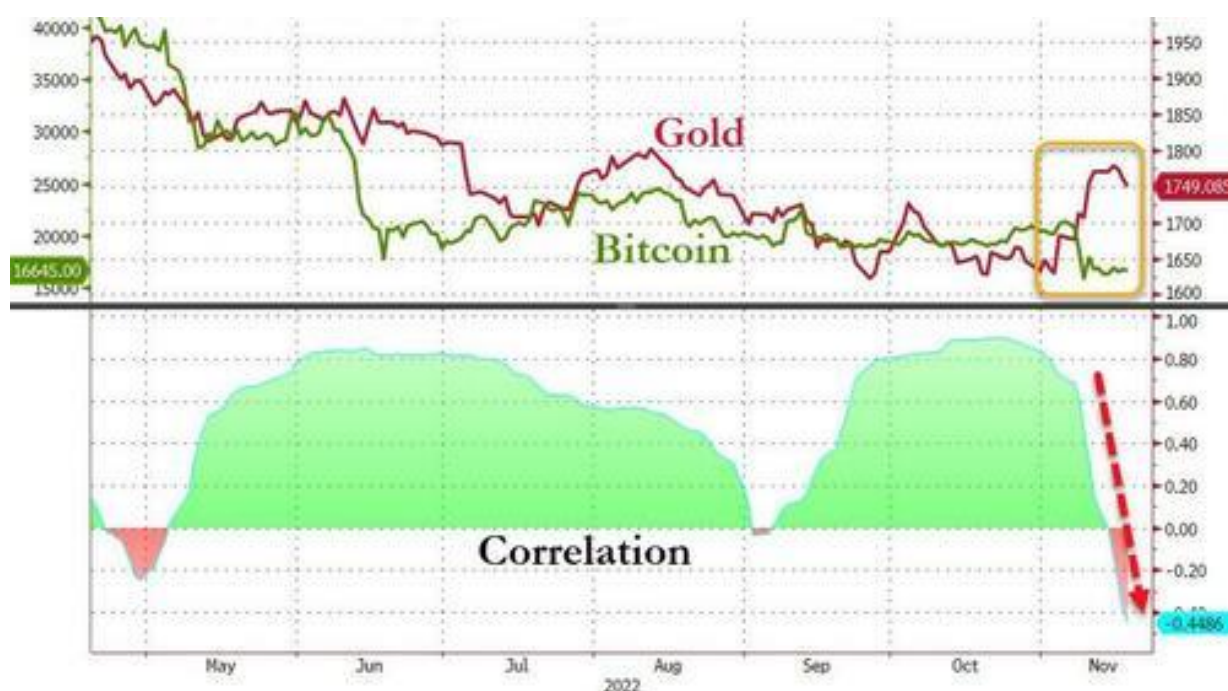


Chart of the week

Gold and bitcoin are decoupling

Bitcoin and crypto have notably decoupled recently with Gold as the correlation between the two is crashing to -0.45, the lowest since February...



Source: www.zerohedge.com, Bloomberg

The US yield curve tumbles on hawkish Fed speaks

US equities gave back a portion of the previous week's strong gains and closed modestly lower for the week. Growth stocks lagged value-oriented shares. The energy sector underperformed, however, as European oil and natural gas inventories reached near-peak levels. Dispelled reports of a Russian missile strike on Polish territory sparked a brief sell-off on Tuesday, but trading volumes remained muted for much of the week. The U.S Treasury yield curve inverted further during the week, driving the inversion in the two-year/10-year curve segment to its deepest level in over 40 years. Short-term U.S. Treasuries repriced to higher yields, particularly after James Bullard said that the Fed's terminal policy rate should reach a minimum level of 5% and may need to go as high as 7% to achieve the central bank's inflation objectives. There were however some "dip buying" in longer maturities, which helped push long-end yields downward. In Europe, the STOXX Europe 600 Index ended modestly higher in local currency terms. Euro bond yields held near recent highs as ECB Lagarde said interest rates need to rise more as policymakers seek to fight inflation. In the UK, Finance minister Hunt raises taxes but delays large spending cuts. UK inflation hit a 41-year high of 11.1% in October. In Asia, mainland Chinese stocks were modestly positive for the week while Japanese stocks fell. The dollar rose while cryptos were stable.

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

19 NOVEMBER 2022

#markets

#weekly #returns

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	33,746	0.0%	-7.1%
S&P 500 Index	3,965	-0.7%	-16.8%
NASDAQ	11,146	-1.6%	-28.8%
MSCI EAFE	1,902	-0.9%	-18.6%
10-yr Treasury Yield	3.83%	0.0%	2.3%
Oil (\$/bbl)	\$80.24	-9.8%	6.7%
Bonds	\$97.00	0.5%	-13.2%

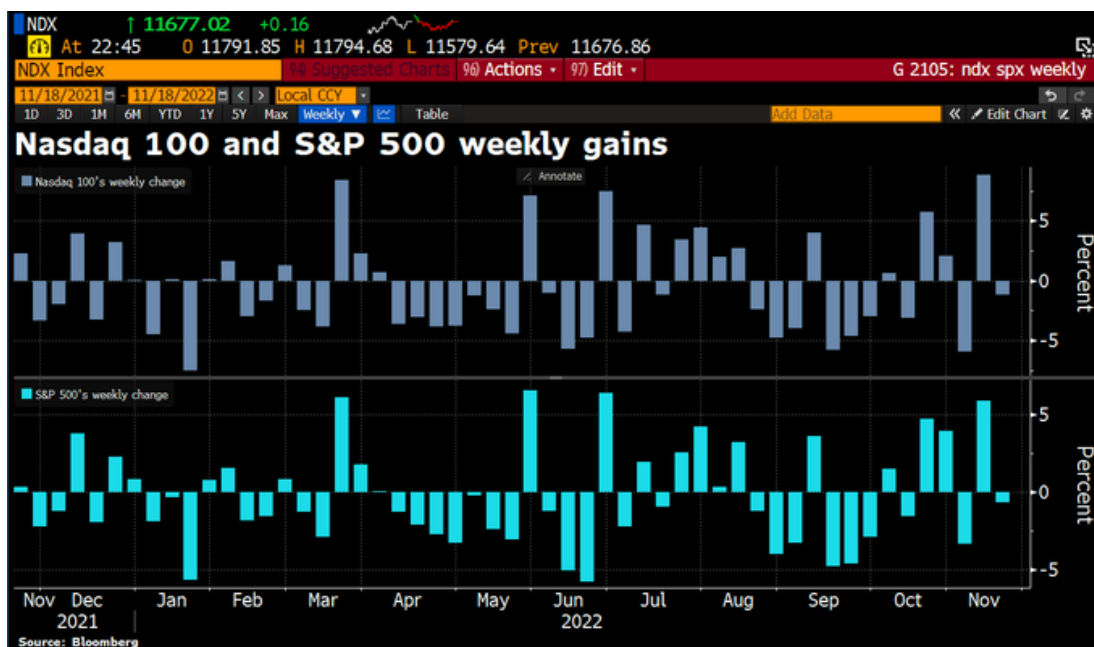
Source: Factset. 11/18/2022. Bonds represented by the iShares Core U.S. Aggregate Bond ETF. Past performance does not guarantee future results. * 4-day performance ending on Thursday.

Source: Edward Jones



#weekly #returns

Nasdaq 100 and S&P 500 trimmed some of last week's gains. Big Tech down 1.1% for the week, and S&P 500 down 0.7% as Fed tightening assumptions rose, w/terminal rate again >5%, this is ~20bp down from the pre-CPI high, but nearly a full 25bp hike off the recent trough.



Source: Bloomberg, HolgerZ



#sp500 #sector #weekly #performance

It's been a very defensive week with Staples and Utes outperforming (and along with Healthcare the only sectors green) as Consumer Discretionary was weakest...

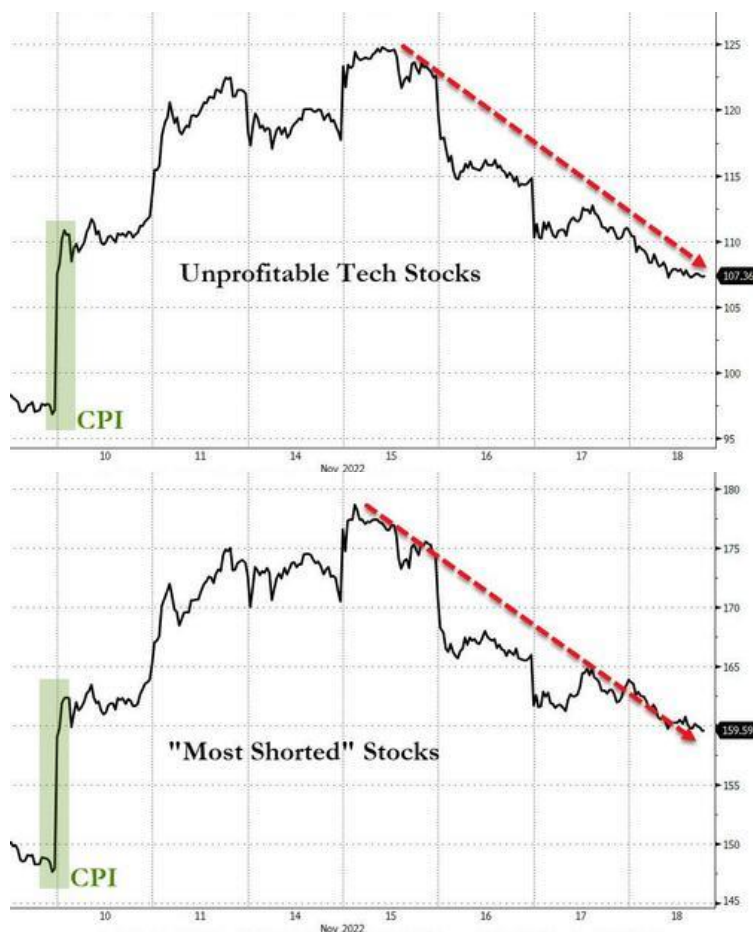


Source: Bloomberg, www.zerohedge.com



#speculative #stocks

The dash-for-trash post-CPI has largely reversed this week with unprofitable tech stocks clubbed like a baby seal (-14% from Tuesday's highs after a 30% ramp from Friday's CPI)... And almost perfectly the same, the big short squeeze was eviscerated this week as "most shorted" stocks tumbled 11% this week...

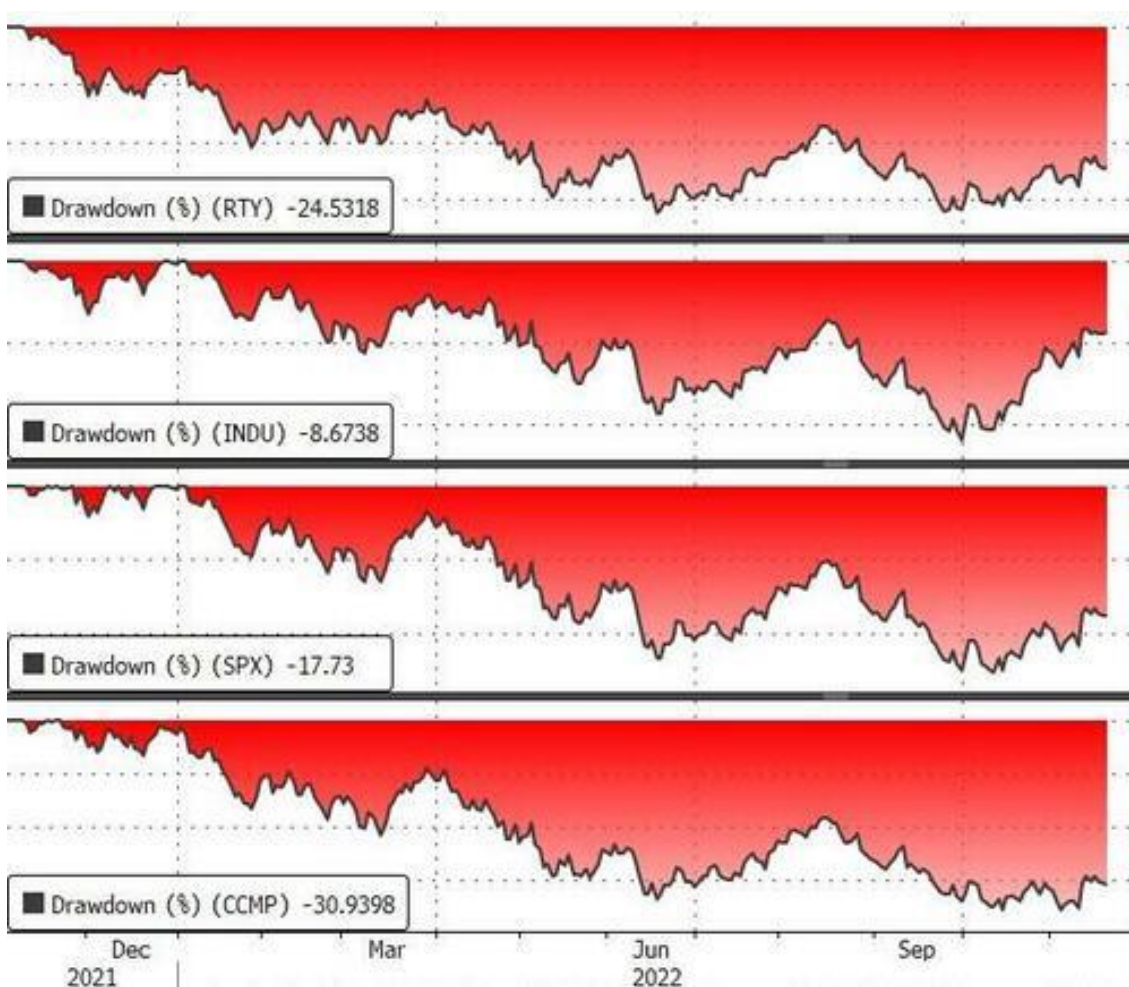


Source: Bloomberg, www.zerohedge.com



#us #equities #ytd #performance

It's been a year since the peak of stocks and Nasdaq is down over 30%, Small Caps -25%, S&P down just under 18%, and The Dow only down around 9%...



Source: www.zerohedge.com, Bloomberg



#GLOBALMARKETS WEEKLY WRAP-UP

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#markets

#vix

VIX was puked to a 22 handle on Friday as OpEx flows hit...



Source: Bloomberg, www.zerohege.com



#us #equities #treasuries #correlation

Rolling 200-day correlation between S&P 500 (blue) and 10y U.S. Treasury yield (orange) has fallen to lowest (most negative) since December 1999.



Source: Bloomberg, Liz Ann Sonders



#us #equities #mega-caps

A change of leadership? Time for stock picking?



Source: Tavi Costa, Bloomberg



#investors #positioning

Investors' positioning remained very cautious in November, according to the Bofa global fund manager survey, which took place BEFORE the latest US #inflation data – Bloomberg. Cash was the most popular asset class, with net 51% of investors saying they are overweight.



Source: Bloomberg

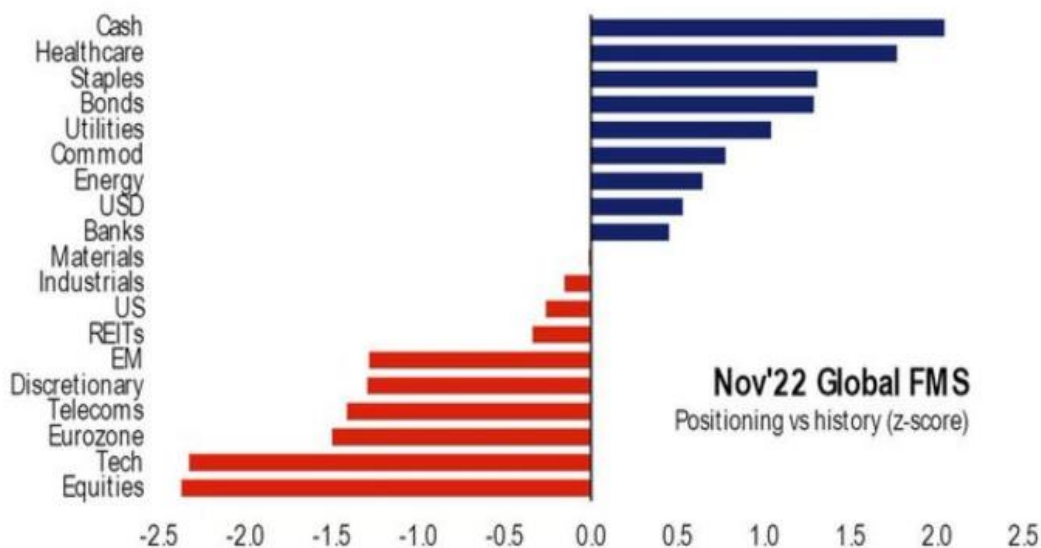


#investors #positioning

Fund managers are overweight cash and underweight equities, as they position defensively.

Chart 19: Relative to history, FMS most long cash/defensives, short equities/EU/cyclicals

Positioning vs history (z-score)



Source: BofA Global Fund Manager Survey, Bloomberg

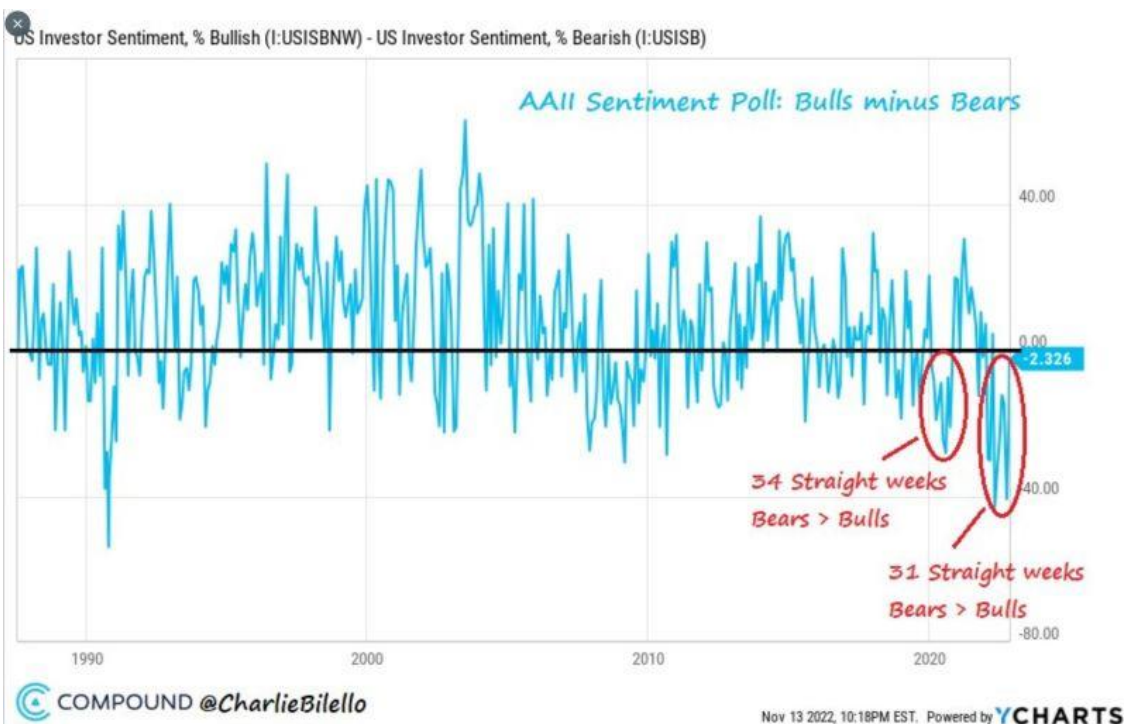
BofA GLOBAL RESEARCH

Source: BofA



#investors #sentiment

Bears have outnumbered Bulls in the AAll sentiment poll for 31 straight weeks (since April). With data going back to 1987, the record for most persistent bearishness was 34 weeks from Feb-Oct 2020. From a contrarian perspective, this is a BULLISH sign.



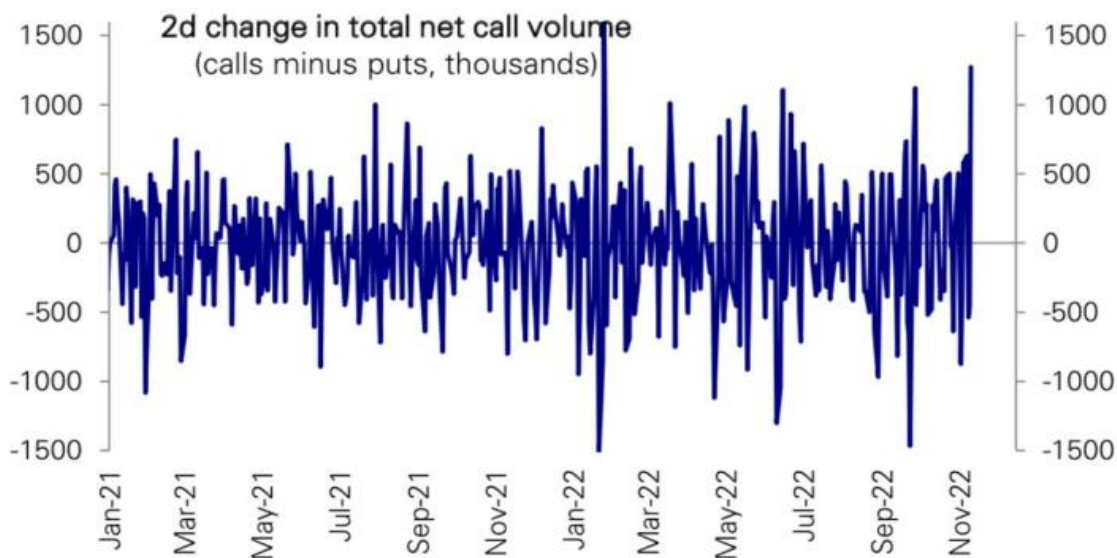
Source: Charlie Bilello



#derivatives #call #options

Large Swing Up in net Call Volumes. In a matter of 2 days, net call option volumes swung from extreme negative to positive, with the absolute change in the top percentile over the last 25 years” .

Figure 6: Large swing up in net call volumes



Source : CBOE, DB Asset Allocation

Source: DB



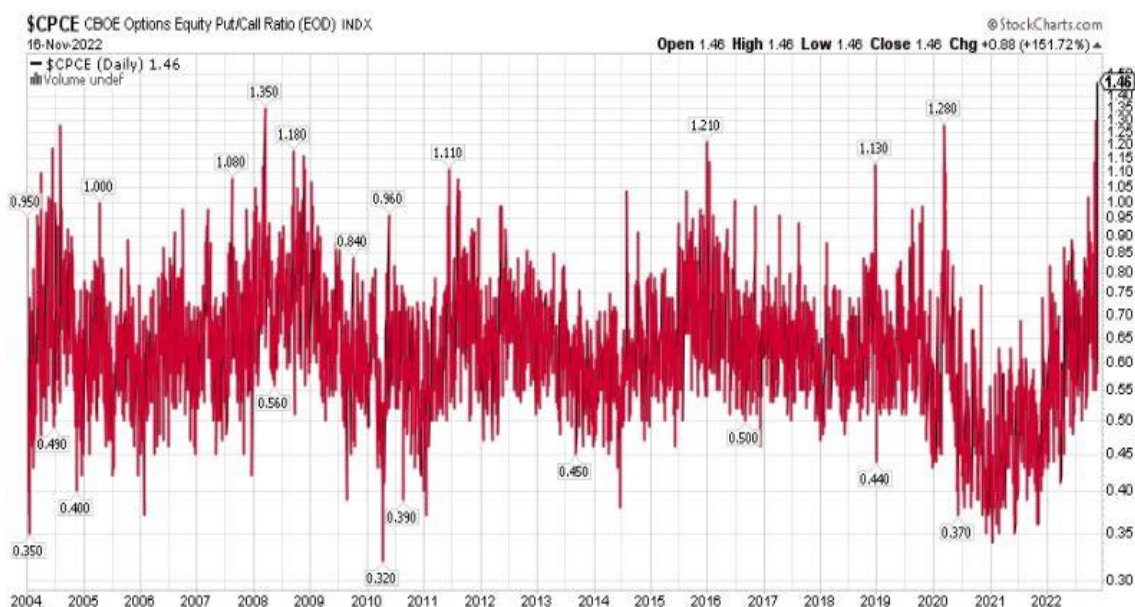
#derivatives #put-to-call

Recent CBOE equity options activity:

8th of November: highest level of put activity in over a decade.

11th of November: highest level of call activity in over a year.

16th of November: highest single day put/call ratio in more than a quarter century. Indeed, the equity put call ratio stands at 1.46, its highest level ever. Does someone know something the rest of us don't or are these stupid retail perma-bears that are just adding fuel to the rally? .



Source: Bloomberg, www.zerohedge.com



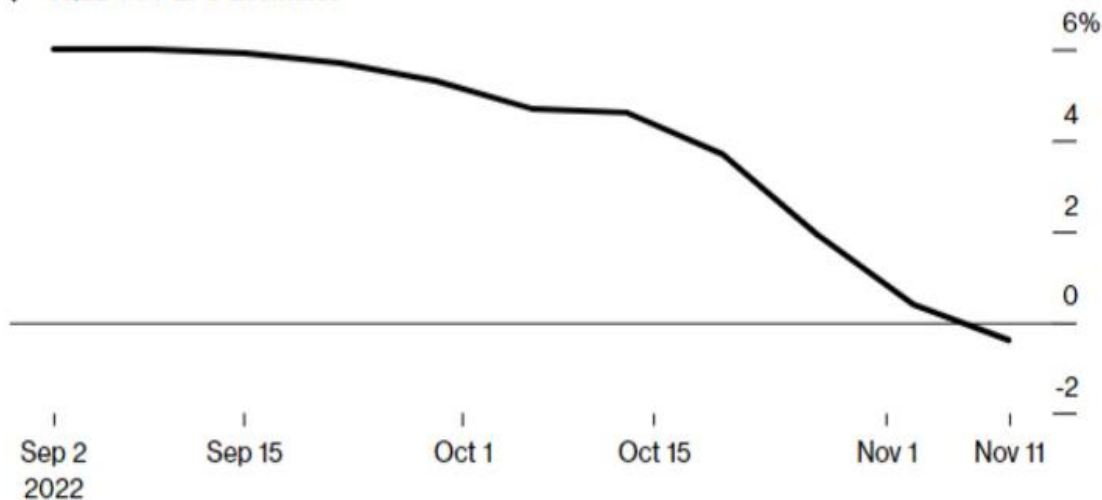
#us #earnings

Wall Street's Outlook for S&P 500 Earnings Is Getting Gloomier. Analysts now expect blue-chip earnings in 4Q to be negative.

Earnings Contraction

Consensus estimates now expect negative S&P 500 earnings growth in 4Q

4Q22 YOY EPS Estimates



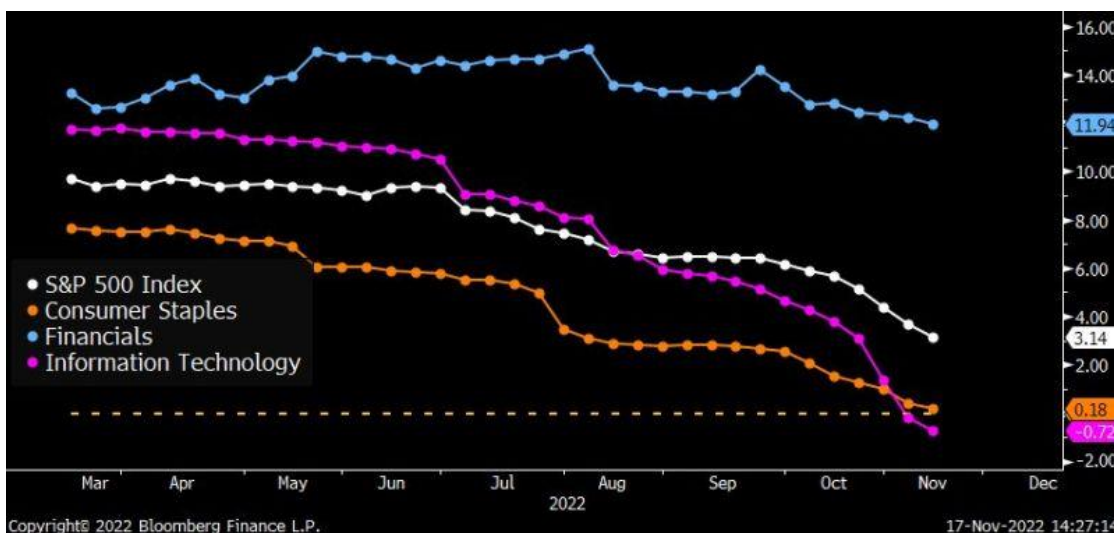
Source: Bloomberg Intelligence

Source: bloomberg



#us #earnings

Tech is the SP&500 earnings killer. All S&P 500 sectors recorded a downward revision to fiscal 2023 EPS growth forecasts over the past month, but technology's fall was most profound and lands sector expectations in #recession territory for the year ahead.



Source: Bloomberg, GinaMartinAdams

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#berskhire-hathaway

Warren Buffett's Berkshire Hathaway bought Taiwan Semi, Wood products maker Louisiana-Pacific Corp, and Jefferies in Q3 for the first time. He increased his position in Occidental, Chevron, RH, Paramount, and Celanese while dumping Store Capital entirely.



Source: Bloomberg



#markets

#berskhire-hathaway

Berkshire's Top 10 Positions at the end of Q3

STOCK	VALUE (\$BN)	% CHANGE IN SHARES
Apple	\$123.7	UNCH
Bank of America	\$30.5	UNCH
Chevron	\$23.8	2.4%
Coca-Cola	\$22.4	UNCH
American Express	\$20.5	UNCH
Occidental	\$11.9	22.6%
Kraft Heinz	\$10.9	UNCH
Moody's	\$6.0	UNCH
Activision Blizzard	\$4.5	-12.1%
Taiwan Semiconductor	\$4.1	NEW

BUFFETT'S BERKSHIRE HATHAWAY TAKES \$4.1 BN STAKE IN TSMC

Source: CNBC



#european #equities #stoxx600

Europe's STOXX 600 traded above both its 50 and 200 DMA for the entire trading session on Friday for the first time since January.

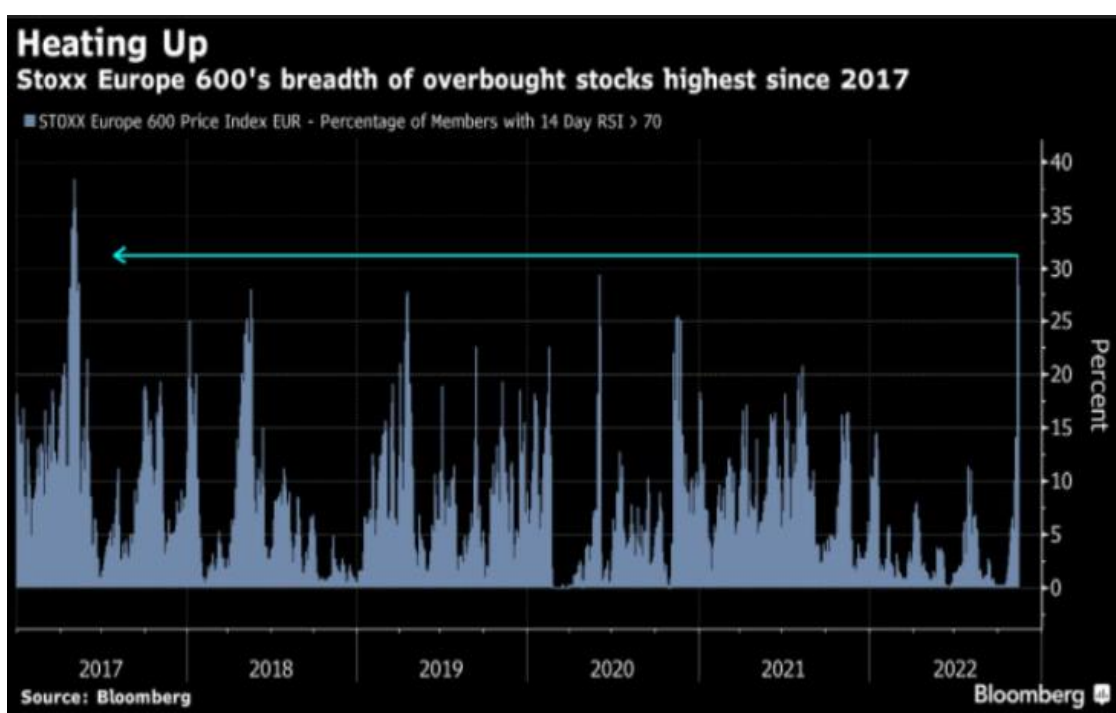


Source: Bespoke

#markets

#european #equities #stox600 #breadth

Almost a third of Stoxx 600 members are trading at overbought levels, the highest proportion in five years



Source: Bloomberg

#markets

#global #10-year #yields

@CharlieBilello	Global 10-Year Yields (%)		
Country	10-year Yield (Today)	CPI (YoY)	Real Yield
JAPAN	0.25%	3.0%	-2.75%
SWITZERLAND	1.04%	3.0%	-1.97%
SWEDEN	1.98%	10.9%	-8.92%
GERMANY	2.00%	10.4%	-8.40%
DENMARK	2.27%	10.1%	-7.83%
NETHERLANDS	2.29%	14.3%	-12.01%
FRANCE	2.48%	6.2%	-3.72%
IRELAND	2.51%	9.2%	-6.70%
BELGIUM	2.55%	12.3%	-9.72%
AUSTRIA	2.58%	11.0%	-8.42%
FINLAND	2.60%	8.3%	-5.70%
CHINA	2.85%	2.1%	0.75%
PORTUGAL	2.98%	10.1%	-7.12%
SPAIN	3.03%	7.3%	-4.28%
CANADA	3.08%	6.9%	-3.82%
UK	3.15%	11.1%	-7.95%
SINGAPORE	3.23%	7.5%	-4.27%
AUSTRALIA	3.62%	7.3%	-3.68%
HONG KONG	3.70%	4.4%	-0.70%
US	3.72%	7.7%	-3.98%
SOUTH KOREA	3.89%	5.7%	-1.81%
ITALY	3.93%	11.8%	-7.87%
NEW ZEALAND	4.25%	7.2%	-2.95%
INDONESIA	7.00%	5.7%	1.29%
POLAND	7.04%	17.9%	-10.87%
INDIA	7.27%	6.8%	0.50%
PHILIPPINES	7.60%	7.7%	-0.10%
MEXICO	9.16%	8.4%	0.75%
RUSSIA	9.92%	12.6%	-2.68%
SOUTH AFRICA	10.35%	7.5%	2.85%
TURKEY	11.58%	85.5%	-73.93%
BRAZIL	13.06%	6.5%	6.59%



#us #treasuries #weekly

While all the major US equity markets were lower on the week, Treasuries were very mixed with the short-end clubbed like a baby seal (2Y +17bps) as the long-end yields dropped 9bps with 10Y flat...

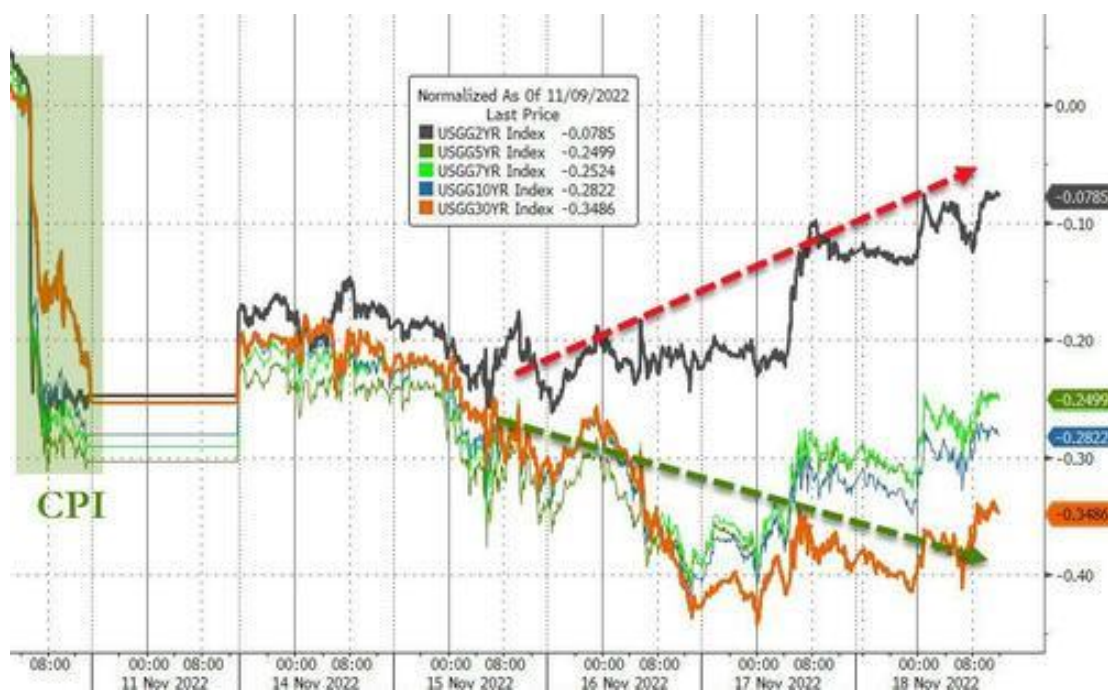


Source: www.zerohedge.com, Bloomberg



#us #treasuries

For context, all yields are lower post-CPI but the short-end is underperforming (30Y yields down 35bps)...

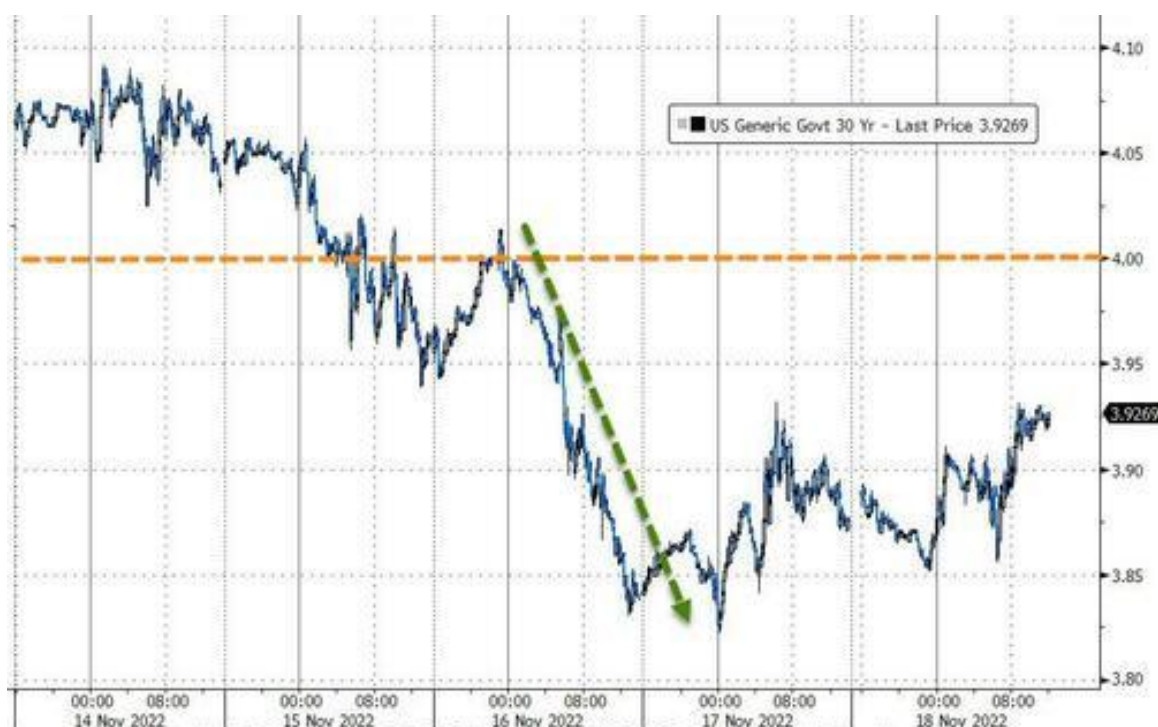


Source: www.zerohedge.com, Bloomberg



#us #treasuries #30Y

The 30Y yields shifted back below, and held below, 4.00%...

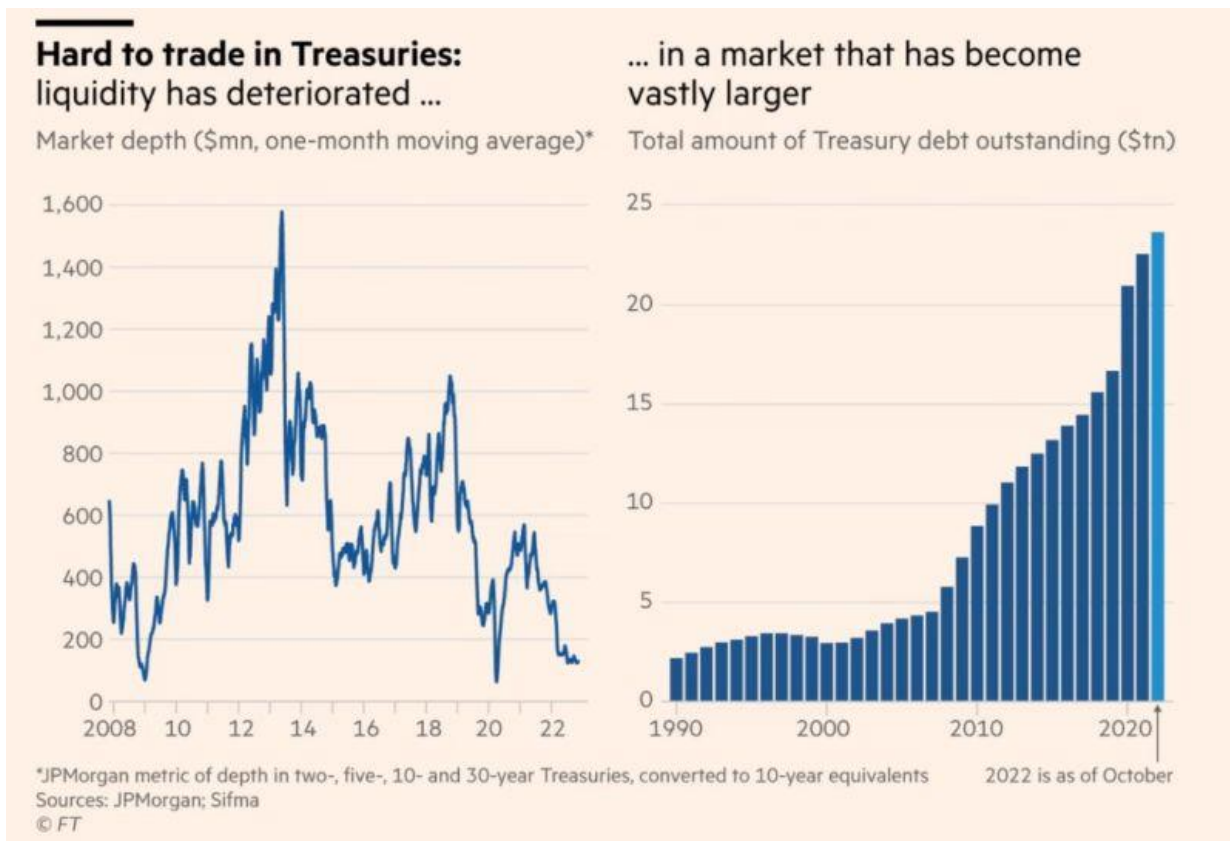


Source: www.zerohedge.com, Bloomberg



#us #treasuries #liquidity

Liquidity in the market — one crucial measure of how well it is functioning — is at its worst levels since March 2020 after a dramatic decline in the past year. Market depth, a measure of liquidity which refers to the ability of a trader to buy or sell Treasuries without moving prices, is also at its worst level since March 2020, according to Jay Barry at JP Morgan.



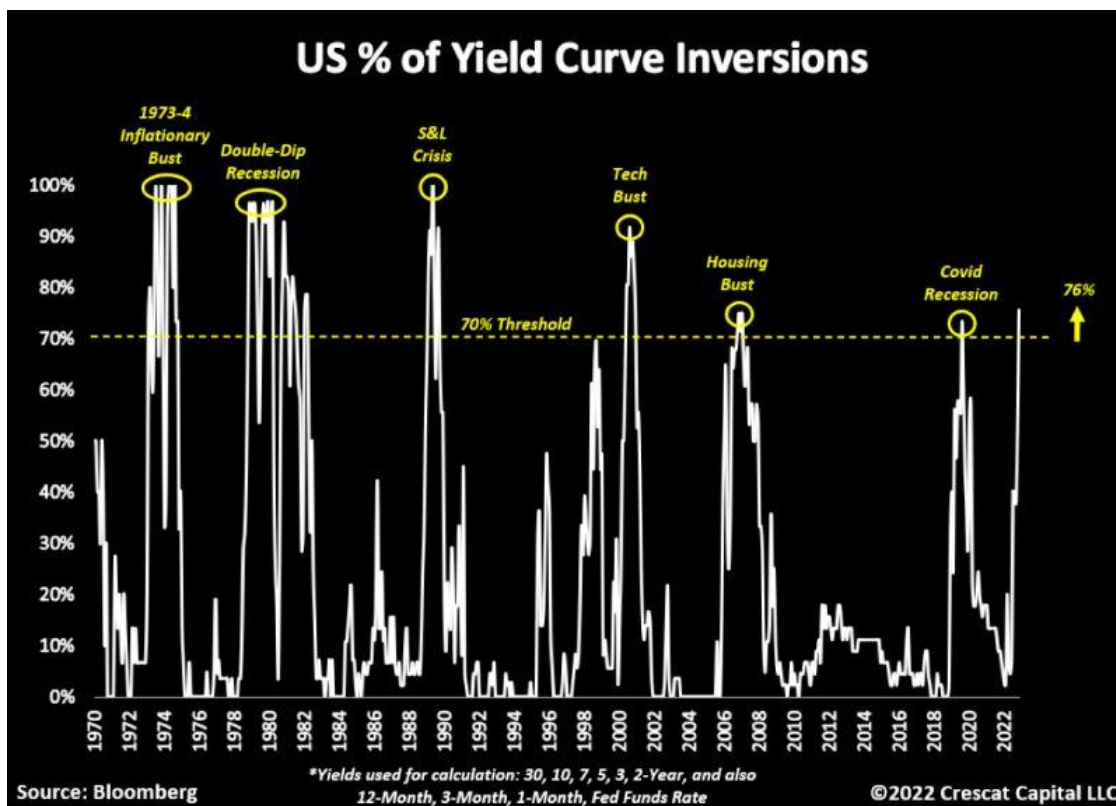
Source: FT





#us #treasuries #yieldcurve

The US Treasury curve is now more than 70% inverted. In the last 50 years of history, every time we have surpassed this threshold a recession followed.



Source: Tavi Costa, Bloomberg

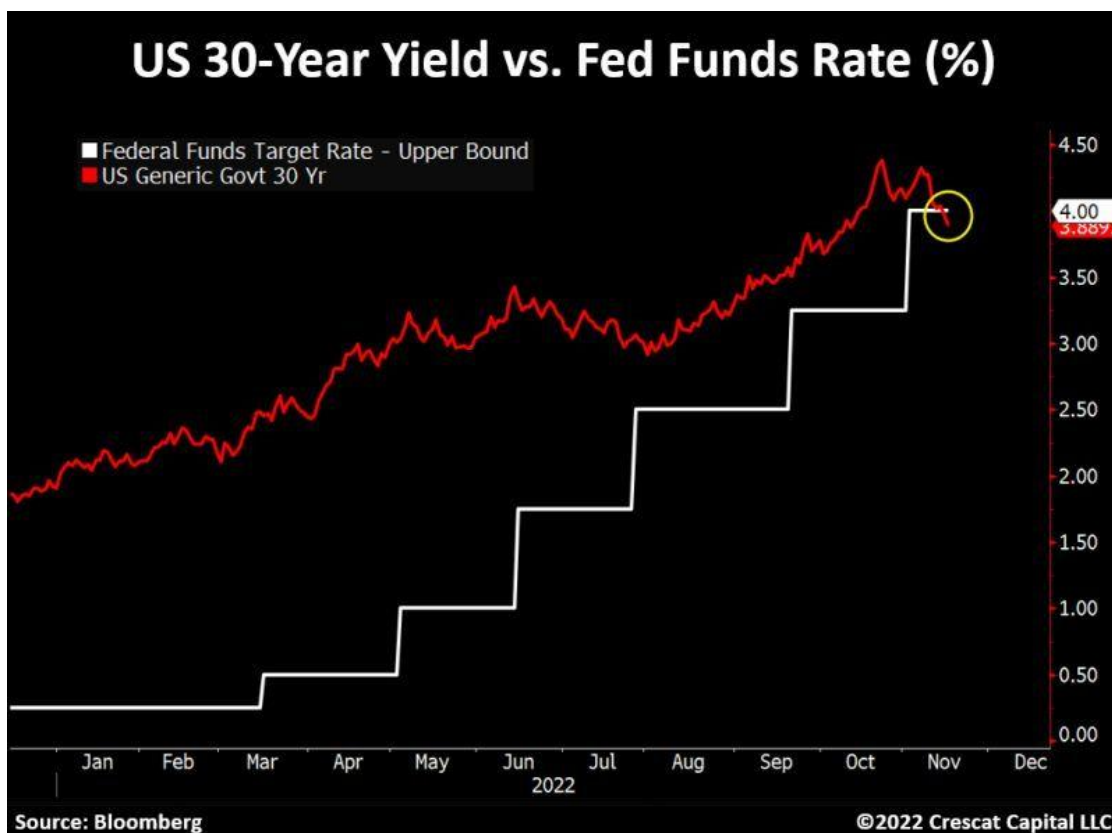


#us #treasuries #yieldcurve

More yield curve inversions has been happening;

- 1) The Fed funds rate is now higher than 30-year yields for the first time since the Covid recession.
- 2) The 2s10s is the most inverted since 1982...
- 3) 3m10Y pushed to a new cycle low

62% of the entire US Treasury curve is now inverted.



Source: Tavi Costa, Bloomberg





#us #treasuries #yieldcurve

The US yields curve to its most inverted in multiple decades. Literally the entire curve is inverted...most notably The Fed's favorite, 3m10Y spread, is near record lows/inversion...

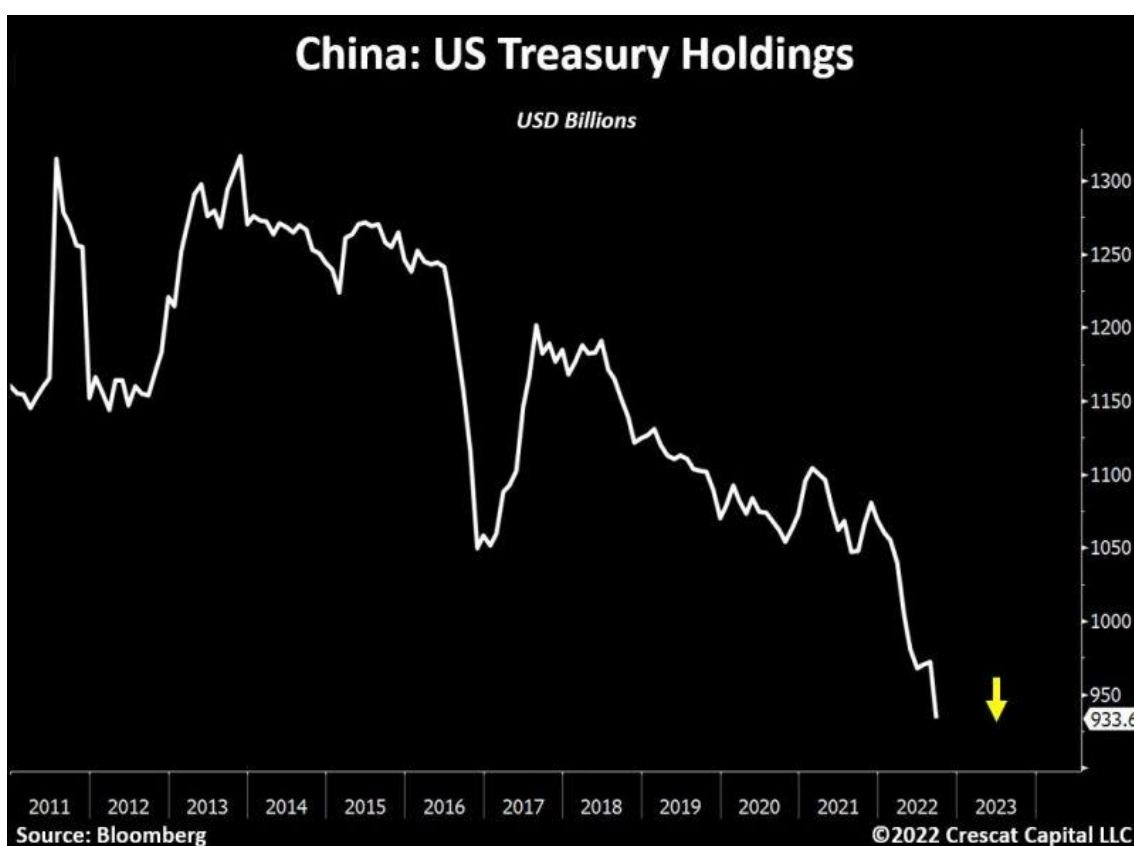


Source: www.zerohedge.com, Bloomberg

#markets

#us #treasuries #demand

China's holdings of US Treasuries continue to fall and now stand at a new decade low, down almost \$400B from peak levels.

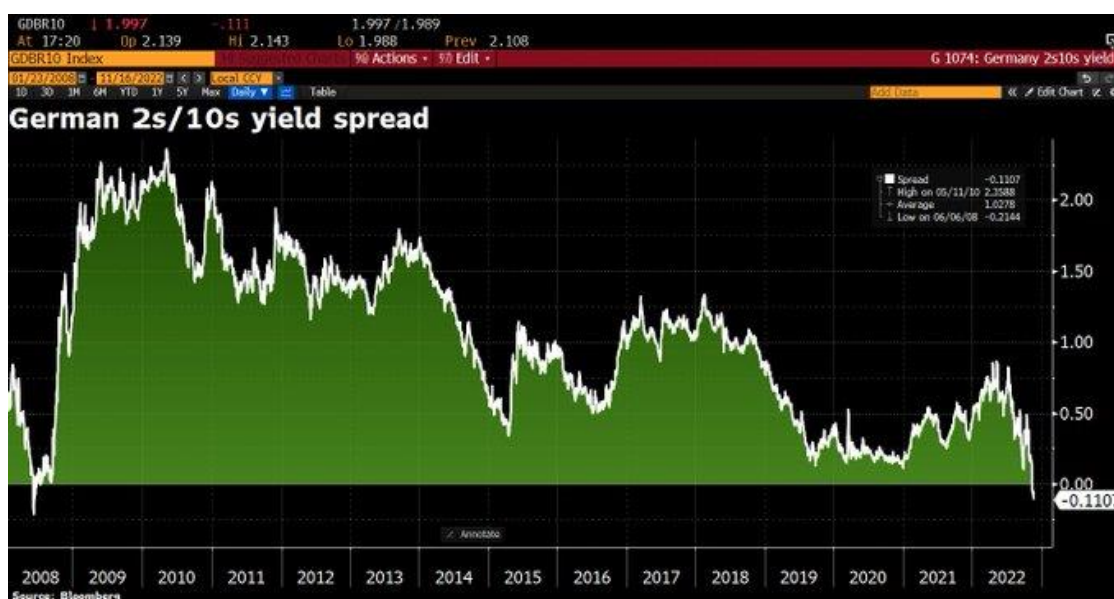


Source: Crescat Capital, Bloomberg



#german #bunds

German bunds sound the recession alarm: Germany's yield curve has turned negative for 1st time since 2008. 2s/10s spread now at -0.11% as 10y yield has dropped by a whopping 11bps to <2%.



Source: HolgerZ, Bloomberg

#china #bonds

BlackRock has indefinitely shelved a Chinese bond ETF, with one person saying the move was made in part because of concerns about a backlash in Washington against bankrolling the Chinese government with US capital. "That is too much of a political risk."

BlackRock shelves China bond ETF

Deteriorating relations between Washington and Beijing and less attractive yields blamed



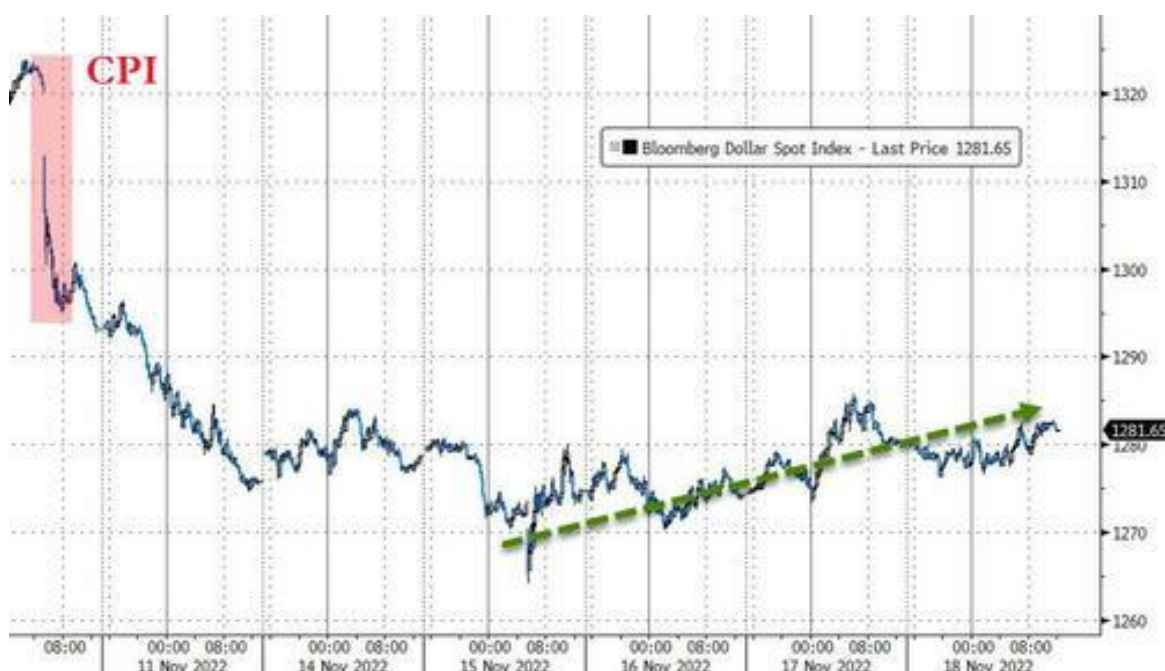
BlackRock had planned to launch a China bond ETF in the US in the second quarter © Jeenah Moon/Bloomberg

Source: FT



#forex #dollar

The dollar limped higher on the week after extending post-CPI losses earlier in the week...



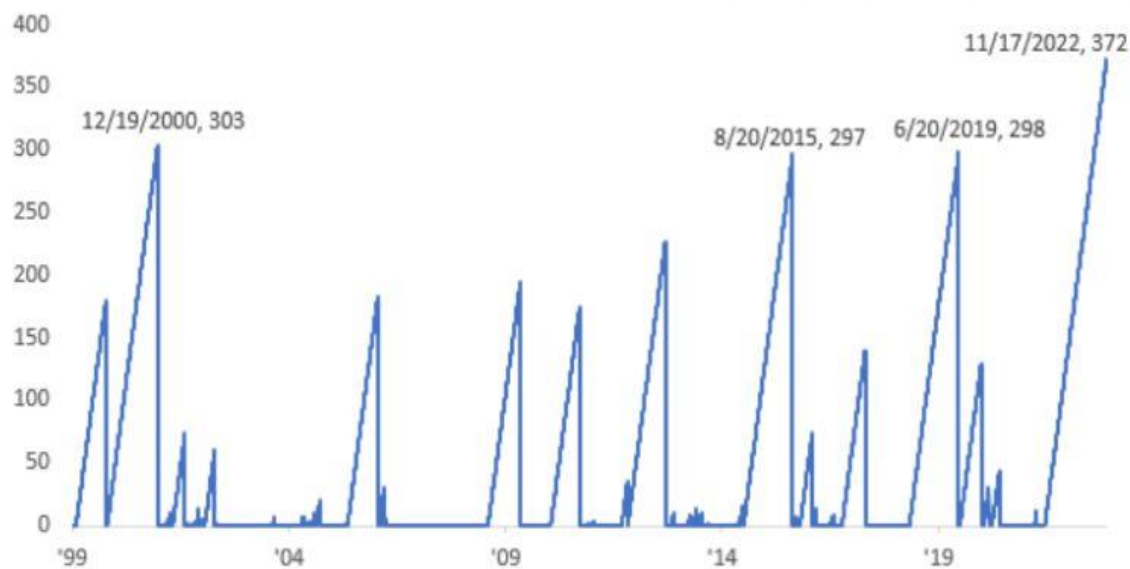
Source: www.zerohedge.com, Bloomberg



#forex #euro

Euro Streaks Below 200-DMA (Trading Days) 1999-2022. The current streak of 372 trading days closing below its 200-DMA ranks as the longest since the common currency's launch in 1999. Over the last 22 years, this current streak marks only the fourth time that the currency has traded below its 200-DMA for more than an entire year.

Euro Streaks Below 200-DMA (Trading Days): 1999 - 2022



Source: Bespoke

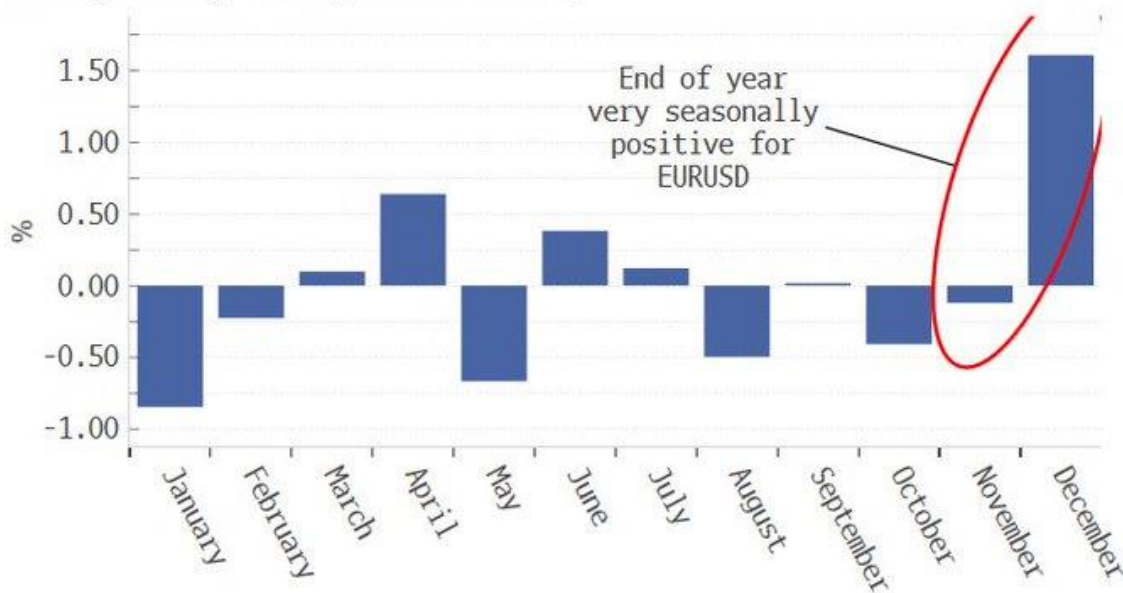


#forex #euro

Seasonals are the last refuge of a macro-analyst running low on ideas, but sometimes they are too compelling to ignore. That's the case with EUR/USD, which exhibits a very strong upwards bias into the end of the year.

EURUSD's Seasonal Santa Rally

■ Average Monthly Return (data back to 2000)



Source: Bloomberg

Source: Jean-Charles Gand, Bloomberg



#commodities #gold

Gold held above \$1700...

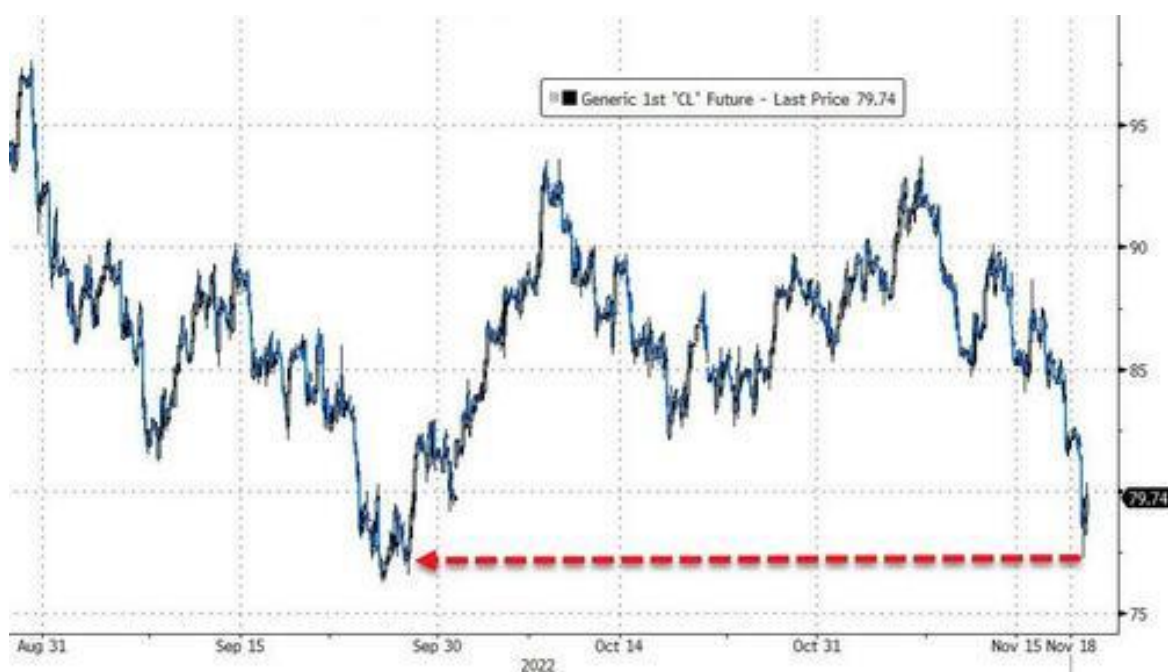


Source: Bloomberg, www.zerohedge.com



#commodities #oil

WTI tumbled to a \$77 handle intraday, its lowest since late September...



Source: Bloomberg, www.zerohedge.com



#commodities #gold #oil

Interestingly, the last few weeks have seen the price of oil fade notably relative to gold after being rangebound for most of the year. 1 Oz of Gold now buys 22 barrels of oil...



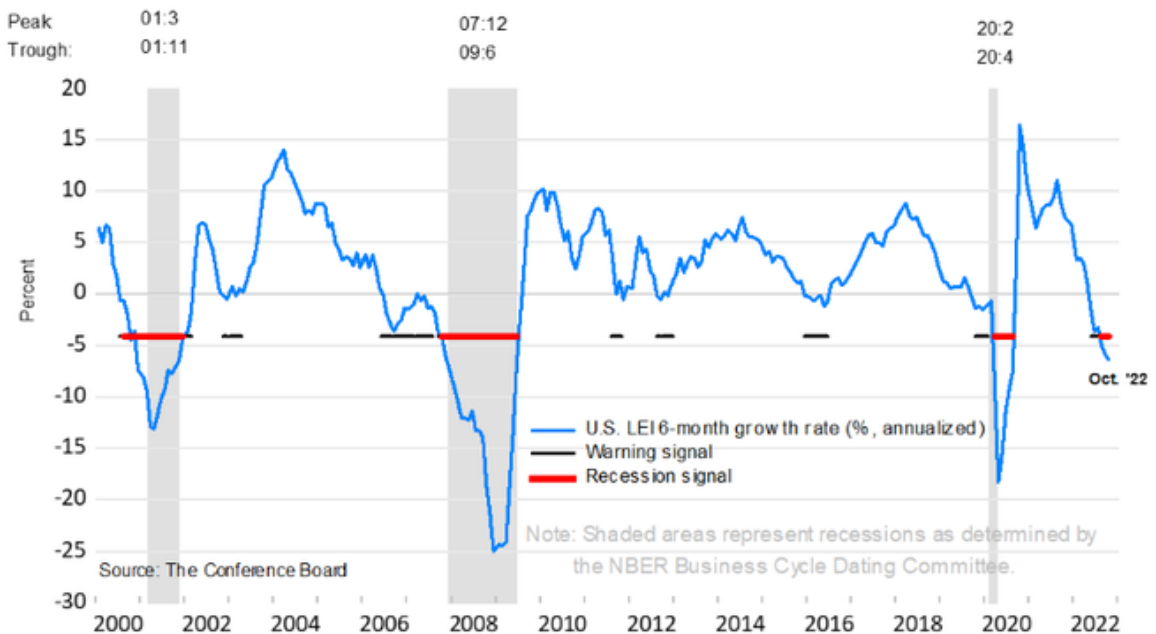
Source: Bloomberg, www.zerohedge.com



#us #leading #indicator

The 6-month growth rate in the Leading Economic Index fell further into negative territory in October and is at levels that have signaled a high probability of recession in the past (2020, 2008, and 2001)....

The LEI diffusion index continues to show a strong recession signal

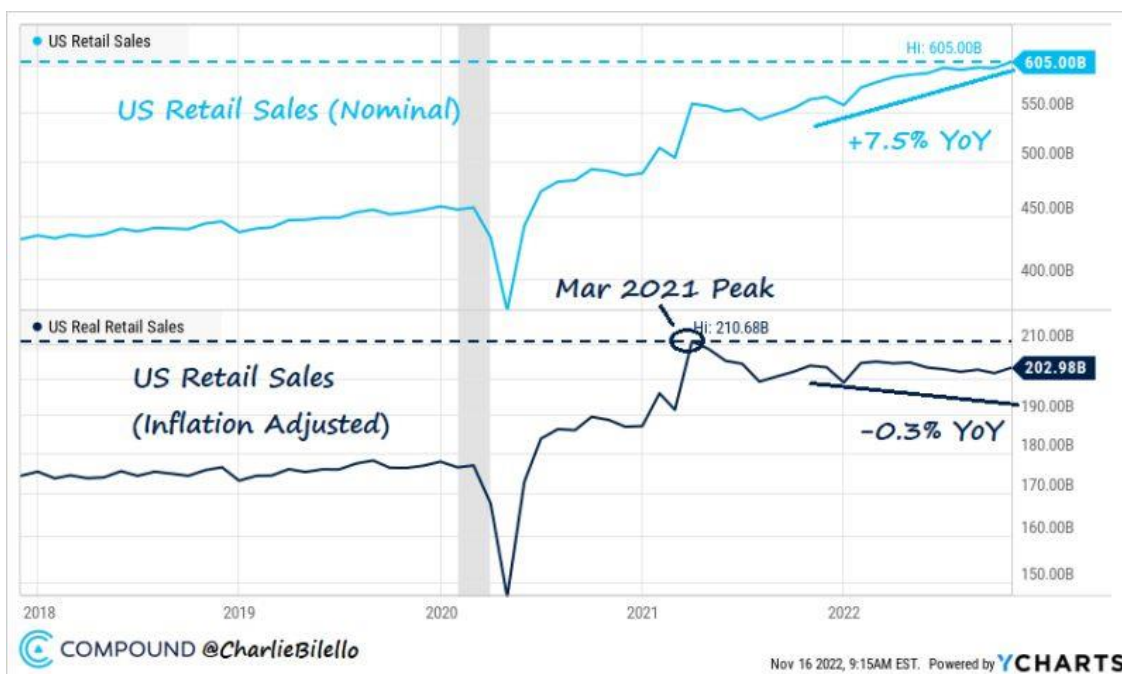


Source: Charlie Bilello



#us #retail-sales

In nominal terms, US Retail Sales still appear to be booming, rising 7.5% over the last year & hitting a new high in October. But after adjusting for #inflation, the story changes. Real Retail Sales peaked in March 2021 and are down 0.3% over the last year.



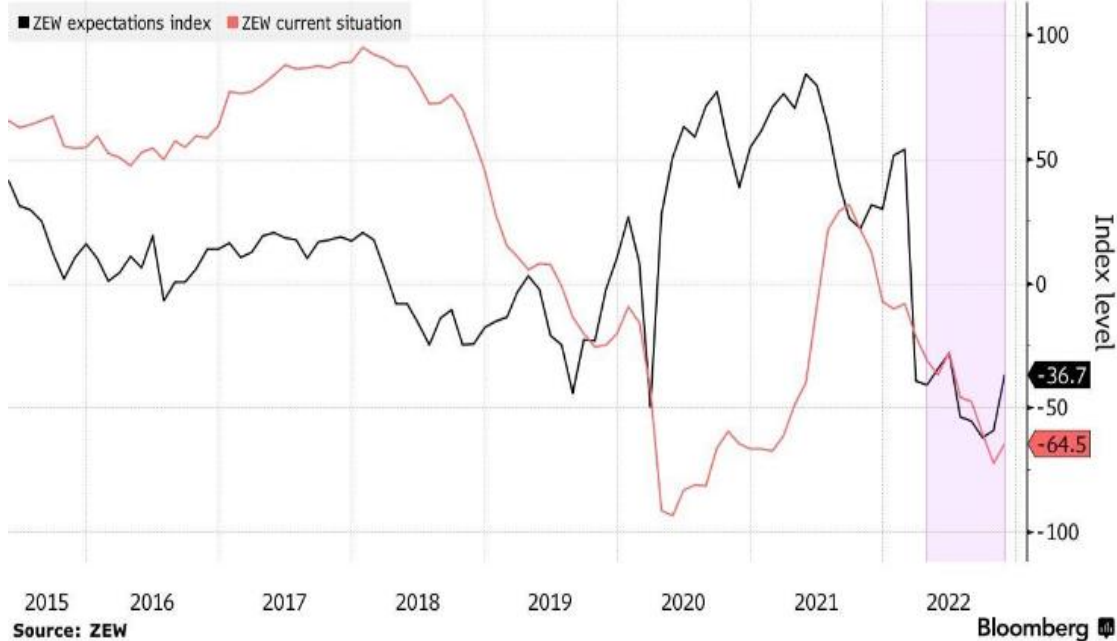
Source: Charlie Bilello



#germany #zew

German investor confidence is rising after hitting lows not seen since the COVID crash. The DAX has rallied over 20% off of its recent lows.

Investor Confidence in Germany Improves, But Stays Low




Source: Bloomberg

#macro

#global #inflation

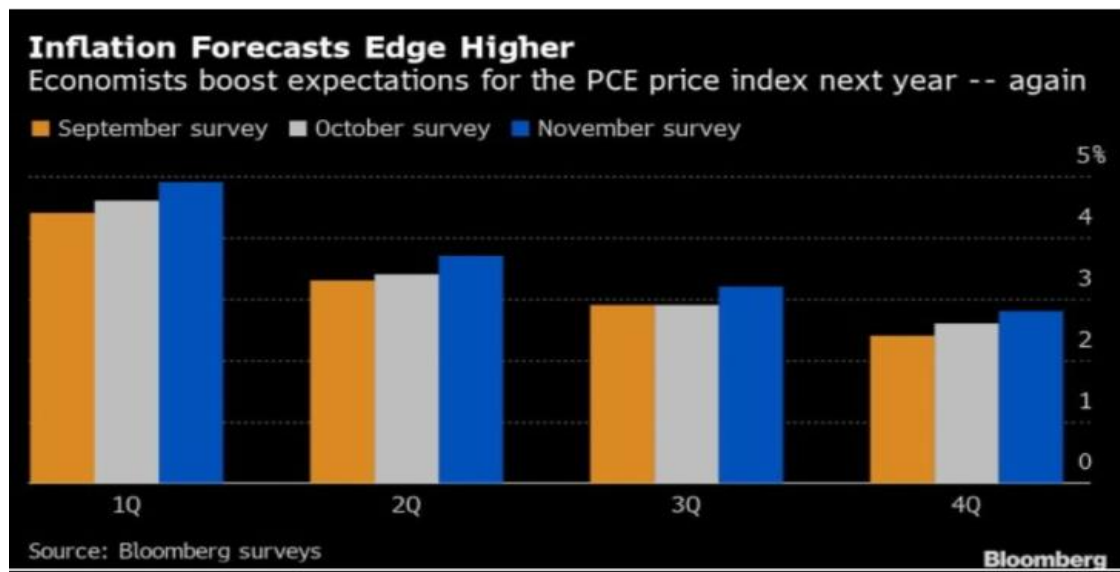
Global Inflation Rates	
Country/Region	CPI Inflation (YoY %)
CHINA	2.1%
TAIWAN	2.7%
JAPAN	3.0%
SWITZERLAND	3.0%
SAUDI ARABIA	3.0%
SOUTH KOREA	5.7%
INDONESIA	5.7%
THAILAND	6.0%
FRANCE	6.2%
BRAZIL	6.5%
INDIA	6.8%
CANADA	6.9%
NEW ZEALAND	7.2%
AUSTRALIA	7.3%
SPAIN	7.3%
SINGAPORE	7.5%
SOUTH AFRICA	7.5%
PHILIPPINES	7.7%
US	7.7%
FINLAND	8.3%
MEXICO	8.4%
IRELAND	9.2%
PORTUGAL	10.1%
GERMANY	10.4%
EUROZONE	10.7%
SWEDEN	10.9%
UK	11.1%
ITALY	11.8%
RUSSIA	12.6%
NETHERLANDS	14.3%
POLAND	17.9%
TURKEY	85.5%
ARGENTINA	88.0%
VENEZUELA	156%

 @CharlieBilello

#macro

#us #inflation #survey

Economists See US Inflation Running Even Hotter Through Next Year. The figures are based on the median forecast of 65 economists in a Bloomberg survey conducted Nov. 4-11. Roughly half of the responses were collected prior to the Nov. 10 release of the consumer price index. Forecasters also boosted quarterly expectations for the so-called core PCE price measure, which strips out food and energy costs, and the consumer price index. Meantime, the chance of recession over the coming year continued to climb, rising to 65% from 60% in October.

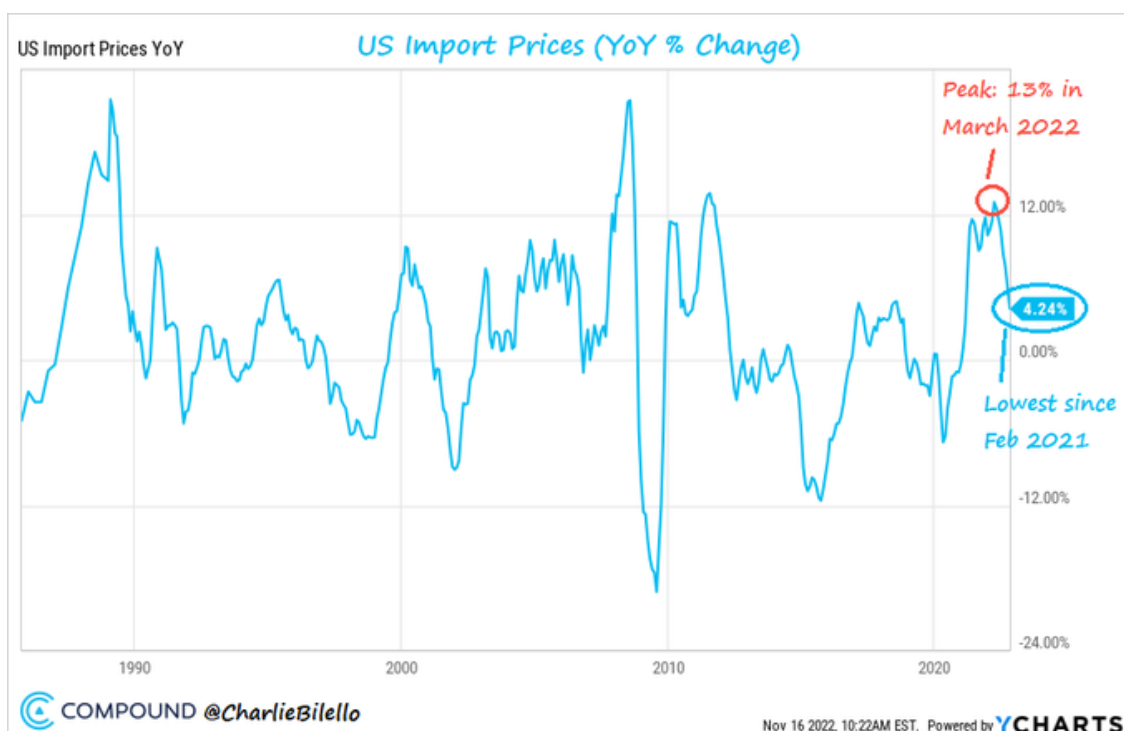


Source: Bloomberg



#us #import #prices

US Import Prices increased 4.2% over the last year. This was the 7th consecutive monthly decline in the YoY rate of change and the smallest increase we've seen since February 2021.



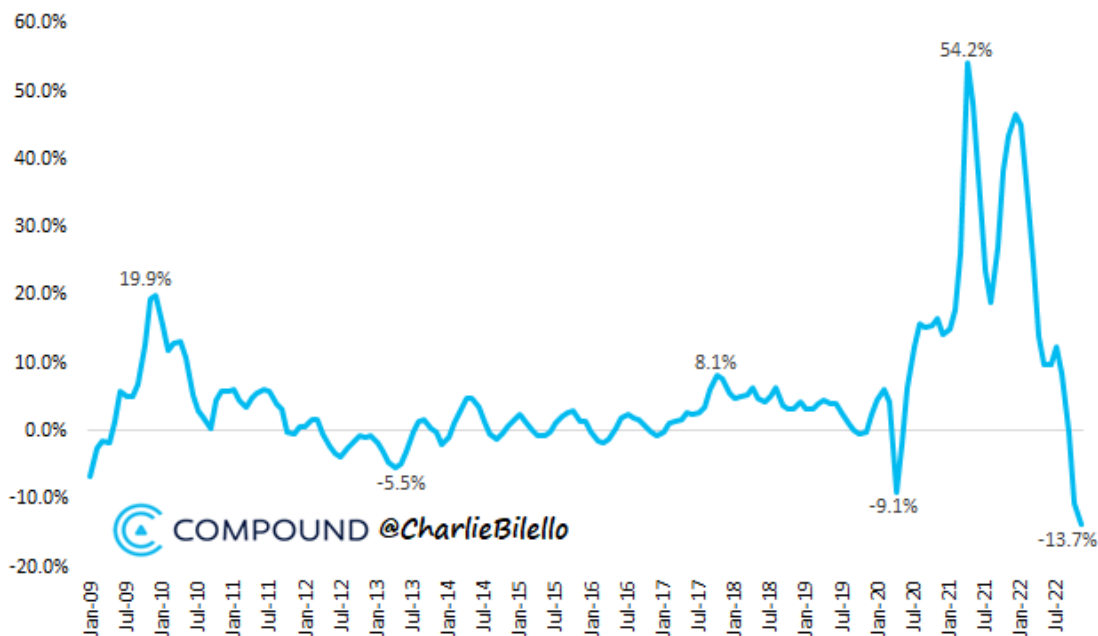
Source: Charlie Bilello



#us #used-cars #inflation

Used car prices are now down 14% over the past year, the largest YoY decline on record with data going back to 2009. This was a leading indicator of higher inflation rates in 2020 and the recent downturn is likely a leading indicator of lower inflation rates to come.

**Manheim Used Car Index, Rolling 12-Month % Change
(Jan 2009 - Nov 2022)**

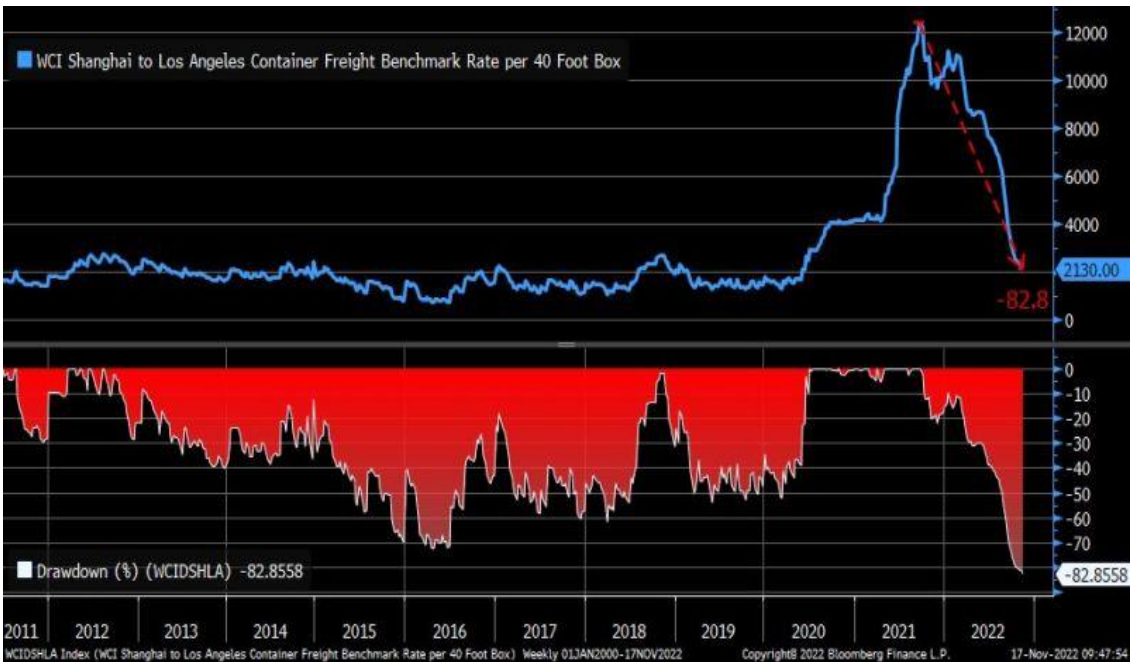


Source: Charlie Bilello



#shipping-rates

Collapse in shipping rates continues at an unprecedented rate. The cost to ship 40-foot container from Shanghai to Los Angeles has fallen by 83% from peak, by far largest drop on record (bringing level to lowest since June 2020).

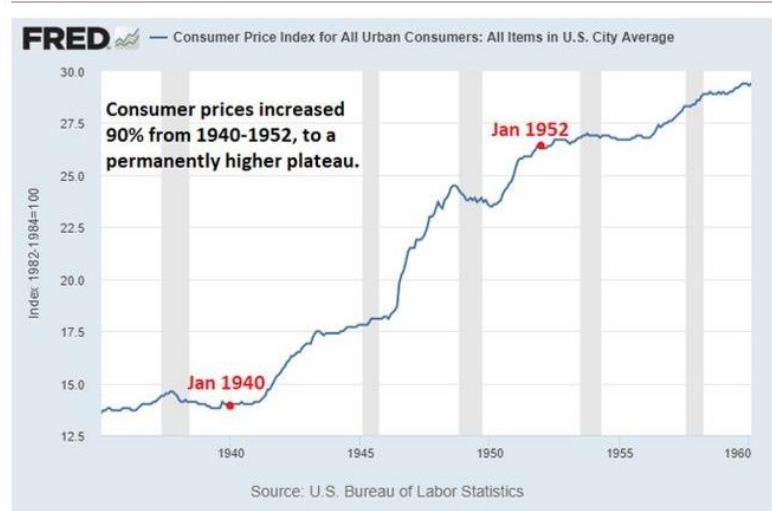
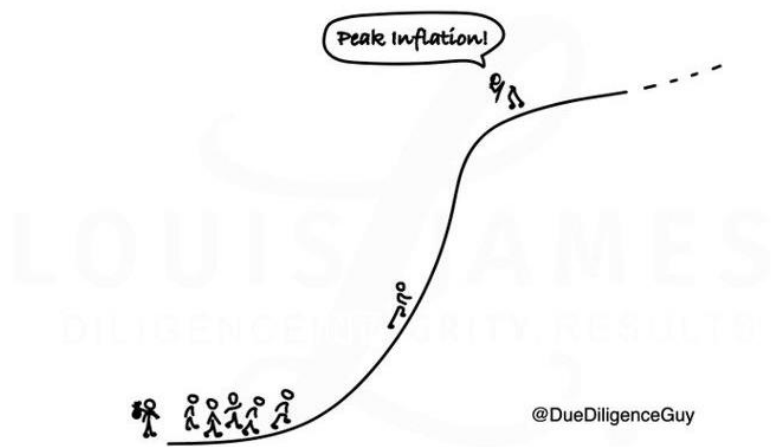


Source: Bloomberg, Liz Ann Sonders



#peak-inflation

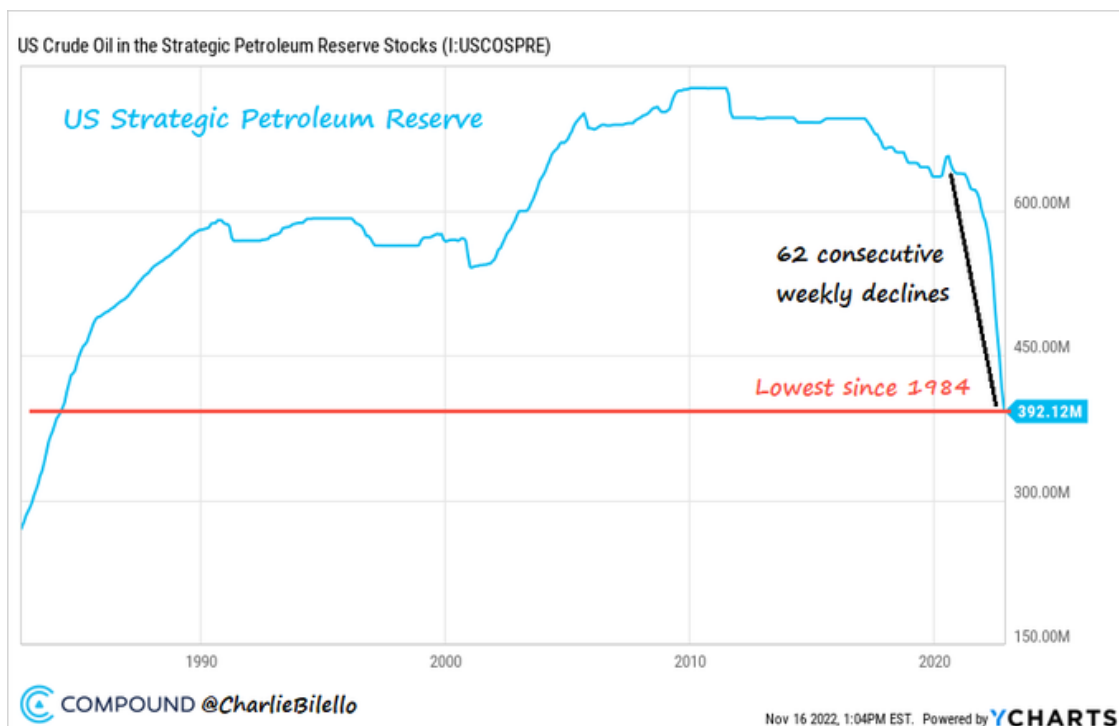
Good graphic for how broad prices tend to be after a wave of inflation cools down. This is by the way what happened in the 40s and the 70s, i.e permanently high #inflation. Only the second derivative cools down....





#us #oil #reserves

The US Strategic Petroleum Reserve moved down for the 62nd consecutive week to its lowest level since 1984. The 34% decline in reserves this year is the largest on record by a wide margin.



Source: Charlie Bilello

#macro

#us #jobs

Layoff news stories are surging in the US.



Source: Bespoke

#macro

#italy #inflation

Inflation is at record high despite the fact that temperatures are mild.

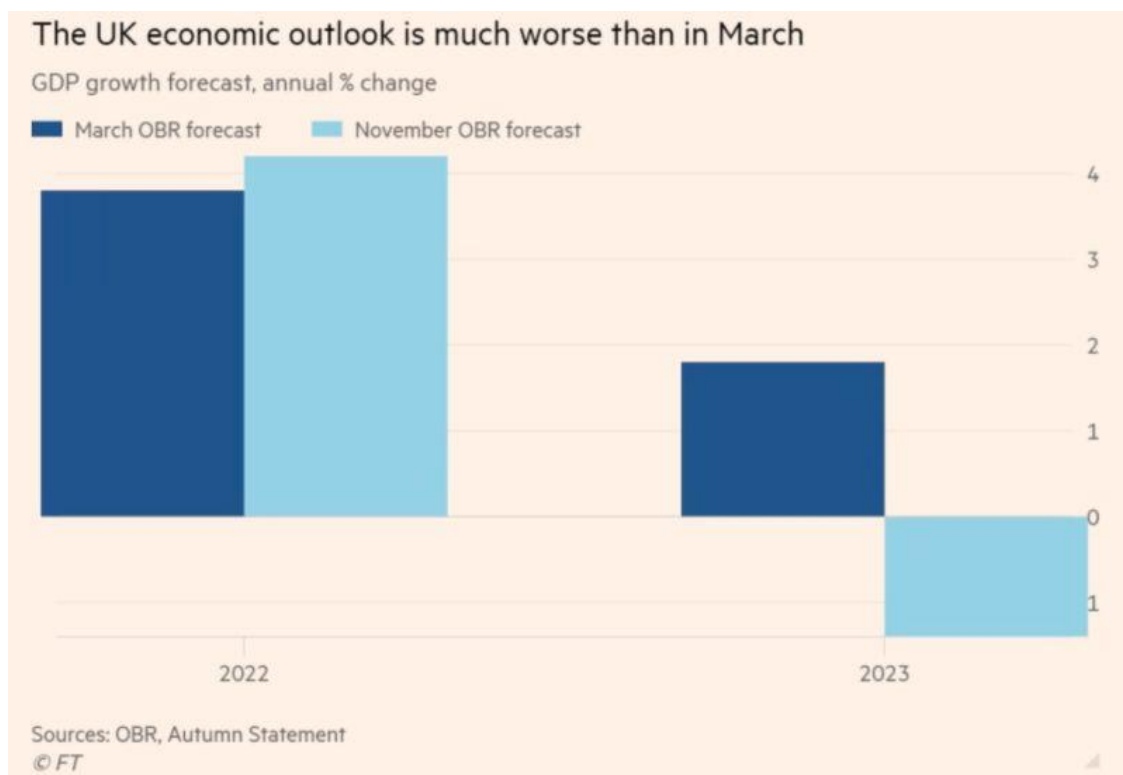


Source: Bloomberg



#uk #stagflation

The UK's OBR (Office for Budget Responsibility) confirms the intensification of #stagflation: in addition to revising its 2023 growth forecast from expansion to a contraction of 1.4%, the OBR now projects an inflation rate of 7.4%. Source: El-Erian, FT.



Source: FT

#macro

#uk #inflation

UK inflation rises more than expected to 41y high of 11.1%, adding to pressure on Bank of England to raise interest rates again. Energy prices rose most after increase in power and gas costs. Poorer households are feeling higher rate of inflation.



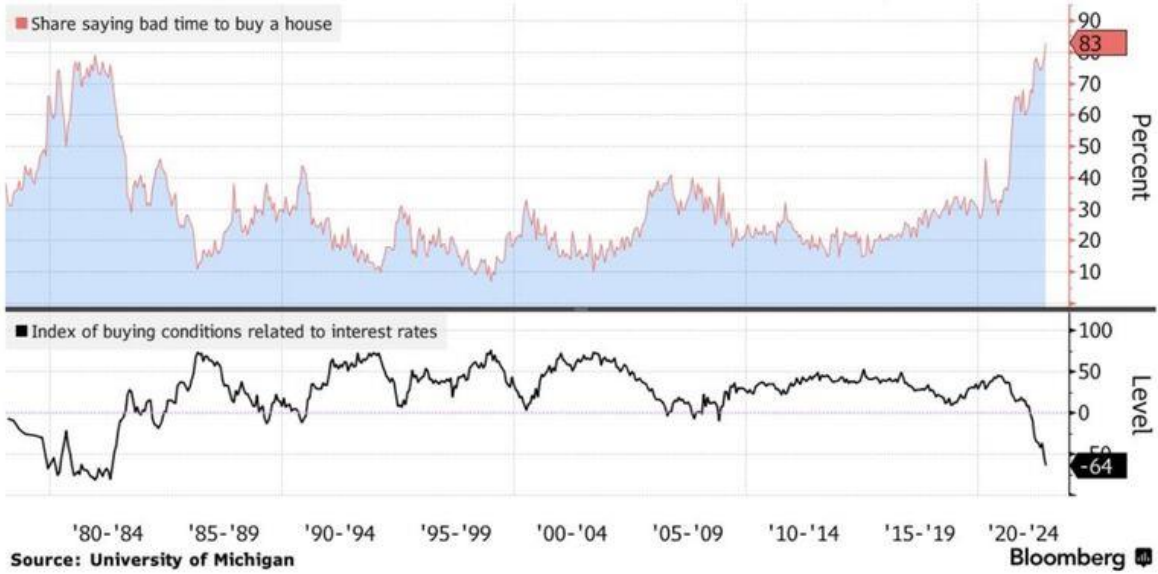
Source: Bloomberg



#us #housing

Worst US home buying conditions in history.

Weakest Home Buying Conditions on Record
Soaring mortgage rates have sent US housing market into a tailspin

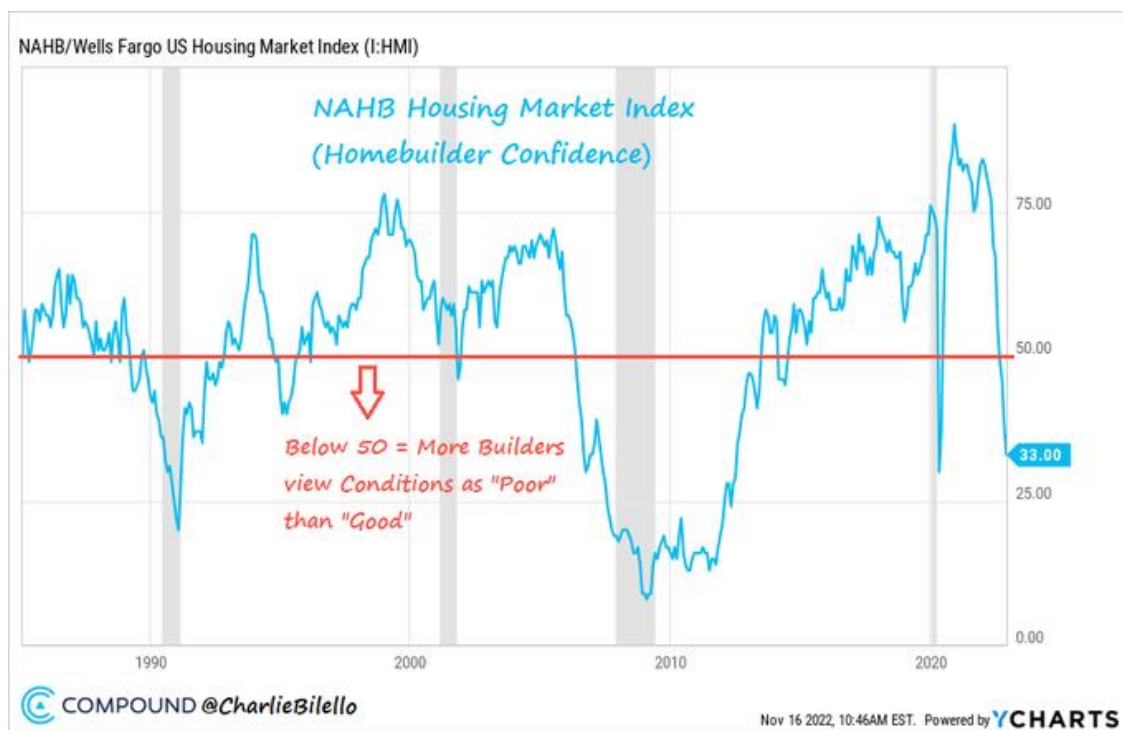


Source: Bloomberg



#us #housing

The US Housing Market Index (measure of homebuilder confidence) fell for the 11th consecutive month to its lowest level since April 2020. 37% of builders reported cutting prices in November, with an average price reduction of 6%.

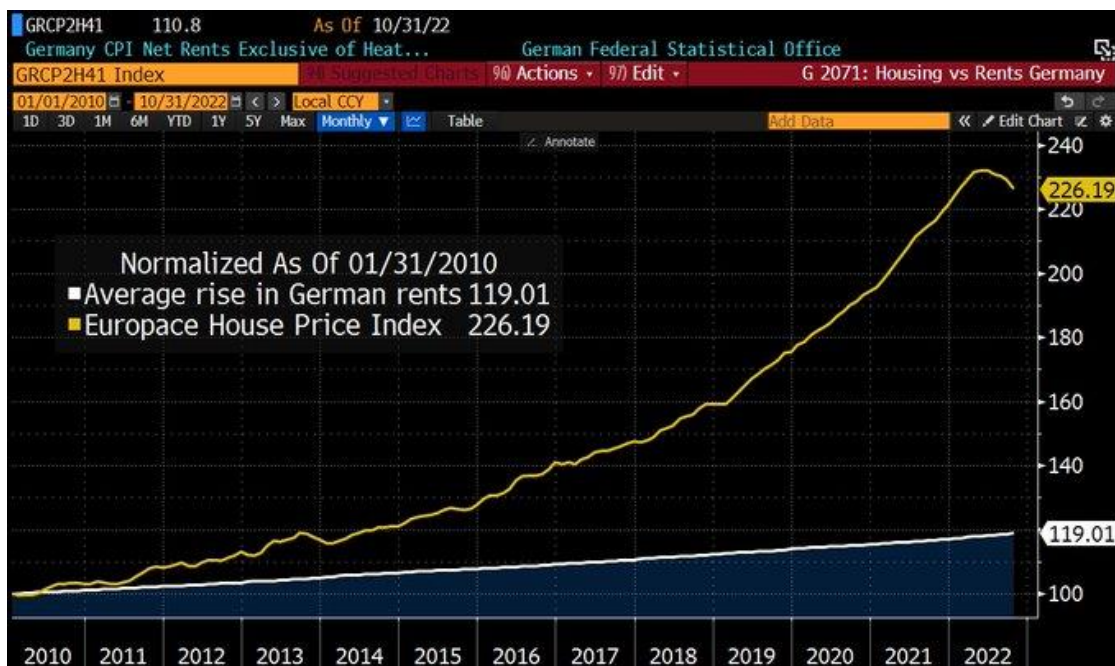


Source: Charlie Bilello



#german #housing

Even after housing prices in Germany have now fallen for several months, the gap w/rents is still striking. In other words, the return on German real estate is still ridiculously low, especially since rising financing costs have further reduced attractiveness.



Source: Bloomberg, HolgerZ

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

19 NOVEMBER 2022

#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%	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%	10.6%	-9.1%	Hike	Oct-22
Taiwan	Discount Rate	1.63%	2.7%	-1.1%	Hike	Sep-22
Sweden	Repo Rate	1.75%	10.9%	-9.2%	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%	11.1%	-8.1%	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
Saudi Arabia	Repo Rate	4.50%	3.0%	1.5%	Hike	Nov-22
Philippines	Key Policy Rate	5.00%	7.7%	-2.7%	Hike	Nov-22
Indonesia	Repo Rate	5.25%	5.7%	-0.5%	Hike	Nov-22
India	Repo Rate	5.90%	6.8%	-0.9%	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%	88.0%	-13.0%	Hike	Sep-22

COMPOUND

@CharlieBilello



Source: Charlie Bilello

#centralbanks

#hawkish #fed

16 different speeches from Fed speakers this week - all with the same message: higher rates for longer; no pause or pivot imminent...

Some highlights included:

Bostic: more rate-hikes needed, "must keep rates at peak" until inflation on track for 2%

Bullard: rates could rise to 7%, "burned two years in a row on inflation optimism"

Waller: Fed still has "long way to go" on rate-hikes

Daly: "pause is off the table"

Kashkari: "not seeing evidence of underlying demand cooling", "not there yet" to pause rate-hikes

Collins: 75bps still on the table, "no clear evidence that inflation coming down"

Source: www.zerohege.com

#centralbanks

#fed #rates #markets #expectations

we saw terminal Fed rate expectations surge this week, erasing all of the post-CPI 'pause hope' plunge (and rate-cut expectations fall also).

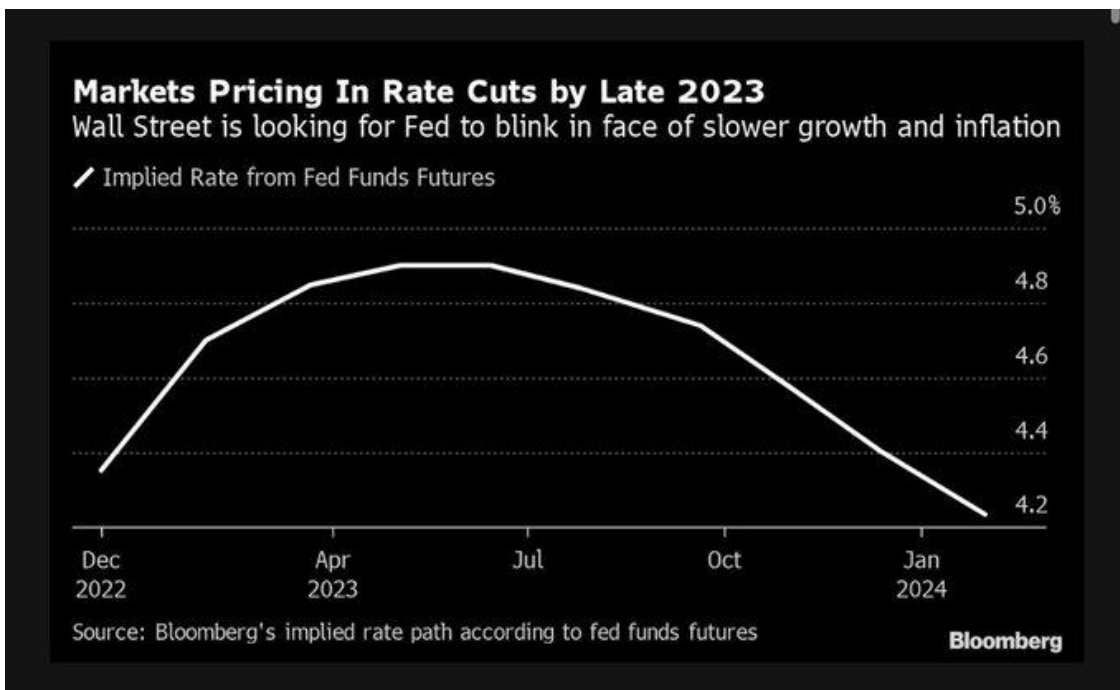


Source: www.zerohedge.com, Bloomberg

#centralbanks

#fed #rates #markets #expectations

From the Bloomberg article: “Wall Street Economists Split on Whether Fed Cuts Rates in 2023”. The relatively broad consensus among economists and market participants on the immediate outlook for hikes erodes the further you go into 2023.



Source: Bloomberg

#GLOBALMARKETS WEEKLY WRAP-UP

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19 NOVEMBER 2022

#centralbanks

#fed #qt

Quantitative Tightening (QT) ongoing... The Fed has allowed its balance sheet to shrink by nearly \$400 billion from the peak earlier this year, to \$8.6 trillion as of the latest data yesterday.



Source: Lisa Abramowicz, Bloomberg

#centralbanks

#ecb #rates #expectations

Markets reprice ECB rates expectations after Bloomberg reports that ECB may slow down interest-rate hiking with only 50bp increase next month. Traders now see 57bp hike in Dec, down from 77bp hike expectation at the end of October. Markets also pricing in an ECB pivot in 2023.



Source: Bloomberg

#centralbanks

#ecb

11 months later...

December 2021

Christine Lagarde says EU inflation a passing 'hump' and 2022 rate rise 'very unlikely'

ECB chief stresses central bank 'would not hesitate to act' if needed



ECB president Christine Lagarde: 'I see an inflation profile that looks like a hump...and a hump eventually declines' © REUTERS

November 2022

European Central Bank ready for more aggressive rate rises



Christine Lagarde has said she is ready to act to control rising inflation but has to decide how quickly to raise interest rates
GETTY IMAGES

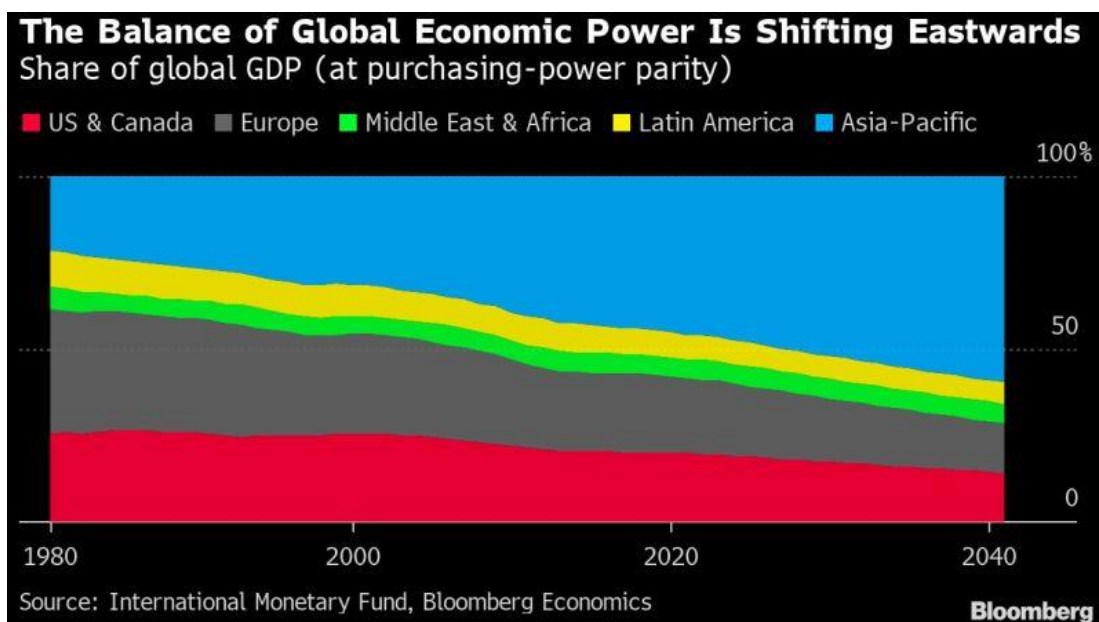
The European Central Bank may be forced into following the US Federal Reserve by unleashing more aggressive interest rate rises to combat record inflation, according to some of its members.

Source: FT, The Guardian

#geopolitics

#global #economic #power

The balance of Global Economic Power is shifting Eastwards.

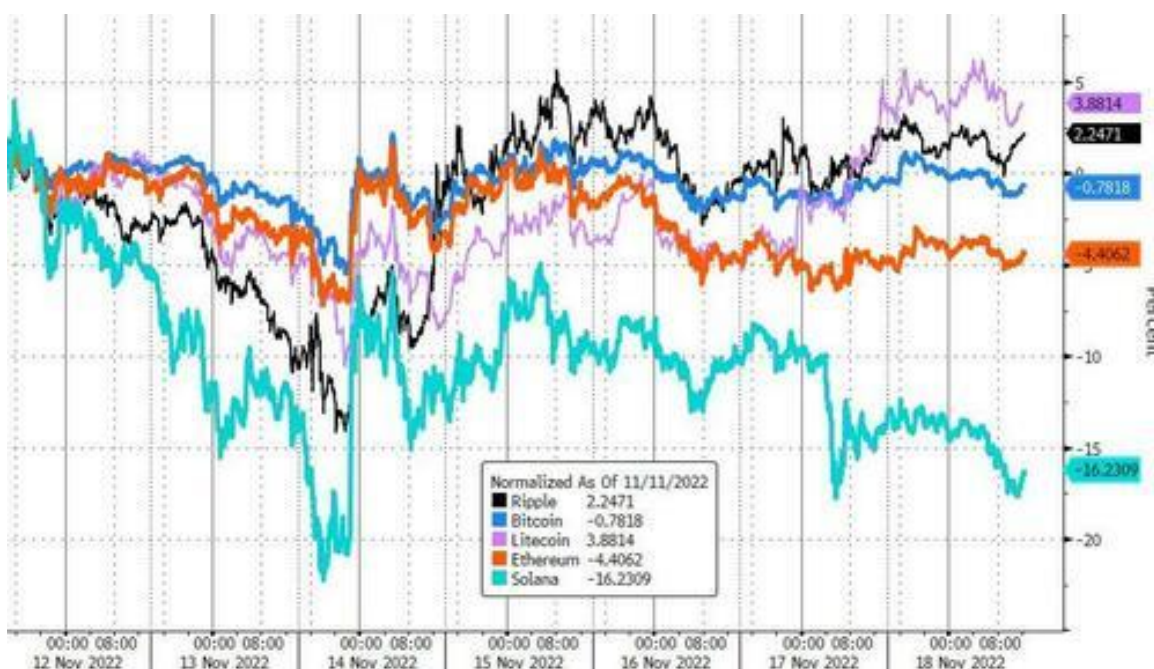


Source: Bloomberg



#cryptos #weekly #performance

Cryptos were relatively stable this week after all the FTX fiasco. Solana was SBF'd a bit more though while Bitcoin was unchanged...

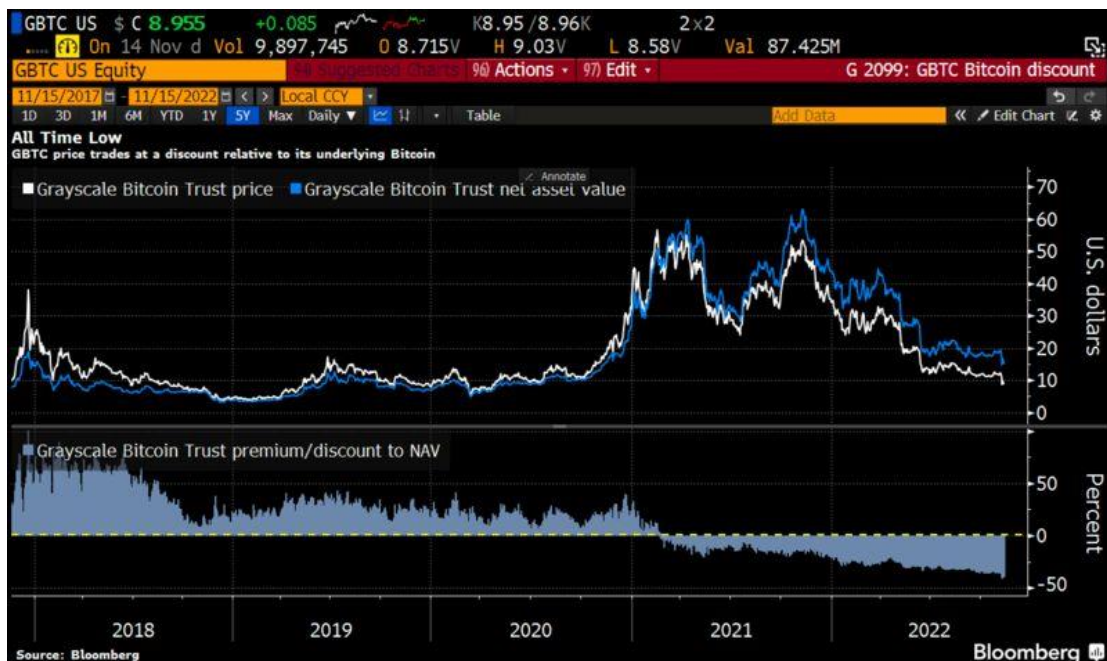


Source: Bloomberg, www.zerohedge.com



#grayscale #bitcoin

The Grayscale Bitcoin Trust (\$GBTC), the world's biggest Crypto "fund" hits a record 42% discount to value of #Bitcoin it holds in the wake of exchange FTX's shock bankruptcy filing. GBTC price continues to plunge below the value of underlying coins. Cathie Wood is buying more of it... .

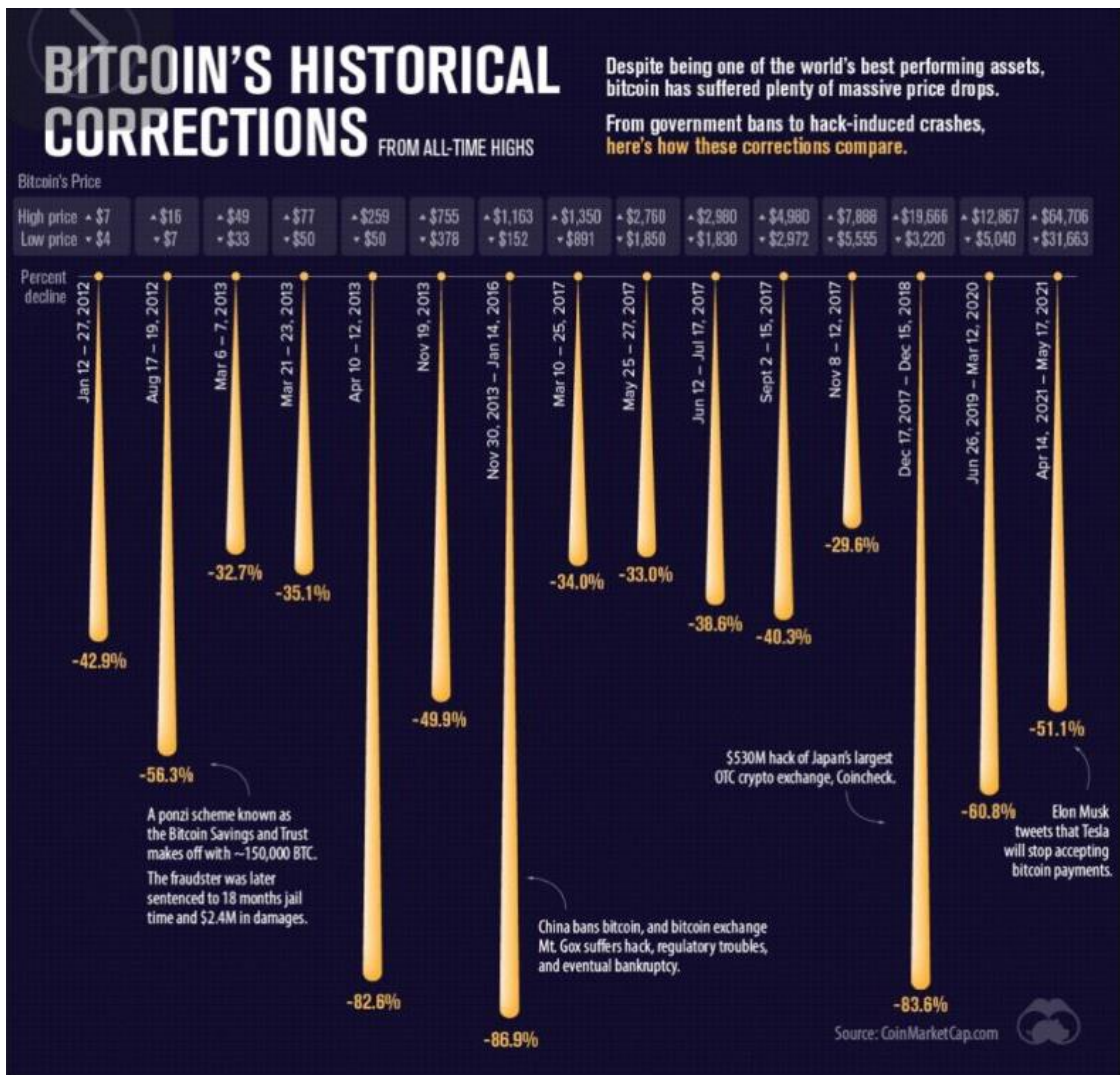


Source: Bloomberg



#bitcoin #drawdown

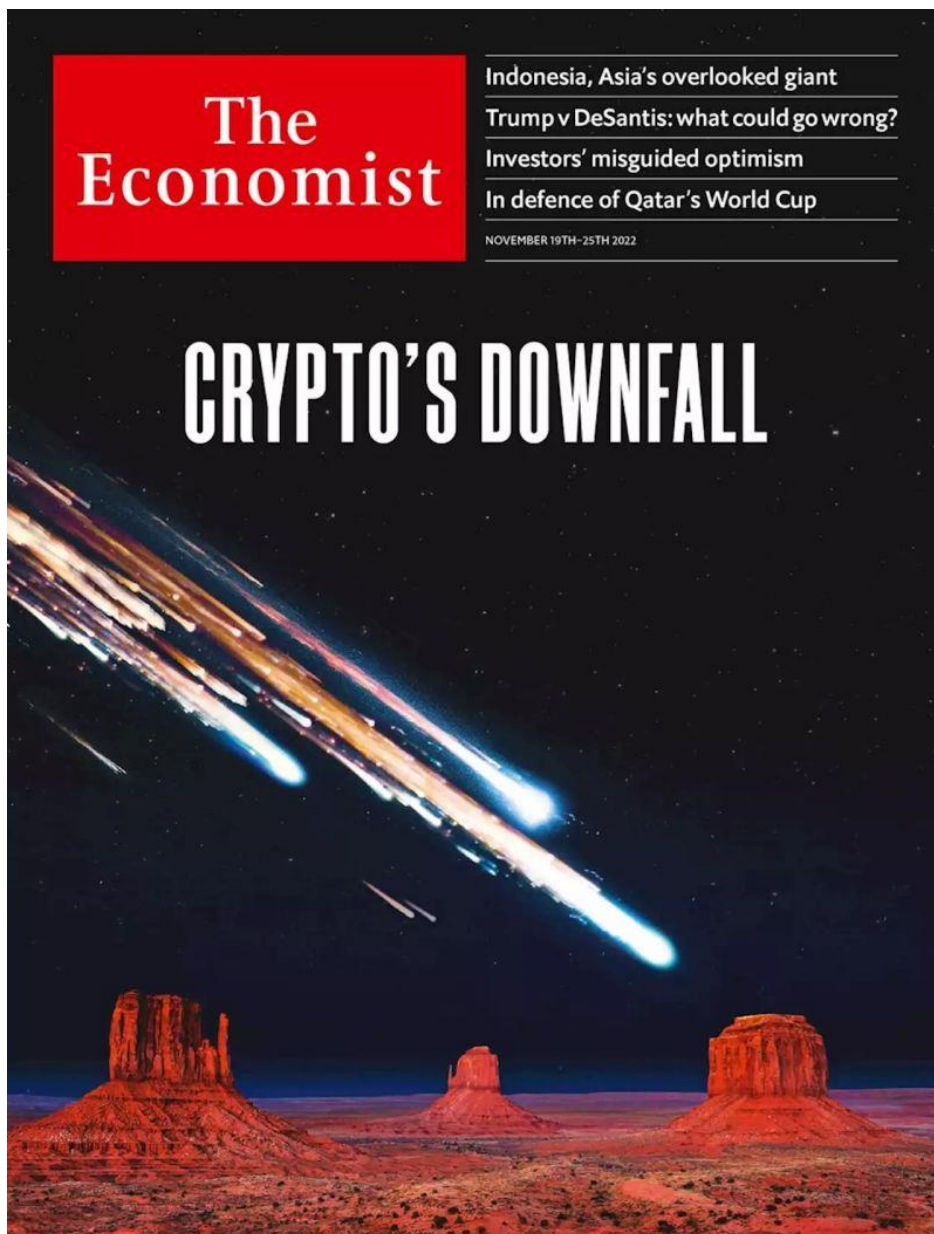
The latest crypto crash, while fierce, is not the worst.



Source: The Visual Capitalist



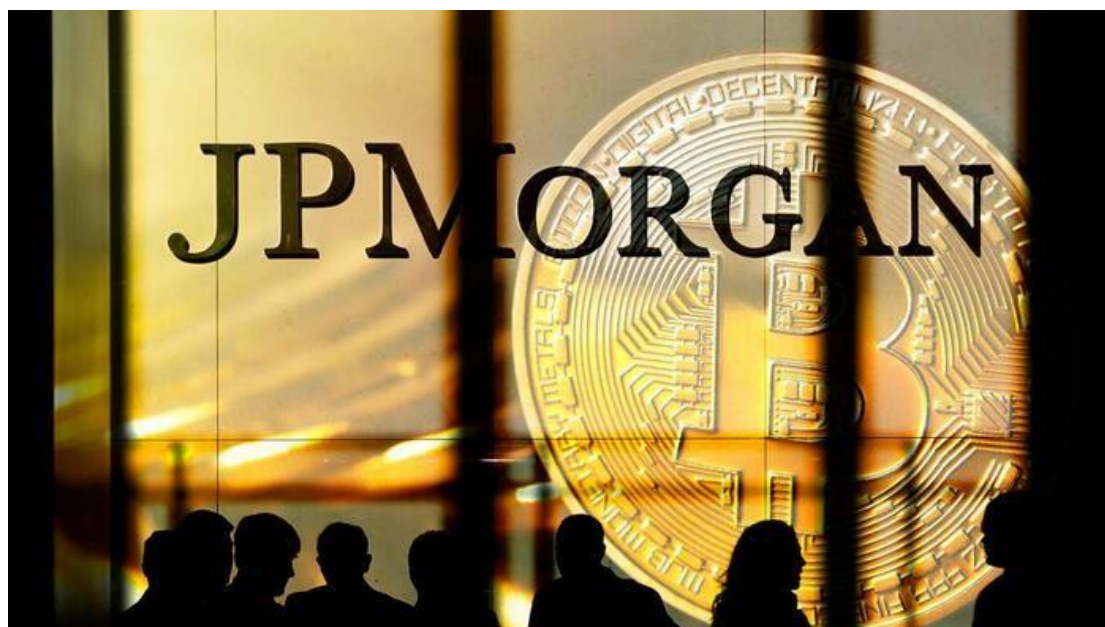
#cryptos #downfall



#cryptos

#cryptos #jmorgan

JP MORGAN DEFENDS CRYPTOS... JPMorgan crypto analyst Steven Alexopoulos wrote: "While this is certainly a major short-term setback, we see the widely publicized collapse of FTX as potentially dramatically accelerating the timeline to which crypto-related regulation will be ushered in (...) As a result, we see the news surrounding FTX as one step back, but one that could prove to be the catalyst to move the crypto economy two steps forward (further unlocking the utility value of #blockchain). In fact, we see the establishment of a regulatory framework as the needed catalyst to massively ramp the institutional adoption of crypto (...)





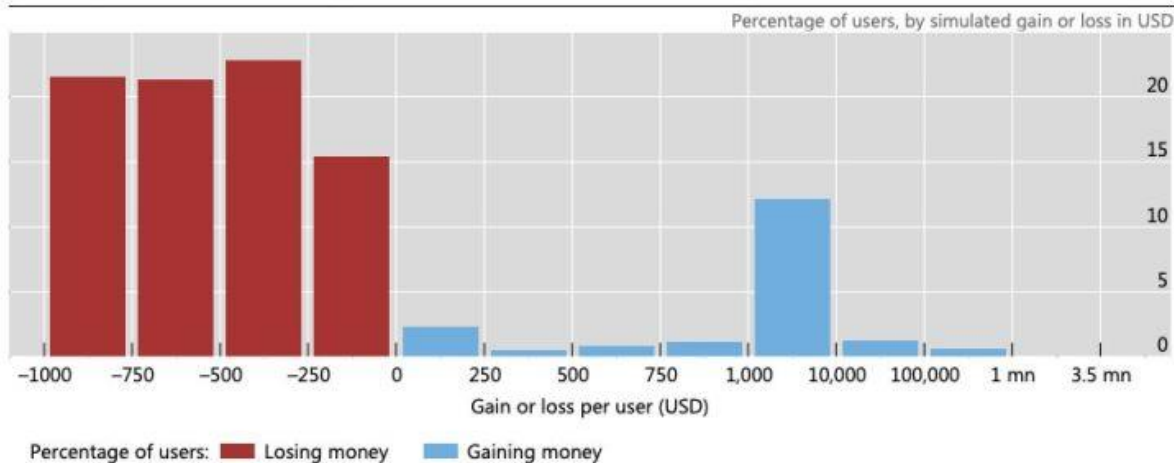
#cryptocurrencies #returns

81% of #cryptocurrencies investors are under water.

Only few investors made large gains, while the majority likely lost money

Assuming an investment of \$100 per month, 81% of users have lost money

Graph 6



Sources: CryptoCompare; Sensor Tower; authors' calculations.

Source: cryptocompare



#ftx

The Full list of top tech investors exposed to FTX.

FTX Trading Ltd. (0MK0TP-E) - Holding Company

Investors

Investor Name	Investment Type
Insight Venture Management ...	Series C, Series B3, Series B2
Lightspeed Management Co ...	Series C, Series B3, Series B2
Temasek Capital Pte Ltd.	Series C, Series B3, Series B2
NEA Management Co. LLC	Series C, Series B2
Paradigm Medical Industries, ...	Series C, Series B2
SB Investment Advisers (UK) ...	Series C, Series B2
Tiger Global Management LL...	Series C, Series B3
Institutional Venture Partners	Series C
Lux Capital Group LLC	Series C
Ontario Teachers' Pension Plan	Series C
Steadview Capital Managem...	Series C
Ribbit Management Co. LLC	Series B3, Series B2
Sequoia Capital	Series B3, Series B2
BlackRock Private Equity Par...	Series B3
ICONIQ Capital (Private Equity)	Series B3
Sea Capital	Series B3
Teachers' Venture Growth	Series B3
40 North Ventures	Series B2
Alan Howard	Series B2
Altimeter Capital Managemen...	Series B2
BOND CAPITAL MANAGEM...	Series B2
Circle Internet Financial Ltd.	Series B2
Coinbase Ventures	Series B2
Hudson River Trading LLC	Series B2
Izzy Englander	Series B2
Multicoïn Capital Managemen...	Series B2
Paul Tudor Jones II Family Of...	Series B2
Senator Investment Group (P...	Series B2
Sino Global Capital	Series B2, Series B1
Third Point Ventures LLC	Series B2
Thoma Bravo LP	Series B2
Van Eck Associates Corp.	Series B2
Willoughby Capital Holdings ...	Series B2
Gisele BÄÄndchen	Angel
Tom Brady	Angel
Binance Labs	Series A
Consensus Lab	Seed
FBG Capital	Seed
Galois Capital Alpha Fund LP	Seed
Proof Systems	Seed
Abstract Ventures LLC	Pooled SH
Plexo Capital Management LLC	Pooled SH
Race Capital	Pooled SH
Robot Ventures	Pooled SH

Values represent total amount of all rounds or transactions in which an investor p USD in millions.



Source: Mel Faber



#sbf

Look who was a guest star at The New York Times DealBook Summit November 30, 2022, 8 a.m.–6 p.m. E.S.T. New York City Premier Sponsor Accenture












IN PERSON

DealBook Summit

November 30, 2022, 8 a.m.–6 p.m. E.S.T.
New York City
Premier Sponsor Accenture

[APPLY TO ATTEND](#)

Speakers

 <p>Eric Adams Mayor, New York City</p>	 <p>Sam Bankman-Fried C.E.O., FTX</p>	 <p>Shou Chew C.E.O., TikTok</p>	 <p>Larry Fink Chairman and C.E.O., BlackRock</p>
 <p>Benjamin Netanyahu Former Prime Minister of Israel; Current Leader of the Opposition, Israeli parliament</p>	 <p>Mike Pence 48th Vice President of the United States and Author, "So Help Me God"</p>	 <p>Priscilla Sims Brown President and C.E.O., Amalgamated Bank</p>	 <p>Secretary Janet L. Yellen U.S. Department of the Treasury</p>
 <p>President Volodymyr Zelensky Ukraine</p>	 <p>Mark Zuckerberg Founder, Chairman and C.E.O., Meta</p>	 <p>Freestyle Love Supreme + Performance</p>	



Source: Dylan LeClair

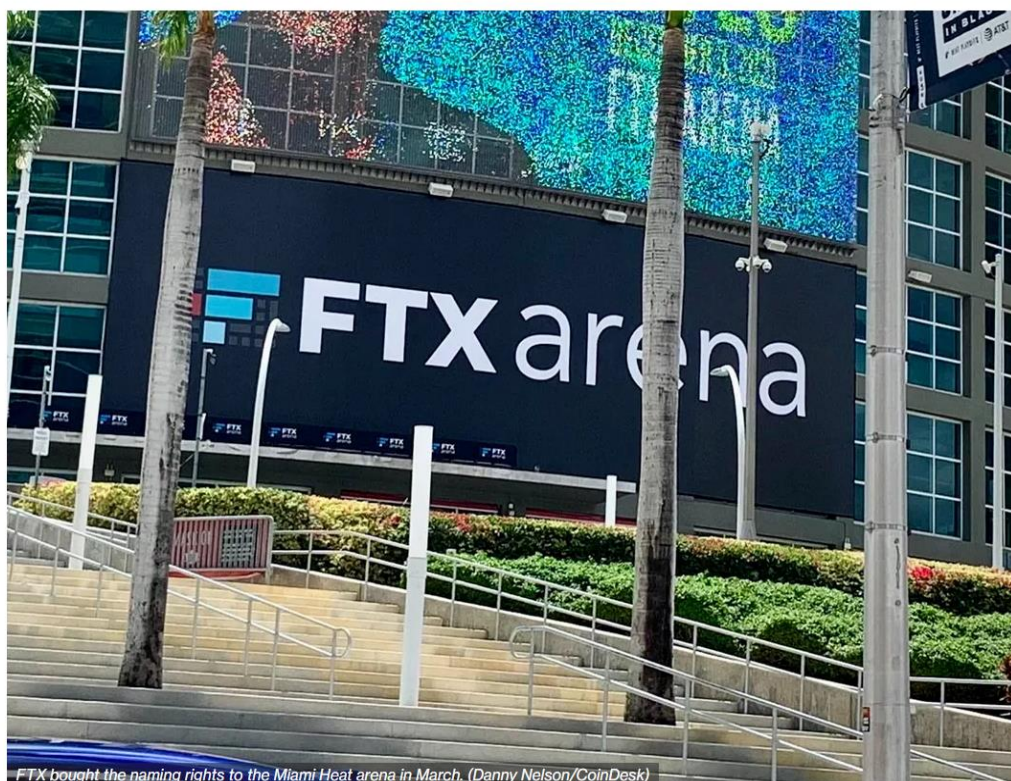
#ftx

The Securities Commission of the Bahamas announced Thursday that it ordered the contents of FTX's crypto wallets to be transferred to government-controlled wallets on the previous Saturday.

Bahamas Securities Regulator Says It Ordered FTX Crypto Transferred to Government Wallets

The regulator said it needed "urgent interim regulatory action" to protect creditors.

By Nikhilesh De  Nov 18, 2022 at 2:29 a.m. Updated Nov 18, 2022 at 2:56 a.m.



FTX bought the naming rights to the Miami Heat arena in March. (Danny Nelson/CoinDesk)

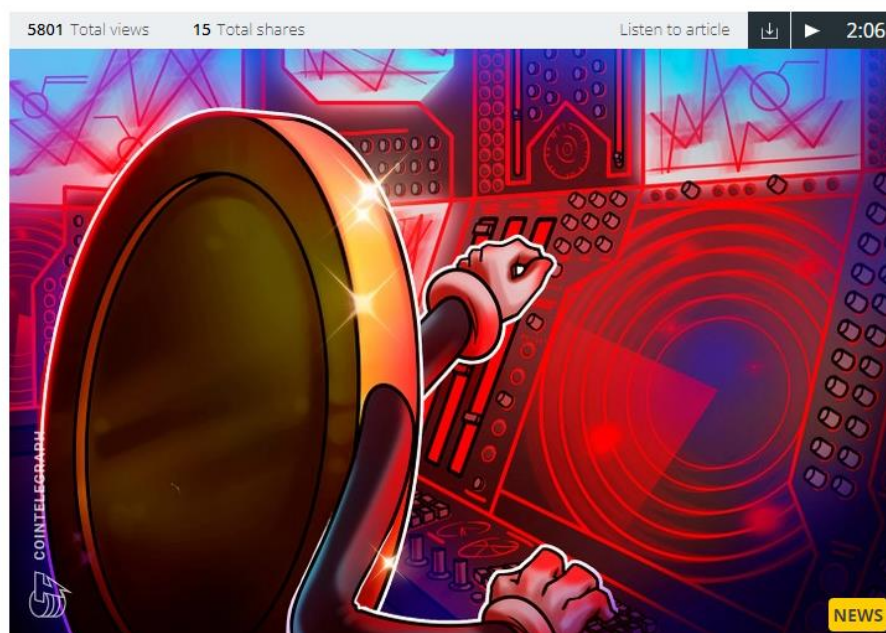
#cryptos

#genesis

According to a new tweet by Genesis Global on Nov. 16, the institutional crypto lender said it would “temporarily suspend redemptions and new loan originations in the lending business.” In explaining the decision, the firm cited “unprecedented market turmoil” related to the collapse of troubled cryptocurrency exchange FTX, resulting in “abnormal” levels of withdrawals that Genesis Global claims to have exceeded its current liquidity.

Genesis Global halts withdrawals citing 'unprecedented market turmoil'

The troubled firm is also acting as the liquidity provider of Grayscale Bitcoin Investment Trust.



#cryptos

#nft

Bored Ape Yacht Club NFT prices have fallen considerably in recent weeks. Musician Justin Bieber bought a common Ape for \$1.3 million in January, vastly more than a similar NFT would sell for on the open market today..

Justin Bieber Paid \$1.3 Million for a Bored Ape NFT. It's Now Worth \$69K

Bored Ape Yacht Club NFTs are sinking in value this month, with the floor price now down 84% from the April peak.

By [Andrew Hayward](#)

Nov 16, 2022
5 min read



Justin Bieber. Image: Shutterstock

Source: Decrypt

#cryptos

#digital-dollar

“Programmable Dollars”

New York Fed And 12 Banking Giants Launch Digital Dollar Test. According to a statement by the New York Fed, global banking giants are starting a 12-week digital dollar pilot with the Federal Reserve Bank of New York. The project, which is called the "regulated liability network", will allow banks to simulate issuing digital money representing their customers' own funds before settling through central bank reserves on a distributed ledger, the New York Fed said. The pilot will test how banks using digital dollar tokens in a common database can help speed up payments.





#internet #bitcoin

Interesting Comparison - Everyone will have their own opinion

...



Markets

Bitcoin Looks Like a Faded Fad as Fed Goes All In on Rate Hikes

What is Bitcoin for, exactly? While that's been a tricky question to answer in years past, it's safe to say that right now, it's definitely not for preservation of wealth. The shiny new thing is down 60% YTD against the grimy old thing (aka the USD). More losses may follow

WEB / TL:DR

Bitcoin: a look at a promise unfulfilled / The digital currency Bitcoin once seemed poised to become a viable alternative to physical money. Wired has delved into its history, from the origins in a pseudonymously-written research paper, to its move out of the

Bitcoin is a Ponzi scheme, and it will collapse like one

12/11/17 3:40 PM ET

Bitcoin is in a bubble, and here's how it's going to crash

Bitcoin is in a bubble, make no mistake.

Bitcoin fails, or is at least suspect, as a currency in several ways: a storehouse of value, a unit of account and a medium of exchange.

When excessive optimism far outweighs normal rational expectations, crashes occur — and this will be the case with bitcoin.

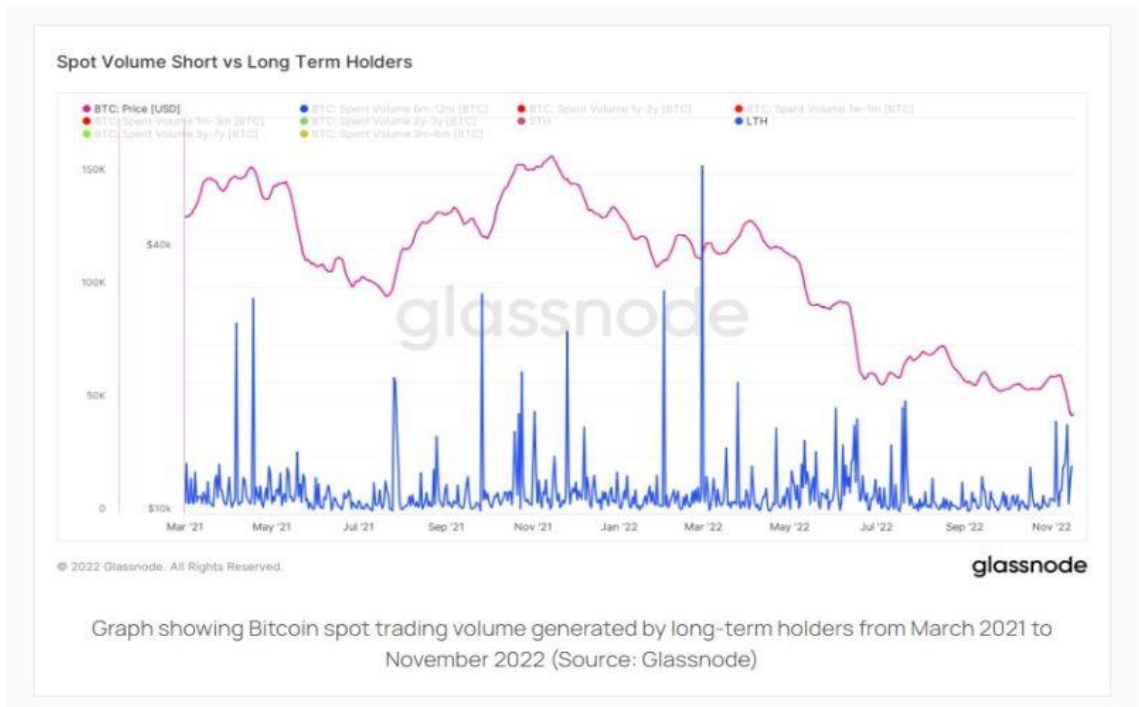


Source: twitter



#bitcoin #hodlrs

HODLERS are HODLING. The ongoing market crisis hasn't shaken the confidence of #bitcoin long-term holders. Those holding their coins longer than six months sold under 100,000 BTC in the past week, data analyzed by CryptoSlate showed. This is significantly smaller than the selling pressure caused by Russia's invasion of Ukraine in February and Luna's collapse in June. The fact that most long-term holders remain unfazed by market volatility isn't surprising. Holders in this group are statistically the least likely to sell their BTC and have long been creating the strongest resistance for its price.



Source: Glassnode

#food-for-thought

#bulls #bears

Market mood...



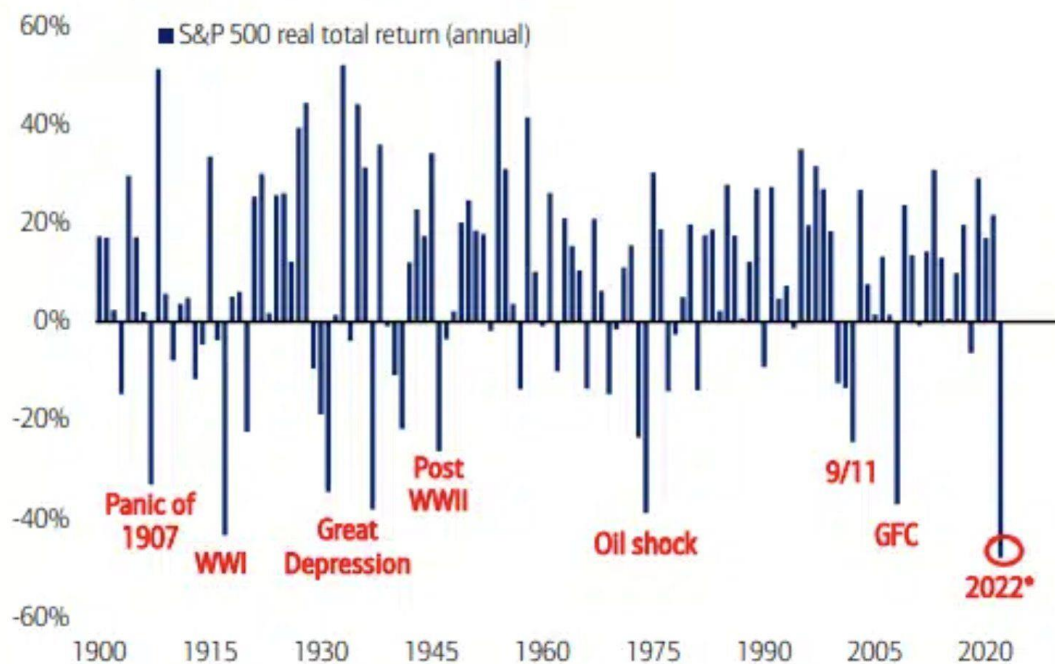
Source: Twitter

#food-for-thought

#us #equities #real#performance #2022

This is the WORST performance of the market in over a century. In real terms.

S&P 500 Worst Performance In Real Terms Since 1872



Source: BofA Global Investment Strategy, Bloomberg, Global Financial Data, *2022 YTD annualized
BofA GLOBAL RESEARCH

Source: BofA

#food-for-thought

#fed-pivot #us #equities

Another lesson from the 70s / Volcker? Fundstrat's Tom Lee: "Don't wait for Fed to pivot. Market bottomed before Volcker changed tacticts in 1982, because #inflation already peaked, and market sniffed it out. Entire market decline erased in 4 months."



Source: xxx

#food-for-thought

#wealth #destruction

THE GREATEST LOSS OF WEALTH IN ECONOMIC HISTORY (from the top)? 1) Elon Musk -\$150bn; 2) Mark Zuckerberg -\$100bn; 3) Jeff Bezos -\$90bn; 4) Binance's Changpeng Zhao -\$80bn; 5) Bill Gates -\$38bn and 6) FTX' Sam Bankman Fried - \$25bn..



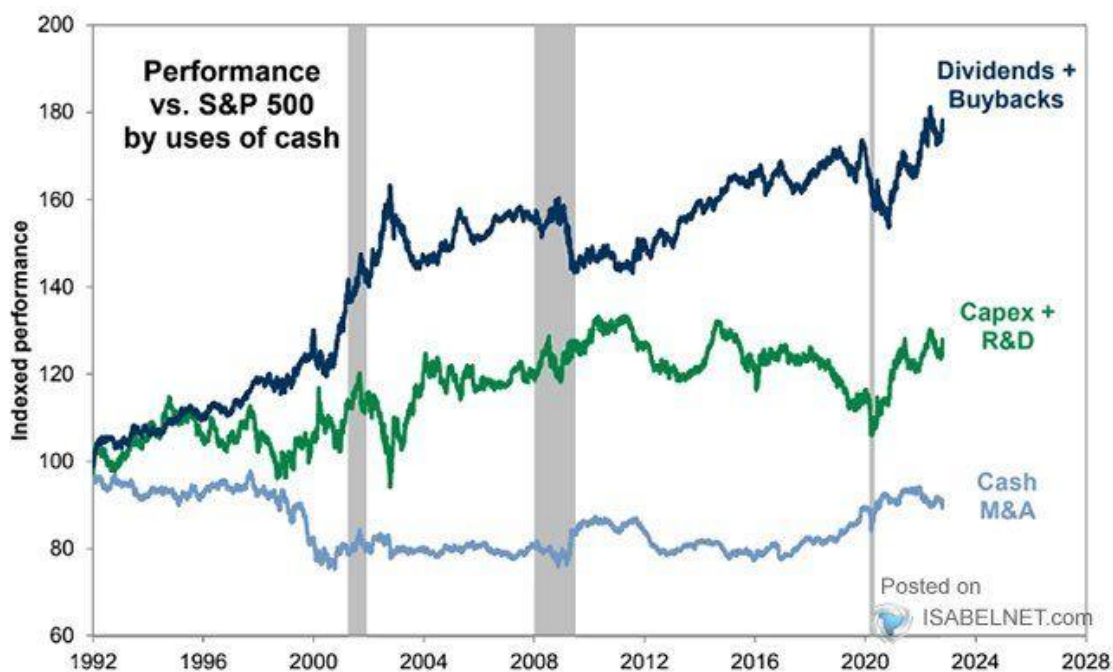
Source: Bloomberg

#food-for-thought

#us #equities #use-of-cash

Companies using their cash to pay dividends and buying back shares have seen their stocks massively outperforming the S&P 500 over the last 30 years. Those using cash for M&A have been underperforming.

Exhibit 1: Performance of stocks based on use of cash



Source: Goldman Sachs Global Investment Research

Source: Goldman Sachs

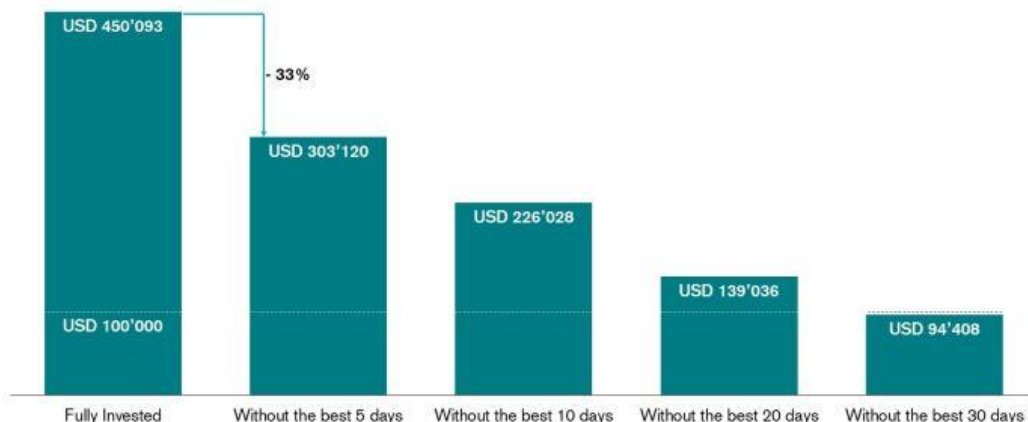
#food-for-thought

#don't panic

What is the cost of panic? Taking the MSCI World Index as an example, an initial investment of USD 100,000 would yield close to USD 430,000 if the investor stays fully invested for 25 years. However, if the investor missed the best 5 days – out of 25 years – the return is reduced by 33%.

The cost of panic

If you missed the 5 best days in the last 25 years your performance would have been reduced by a third (MSCI World)



Historical performance indications and financial market scenarios are not reliable indicators of future performance. It is not possible to invest in an index. The index returns shown do not represent the results of actual trading of investable assets/securities. Investors pursuing a strategy similar to an index may experience higher or lower returns and will bear the cost of fees and expenses that will reduce returns.
Source: Crédit Suisse AG, Bloomberg; data as of 15.11.2022. The USD 100,000 growth is based on the average annual total return between 1997 and 2022.

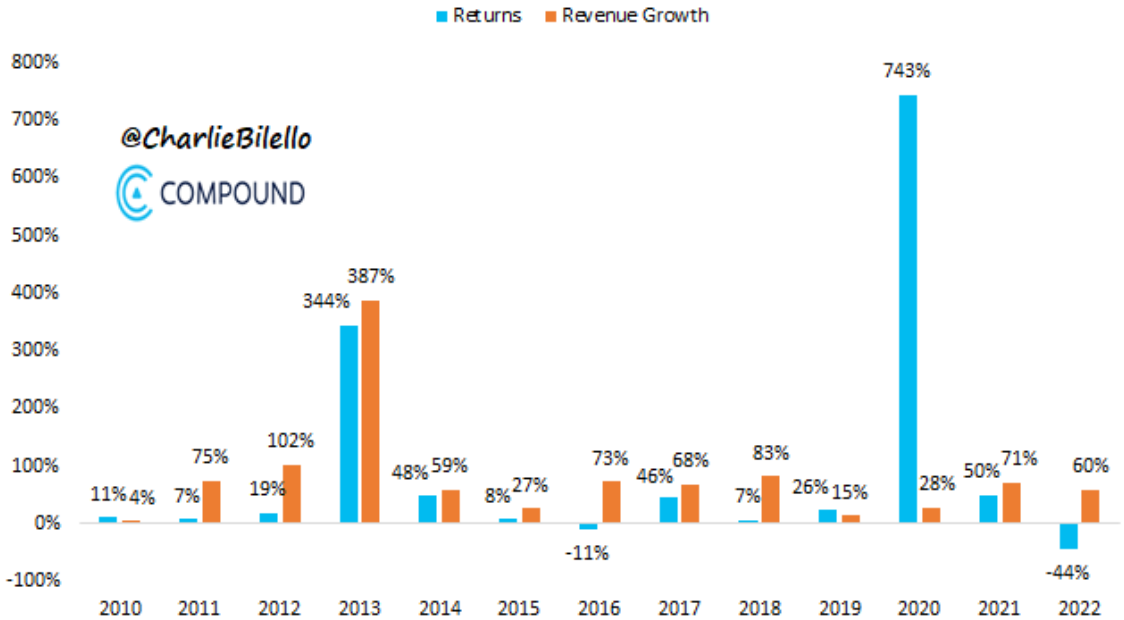
Source: Crédit Suisse Asset Management

#food-for-thought

#tesla

Find the outlier...

Tesla: Annual Returns vs. Revenue Growth (2010 - 2022 - As of 11/11/22)



Source: Charlie Bilello

#food-for-thought

#warren-buffet

Warren Buffet favor monopolistic/ duopolistic businesses.

Buffett's Monopoly Companies

Industry	Buffett's Investments	Market Share	Industry Leaders
Credit & debit cards	Visa, Mastercard, Amex	99	Visa, Mastercard, American Express
Credit rating agency	Moody's	95	S&P, Moody's, Fitch
Kidney dialysis	Davita	92	Fresenius, Davita
Rail transportation	BNSF Railway	87	BNSF, Union Pacific, CSX, Norfolk Southern
Paint	Benjamin Moore	84	Sherwin-Williams, Benjamin Moore, Behr
Courier	UPS	82	UPS, FedEx
Domain names	Verisign	80	Verisign
Domestic airlines	DAL, AAL, UAL, LUV	80	Delta, American, United, Southwest
Batteries	Duracell	75	Duracell, Energizer
Mobile homes	Clayton Homes	71	Clayton Homes, Champion, Cavco
Gold & silver mining	Barrick Gold	66	Newmont, Gold, AngloGold, Kinross
Soda	Coca-Cola	57	Coca-Cola, PepsiCo, Keurig Dr Pepper
Commercial Banking	JPM, BAC, WFC, USB, BK	44	JPM, BAC, WFC, C, USB

Source: Compounding Quality

#food-for-thought

#spacs

The collapse of SPACs...

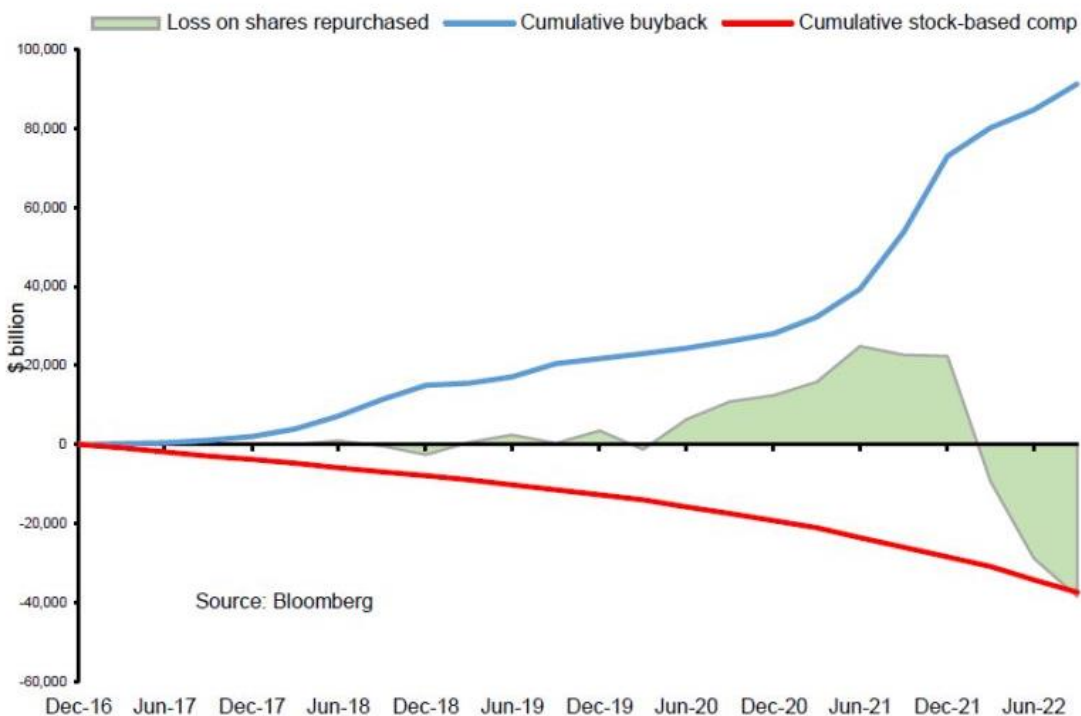
Company	Current value of 10'000\$ invested	Since all-time high	Real news/analyst headline
 skillz	235 USD	-98%	"The most innovative company in gaming and betting"
 CAZOO	255 USD	-97%	"The digital revolution of the car buying"
 NIKOLA™	300 USD	-97%	"The Tesla killer"
 AppHarvest	361 USD	-96%	"The 4th Agriculture Revolution"
 Clover Health	447 USD	-96%	"Revolutionary software to deliver superior benefits and industry-leading profitability."
 - C A N O O -	524 USD	-95%	Another "Tesla killer"
 QuantumScape	597 USD	-94%	"Game-changing, revolutionary EV battery"
 GALACTIC	796 USD	-92%	"Taking Off! - Leaving Earth for Worlds Beyond"
 DRAFT KINGS	1'687 USD	-83%	"Monstrous Revenue-Generating Potential"
 LUMINAR	1'517 USD	-85%	"Ground-Breaking Self-Driving Technology"
 GINKGO BIOWORKS™ THE ORGANISM COMPANY	1'601 USD	-84%	"The Robot Revolution Comes to Synthetic Biology"
 SoFi	1'805 USD	-82%	"Leading Next-Generation Financial Services Platform"
 LUCID	2'081 USD	-79%	Yet another "Tesla killer"

#food-for-thought

#meta #shareholders

HOW META INVESTORS LOST \$75 BN by Vincent Deluard. Meta repurchased 318 m shares since 2018 at an average price of \$236. At the end of last quarter, this amounted to a loss of \$38 billion.

How META Investors Lost \$75 Billion



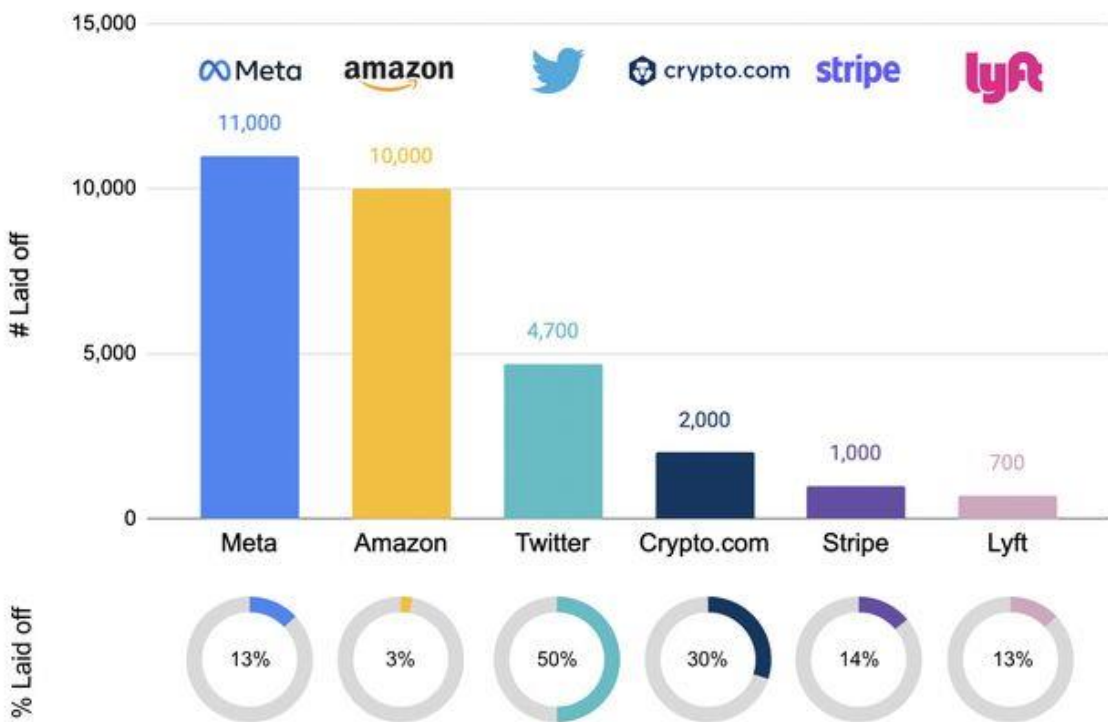
Source: Bloomberg, Vincent Deluard

#food-for-thought

#tech #layoffs

Layoffs in the tech industry over the last month for selected companies.

Layoffs in the tech industry over the last month (selected companies)



Source: layoffs.fyi compiled by Roger Lee https://twitter.com/roger_lee (November 17, 2022)

Source: Roger Lee

#food-for-thought

#leveraged #etfs

Globally, investors pumped a net \$28.3bn into leveraged and inverse exchange traded funds in the first nine months of the year, according to data from Morningstar Direct, equivalent to 5.4% of all purchases of ETFs. This is more than double 2021’s full-year tally of \$13.2bn, which accounted for just 1.1% of last year’s bumper ETF flows, and comfortably above the full-year record of \$17bn set in 2008.



Source: FT

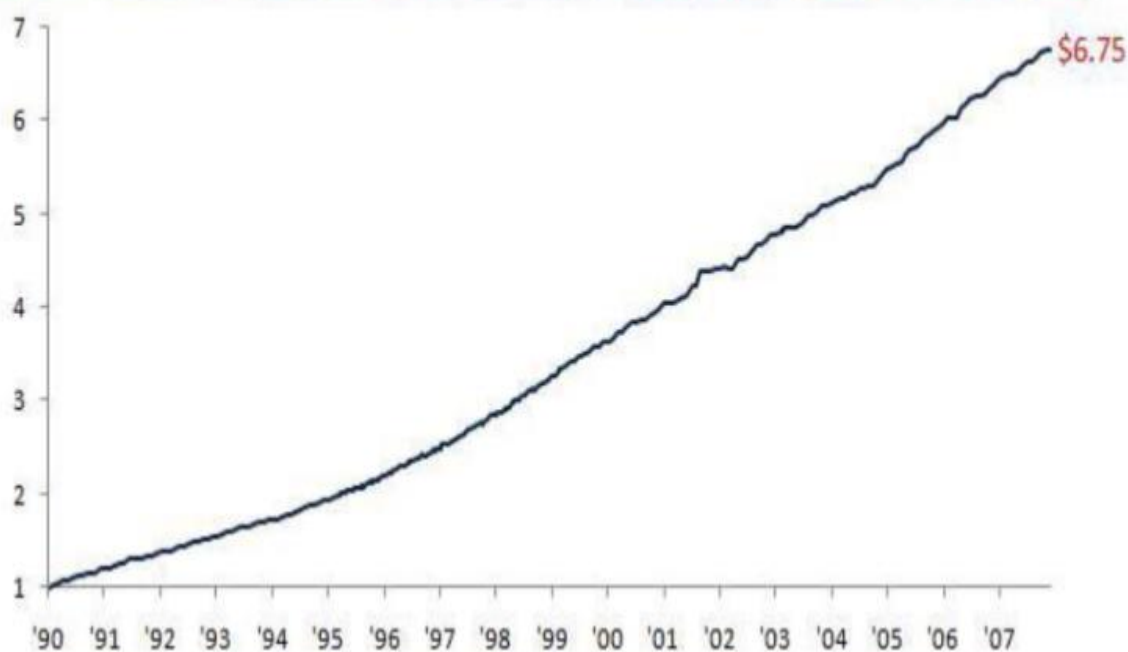
#food-for-thought

#greed #fears

Greed is stronger than Fear until it's too late...

Bernie Madoff's performance. Amazingly nobody got suspicious and he kept going for 18 years

Growth of \$1 Invested in Fairfield Sentry Ltd (Madoff): 1990 - 2008



Source: bespoke

#food-for-thought

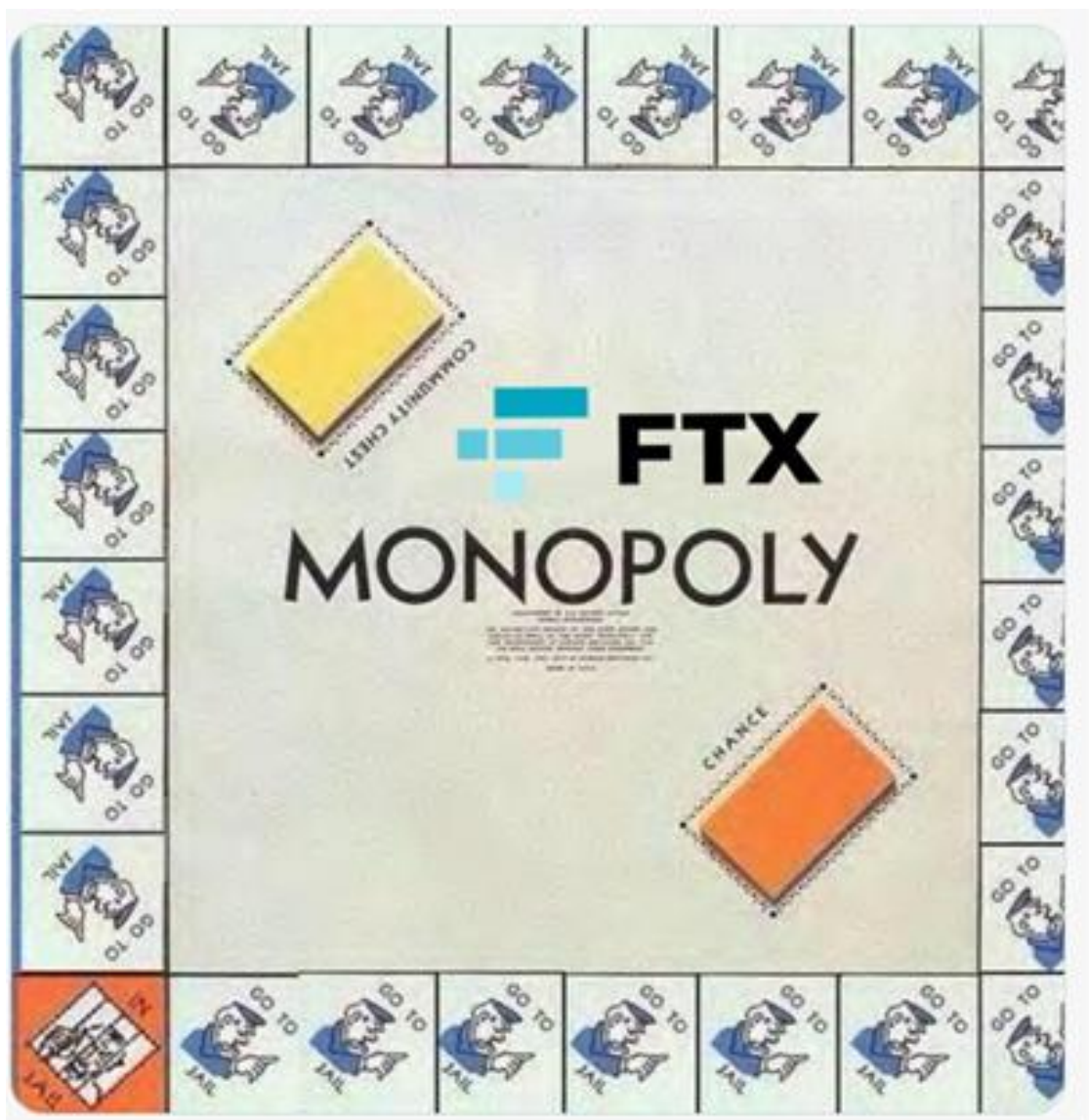
#crypto #rich #us #jobs



#food-for-thought

#crypto #ftx

New FTX Monopoly board game just dropped



Source: Twitter

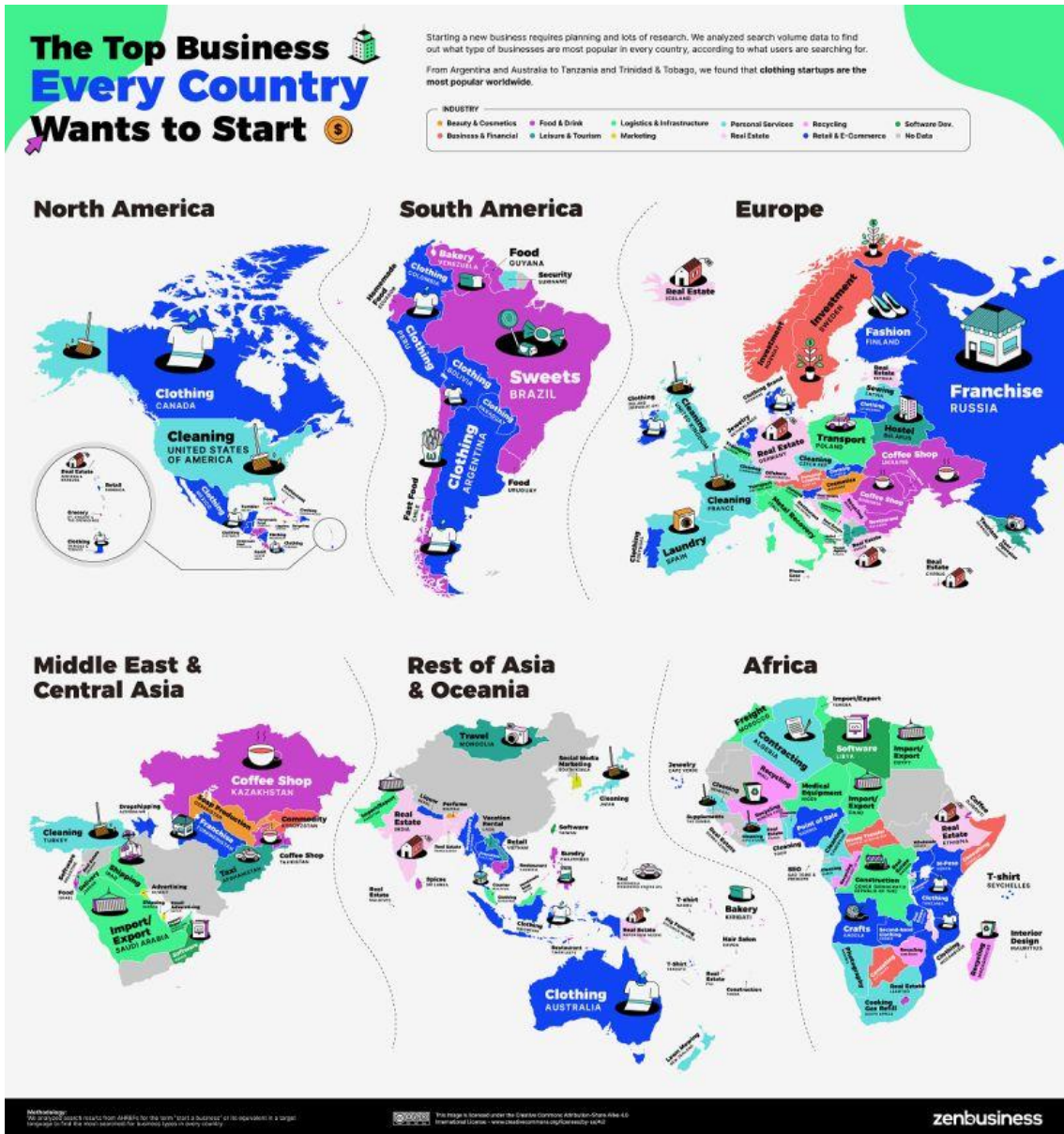
#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

19 NOVEMBER 2022

#food-for-thought

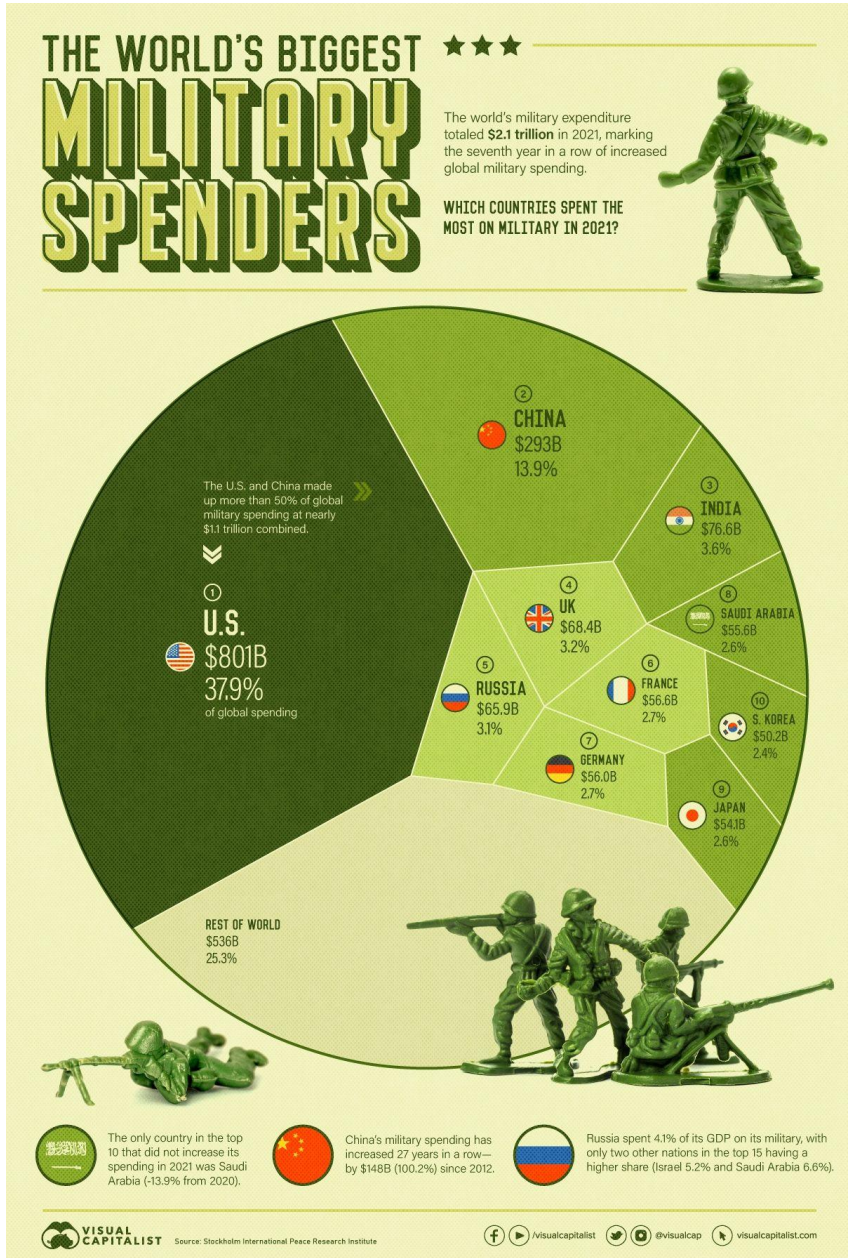
#entrepreneurship



Source: Visual Capitalist

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#military-spenders



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