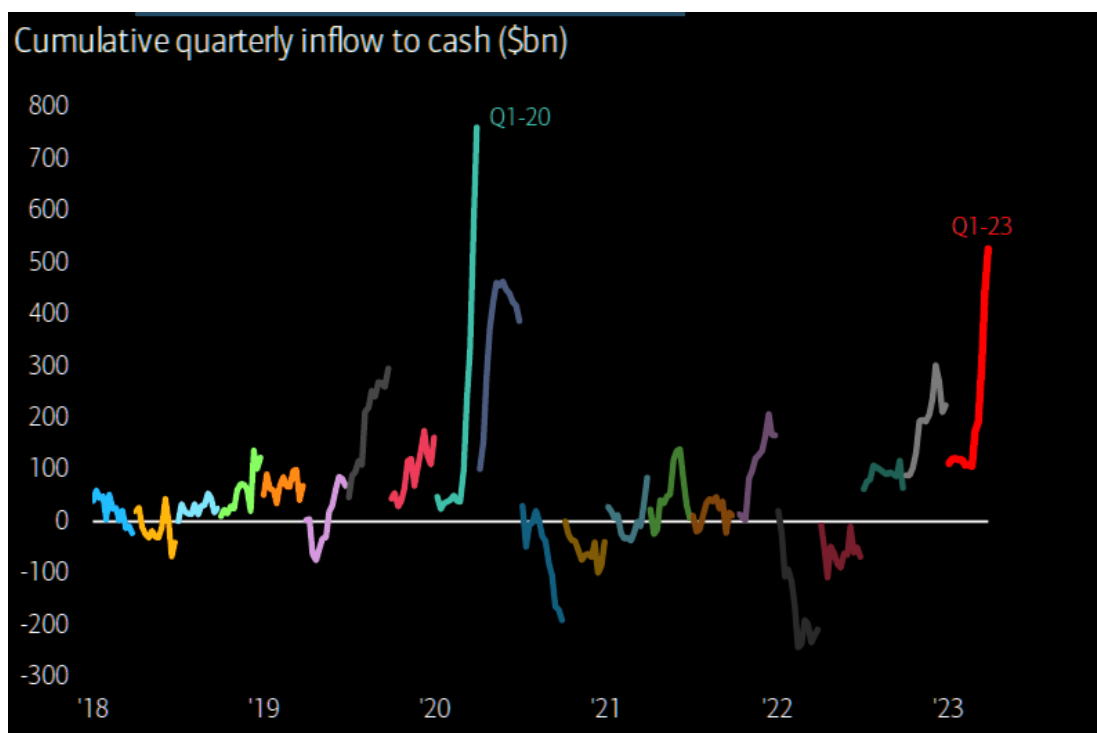


Chart of the week

Half a trillion

Investors added \$508bn to cash in Q1'23. Last time they did that in same size (bigger actually) was spring of 2020 which led to the 2020-2021 bull market.



Source: TME, BofA

Big Tech, Bullion and Bitcoin all soared in Q1

US equities posted solid gains in a relatively quiet week for economic data releases and financial news. Small-caps outperformed large-caps, and value stocks advanced modestly more than growth stocks. Rising oil prices boosted energy stocks. U.S. WTI crude oil rose more than 9% for the week, climbing back above the USD 70 per barrel level. Over the quarter, the Nasdaq Composite index jumped more than 16%, while the S&P 500 Index rose approximately 7%. However, the narrowly focused large-cap Dow Jones Industrial Average was only modestly higher. The market received some positive news on inflation last week, with the U.S. core personal consumption expenditure (PCE) price index for February coming in at 4.6% versus consensus expectations for 4.7%. In Europe, Headline CPI slowed to 6.9% in March from 8.5% in February as energy costs subsided. In Fixed income, easing concerns about the global banking sector pushed US and European bond yields higher. Shares in Europe rallied as fears of financial instability waned. Chinese stocks advanced as strong economic data coupled with supportive comments from Beijing boosted confidence in the country's growth outlook. Gold is up for the second quarter in a row (up over 19% in the last 6 months - its best such gain since 2016). Bitcoin is up for the 3rd month in a row for its best quarterly gain since Q1 2021, back above \$28,500.

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#markets

#weekly #returns

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	33,274	3.2%	0.4%
S&P 500 Index	4,109	3.5%	7.0%
NASDAQ	12,222	3.4%	16.8%
MSCI EAFE *	2,084	3.3%	4.5%
10-yr Treasury Yield	3.47%	0.1%	-0.4%
Oil (\$/bbl)	\$75.66	9.2%	-5.7%
Bonds	\$99.64	-0.5%	2.7%

Source: Edward Jones

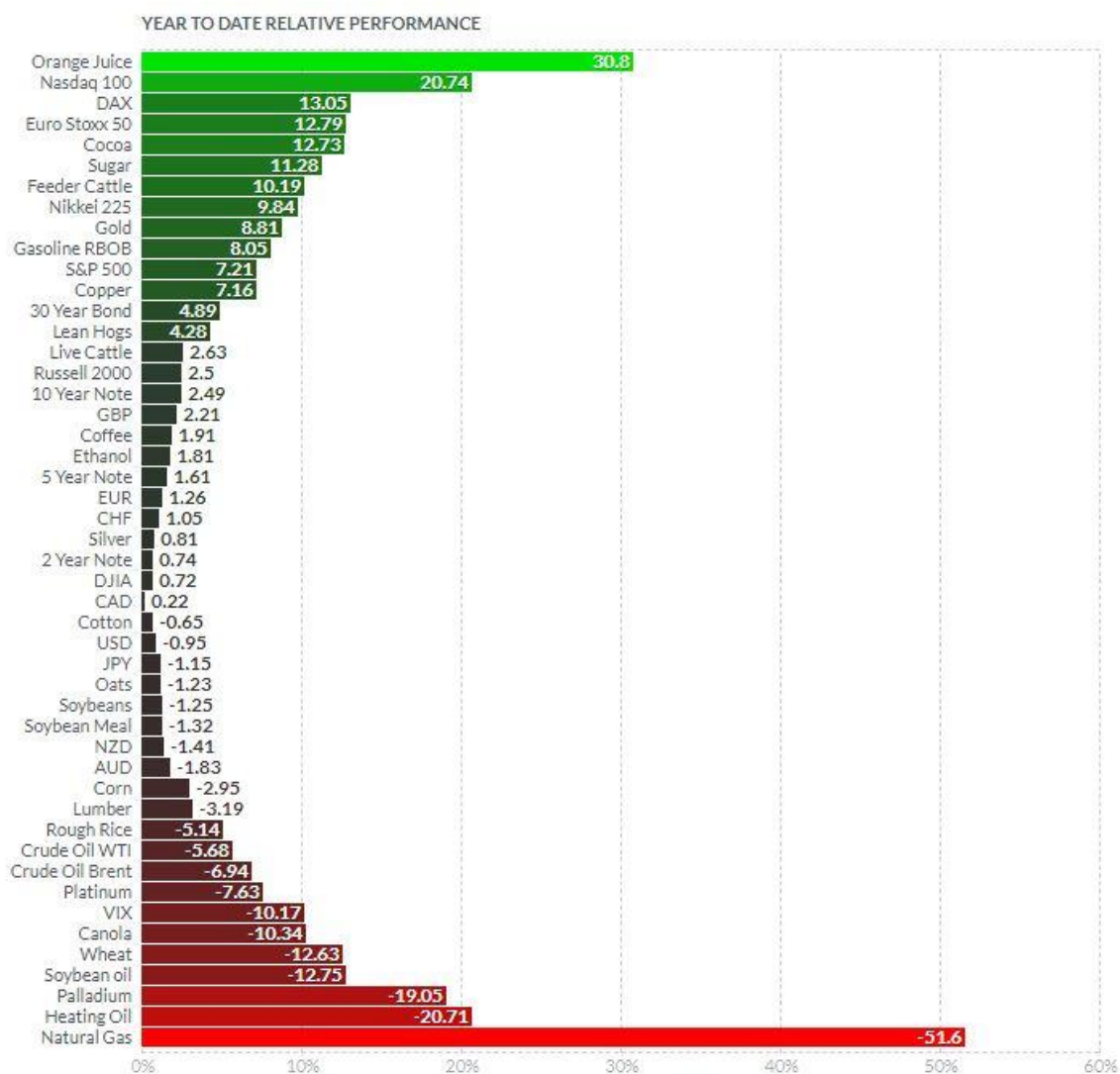
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#cross-assets #q1



#GLOBALMARKETS WEEKLY WRAP-UP

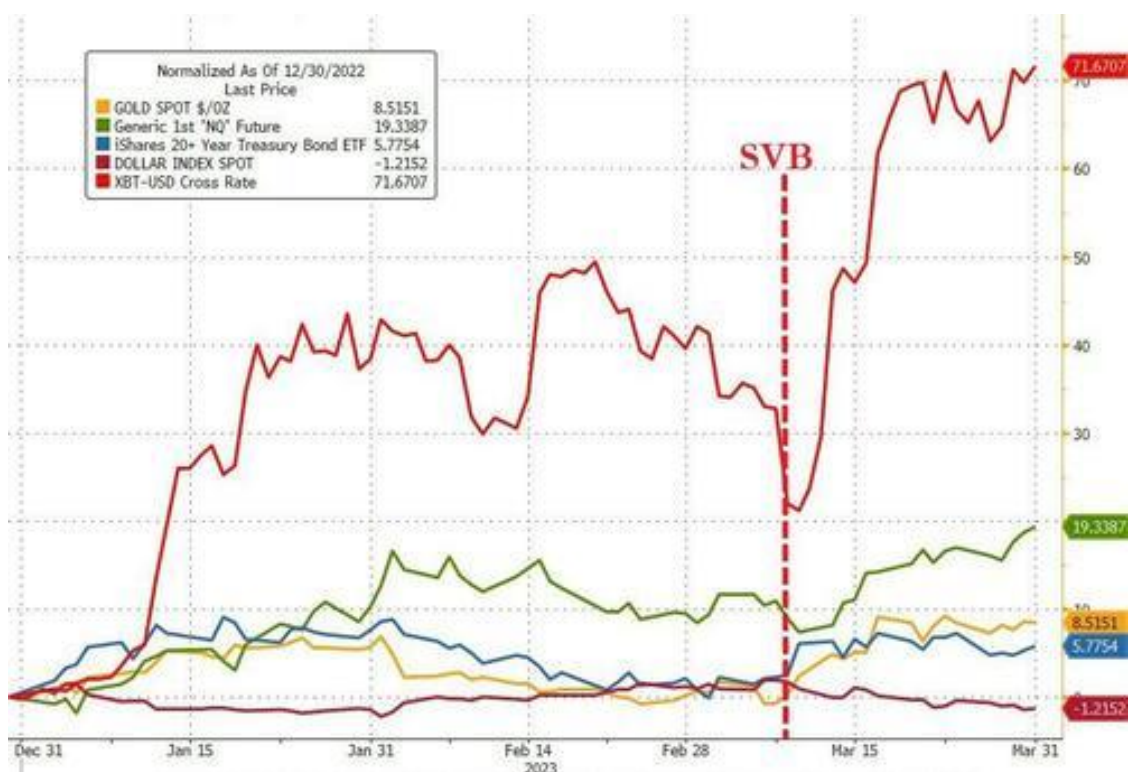
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#cross-assets #q1

The dollar suffered its second straight quarterly decline as Bitcoin soared over 70% and Gold jumped almost 9%. Bonds and stocks were also higher in Q1.



Source: www.zerohedge.com, Bloomberg



#us #equities #q1

The divergence across the majors US equities indices in Q1 is quite large as long-duration mega-cap tech (and trash) soared while Big-Caps (Dow) and Small-Caps (Russell 2000 - heavy with small financials) ended around unchanged. That was the Nasdaq's best quarterly performance since Q2 2020 (and before that to Q1 2012)...

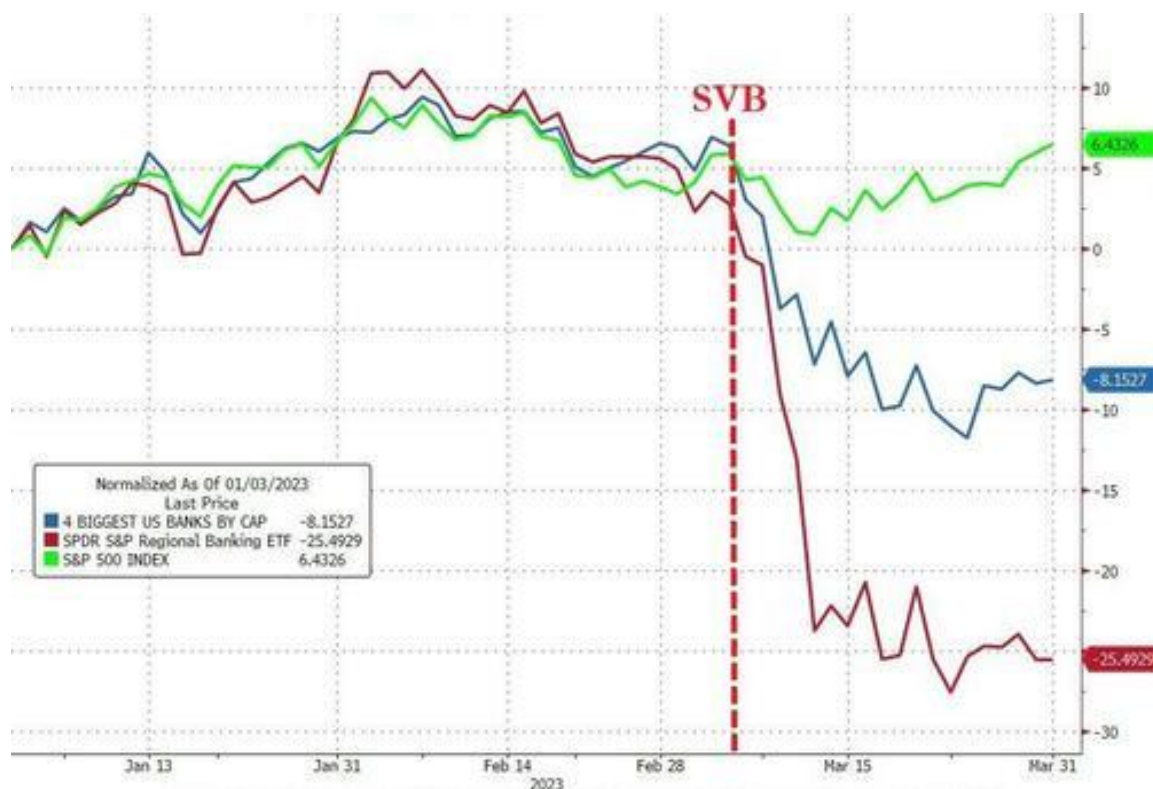


Source: www.zerohedge.com, Bloomberg



#us #equities #q1

The S&P 500 is above pre-SVB levels (ignoring the bank stocks collapse)...

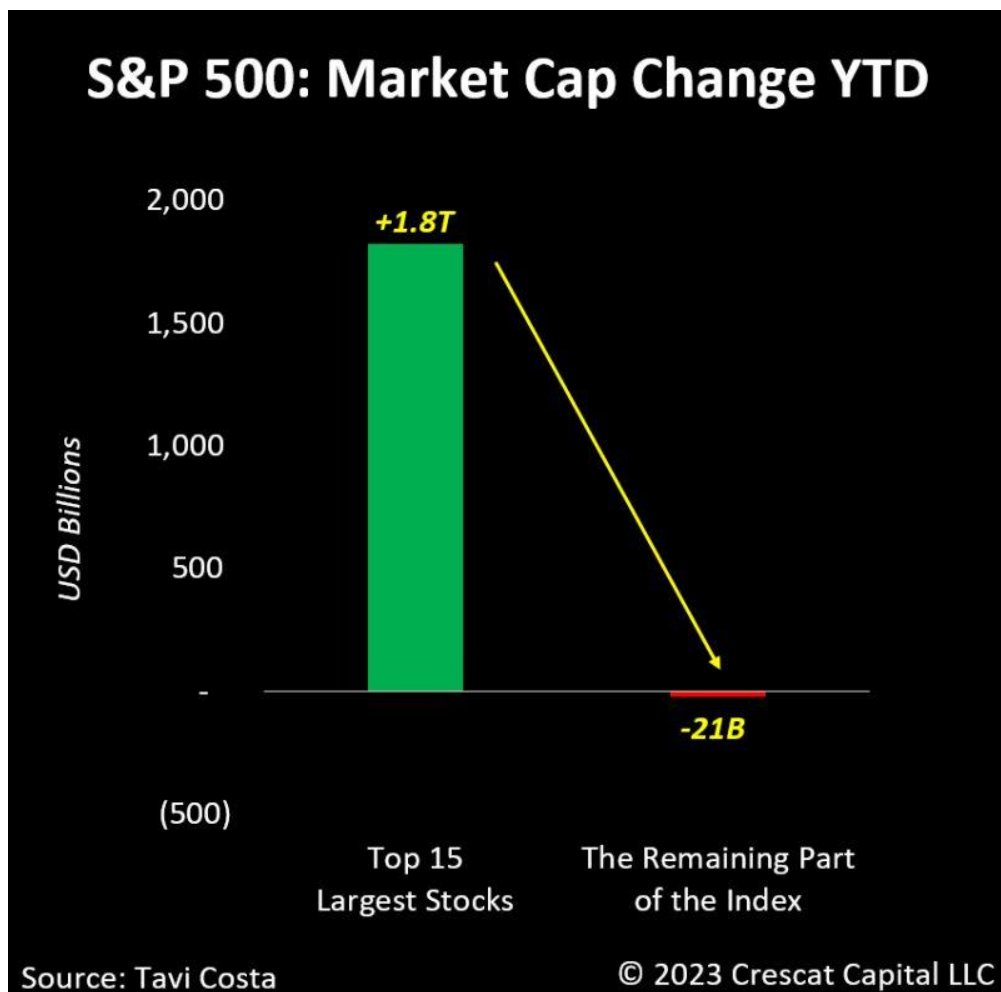


Source: www.zerohedge.com, Bloomberg



#us #equities #q1

The entire market cap gains for the S&P 500 this year came from the top 15 largest companies. The remaining part of the index actually lost value year-to-date. Mega caps are masking the issues in the overall market.

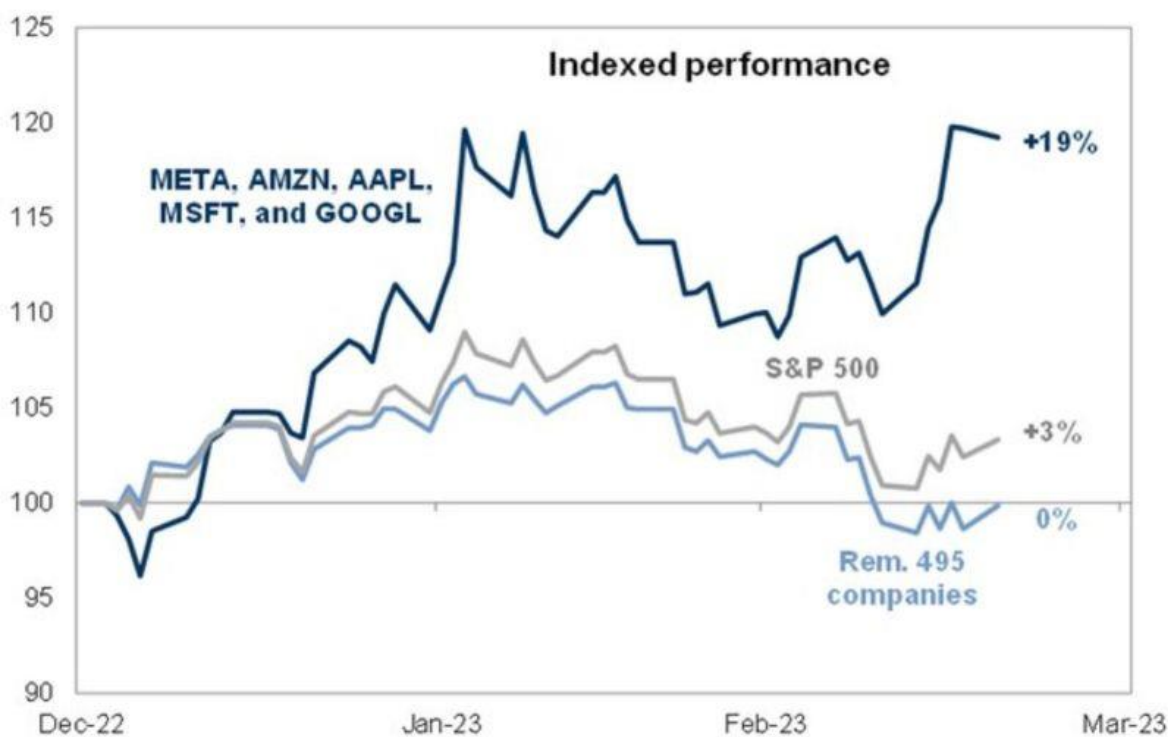


Source: Crescat Capital, Bloomberg



#us #equities #q1

S&P 5 vs. S&P 495 this quarter.

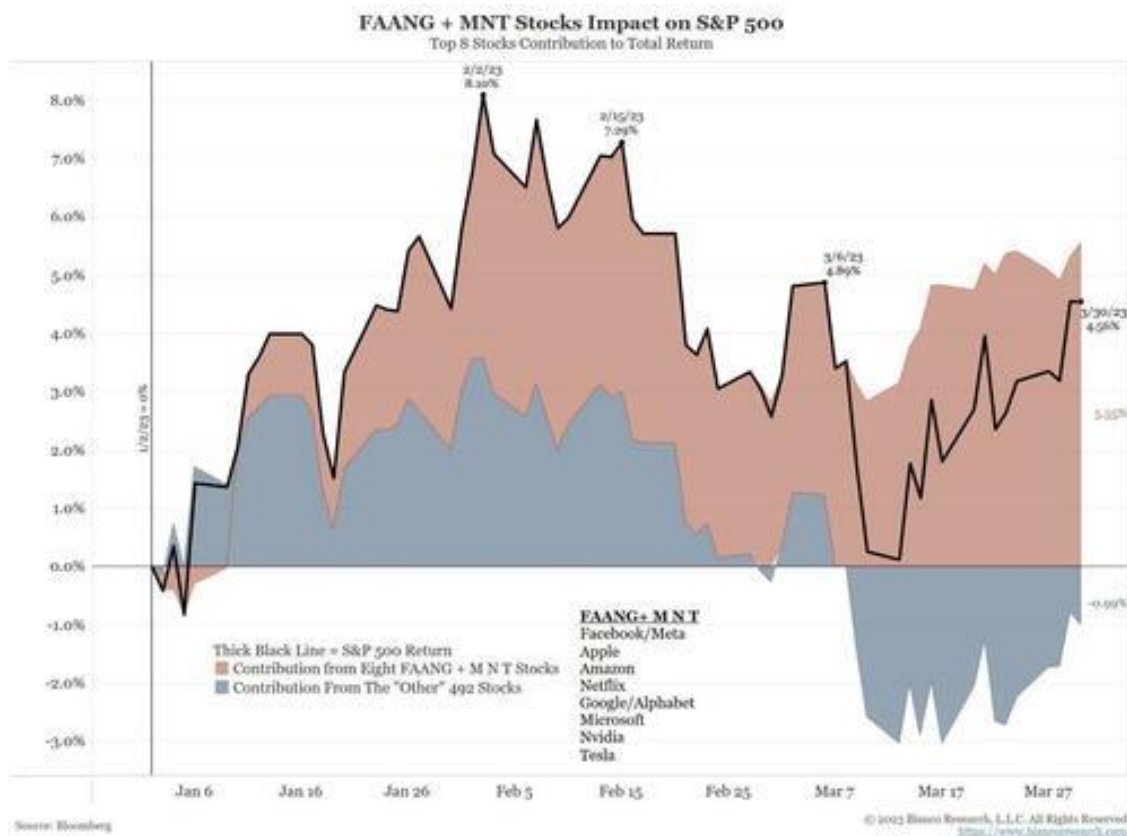


Source: Goldman Sachs, Michel A.Arouet



#us #equities #q1

According to Bianco Research, META, AAPL, AMZN, NFLX, GOOGL, MSFT, NVDA, TSLA account for all of the S&P's YTD return. They are up +4.6%. The other 492 stocks collectively are down for the year (-.99%).



Source: Bianco Research



#us #equities #q1

The Equally-weighted S&P500 is falling apart relative to the Cap-weighted. But just because the larger market-cap stocks are outperforming your “average” stock doesn’t mean it’s not a bull market. When you look back at history, it just means that larger-cap stocks are getting inflows faster than others down the cap scale.



Source: J-C Paretis



#us #equities #sectors #q1

Tech and Discretionary dramatically outperformed in Q1 while Energy and Financials lagged.



Source: www.zerohedge.com, Bloomberg

#markets

#us #equities #style #q1

US growth stocks have dominated Q1, crushing value stocks (until this week when the ratio of Russell 1000 Value/ Growth hit the August lows). For context, this is the biggest growth/value quarter since Q1 2020 (and before that Q1 2009).



Source: www.zerohedge.com, Bloomberg

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#us #equities #march

For the month, the Nasdaq is up over 8%, its biggest March advance since 2010.

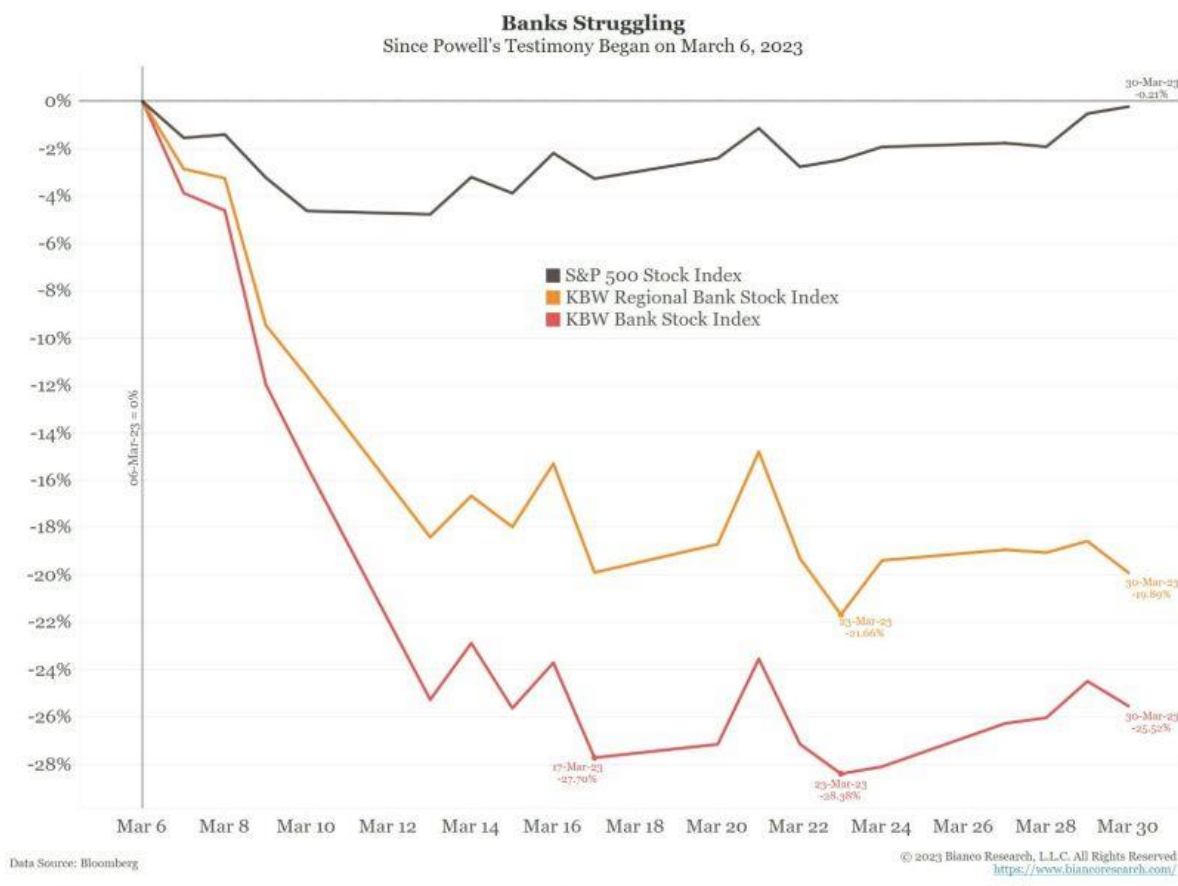


Source: www.zerohedge.com, Bloomberg



#us #equities #march

Narrative building that the banking crisis is now over because the S&P 500 has just about retraced all its losses. Meanwhile, #bank #stocks are unable to rally...



Source: Bianco Research





#us #reits #march

March was a wake-up call for commercial real estate, as Office REITs crashed hard...



Source: www.zerohedge.com, Bloomberg



#us #equities #s&p500 #technicals

SPX continues to trade trapped inside the big 3850/4200 range. Lot of money has been lost by people trying to push momentum both ways. Short term resistance at 4100, support at 4000.



Source: The Market Ear



#us #equities #nasdaq #technicals

Impressive tech continues to impress. NASDAQ extending the break up move is frustrating for most players. Note the golden cross that "kicked in" a little while ago.



Source: The Market Ear

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#vix

The CBOE VIX volatility index falls back below 20. Calm before the storm or heading for a new annual low?



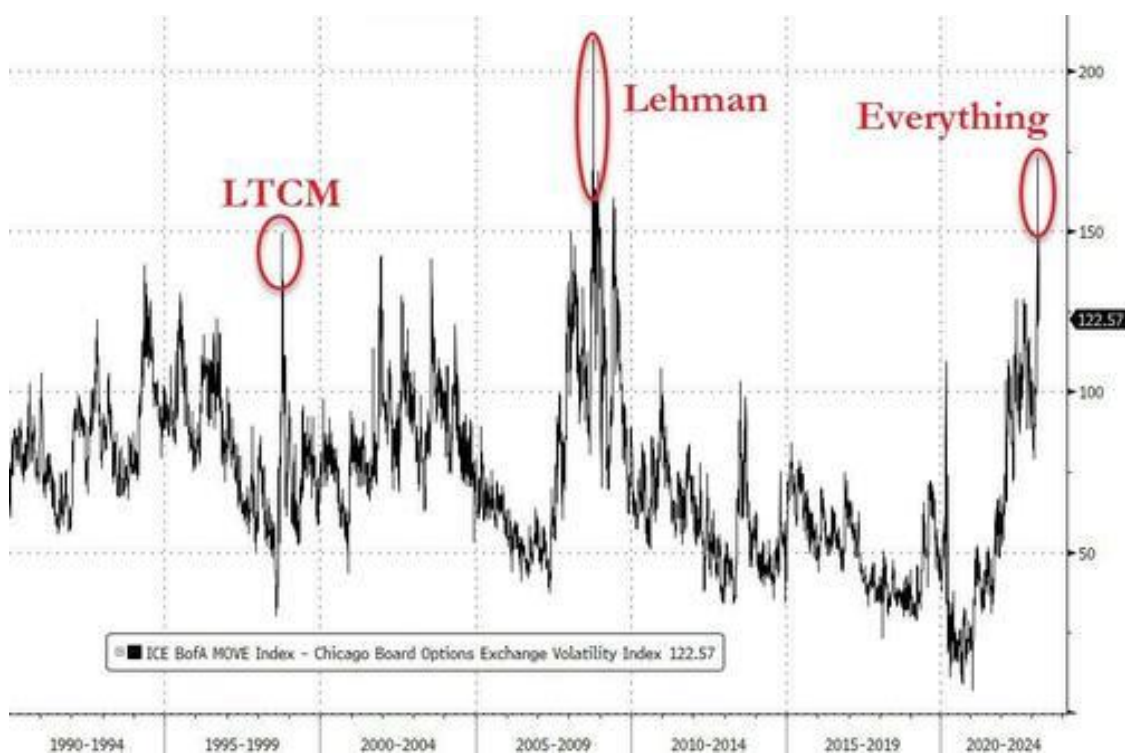
Source: Barchart



#vix #move

March saw bond vol (MOVE) explode relative to equity vol (VIX) - to the same extent as October 2008...

MOVE (bond vol) – VIX (equity vol)



Source: www.zerohedge.com, Bloomberg



#us #equities #seasonality

April Almanac. Typical pre-election year strength does bolster April's performance since 1950. April is DJIA's best month in pre-election years (+3.9%), second best for S&P 500 (+3.5%) and third best for Nasdaq (+3.6%). Small caps measured by the Russell 2000 also perform well (+2.9%) with gains in eight of eleven pre-election year April's since 1979. S&P 500's and Nasdaq's single losing pre-election year April was in 1987.

Pre-Election Year April since 1950					
	Rank	Avg %	Up	Down	% Up
DJIA	1	3.9	15	3	83.3%
S&P 500	2	3.5	17	1	94.4%
NASDAQ*	3	3.6	12	1	92.3%
Russell 1K**	3	2.9	9	2	81.8%
Russell 2K**	3	2.9	8	3	72.7%

* Since 1971, ** Since 1979
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Source: Trader Almanac



#us #equities #seasonality

Is this the "ultimate" squeeze chart? Seasonality just about to kick in...



Source: The Market Ear, EquityClock.com

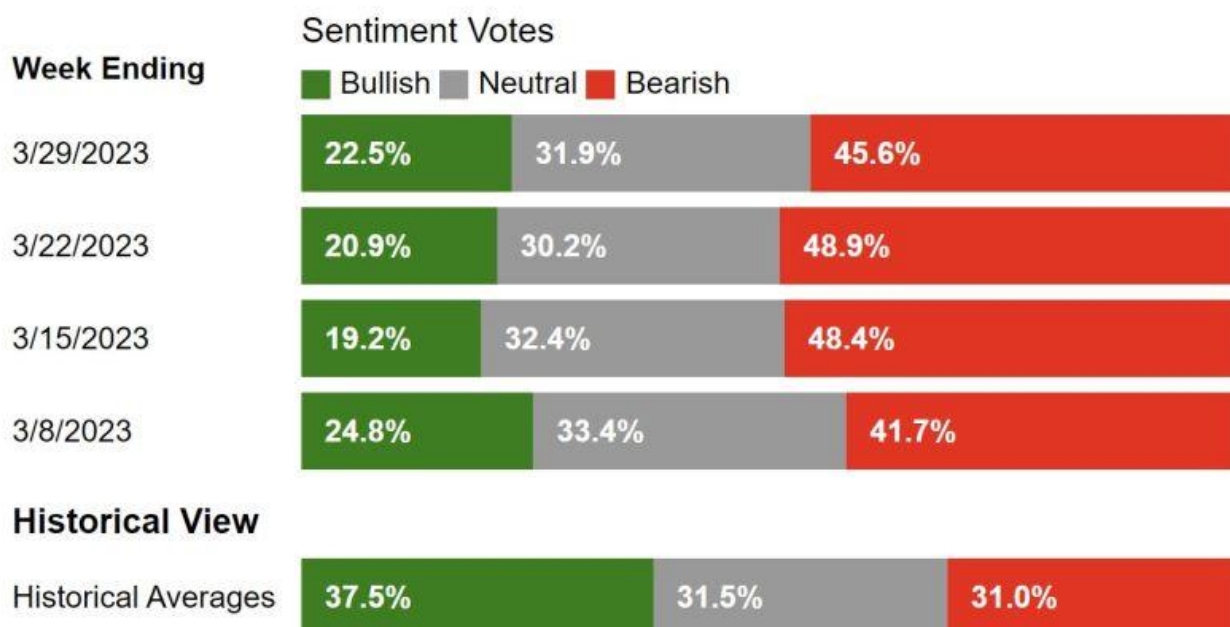


#us #equities #sentiment

AAll Sentiment Survey:

*Optimism improved, but remains unusually low (46th time out of the past 65 weeks)

*Pessimism pulled back, but remains unusually high (44th time out of the past 65 weeks)

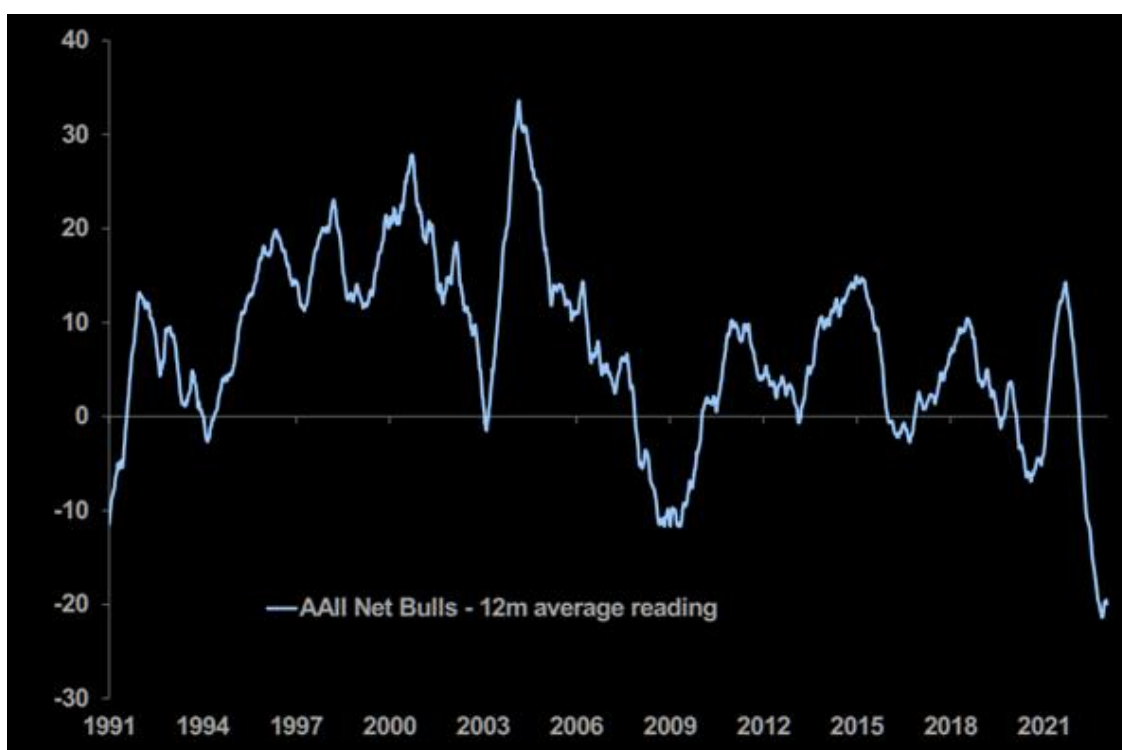


Source: AAll Sentiment Survey

#markets

#us #equities #sentiment

Investors have never ever been this bearish for such a long time period.



Source: The Market Ear

#markets

#us #equities #flows

Net flows into global equity funds turned negative in the week ending March 29.

	Global Fund Flows Summary			
	Millions USD		% AUM	
	4wk sum	29-Mar	4wk avg	29-Mar
Equity	-3,089	-5,163	0.00	-0.03
Fixed Income	5,616	1,484	0.02	0.02
of which: EM	-6,199	-868	-0.33	-0.18
Money Markets	333,724	60,073	1.14	0.80
FX Flows*	-9,105	2,226	-0.03	0.03

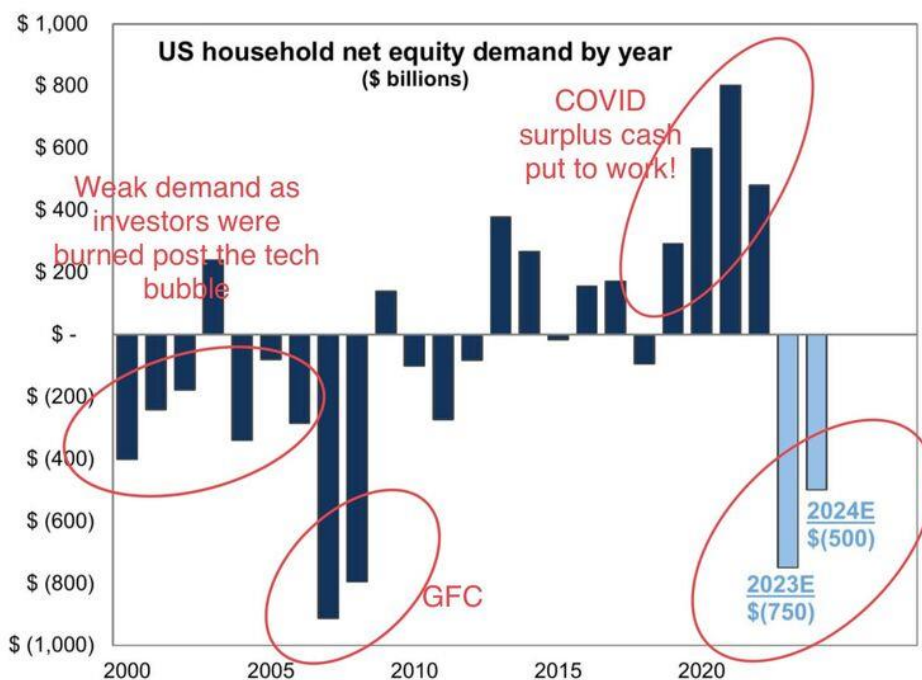
Source: The Market Ear, EPFR



#us #equities #flows

During 2019-22 retail was a huge buyer of equities, being flush with freshly printed COVID cash & no alternatives. Goldman now expects major equity withdrawals as people start using savings, economy weakens & credit yields are attractive. Only the GFC saw this much net selling...

Exhibit 2: We forecast households will be net sellers of \$750 billion in equities in 2023



Source: Federal Reserve, Goldman Sachs Global Investment Research



Source: Goldman Sachs, Wasteland Capital

#GLOBALMARKETS WEEKLY WRAP-UP

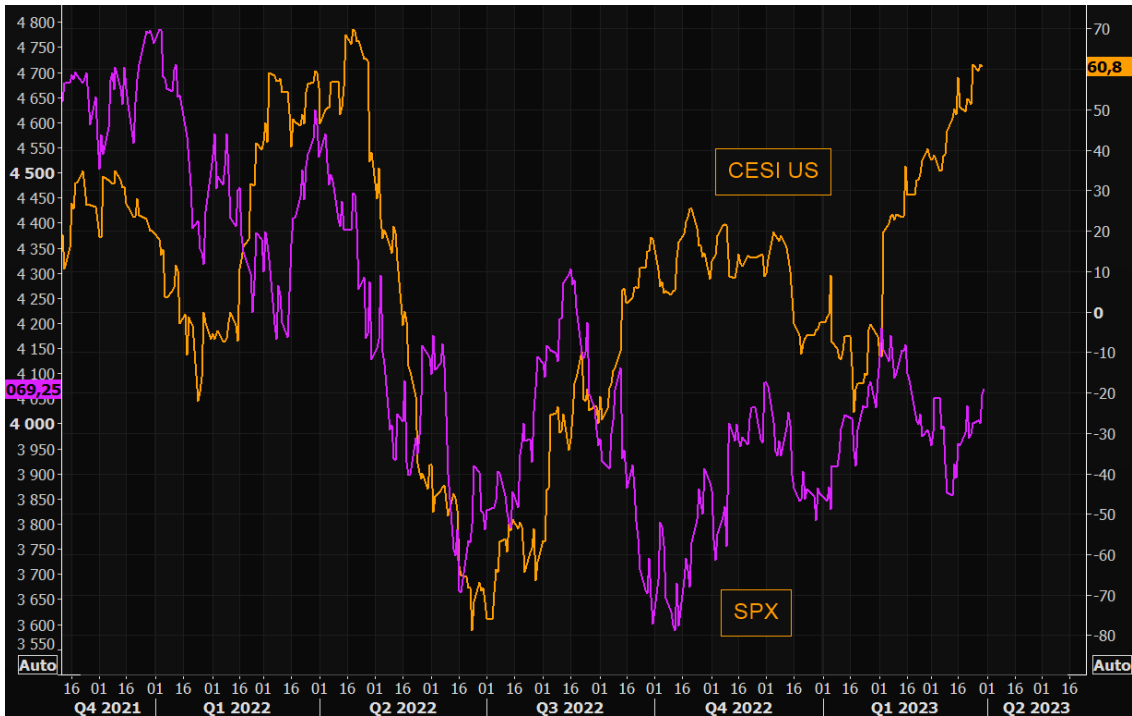
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#us #equities #macro

Citi US economic surprises index has basically been printing new recent highs on a daily basis since mid January. You don't trade SPX on the back of the CSI, but that gap still looks very wide...

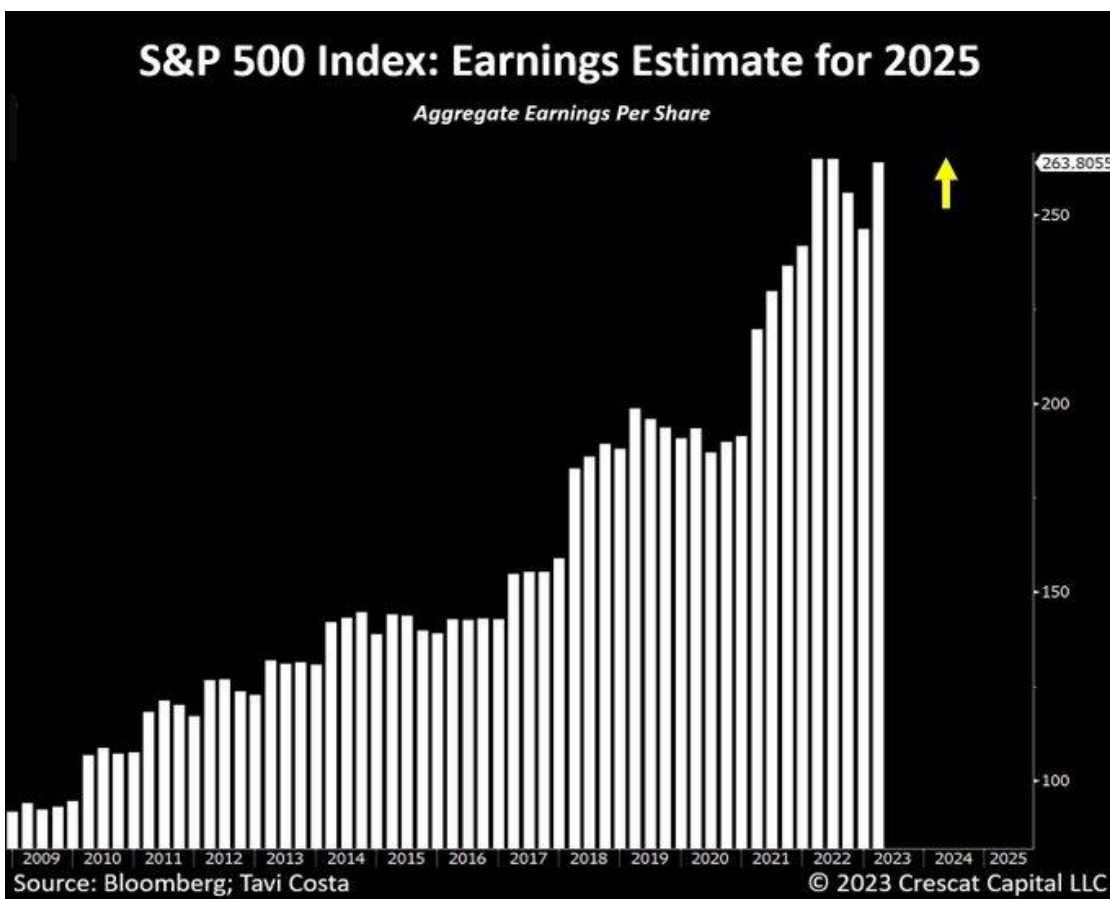


Source: The Market Ear



#us #equities #earnings

Earnings estimates are back near record levels again. This seems at odds with increased risks of recession.



Source: Tavi Costa, Bloomberg



#us #equities #earnings

Is there a disconnect between consensus earnings projections vs expectations of an economic slowdown later this year. The S&P 500 consensus quarterly earnings compiled by Bloomberg Intelligence show an upward trend. They rise from \$50.85 in the first quarter of 2023 to \$54.64 in the next quarter, and then to \$57.16 and \$58.68 in the third and fourth quarters, respectively, according to a note published on 24 March by Wendy Soong of Bloomberg Intelligence. For the full year 2023, the consensus forecast is for earnings per share of \$219.6 and \$244.5 for 2024.



Source: Bloomberg





#us #equities #tech #valuations

Tech is now trading almost as rich as it has ever traded to the overall market...



Source: www.zerohedge.com, Bloomberg

#markets

#etfs #ark

ARK Innovation ETF's Top 10 Holdings.

Cathie Wood suffers double blow as drama hits Coinbase and Block (The fourth and fifth top holdings as March 23).

ARK Innovation ETF's Top 10 Holdings

Coinbase and Block are the fourth and fifth biggest as of March 23

Security	Ticker	Percent Net
Tesla Inc	TSLA US	10.65
Zoom Video Communications Inc Class A	ZM US	7.88
Roku Inc Class A	ROKU US	7.74
Coinbase Global Inc Class A	COIN US	7.51
Block Inc Class A	SQ US	6.24
Exact Sciences Corp	EXAS US	6.21
UiPath Inc Class A Common Stock	PATH US	5.81
Shopify Inc	SHOP US	5.48
Teladoc Health Inc	TDOC US	3.93
DraftKings Inc Class A	DKNG US	3.76

Source: Bloomberg

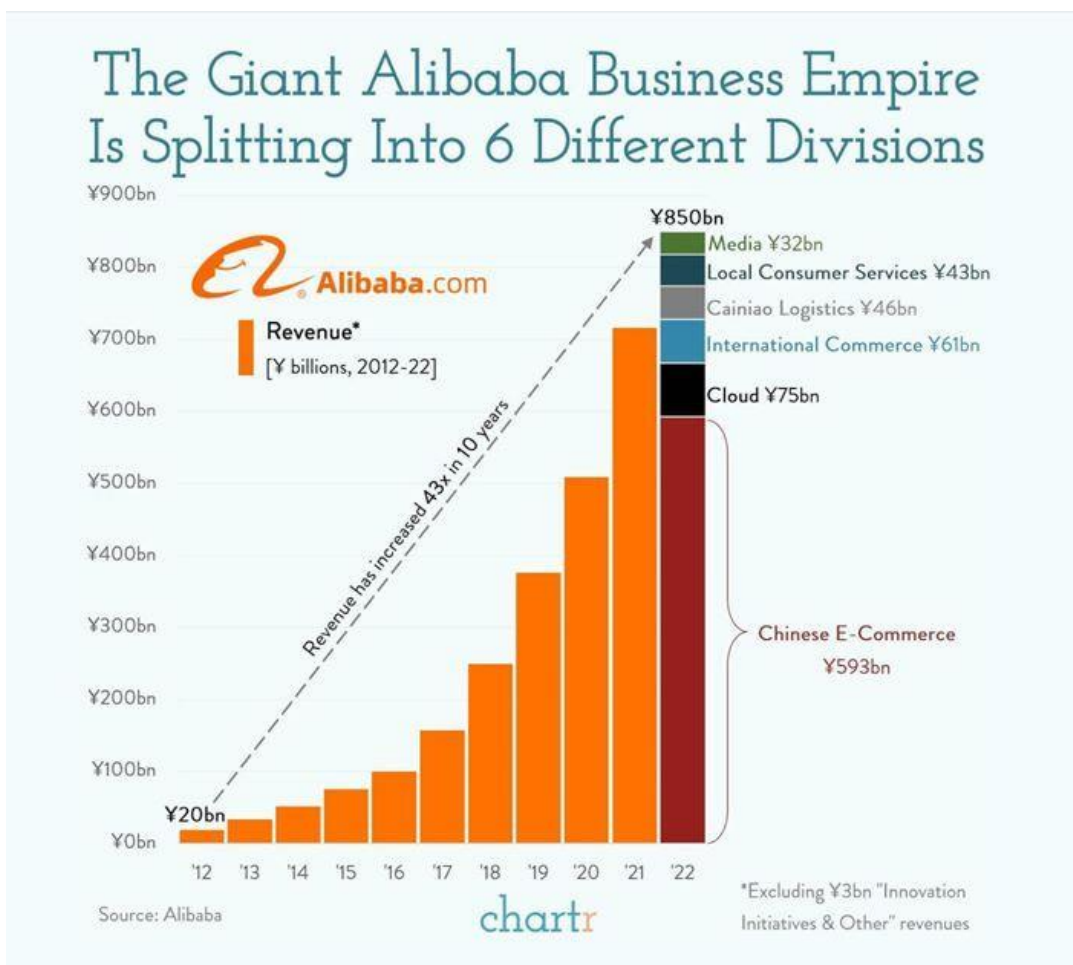
Bloomberg

Source: Bloomberg



#alibaba

This week, Alibaba's elusive founder Jack Ma was spotted in China for the first time in a year. The reason for his reappearance soon became clear: a major breakup was about to go down. Indeed, the next day the Chinese tech giant announced plans to split its mega-business into 6 units.

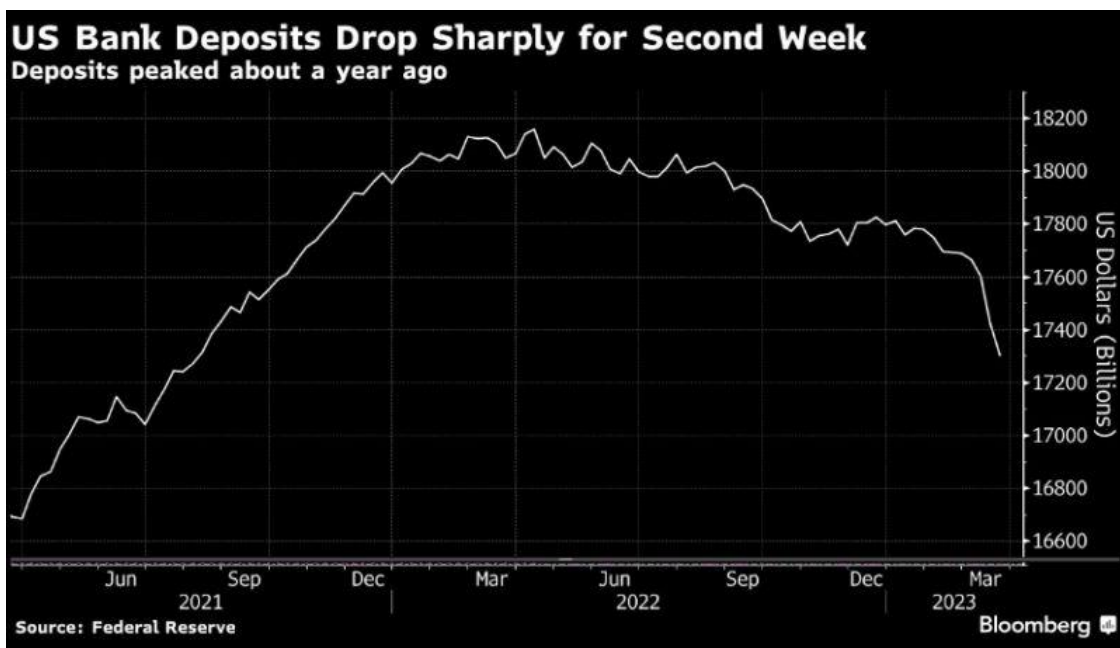


Source: Chartr



#us #money-markets-funds

Bank run in slow motion continues: Deposits at US banks fell sharply for a 2nd week. Deposits at commercial banks dropped by \$125.7bn in week ended Mar22, marking 9th-straight period of declines, highlighting preference for higher-yielding money-market funds.

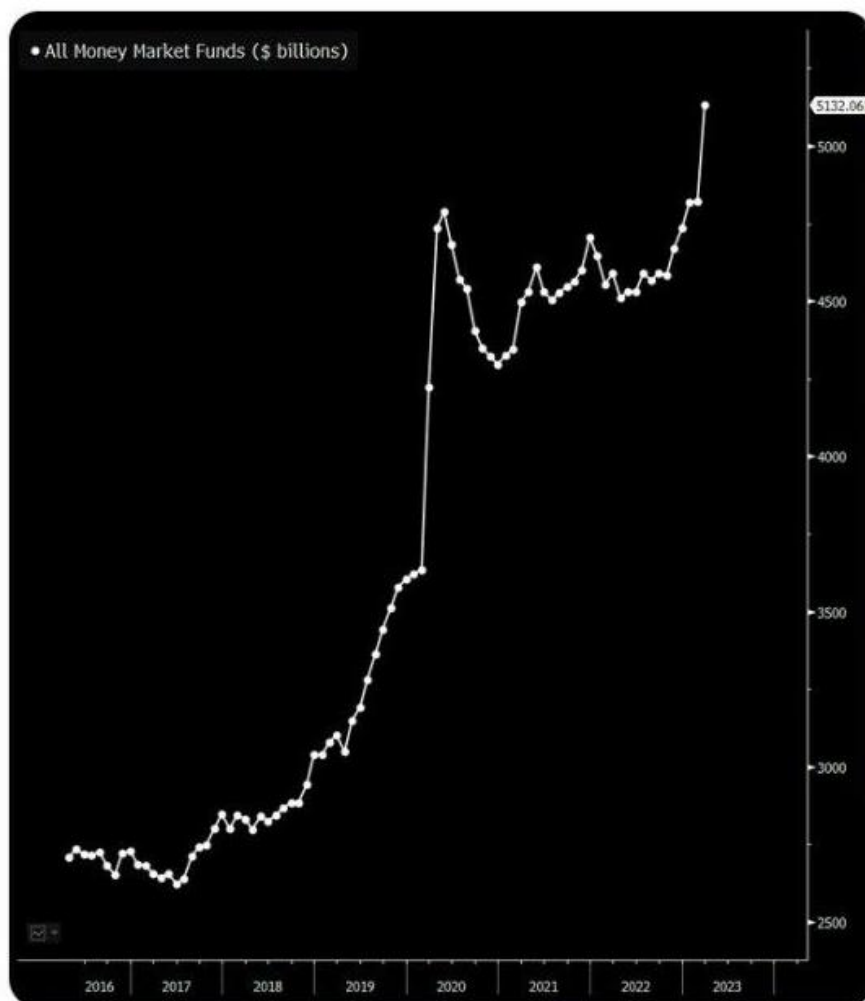


Source: HolgerZ, Bloomberg



#us #money-markets-funds

US money markets funds TOTAL ASSETS hitting a new all-time-high of \$5.1 Trillion, up \$600B in the last 12 months and 2x in 5 years. This is about the same pace and size as the entire ETF industry's growth...



Source: Eric Balchunas, Bloomberg



#us #money-markets-funds

Nice table showing the savings deposit rates of a variety of US banks vs. the average cash-like ETF, which helps explain why money market mutual funds have hit record AuM and Cash-like ETFs have taken in 13% of ETF flows globally.

Average Interest Rates	
Name	Rate
Bank Of America	0.38%
Chase	0.58%
Citi	1.06%
Wells Fargo	0.26%
US Bancorp	0.55%
PNC	0.42%
TD Bank	0.83%
Average	0.58%
Marcus by Goldman Sachs Online Savings Account	3.75%
Discover Online Savings	3.60%
Capital One Bank 360 Performance Savings	3.40%
Synchrony Bank High Yield Savings	4.00%
Average Cash-Like ETF	3.30%

Source: psarofagis, SirYappityyapp, Eric Balchunas

#GLOBALMARKETS WEEKLY WRAP-UP

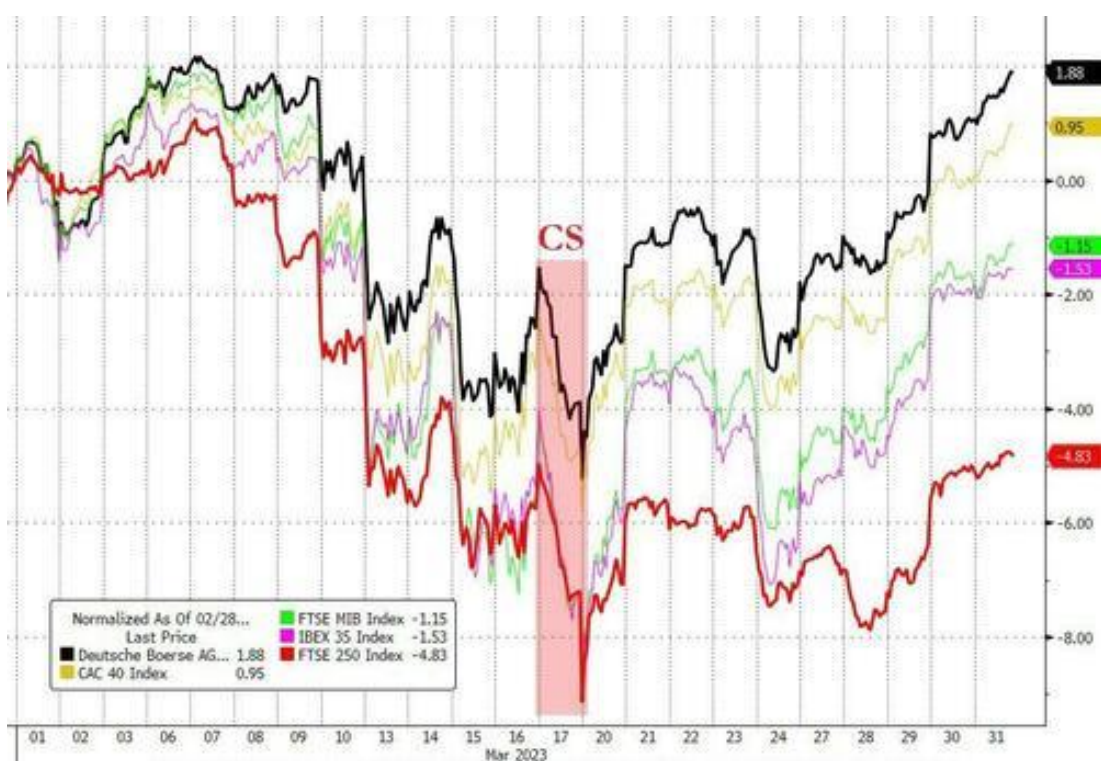
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#markets

#european #equities #march

European markets were mixed in March with Germany and France ending green while UK was the biggest loser...

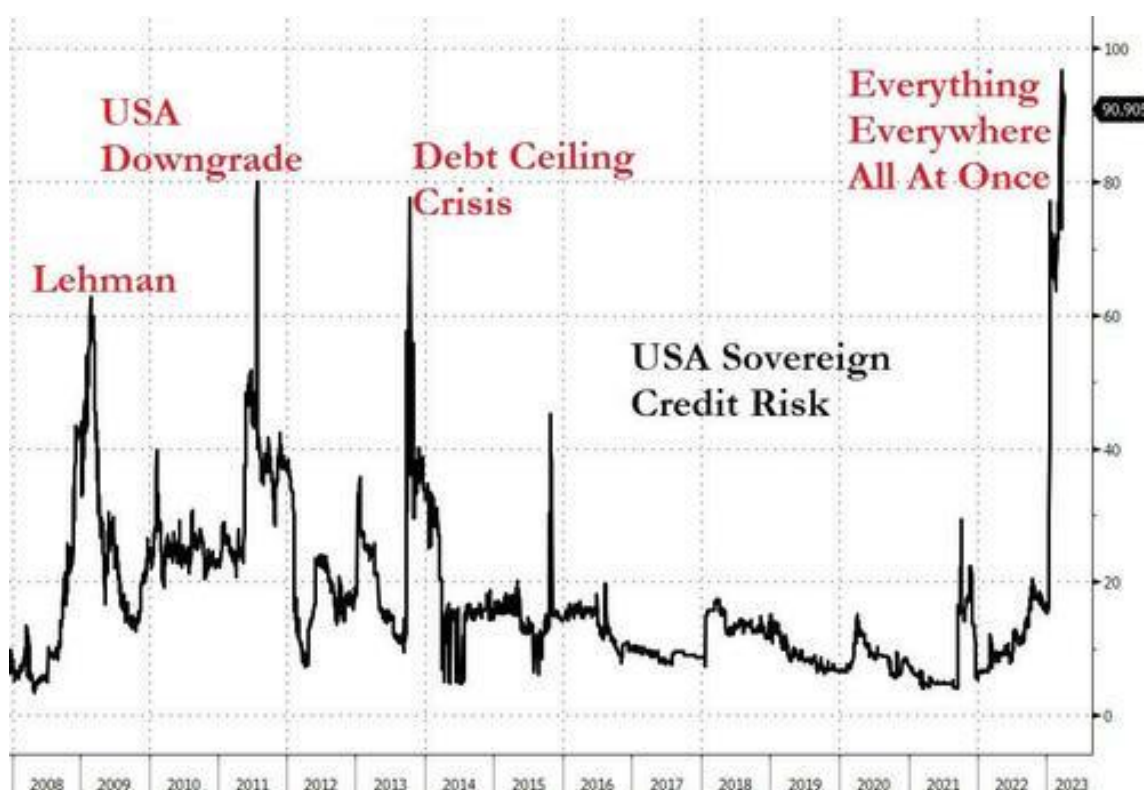


Source: www.zerohedge.com, Bloomberg



#us #sovereign #risk

1-year US CDS still stands at record high...

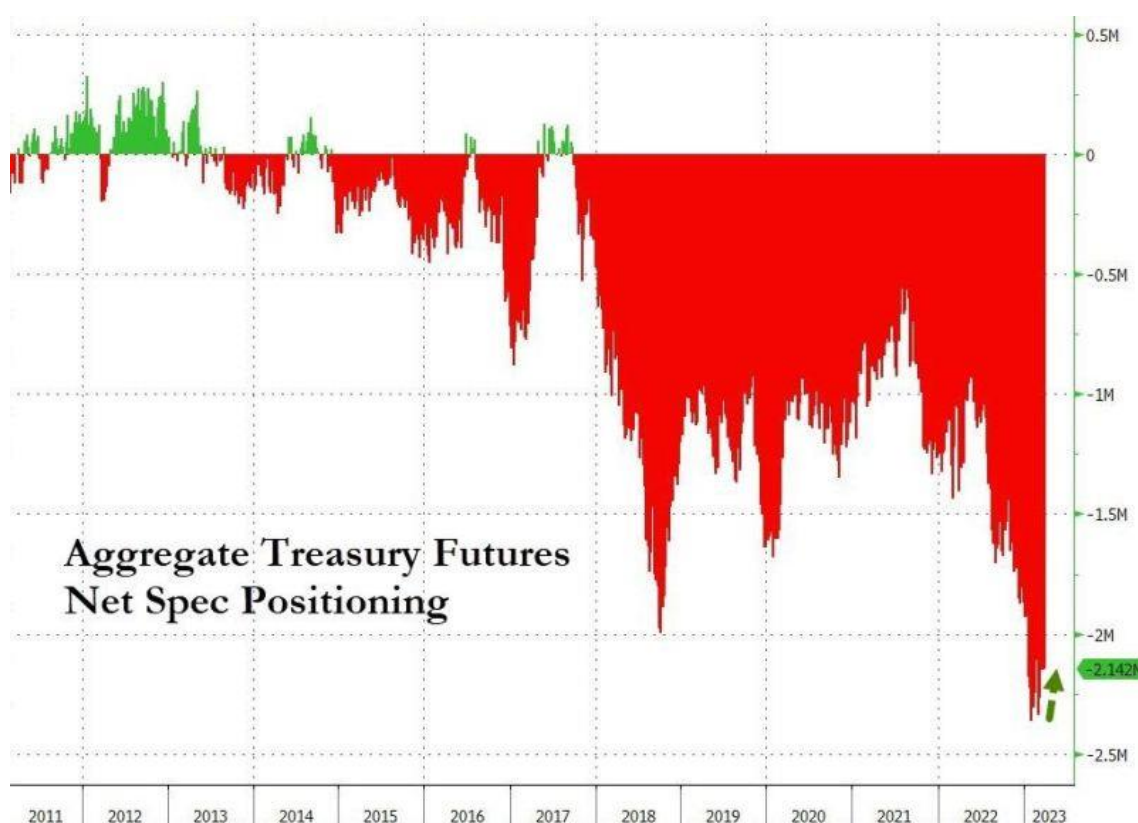


Source: www.zerohedge.com, Bloomberg



#us #treasuries #speculative-positioning

Aggregate US Treasuries futures speculators are still near record short...

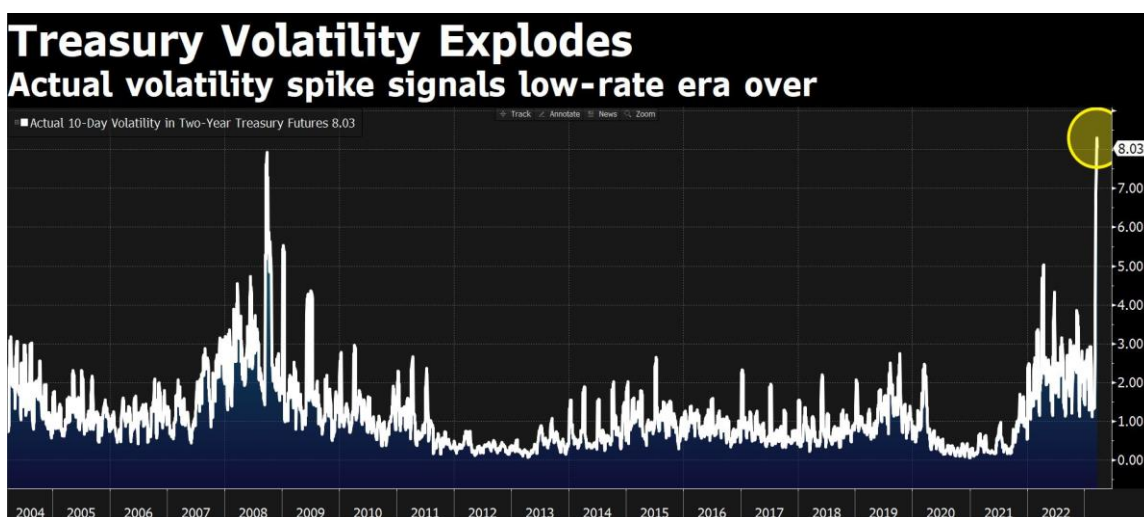


Source: www.zerohedge.com, Bloomberg



#us #treasuries #volatility

Two-year Treasury volatility has exploded over the past few days

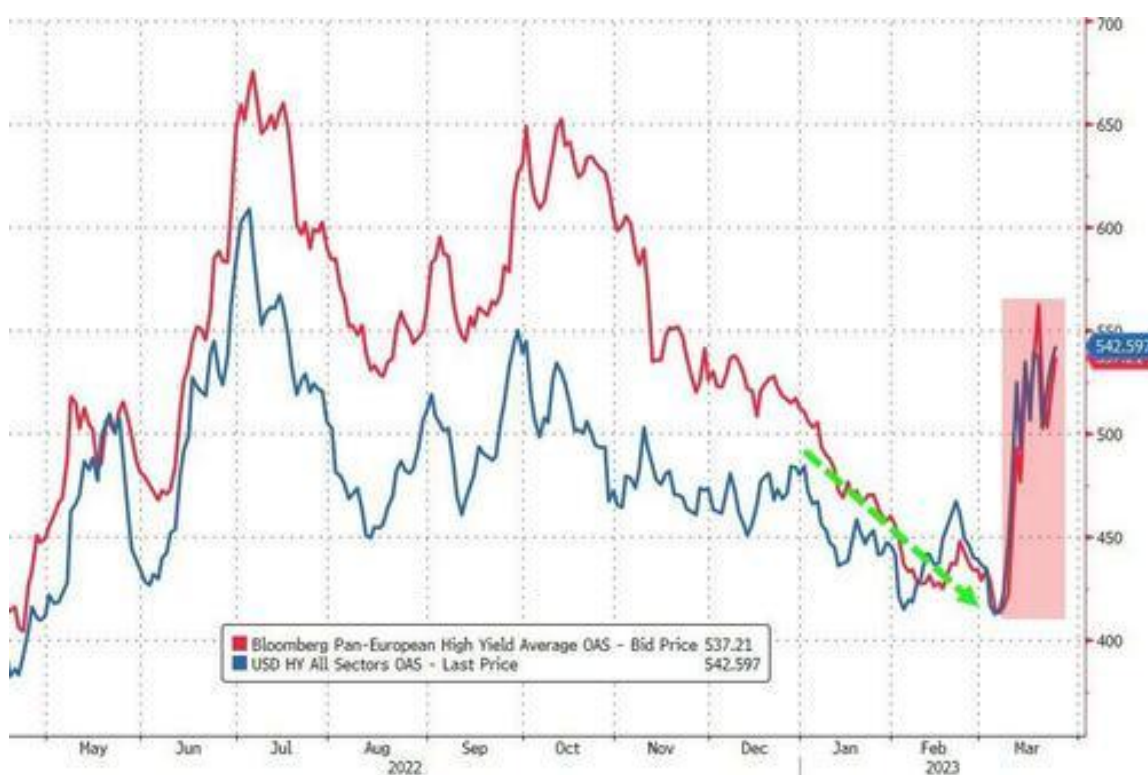


Source: Bloomberg



#us #eu #corporate-spreads

Corporate bond spreads in US and EU are wider in Q1 after blowing out wider in March, erasing all the compression from Jan/Fed.



Source: www.zerohedge.com, Bloomberg

#markets

#us #high-yield #spreads

While stocks bounced back above pre-SVB levels, the credit market remains much more stressed (even with the rally of the last 2 days)...



Source: www.zerohedge.com, Bloomberg



#deutsche-bank #cds

It was a roughly €5 million (\$5.4 million) bet on swaps tied to the German bank's junior debt, according to people familiar with the matter, who said regulators have spoken to market participants about the transaction

The screenshot shows a Bloomberg news article titled "A Single Bet on Deutsche Bank's Credit Default Swaps Is Seen Behind Friday's Rout". The article is dated 45m ago and is categorized under "INVESTING" and "Company News". The author is Nicholas Comfort and Steven Arons. Below the article is a line chart titled "Default Swaps Spiked" showing Deutsche Bank's 1-year subordinated CDS. The chart shows a sharp spike in CDS values starting in late March 2023, reaching nearly 900 basis points by Friday. The y-axis is labeled "Basis points" and ranges from 0 to 900. The x-axis shows months from May 2022 to March 2023. The source is cited as ICE, with a note that data may not capture all quotes.

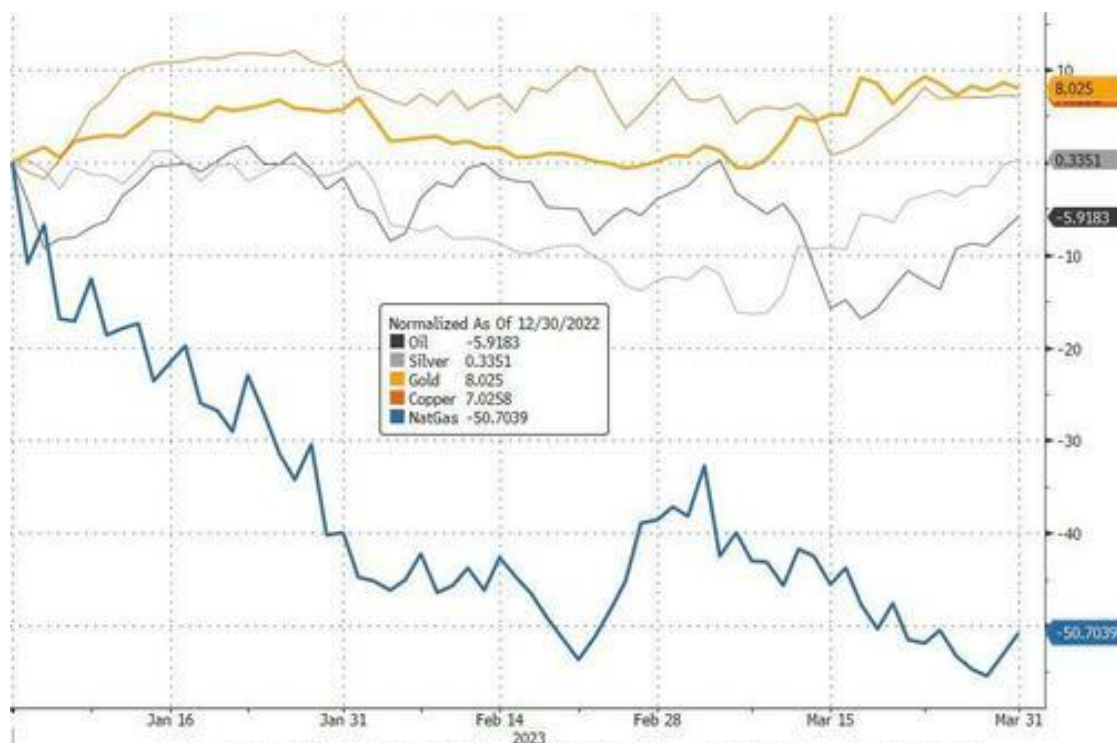
Month	CDS (Basis points)
May 2022	~150
Oct 2022	~250
Nov 2022	~150
Dec 2022	~150
Jan 2023	~150
Feb 2023	~150
Mar 2023	~150
Friday (Mar 2023)	~850





#commodities #q1

NatGas was the standout commodity performance in Q1, collapsing 50% as warmer weather spoiled Putin's party plans. Gold was the quarter's best performer (along with copper - China reopening hopes) as crude closed lower...



Source: www.zerohedge.com, Bloomberg



#commodities

The S&P GSCI Commodity Index is down 37% from its peak in March 2022, at its lowest level since December 2021. The YoY decline of 25% is the largest since May 2020, likely to lead to a much lower March CPI print.



Source: Charlie Bilello

#markets

#oil

Oil has been on a tear for the last two weeks with WTI back above \$75, but remains down on the year, after breaking below its Jan/Feb range...



Source: www.zerohedge.com, Bloomberg



#gold

Gold is up for the second quarter in a row (up over 19% in the last 6 months - its best such gain since 2016), with its highest quarterly close in history. March saw gold rally almost 9% -its best month since July 2020 (topping \$2000) once again...

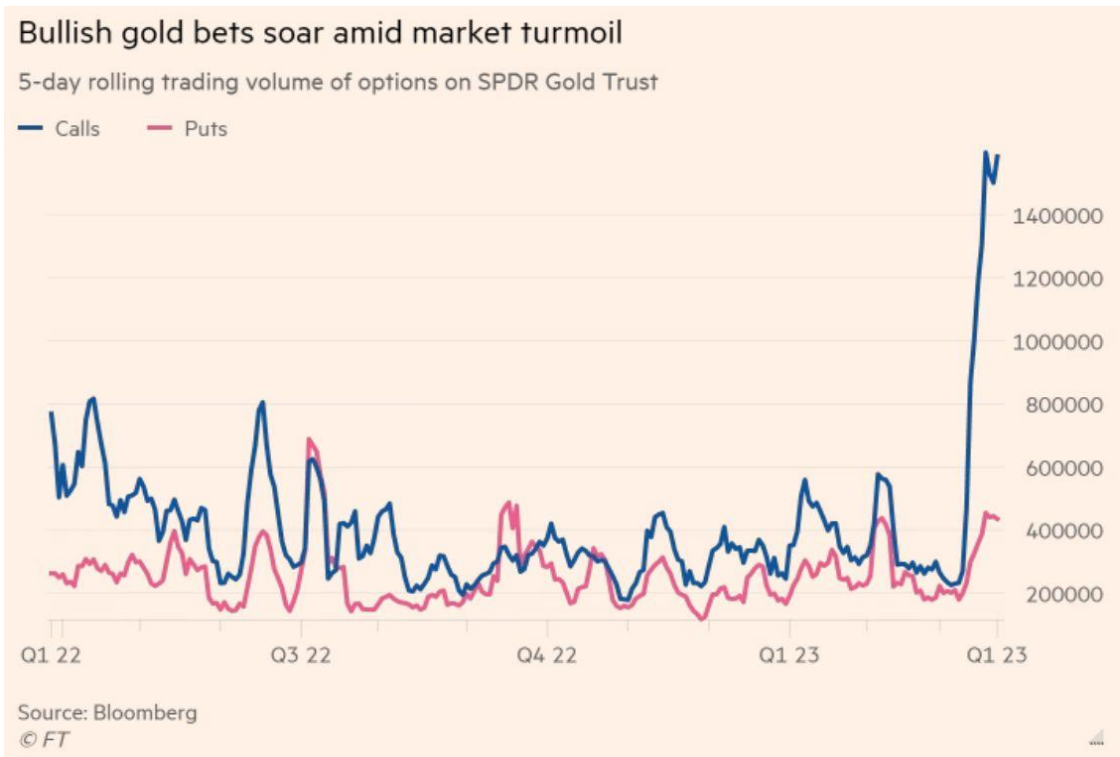


Source: www.zerohedge.com, Bloomberg



#etfs #gold

SPDR Gold Trust ETF Call Volume Soars.
March is set to be the first month of net inflows into gold ETFs for 10 months, while the volume of bullish options bets tied to the funds has approached record levels.

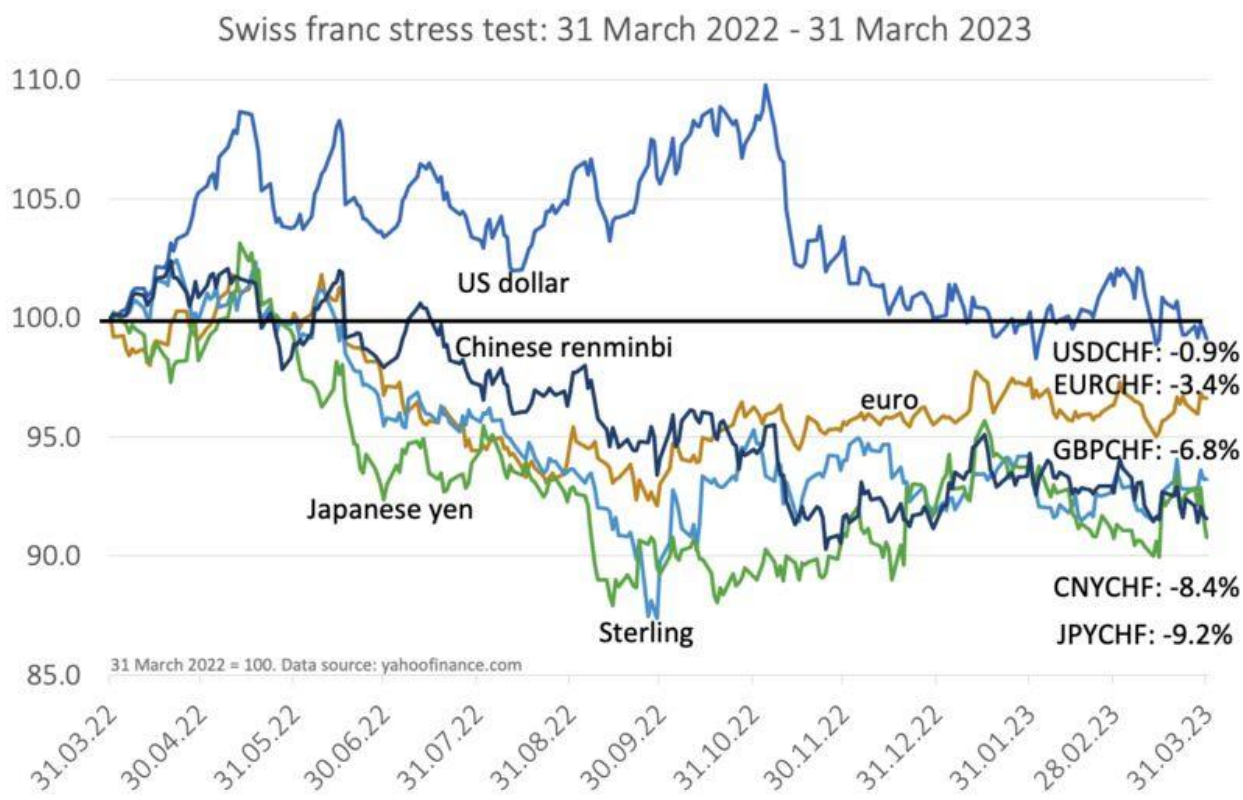


Source: FT



#swiss-franc

The percentages in the chart show the amounts that these currencies lost against the Swiss franc over this timeframe. The fundamental drivers for Swiss franc appreciation do not appear to have changed in any significant way. These fundamentals include lower inflation than most peers, a very large structural current account surplus, and a central bank with lots of foreign exchange reserves.



Source: Costa Vayenas

#macro

#us #nominal #growth

«Inflationary» growth: the boost in nominal GDP should support corporate America revenue growth.

Massive stimulus, massive nominal growth

US nominal Gross Domestic Product (\$bn) since 1960



Source: BofA

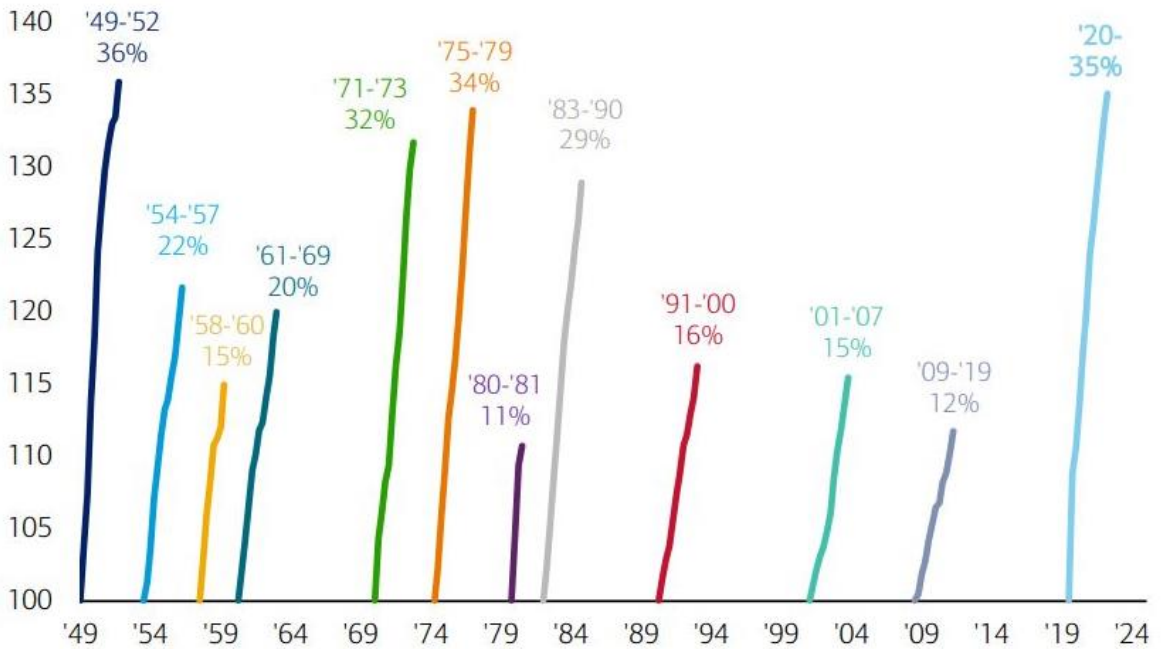


#us #nominal #growth

What a recovery...

Fastest recovery since end of WW2/Marshall Plan

US nominal GDP growth 12 quarters into expansion cycle



Source: BofA Global Investment Strategy, Haver. US nominal GDP rebased to 100 as of last quarter of US recession. Estimates for Q1-23 based on BofA US Economics forecast.

Source: BofA

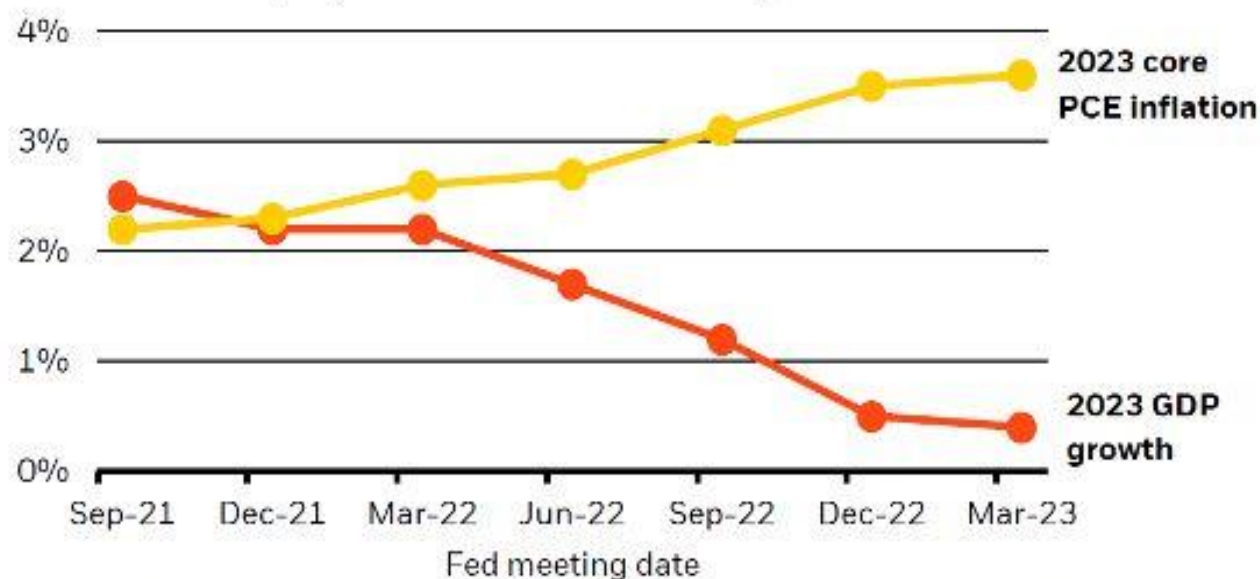


#us #growth #inflation

This chart from Blackrock weekly note - a time series of Fed's own forecasts of growth and inflation in 2023 by q4 this year - shows central banks, willingly or not, are finally waking up to the tradeoffs too.

The trade-off

Federal Reserve projections for Q4 2023 GDP growth and inflation



Source: BlackRock Investment Institute and Federal Reserve, March 2023. The chart shows the progression of the median Federal Open Market Committee projection for Q4 2023 U.S. real GDP growth and core PCE inflation year-over-year, from September 2021 through March 2023.

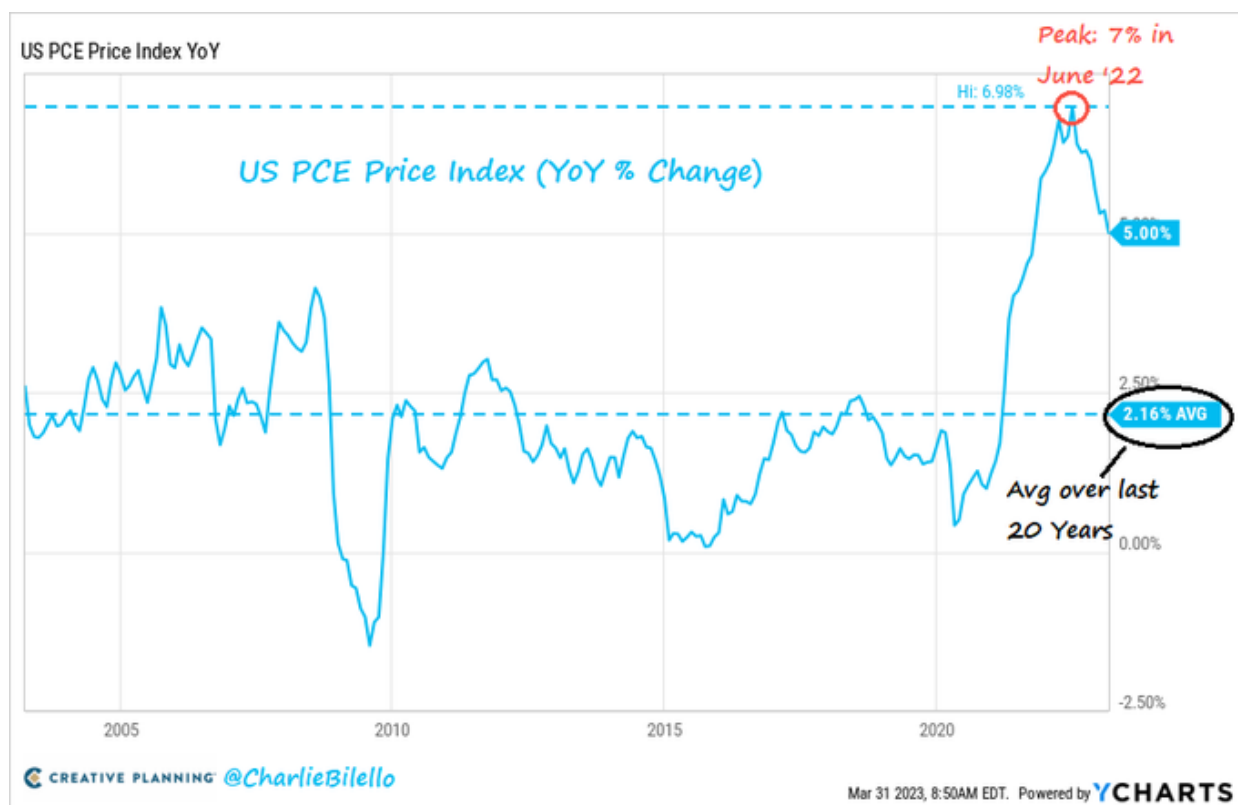
Source: Blackrock





#us #inflation #pce

More evidence of a decline in the US inflation rate... The PCE Price Index moved down to 5%, its lowest level since September 2021. Peak was 7% in June 2022.

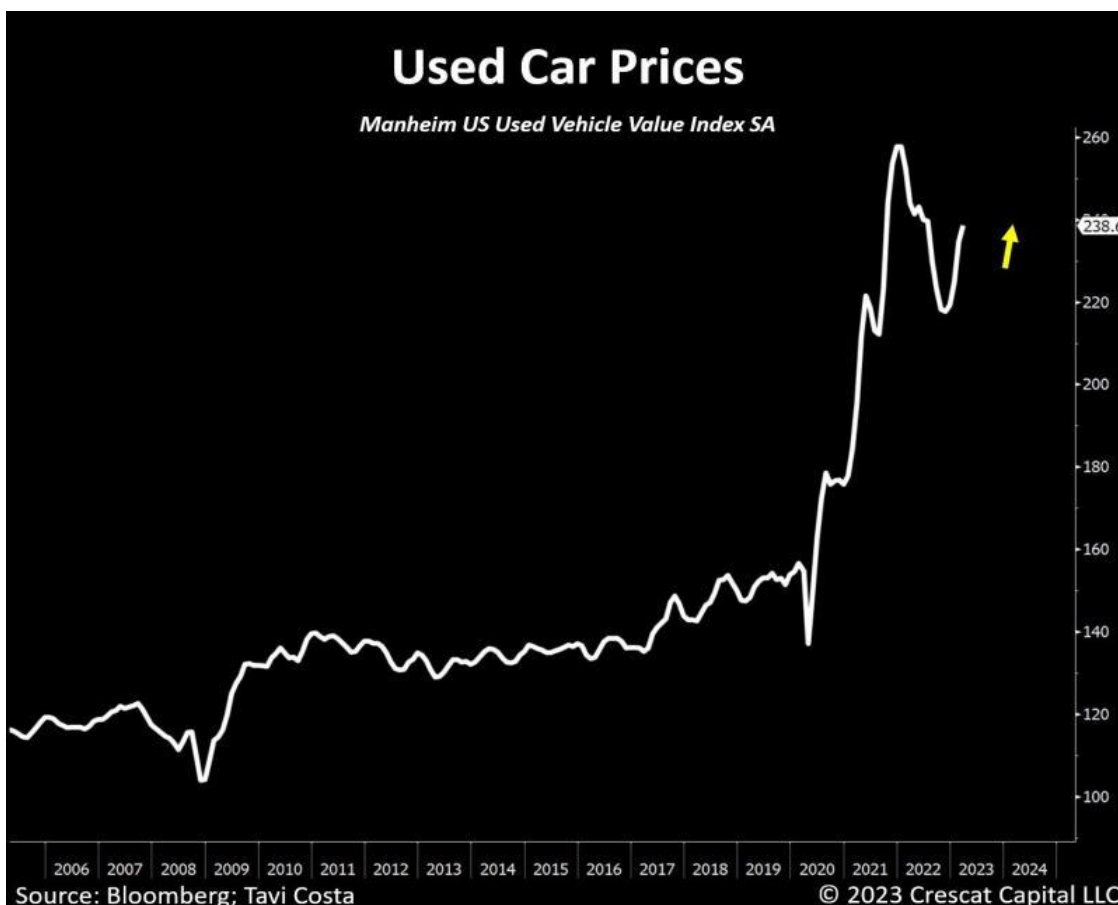


Source: Charlie Bilello

#macro

#us #inflation

Sticky inflation? Used car prices increased again for the 5th month in a row. Prices continue to firm up at historical levels, despite being down about 2% on a year-over-year basis. Inflationary forces remain stubbornly high due to structural macro drivers. The Fed just erased 5 months of QT in two weeks. Will it add fuel to the inflation fire?



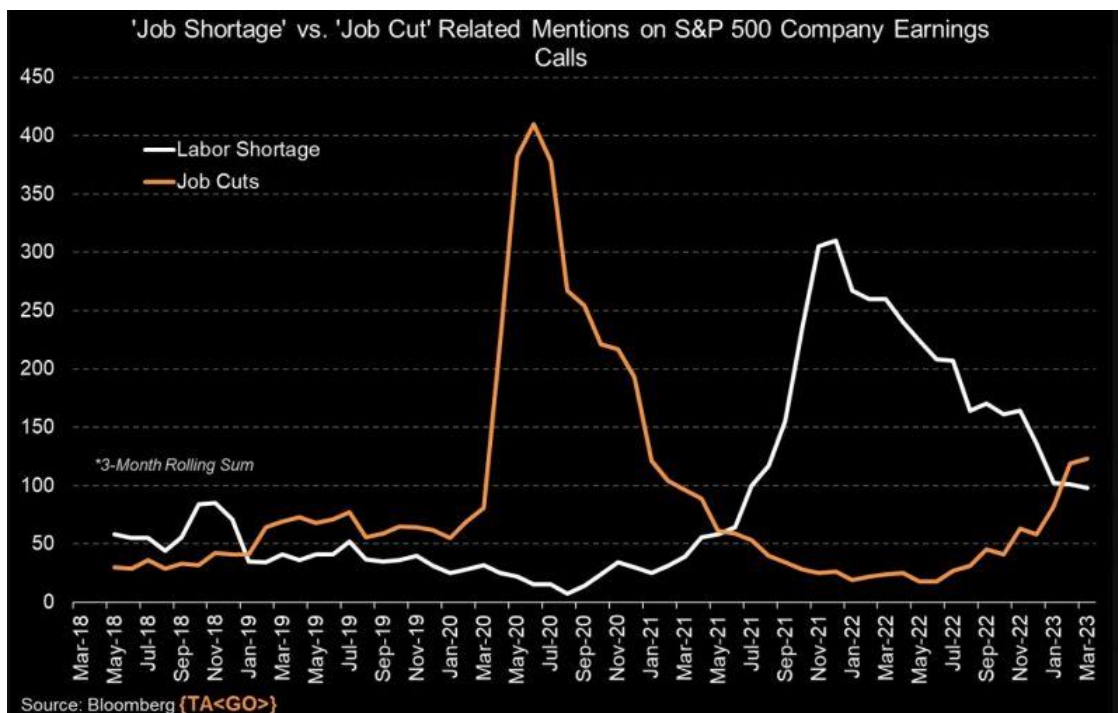
Source: Tavi Costa, Bloomberg, Crescat Capital





#us #labor-market

US job market seems to be cooling down finally. chart below shows. US companies mentioning "job cuts" more often than "labor shortage" in recent earnings calls.



Source: MacroAlf, Bloomberg

#macro

#us #labor-market

Amazon leading the way with the most layoffs since October 2022

Nearly 200,000 Job Cuts Hit 20 Companies Alone

Largest cumulative layoffs since October 2022

Company	Total Laid Off	% Cut	Sector	Headquarters
Amazon	27,101	1.8	Consumer Disc.	US
Meta	21,000	24.1	Technology	US
Alphabet	12,240	1.6	Technology	US
FedEx	12,000	3.5	Industrials	US
Microsoft	11,120	5.0	Technology	US
Ikea	10,000	6.1	Consumer Disc.	Sweden
Philips	10,000	12.7	Health Care	Netherlands
Royal Mail	10,000	7.3	Industrials	UK
Credit Suisse	9,013	17.4	Financials	Switzerland
Salesforce	8,829	11.2	Technology	US
Ericsson	8,500	8.1	Technology	Sweden
Rocket Cos.	7,520	28.8	Financials	US
Micron	7,200	15.0	Technology	US
Central China Real Estate Group	7,000	No data	Real Estate	China
Disney	7,000	3.2	Communications	US
Sea	7,000	10.4	Consumer Disc.	Singapore
Dell	6,650	5.0	Technology	US
MS&AD	6,300	18.0	Financials	Japan
Pou Chen	6,000	1.9	Consumer Disc.	Taiwan
Twitter	5,424	72.3	Communications	US

Note: Data comprises layoffs announced with number of jobs or share of workforce cut from Oct. 1, 2022 to March 20, 2023 at 12pm EDT. Percent cut is estimated total reduction in workforce since first layoff was announced.

Source: Data compiled by Bloomberg



#eurozone #inflation

Eurozone headline inflation cools significantly to 6.9% YoY in March, down from 8.5% in February and lowest level since February 2022, AND lower than estimated 7.1% Bloomberg poll. But core inflation, which excludes volatile items, quickened to 5.7%, a fresh All-Time-High, showing inflation pressure remains high.



Source: Bloomberg, HolgerZ

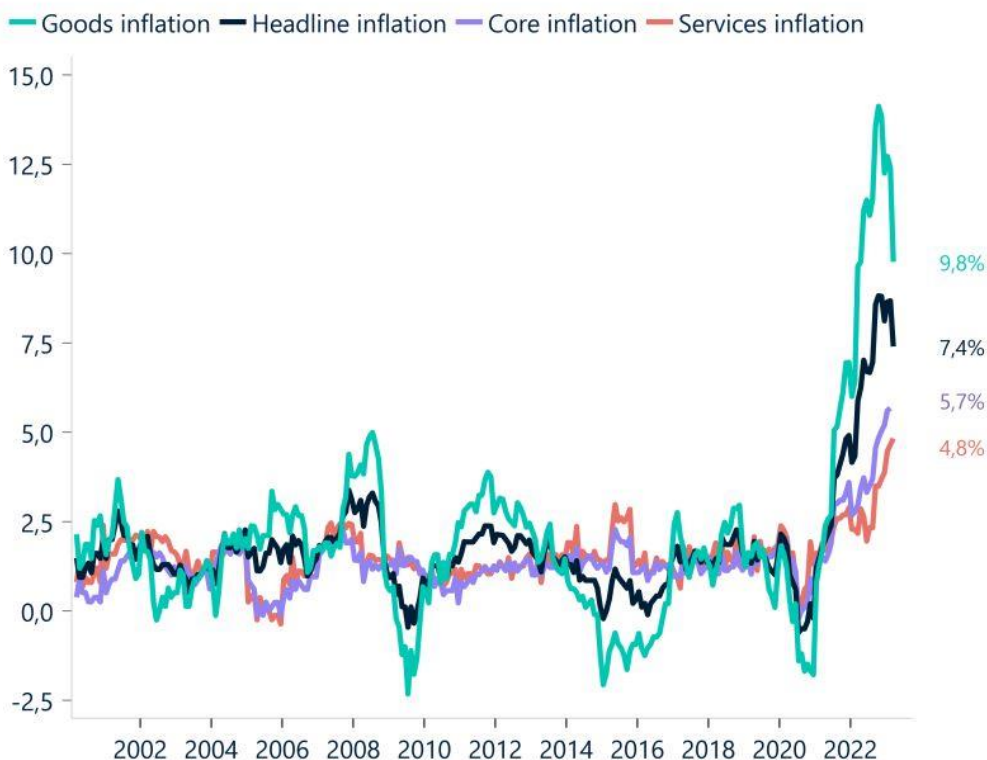


#germany #inflation

German consumer inflation increased by 7.4% over the last twelve months through March, falling below the 8% mark for the first time in six months. However, with core and services inflation still stuck at the highest levels since the early 1990s, momentum behind a continuation of the ECB's tightening cycle is building again.

Disinflation in goods, stickiness in services

Four categories of consumer inflation in Germany



Source: Convera, Macrobond



Source: Convera



#germany #inflation

Supermarket prices keep rising in Germany. German Food inflation jumped 22.3% YoY in March, a fresh ATH since the start of the statistics, and up from 21.8% in February.



Source: Bloomberg, HolgerZ



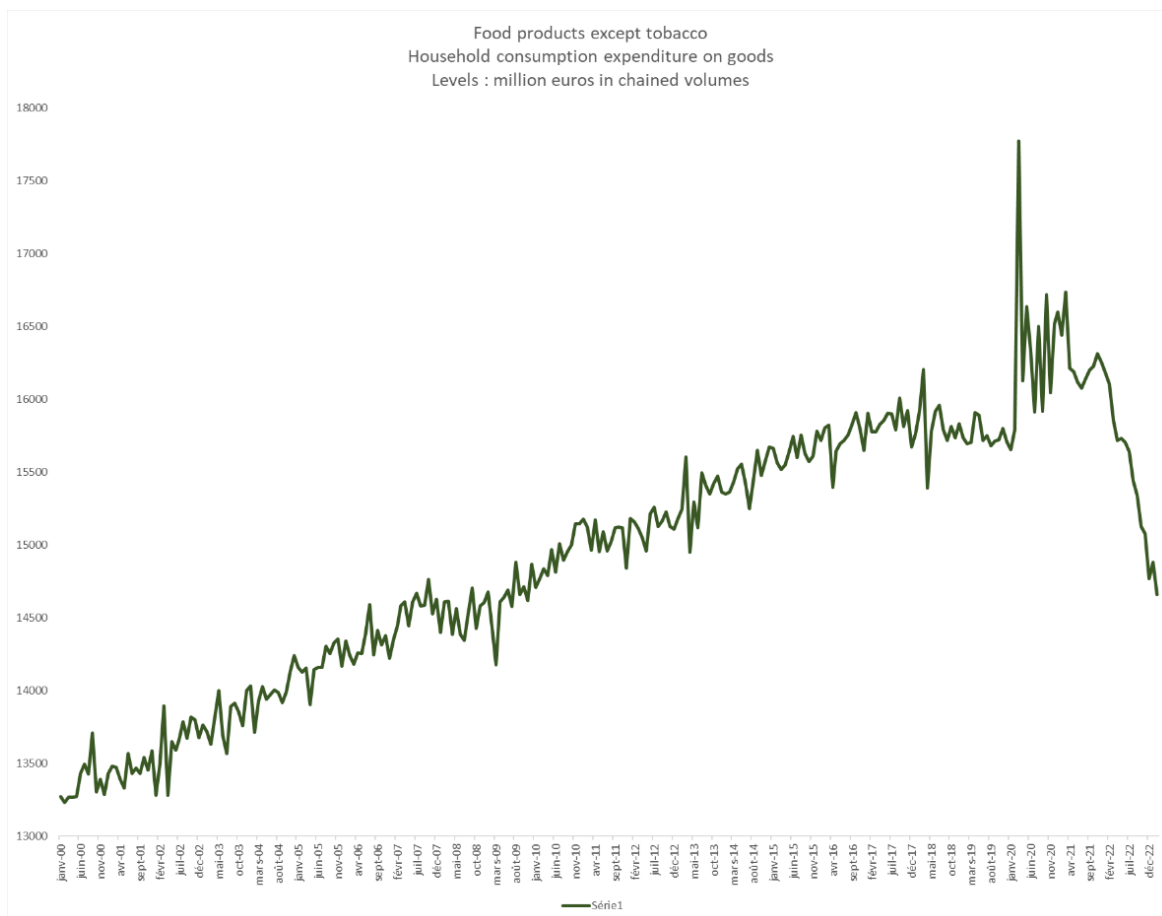
#french #food #real-terms #consumption

The damages of inflation in the real life: French Food Consumption in real Terms ->

m/m : -1.5%

Y/Y :-9%

Back to July 2007 Level.



Source: Nicolas Goetzman



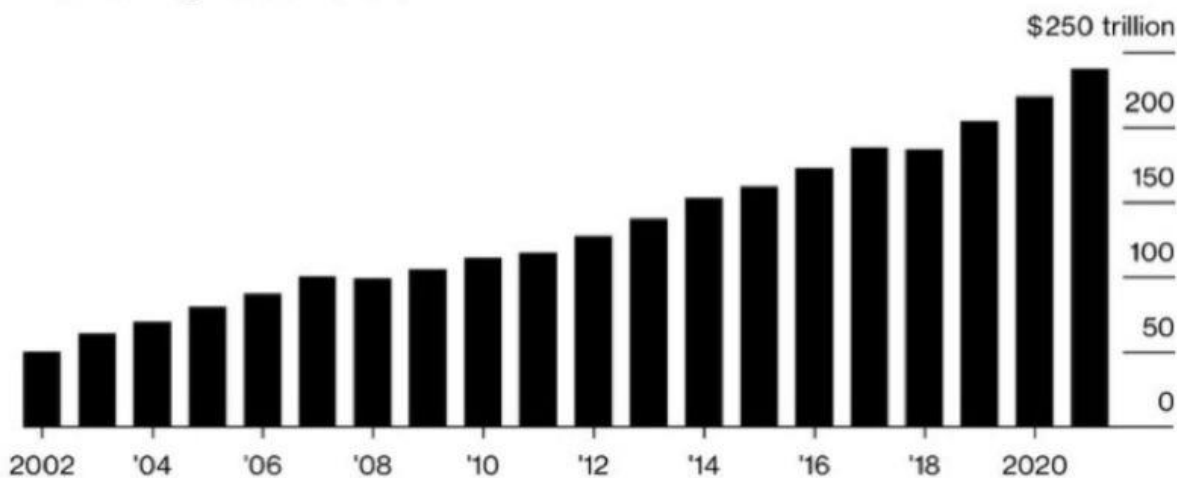


#shadow-banking

Banking Crisis Raises Concerns About Hidden Leverage in System. The concern is that private equity firms and others were allowed to load up on cheap loans as banking regulations tightened after the global financial crisis — without enough oversight into how the debt could be interconnected.

Assets Held by Financial Institutions Without a Banking License

■ Non-banking financial institution



Source: Financial Stability Board

Source: Ritesh Jain, Bloomberg



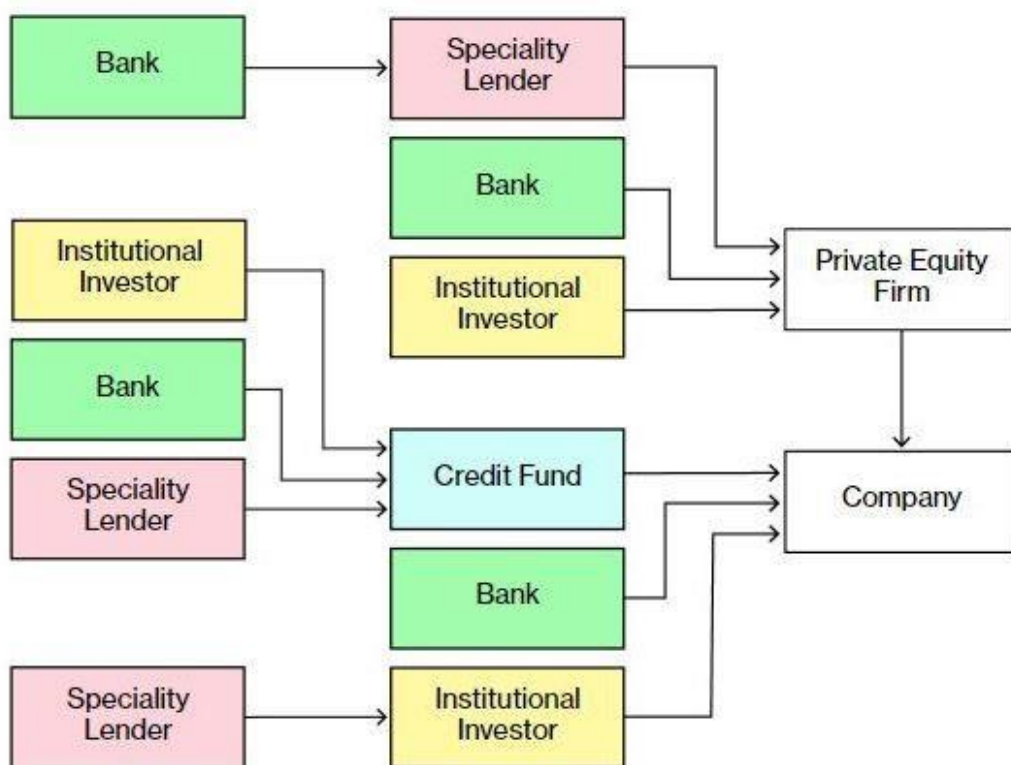
#shadow-banking

Banking Crisis raises concerns about hidden leverage in the system.

Layers of Leverage

Opaque forms of credit have emerged across private markets

 Shadow lenders → Leverage / debt



Source: Bloomberg

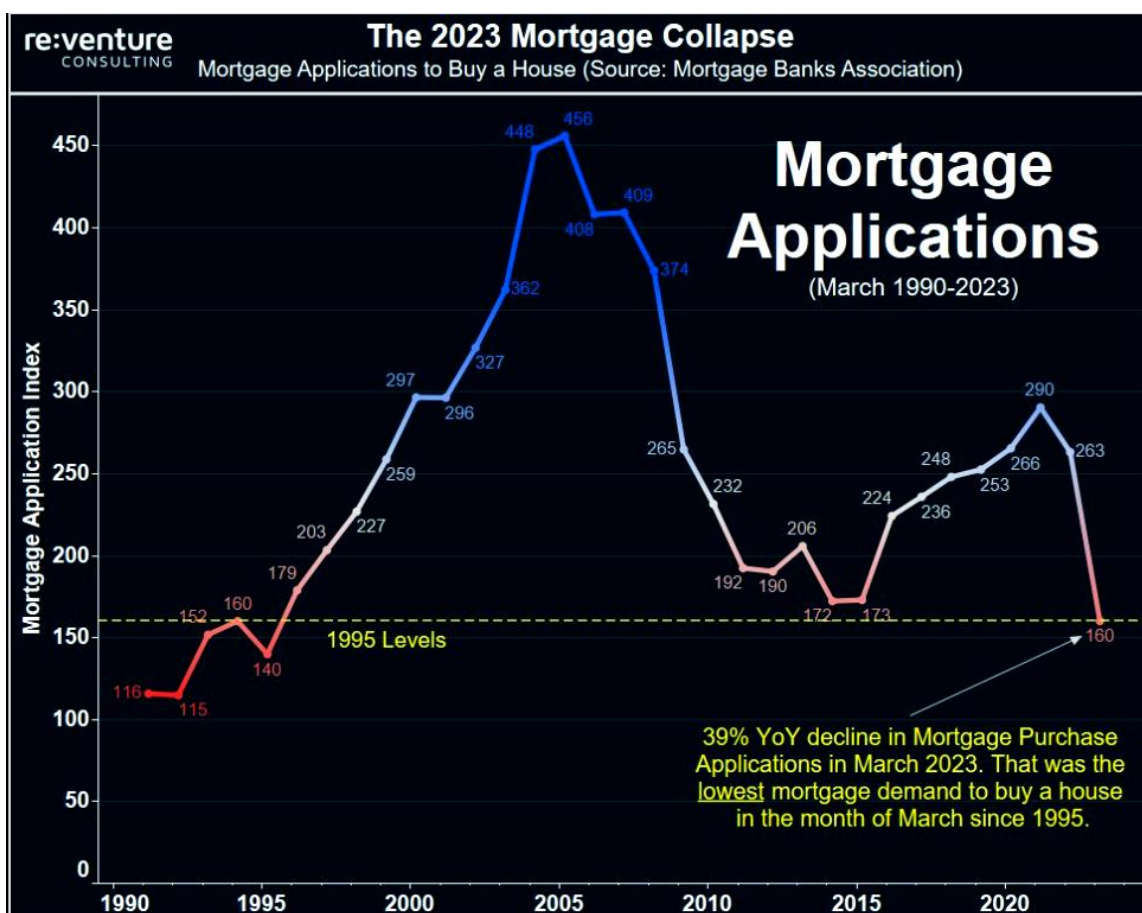
Source: Bloomberg



#macro

#us #housing #mortgage-applications

Mortgage applications dropped 39% YoY in March. That was the worst March performance since 1995.

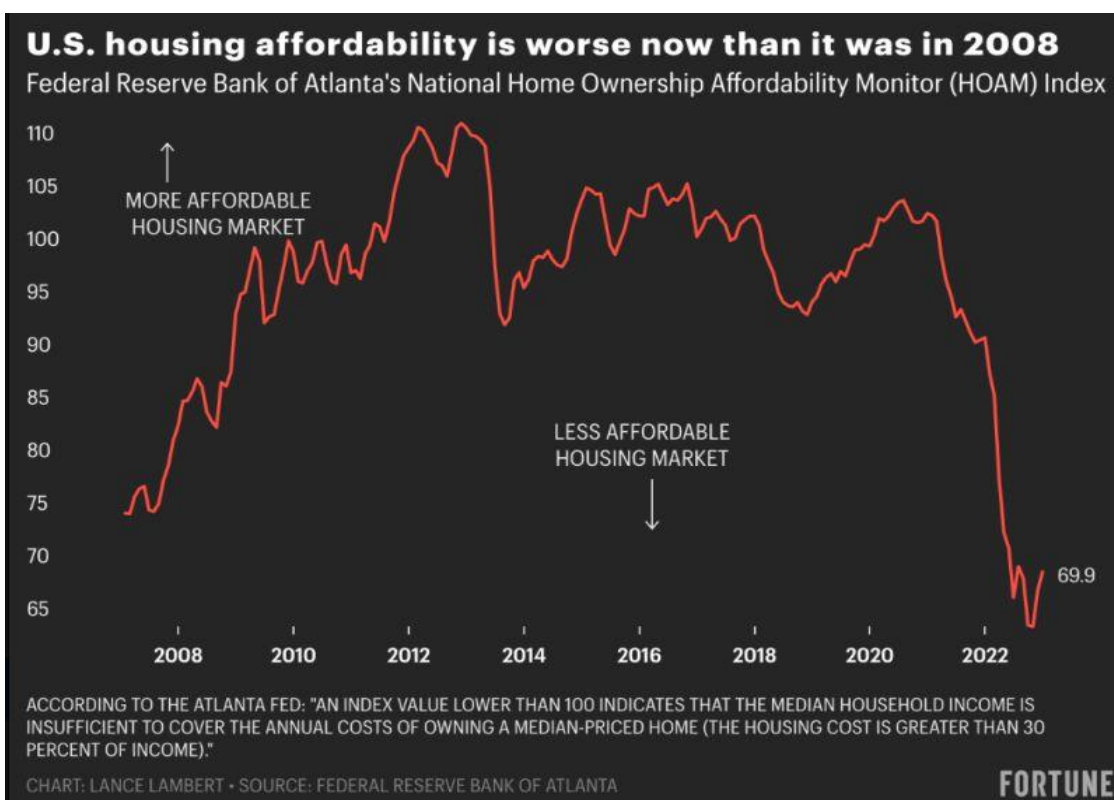


Source: The Market Ear, MBA

#macro

#us #housing #affordability

Housing Affordability is now worse than it was during the early stages of the 2008 housing bubble.

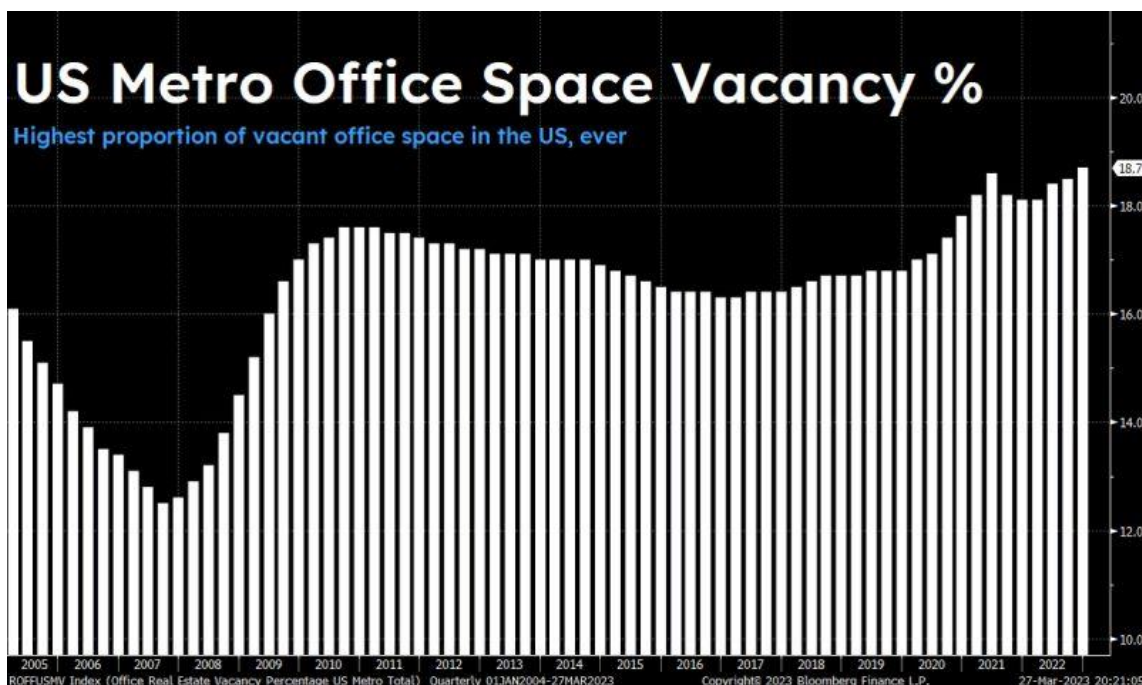


Source: Fortune



#us #commercial #real-estate

Vacant office space in the US is at its highest level ever of 18.7%. No rent is being paid on 1/5th of all US office space. Meanwhile, \$46 billion of variable rate office debt will mature and need to be rolled this year. Will we see a wave of defaults on commercial real estate loans?

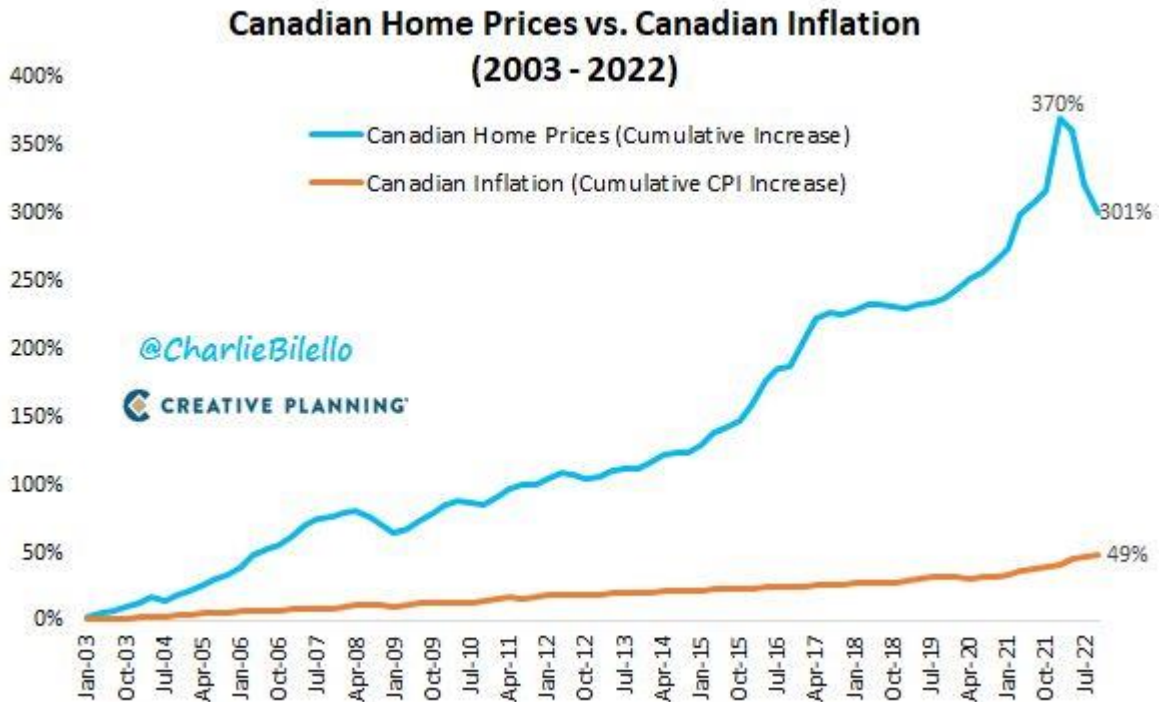


Source: Joe Consorti, Bloomberg



#canada #real-estate

Over the last 20 years, Canadian Home Prices have quadrupled while the overall inflation rate in Canada has increased 49%.



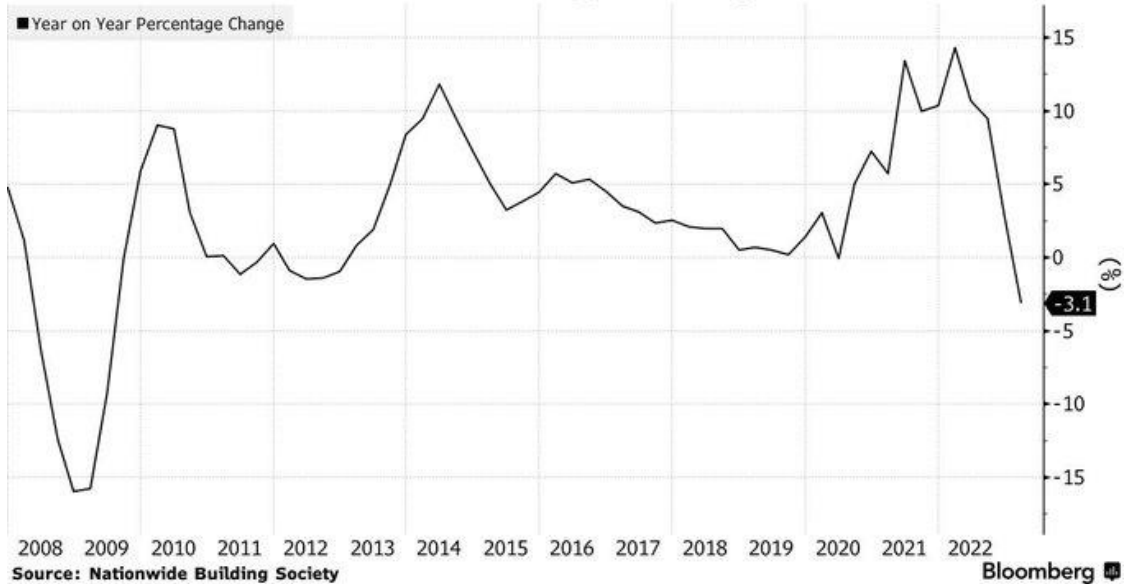
Source: Charlie Bilello



#uk #housing

UK house price fall quicker than expected with higher rates - Bloomberg

UK House Prices Are Now Falling at Sharpest Pace Since 2009



Source: Bloomberg

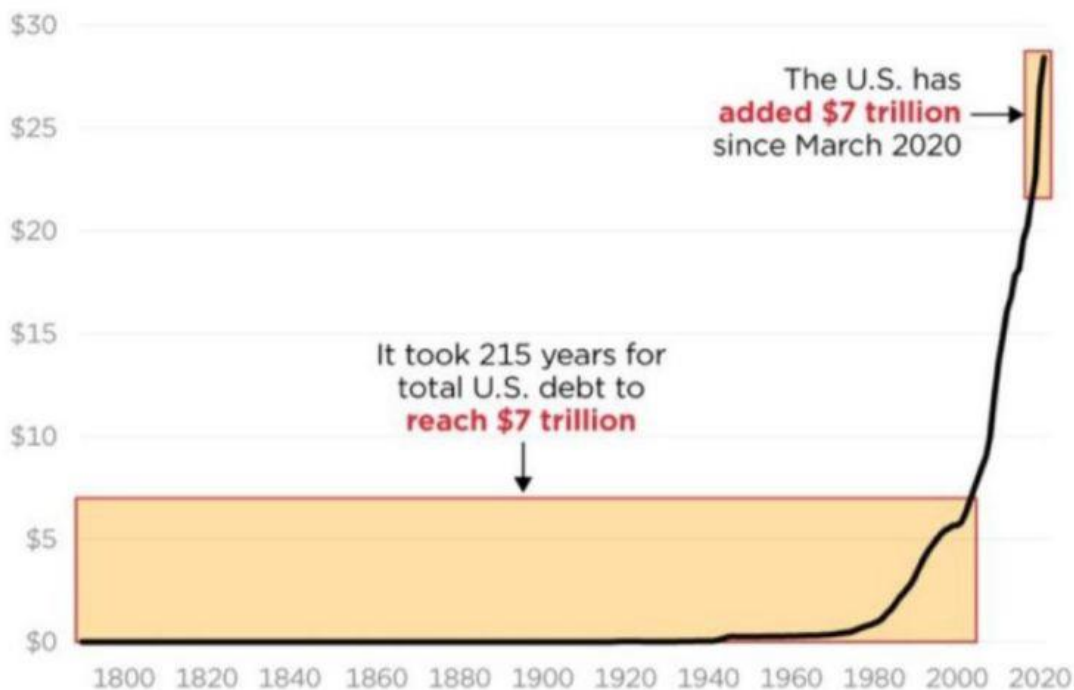
#macro

#us #debt

It took 215 years for the US to reach \$7 trillion in debt. It then took only 27 months (March 2020 - June 2022) to add another \$7 trillion.

Two Centuries of Debt in 27 Months

TOTAL OUTSTANDING DEBT, IN TRILLIONS OF DOLLARS



From March 2020 to June 2022, a span of just 27 months, the federal government added \$7 trillion to the national debt as a result of a massive spending spree. It took the government 215 years, from George Washington to George W. Bush, to initially reach \$7 trillion in debt.

Source: MacroAlf

#geopolitics

#east-west-divide

The East-West divide: different agenda, different priorities.

ADMINISTRATION

Yellen calls climate change 'existential threat' after GOP lawmaker labels it 'Trojan horse' for spending

BY BRETT SAMUELS - 03/29/23 1:43 PM ET

SHARE TWEET



Treasury Secretary Janet Yellen answers questions during a Senate Subcommittee on Financial Services and General Government hearing to discuss the President's FY 2024 budget for the Department on Wednesday, March 22, 2023.

Treasury Secretary Janet Yellen on Wednesday pushed back against a GOP congressman who

Most Popular

- 1 Christie ups profile with acerbic attacks on Trump
- 2 Fox contributor: Trump was 'absolutely horrific during Hannity...
- 3 Twitter restricts Greene's congressional account over...
- Zelensky invites



WORLD POLITICS

Saudi Arabia takes step to join China-led security bloc, as ties with Beijing strengthen

PUBLISHED WED, MAR 29 2023 7:25 AM EDT

China Settles First LNG Trade In Yuan

By Tsvetana Paraskova - Mar 29, 2023, 3:53 AM CDT



China has just completed its first trade of liquefied natural gas (LNG) settled in yuan, the Shanghai Petroleum and Natural Gas Exchange said on Tuesday.

Source: Wall Street Silver

#geopolitics

#dollar #reserve-currency

Another sign showing that the "East-West divide" is taking shape...Saudi Arabia's cabinet on Tuesday approved a memorandum awarding Riyadh the status of dialogue partner in the Shanghai Cooperation Organization. The SCO is a political, security and trade alliance that lists China, Russia, India, Pakistan and four other central Asian nations as members.



WORLD POLITICS

Saudi Arabia takes step to join China-led security bloc, as ties with Beijing strengthen

#geopolitics

#dollar #reserve-currency

China and France complete first Yuan-settled LNG trade. CHINESE national oil company CNOOC and France's TotalEnergies have completed China's first yuan-settled liquefied natural gas (LNG) trade through the Shanghai Petroleum and Natural Gas Exchange, the exchange said on Tuesday (Mar 28).

China completes first yuan-settled LNG trade

© TUE, MAR 28, 2023 - 07:52 PM



#geopolitics

#dollar #reserve-currency

China and Brazil have reached a deal to trade in their own currencies, the Brazilian government said. The deal will enable China and Brazil to conduct their massive trade and financial transactions directly, exchanging yuan for reais and vice versa instead of going through the dollar. China is Brazil's biggest trading partner, with a record \$150.5 billion in bilateral trade last year. The deal, which follows a preliminary agreement in January, was announced after a high-level China-Brazil business forum in Beijing. The Industrial and Commercial Bank of China and Bank of Communications BBM will execute the transactions, officials said. China has similar currency deals with Russia, Pakistan and several other countries.



Source: Barrons

#geopolitics

#dollar #reserve-currency

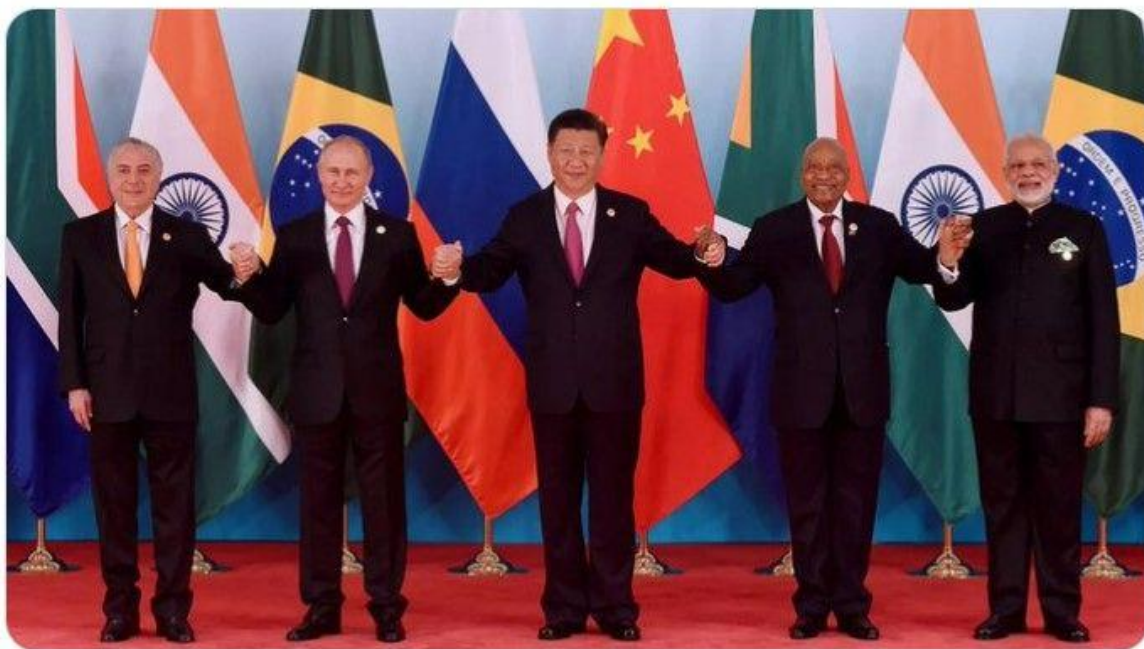
Is a BRICS currency on its way?



Radar 
@RadarHits



BREAKING !! Brazil, Russia, India, China, and South Africa (BRICS) to create new currency to challenge US dollar - Russian Deputy Chairman of State Duma.

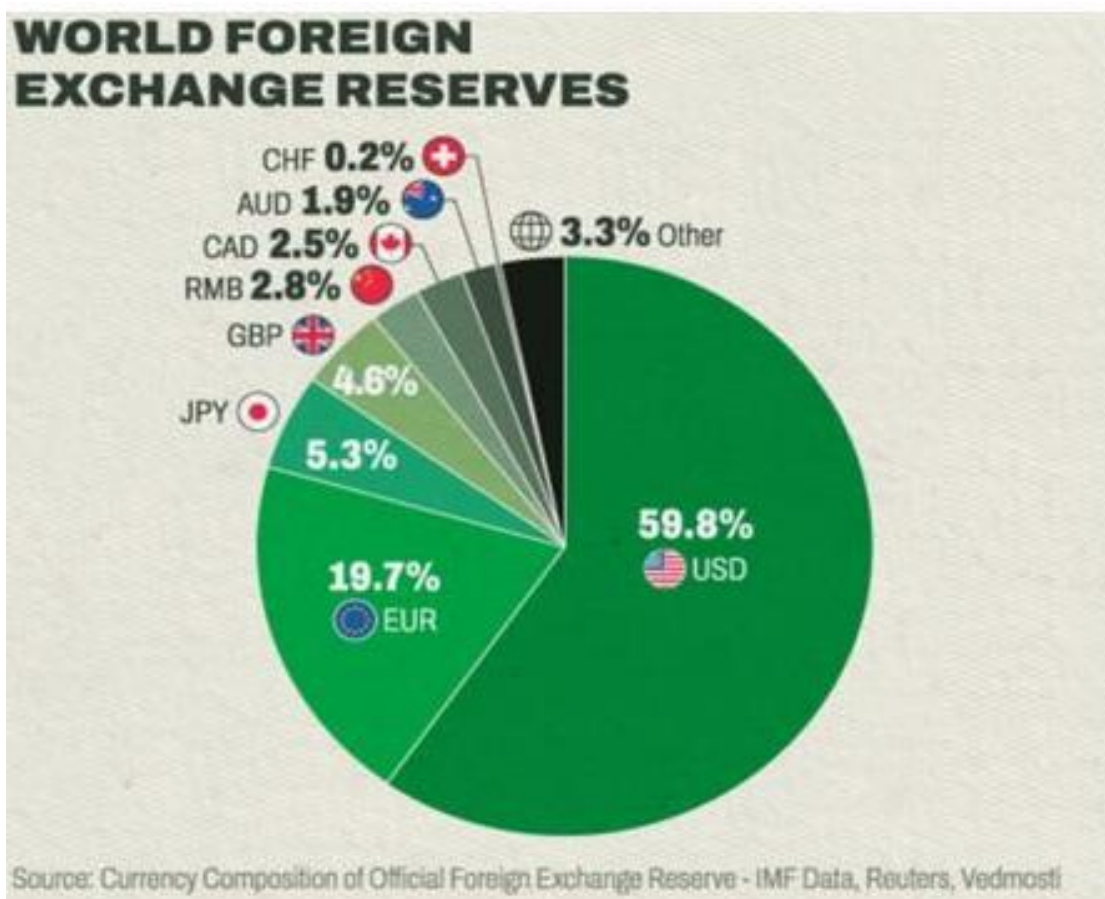


11:41 AM · Mar 31, 2023 · 128.7K Views

#geopolitics

#dollar #reserve-currency

The dollar might be vanishing from global trade, but the reality is this is a process that takes decades. Indeed, the greenback makes up nearly 60% of global foreign exchange reserves. In terms of currency composition of global foreign exchange reserves over time, the dollar has been *steadily* eroding. Nothing dramatic here with a drop of 12% over 22 years.



Source: Markets & Mahyem

#geopolitics

#apple #supply-chain #china

Apple is reducing China exposure. China representation in Apple supply chain has decreased. Will be interesting to see where we are when 2023 has closed.



Source: Goldman Sachs

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

1 APRIL 2023

#centralbanks

#global #rates

Global Central Bank Policy Rates						
Country	Rate	Central Bank Rate (Today)	CPI YoY	Real Central Bank Rate	Last Move	Last Move Month
Japan	Policy Rate Bal	-0.10%	3.3%	-3.4%	Cut	Jan-16
Switzerland	Target Rate	1.50%	3.4%	-1.9%	Hike	Mar-23
Thailand	Policy Rate	1.75%	3.8%	-2.0%	Hike	Mar-23
Taiwan	Discount Rate	1.88%	2.4%	-0.6%	Hike	Mar-23
Denmark	Deposit Rate	2.60%	7.6%	-5.0%	Hike	Mar-23
Malaysia	Policy Rate	2.75%	3.7%	-1.0%	Hike	Nov-22
Norway	Deposit Rate	3.00%	6.3%	-3.3%	Hike	Mar-23
Eurozone	Deposit Rate	3.00%	8.5%	-5.5%	Hike	Mar-23
Sweden	Repo Rate	3.00%	12.0%	-9.0%	Hike	Feb-23
South Korea	Repo Rate	3.50%	4.8%	-1.3%	Hike	Jan-23
Australia	Cash Rate	3.60%	6.8%	-3.2%	Hike	Mar-23
China	Loan Prime Rate	3.65%	1.0%	2.7%	Cut	Aug-22
UK	Bank Rate	4.25%	10.4%	-6.2%	Hike	Mar-23
Canada	Overnight	4.50%	5.2%	-0.7%	Hike	Jan-23
New Zealand	Cash Rate	4.75%	7.2%	-2.5%	Hike	Feb-23
US	Fed Funds	4.88%	6.0%	-1.1%	Hike	Mar-23
Hong Kong	Base Rate	5.25%	1.7%	3.6%	Hike	Mar-23
Saudi Arabia	Repo Rate	5.50%	3.0%	2.5%	Hike	Mar-23
Indonesia	Repo Rate	5.75%	5.5%	0.3%	Hike	Jan-23
Philippines	Key Policy Rate	6.25%	8.6%	-2.4%	Hike	Mar-23
India	Repo Rate	6.50%	6.4%	0.1%	Hike	Feb-23
Poland	Repo Rate	6.75%	18.4%	-11.7%	Hike	Sep-22
Czech Republic	Repo Rate	7.00%	16.7%	-9.7%	Hike	Jun-22
Russia	Key Policy Rate	7.50%	11.0%	-3.5%	Cut	Sep-22
South Africa	Repo Rate	7.75%	7.0%	0.7%	Hike	Mar-23
Peru	Policy Rate	7.75%	8.7%	-0.9%	Hike	Jan-23
Turkey	Repo Rate	8.50%	55.2%	-46.7%	Cut	Feb-23
Mexico	Overnight Rate	11.25%	7.6%	3.6%	Hike	Mar-23
Chile	Base Rate	11.25%	11.9%	-0.6%	Hike	Oct-22
Colombia	Repo Rate	13.00%	13.3%	-0.3%	Hike	Mar-23
Brazil	Target Rate	13.75%	5.6%	8.2%	Hike	Aug-22
Argentina	Benchmark Rate	78.00%	102.5%	-24.5%	Hike	Mar-23

CREATIVE PLANNING

@CharlieBilello

Data as of 3/30/23



Source: Charlie Bilello

#centralbanks

#us #financial-conditions

St. Louis Fed Financial Stress Index rises to 1.57 (0 is neutral), a level seen in only four times during the last 30 years: 1) LTCM collapse, 2) Dotcom bubble bursting, 3) GFC, 4) Covid. In every case VIX hit atleast 45. During the last two spikes, it hit 80.



Source: Fred

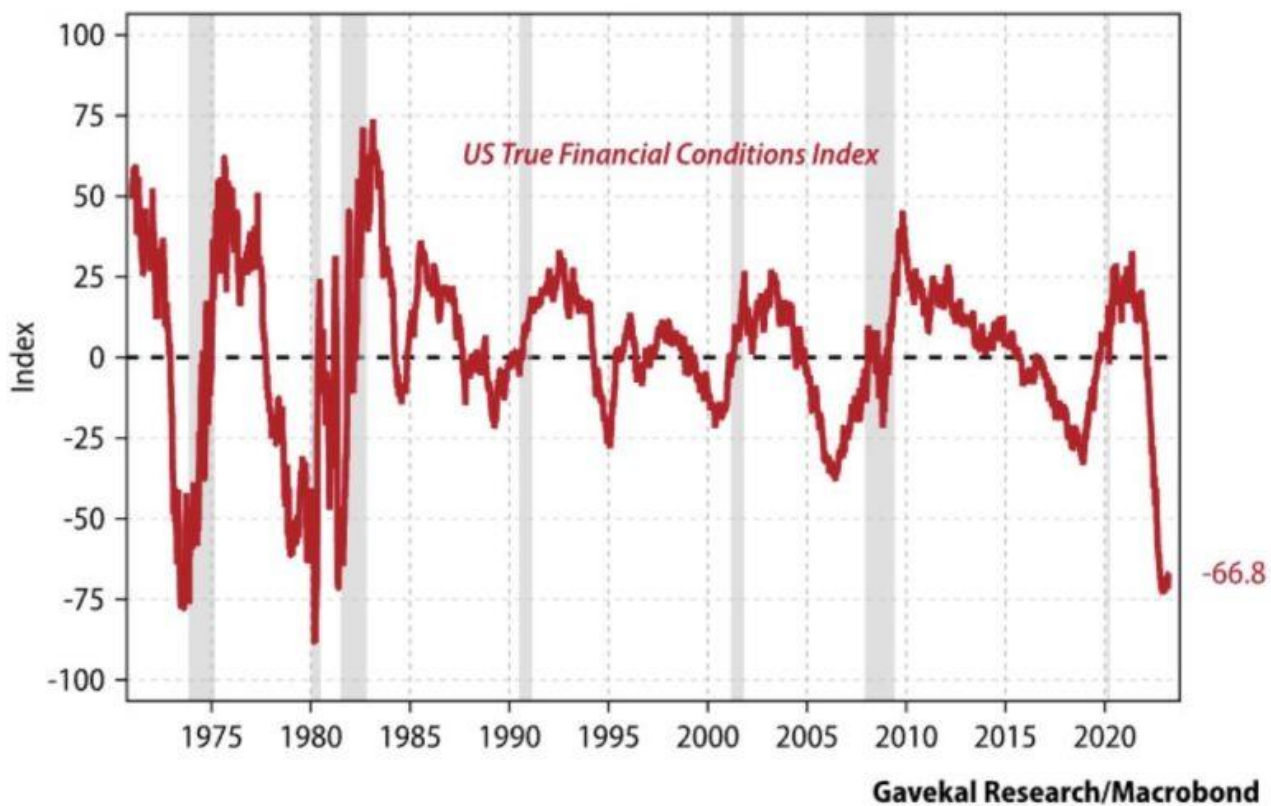
#centralbanks

#us #financial-conditions

The true financial conditions index, which considers a range of data from ROIC spreads to loan standards is at 40-year low.

The US True Financial Conditions Index is close to a 40-year low

Includes ROIC-WACC spread, housing affordability, yield curve, money growth, loan standards, etc.

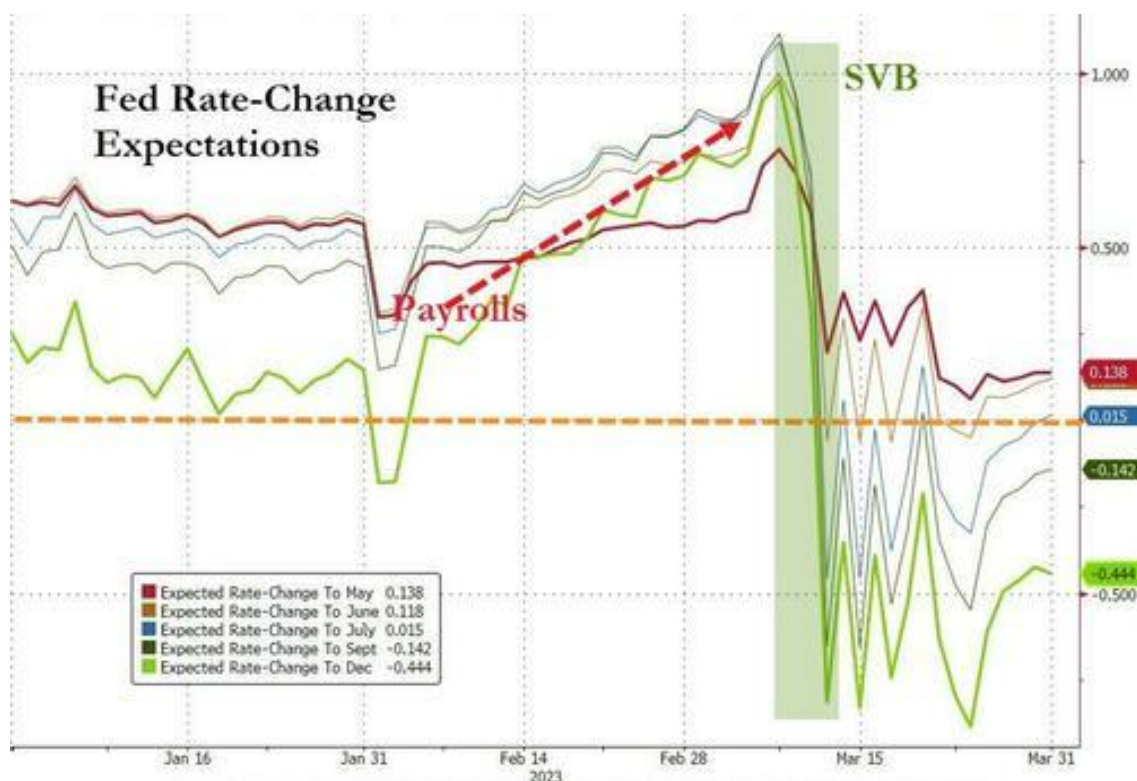


Source: Gavekal

#centralbanks

#us #rates #expectations #q1

The market's expectations of The Fed's actions has swung violently in Q1 from a post-payrolls-beat, post-hawkish-Powell surge (expecting rates to be over 100bps higher by year-end) to a post-SVB failure collapse (expecting rates to be almost 100bps lower by year-end). The quarter ends with coin-flip odds of one more rate-hike before The Fed is done and then cuts starting by September...

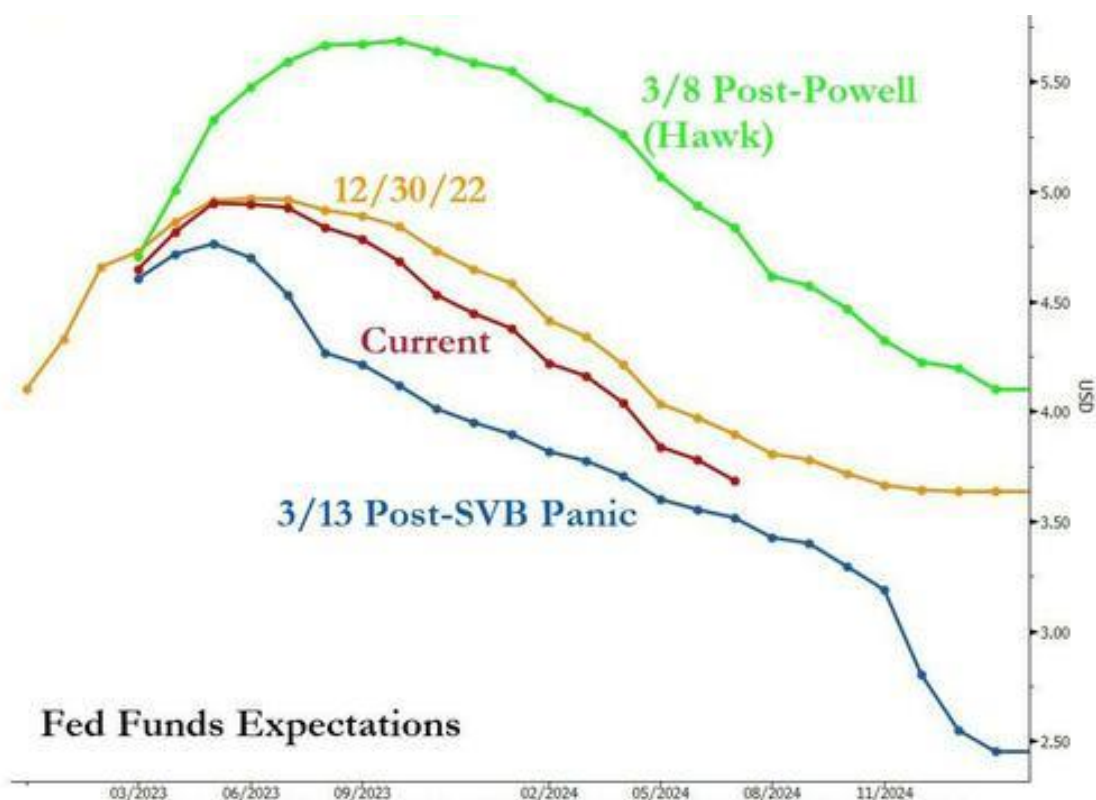


Source: www.zerohedge.com, Bloomberg

#centralbanks

#us #rates #expectations #q1

Interestingly, the short-term yield curve is ending Q1 just a little more dovish than it started it - having been dramatically more hawkish and dovish intra-quarter...



Source: www.zerohedge.com, Bloomberg



#cryptocurrencies #q1

All the major cryptos had a good Q1, with Solana outperforming and Bitcoin gaining more than Ethereum...



Source: www.zerohedge.com, Bloomberg



#bitcoin #recovery

Bitcoin is up for the 3rd month in a row for its best quarterly gain since Q1 2021, back above \$28,500 (and Ethereum is also up for 3 straight months (best Q since Q1 2021), nearing 7 month highs at \$1850)...



Source: www.zerohedge.com, Bloomberg

#cryptos

#bitcoin #recovery



The Kobeissi Letter 🏆

@KobeissiLetter

Over the last 2 years, #Bitcoin ₿ has seen:

1. \$2 trillion crypto bear market
2. 300+ lawsuits against crypto
3. Collapse of FTX, largest fraud since Enron
4. Collapse of regional banking system
5. Fastest rising interest rates in history

Yet, #BTC ₿ just hit \$29,000.

The resilience of crypto is unparalleled.

#cryptos

#bitcoin #microstrategy

MicroStrategy now owns 1 out of every 151 bitcoin that will ever exist...



Bitcoin Magazine ✓
@BitcoinMagazine



MicroStrategy now owns 1 out of every 151 #bitcoin ₿ that will ever exist



#cryptos

#cdbc

CBDC Can Be 'Bridging Asset' Between Bitcoin, TradFi: Bank of England

A unified payments ecosystem could boost innovation and bring new use cases "that we don't even know we needed," said the BoE's CBDC lead.



By [Stephen Graves](#) and [Andrew Asmakov](#)

Mar 31, 2023

3 min read



Citi panel discussion called "Digital Money 2.0--CBDCs, Stablecoins & More." Image: Decrypt.

Source: Decrypt

#food-for-thought

#long-term #investing



Compounding Quality 
@QCompounding

...

How often does cash beat stocks?

How Often Does Cash Beat Stocks?	
1 Month	40.3%
1 Year	29.5%
3 Years	23.3%
5 Years	22.9%
10 Years	14.9%
20 Years	0.0%
30 Years	0.0%
40 Years	0.0%

Source: Returns 2.0

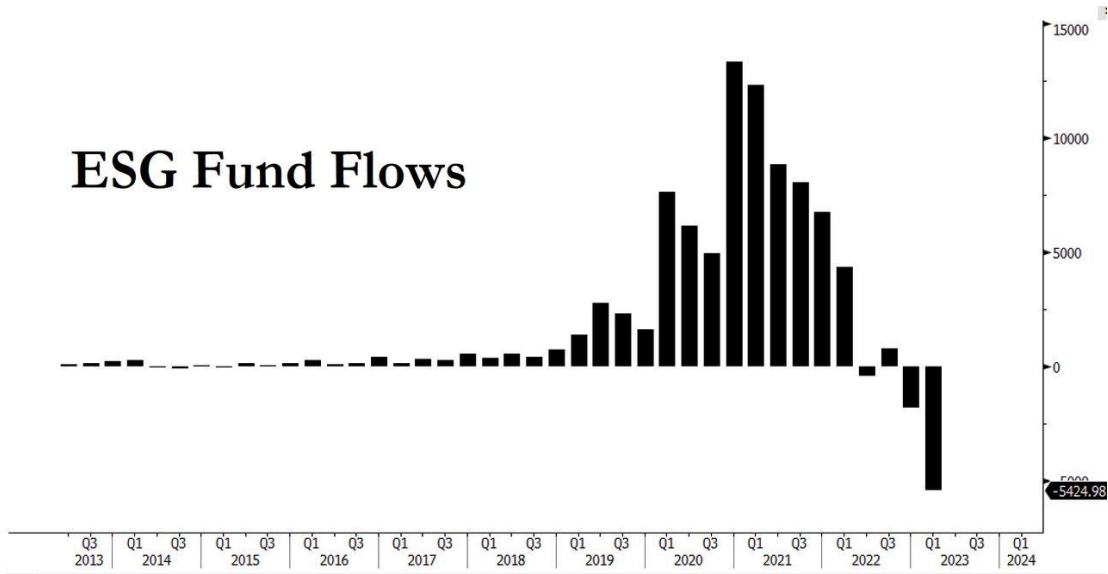
Rolling monthly returns: 1926-2020

#food-for-thought

#esg #flows

“The First Rule of ESG is, Don’t Talk about ESG.”

An ETF expert wrote last week that the ESGU ETF "saw a record smashing \$4b in outflows". That was followed by another \$1 billion last Monday. Banks and financial firms are quietly recalibrating how they talk about ESG investing in the US, navigating around potential political fights in order to avoid losing lucrative business. Eleven major banks and money managers told Bloomberg News that they’re adjusting the language they use in pitch books, marketing materials and investor reports when seeking to sell funds and take part in financial deals.



Source: Bloomberg

#food-for-thought

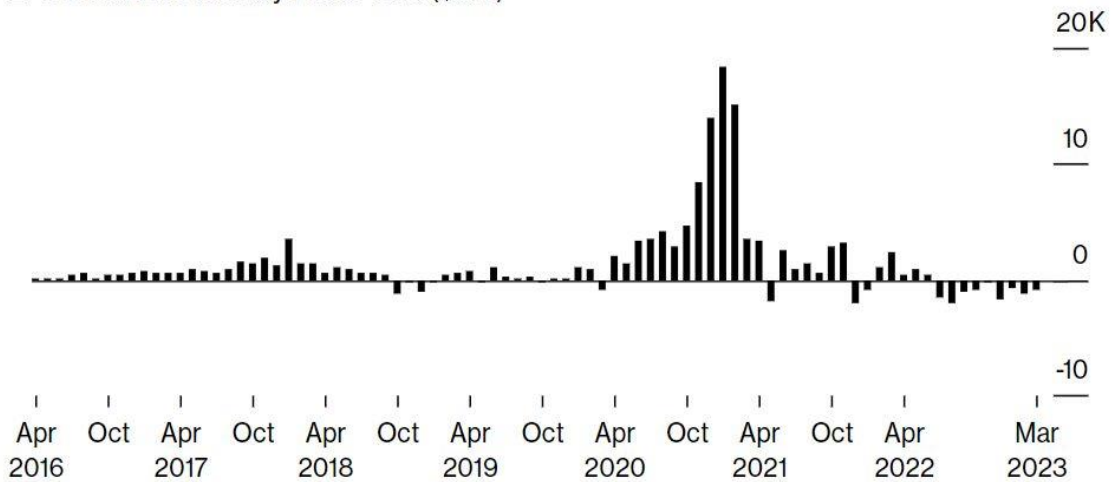
#etfs #thematic

From meme stocks to crypto-themed products, exchange-traded fund closures are mounting in what were once some of the trendiest areas of the \$6.8 trillion industry. Thematic ETFs that launched to target the buzziest market themes of the past two years are closing at a rapid pace. Many have assets of less than \$30 million and negative returns since inception, criteria Bloomberg Intelligence says puts them at greater risk of shutting down

Trendy Investments Lose Pandemic-Era Shine

US thematic ETF fund flows have been negative for nine straight months

■ US Thematic Monthly Fund Flows (\$Mln)



Source: Bloomberg Intelligence

Source: Bloomberg



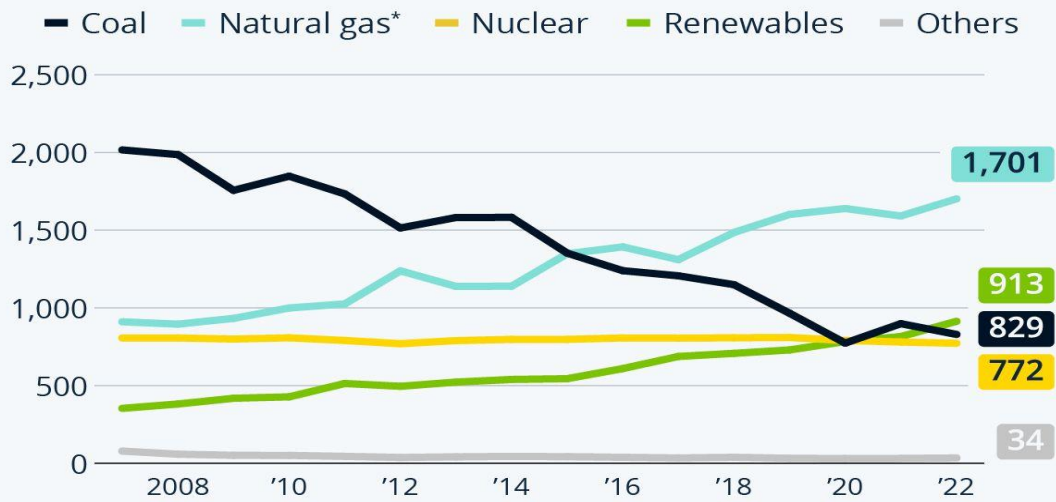
#food-for-thought

#renewable-energy

Renewable energy for the first time comprised more electricity generated in the U.S. last year than coal or nuclear power, according to data from the U.S. Energy Information Administration (EIA). Natural gas remained the top source of U.S. electricity, increasing from 37% in 2021 to 39% in 2022.

Renewables Surpass Coal in U.S. Electricity Generation

Net generation of U.S. electricity, by source (in TWh)



* and other gases
Stored hydroelectric energy not deducted
Source: U.S. Energy Information Administration



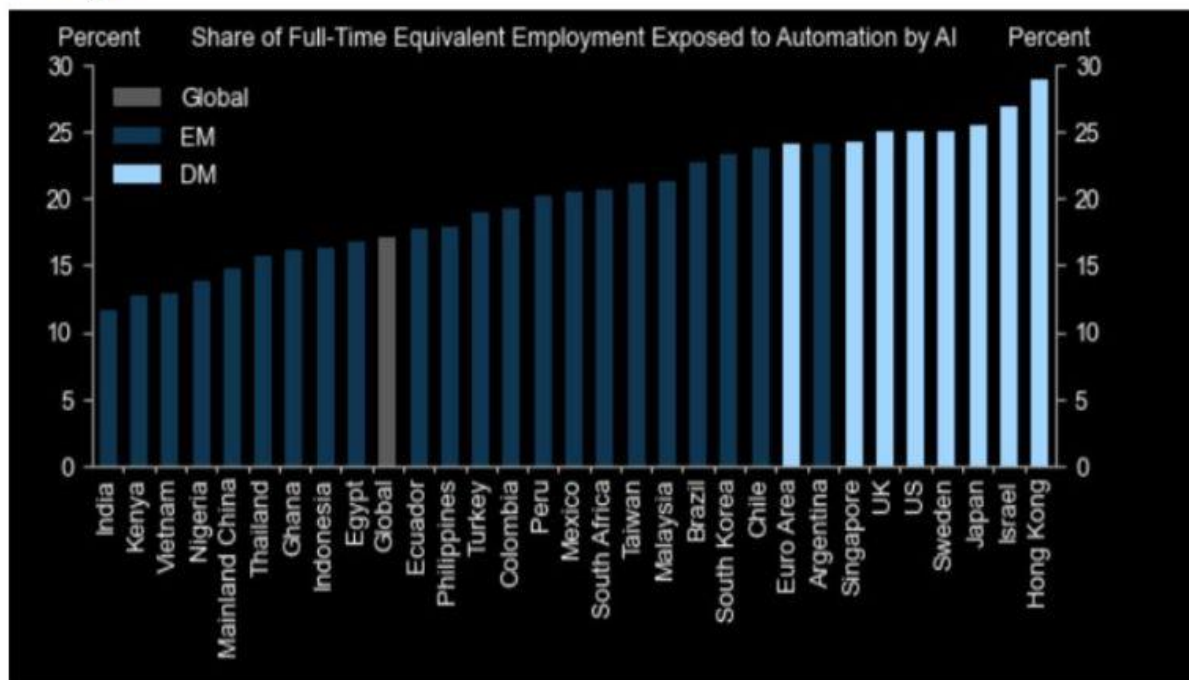
Source: Statista

#food-for-thought

#artificial-intelligence

Globally, 18% of work could be automated by artificial intelligence, with larger effects in DMs than EMs. Source: Goldman, TME

Fired by AI



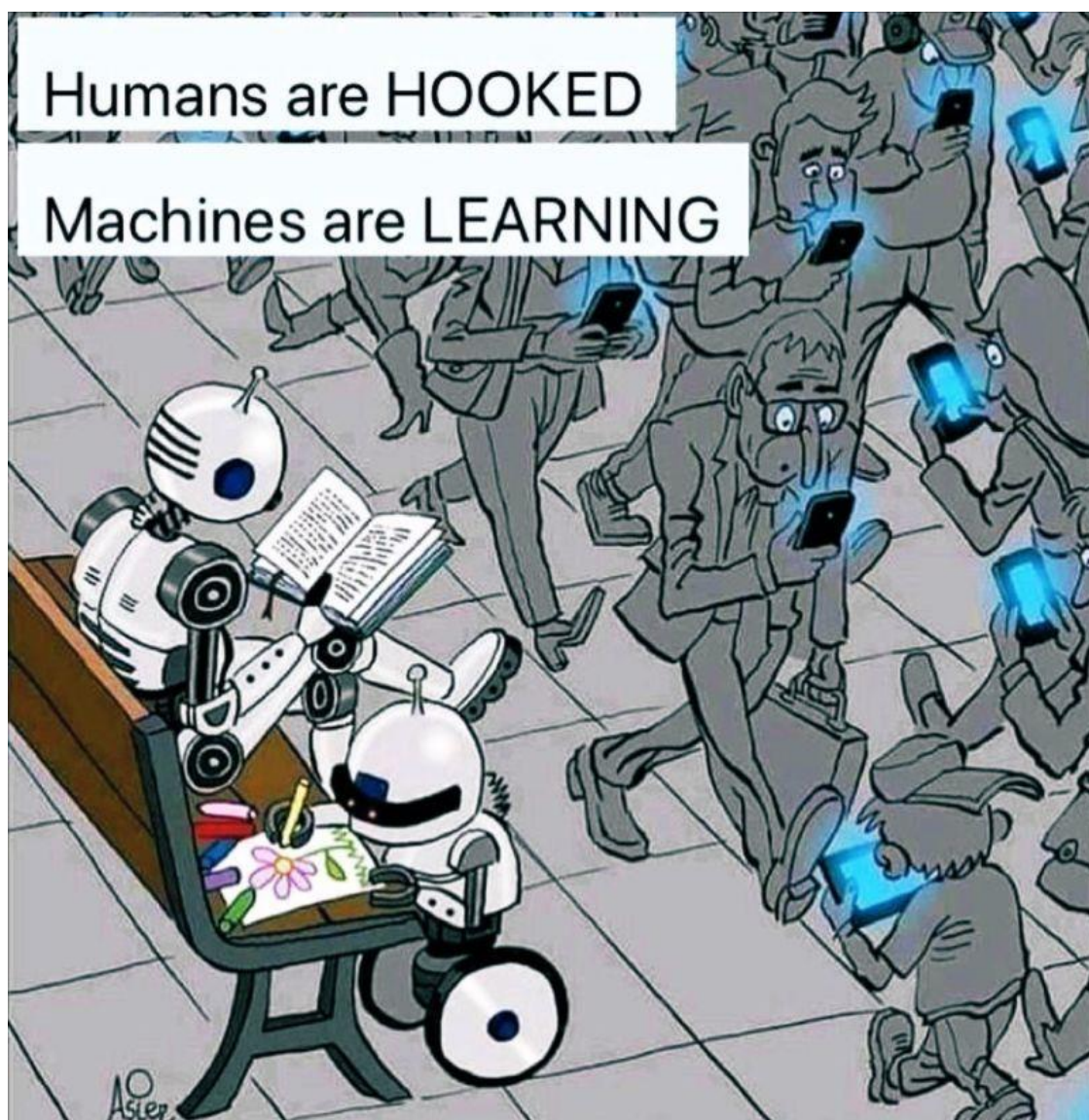
Source: Goldman

Source: Goldman Sachs

#food-for-thought

#artificial-intelligence

An image is worth 10,000 words...



#food-for-thought

#artificial-intelligence



Elon Musk 

@elonmusk

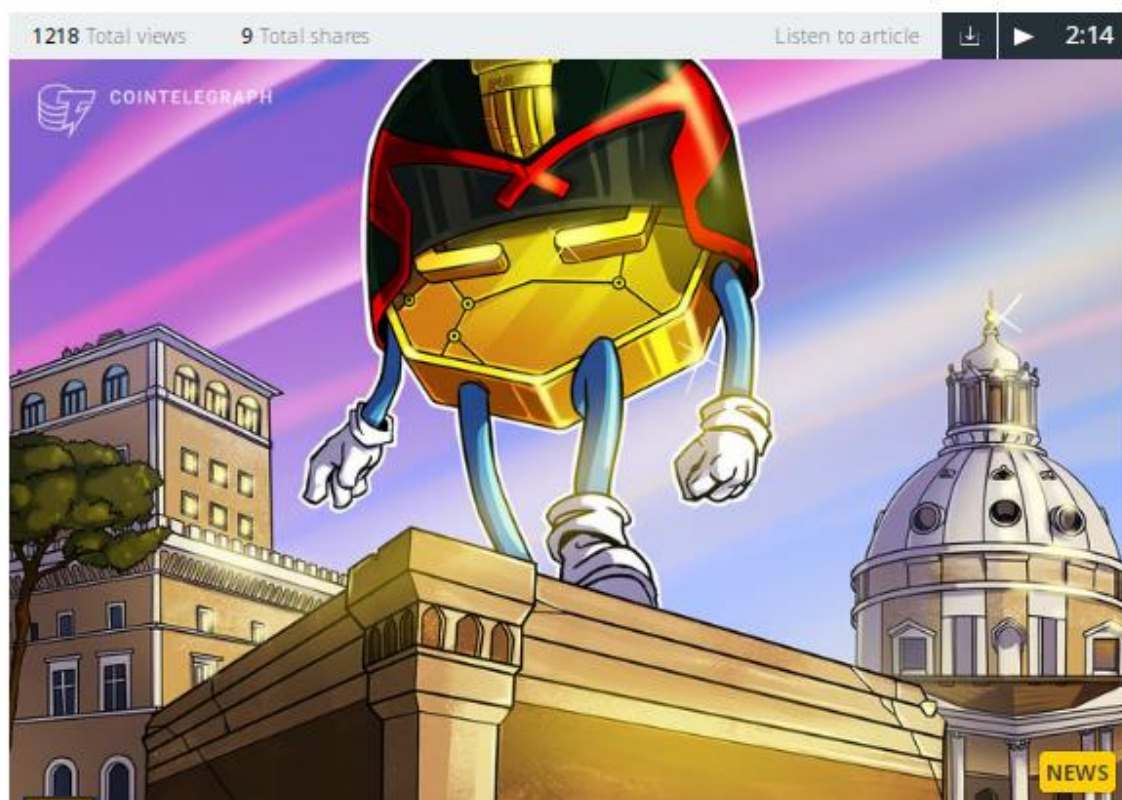
ChatGPT is scary good. We are not far from **dangerously strong AI.**

#food-for-thought

#artificial-intelligence

Italy blocks ChatGPT, investigates suspected violations

The move follows a recent data breach suffered by the AI platform on March 20, where user data was exposed to a user.

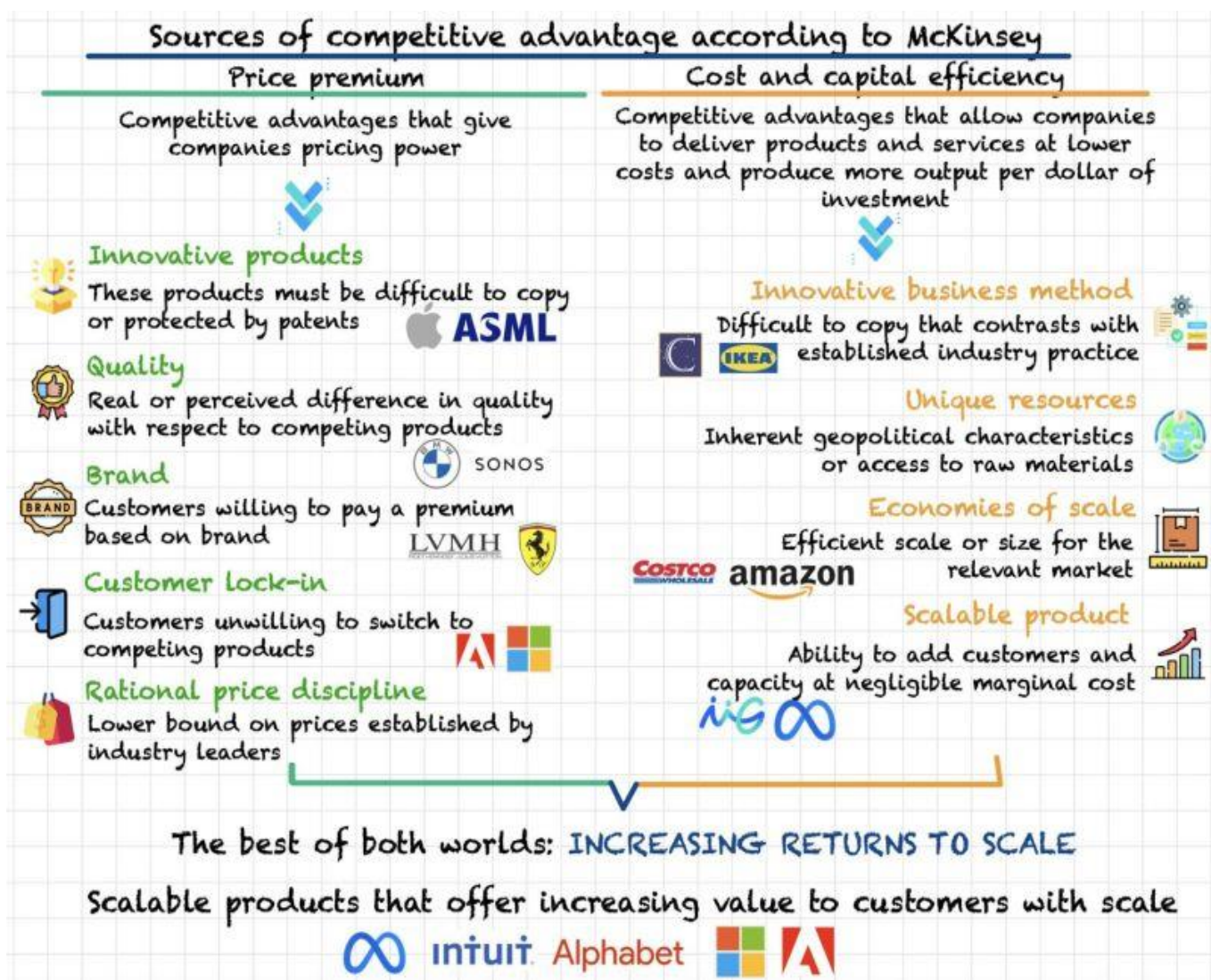


Source: www.cointelegraph.com

#food-for-thought

#competitive-advantage

McKinsey's 10 sources of competitive advantage.



Source: Investment Books (Dhaval)

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

1 APRIL 2023

#food-for-thought

#macdo #weightwatchers

With the benefit of hindsight, #investing is about keeping it simple...

ALL-TIME-HIGH
\$200 Billion Market cap



ALL-TIME-LOW
\$300 Million Market cap

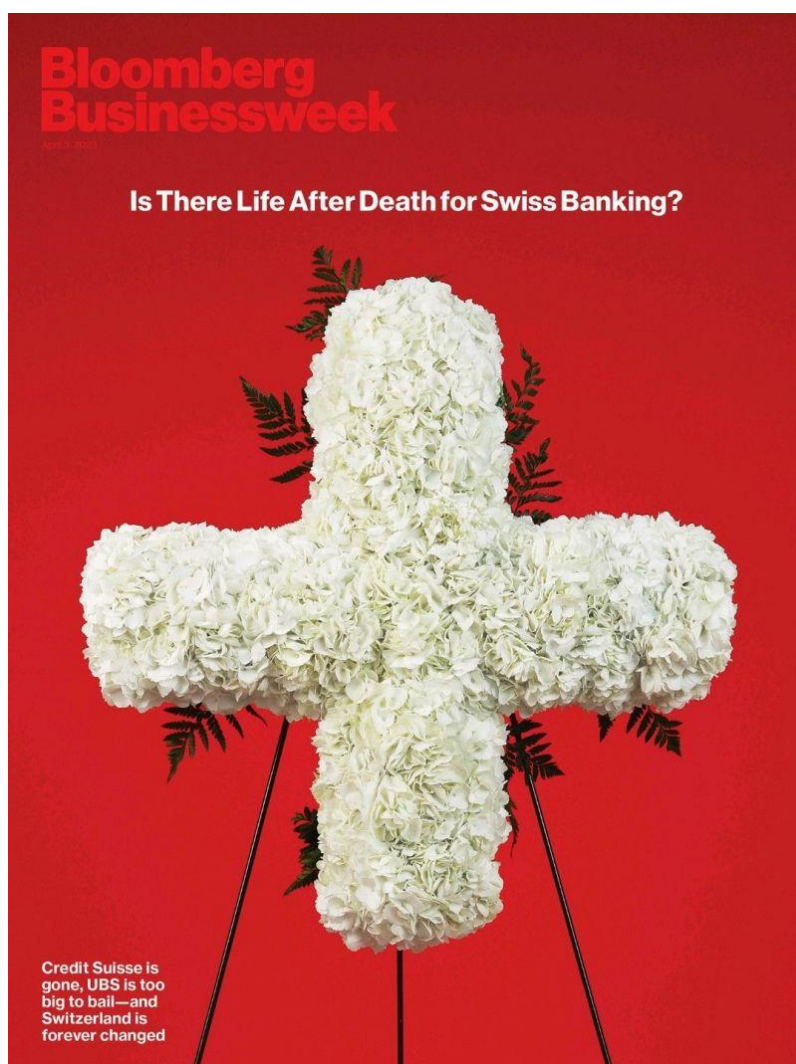


Source: J-C Parets

#food-for-thought

#swiss #private-banking

The cover page of Bloomberg Businessweek sounds very pessimistic...

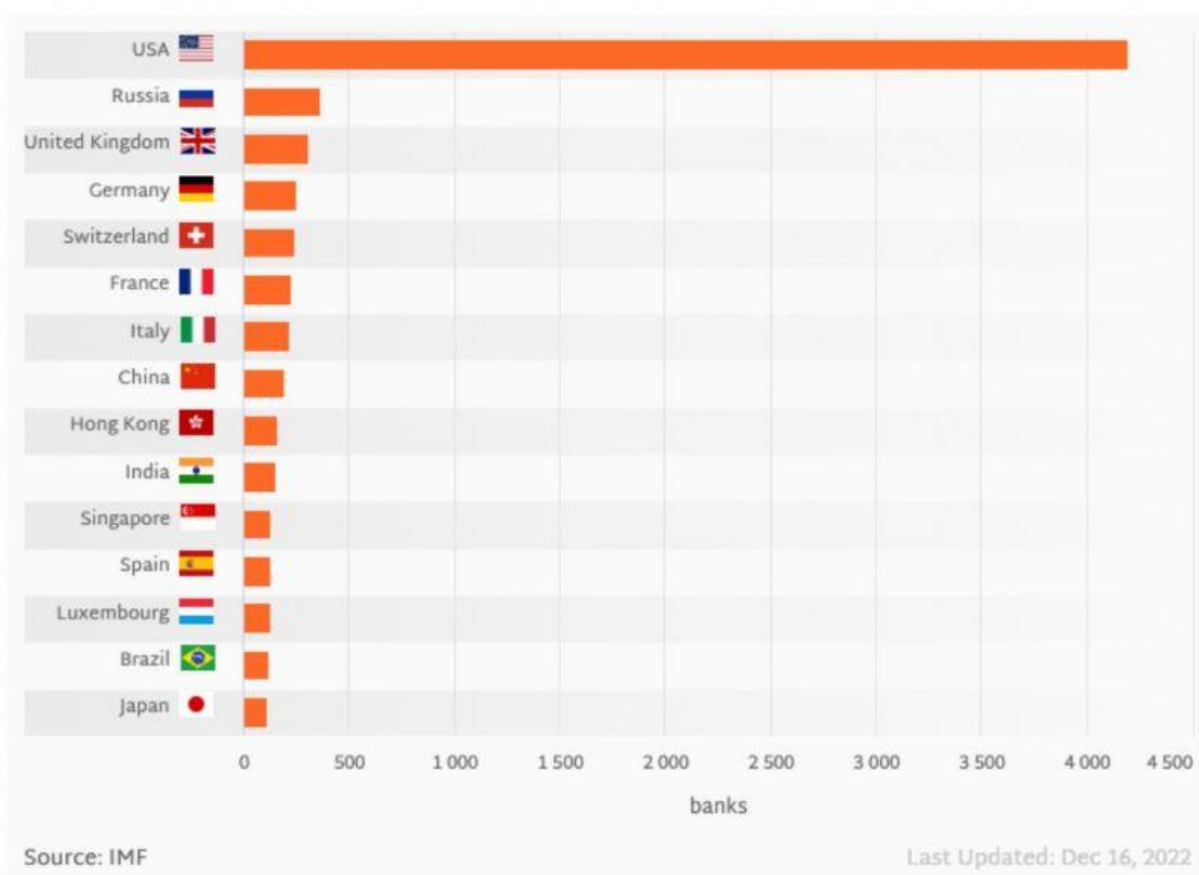


#food-for-thought

#banks

One of these countries stands out...

Number of Banks



Source: IMF, Marc Rubinstein

#food-for-thought

#banks

An old 2008 cartoon by Chappatte (Herald Tribune) ... just a reminder there is some sort of relationship between real estate and banks...



#food-for-thought

#youtube

Google buying Youtube: one of the best acquisitions ever...



Compounding Quality
@QCompounding



Google buying Youtube is one of the best acquisitions ever:



#food-for-thought

#ebidta

Twitter is undefeated...



Wifey @WifeyAlpha · 8h

This should be illegal



#food-for-thought

#money-management



Linas Beliusas
@linasbeliunas



This is Giannis Antetokounmpo. The two-time MVP and NBA champion is a better risk manager than 99% of bankers.

The Bucks start opened bank accounts with 50 different banks - each one of them holding \$250,000.

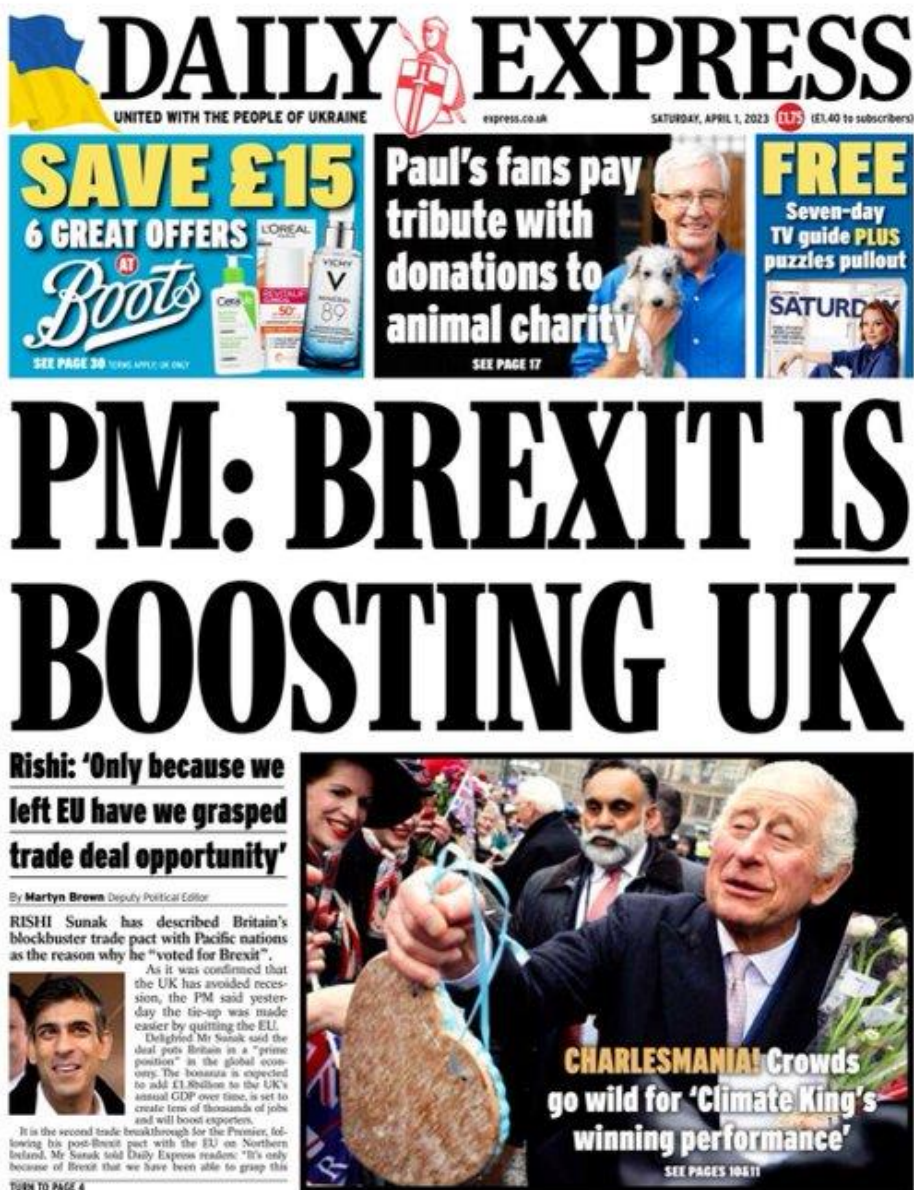
Giannis FDICinsuredokounmpo should start teaching masterclasses on treasury management.



6:33 PM · Mar 11, 2023 · 13.2K Views

#food-for-thought

#april-fool-joke



#food-for-thought

#april-fool-joke



Elon Musk  @elonmusk · 13h



#food-for-thought

#success #entrepreneurship

E

“

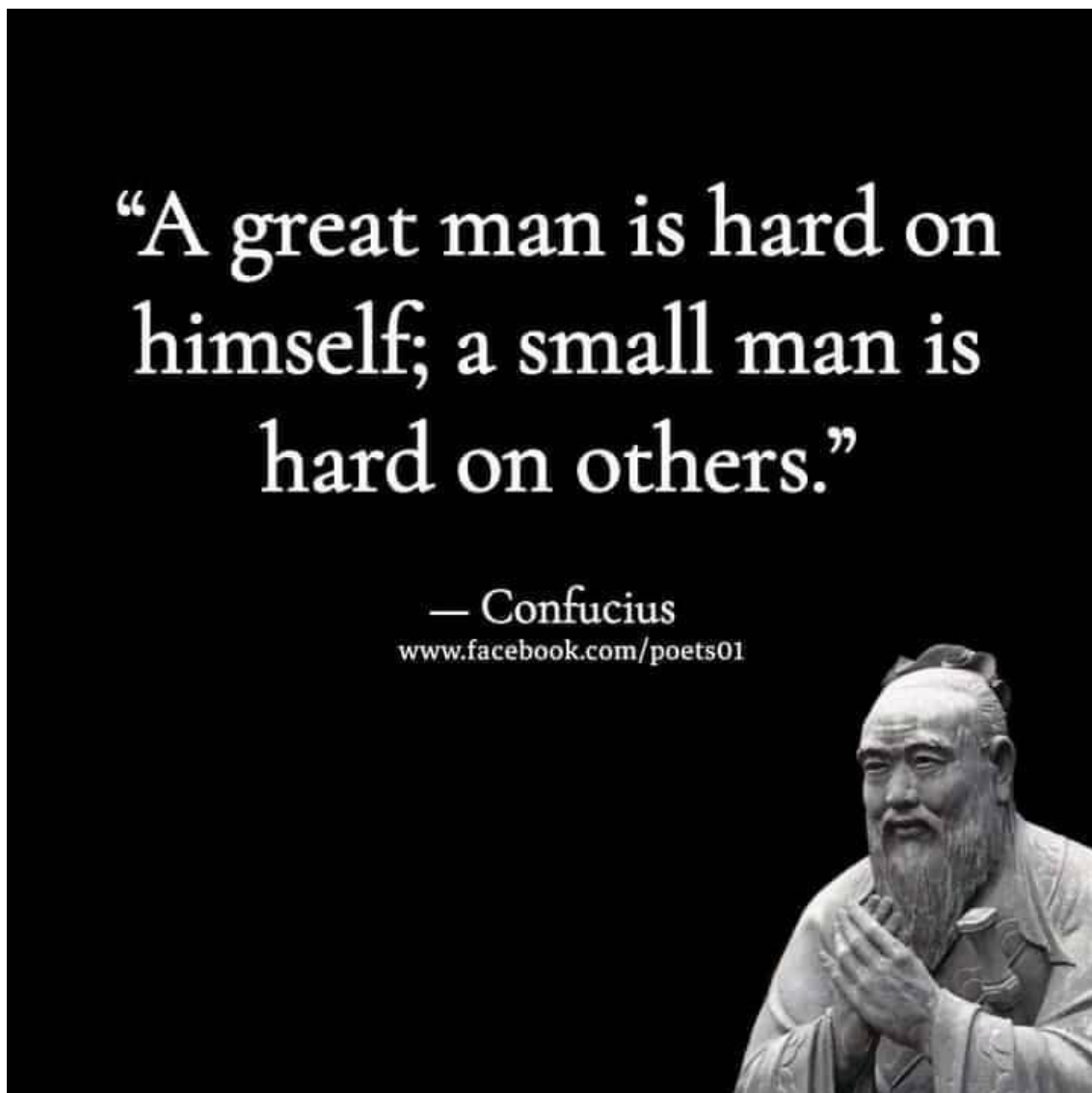
If you want to succeed
you should strike out on
new paths, rather than
travel the worn paths of
accepted success.

John D. Rockefeller

#QOTD

#food-for-thought

#leadership



Source: European leadership

#food-for-thought

#leadership



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For the future...