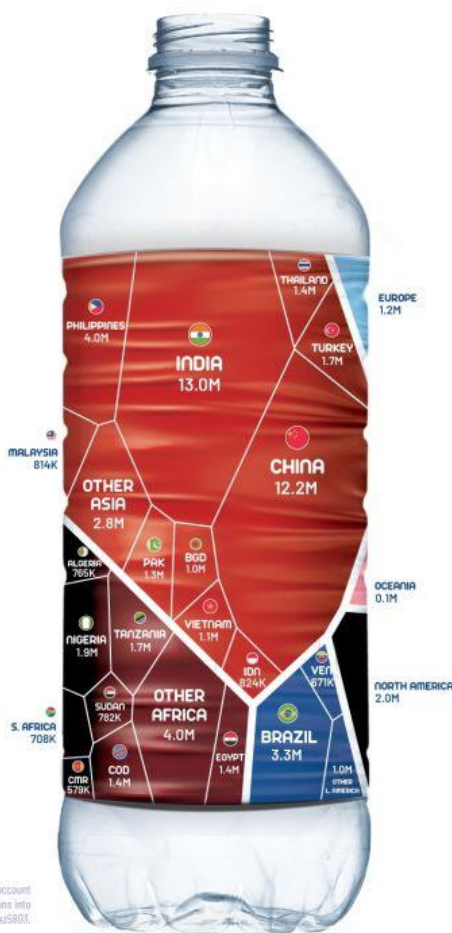
**Top 5 MPW Contributors**

Per Capita, Annually (lbs/person)



**Mismanaged Plastic Waste**

Metric Tonnes, 2019

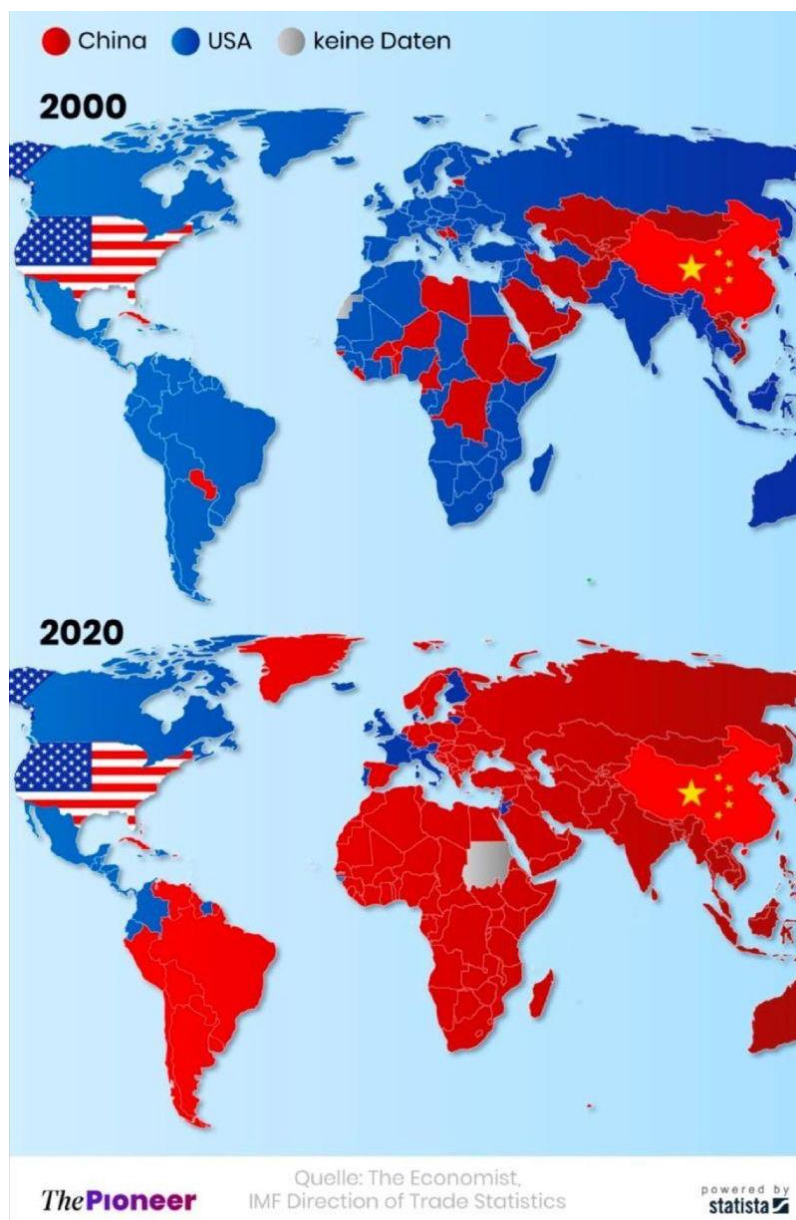


Source: Meijer et al. (2021), "More than 1000 rivers account for 80% of global riverine plastic emissions into the ocean", Science Advances, 7(18), eaaz5803.

#food-for-thought

#global #trade

In which countries is USA or China the biggest trade partner?



---

# Subscribe to the newsletter

[syzgroup.com/newsletter](https://syzgroup.com/newsletter)





This marketing communication has been issued by the Syz Group. It is not intended for distribution to, publication, provision or use by individuals or legal entities that are citizens of or reside in a state, country or jurisdiction in which applicable laws and regulations prohibit its distribution, publication, provision or use. It is not directed to any person or entity to whom it would be illegal to send such marketing material. This document is intended for informational purposes only and should not be construed as an offer or solicitation for the subscription, purchase, sale or keeping of any security or financial instrument, or as a contractual document. The information contained herein does not constitute any legal, tax or accounting advice and may not be suitable for all investors. The market valuations, terms and calculations contained herein are estimates only and may change without notice. The information provided comes from sources deemed reliable, but the Syz Group does not guarantee its completeness or accuracy. Past performance gives no indication of future results.

**For the future...**