

## Chart of the week

### Microsoft dethrones Apple

Microsoft Corp. overtook Apple Inc. to become the world's most valuable publicly traded company for the first time in more than two years, as worries over smartphone demand have weighed on the iPhone-maker's stock in recent weeks.

The Redmond-based software giant closed on Friday with a market valuation of \$2.89 trillion. Meanwhile, Apple gained closed with a market capitalization of \$2.87 trillion. It's the first time since November 2021 that Microsoft has closed with a higher value than Apple.



Source: Bloomberg, HolgerZ



### Stocks resume advance as earnings season kicks off

Stocks moved higher over the week. The Nasdaq Composite index surged over 3% on the week (best one since early Nov '23) while The Dow and Small Caps were unchanged (S&P closed up almost 2% on the week). Several tech giants recorded solid gains, including Facebook / Meta Platforms and chipmaker NVIDIA. Energy stocks underperformed as oil prices pulled back early in the week. US our largest banks—JPMorgan Chase, Citigroup, Bank of America, and Wells Fargo—reported fourth-quarter results on Friday. Data releases on the week's light economic calendar came in roughly in line with expectations. US Headline core CPI rose 0.3% in December, a tick more than expected, but core CPI also rose 0.3%, in line with consensus. Producer price data, released Friday morning, was somewhat more encouraging. Fixed income investors appeared unshaken by the modest upside surprises in the consumer inflation data, with the yield on the benchmark 10-year U.S. Treasury note falling back below 4% over the week. The pan-European STOXX Europe 600 Index ended the week little changed while ECB's Lagarde says the worst of the inflation fight is likely over. Japan's Nikkei 225 Index rose 6.6%, the highest level in almost 34 years. Chinese equities retreated as data showed that China's deflationary cycle persisted into December, raising expectations of increased government support in 2024. Bitcoin ended the week marginally lower (after early week gains evaporated on 'sell-the-news' flow). Oil and Gold rose.

## #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

13 JANUARY 2024

#markets

### #weekly #stats

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	37,593	0.3%	-0.3%
S&P 500 Index	4,784	1.8%	0.3%
NASDAQ	14,973	3.1%	-0.3%
MSCI EAFE*	2,204	-0.2%	-1.4%
10-yr Treasury Yield	3.96%	-0.1%	0.1%
Oil (\$/bbl)	\$72.78	-1.4%	1.6%
Bonds	\$99.07	0.9%	-0.3%

Source: FactSet, 1/12/2024. Bonds represented by the iShares Core U.S. Aggregate Bond ETF. Past performance does not guarantee future results. \*4-day performance ending on Thursday.

Source: Edward Jones

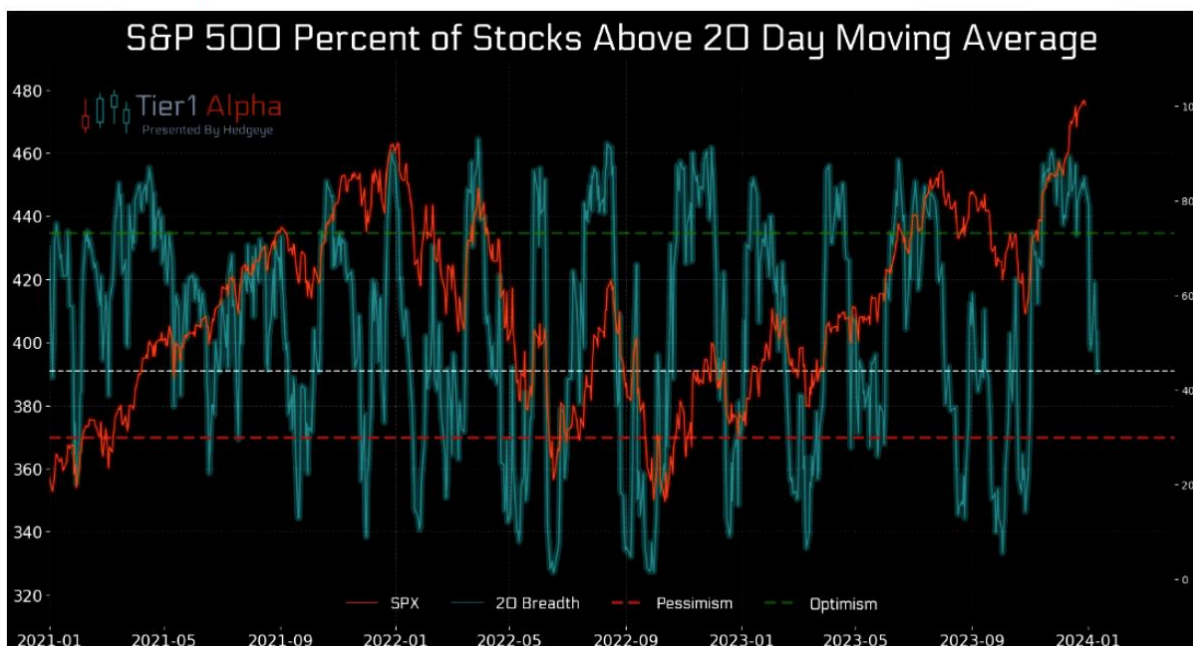




## #sp500 #market-breadth

SPX stocks above the 20 day moving average has fallen hard lately. This is a fresh 2 month low.

Some are losing momentum



Source: Tier1Alpha

Source: Tier1 Apha





## #sentiment #positioning

Sentiment and overly bullish positioning remain short-term hurdles for the stock market

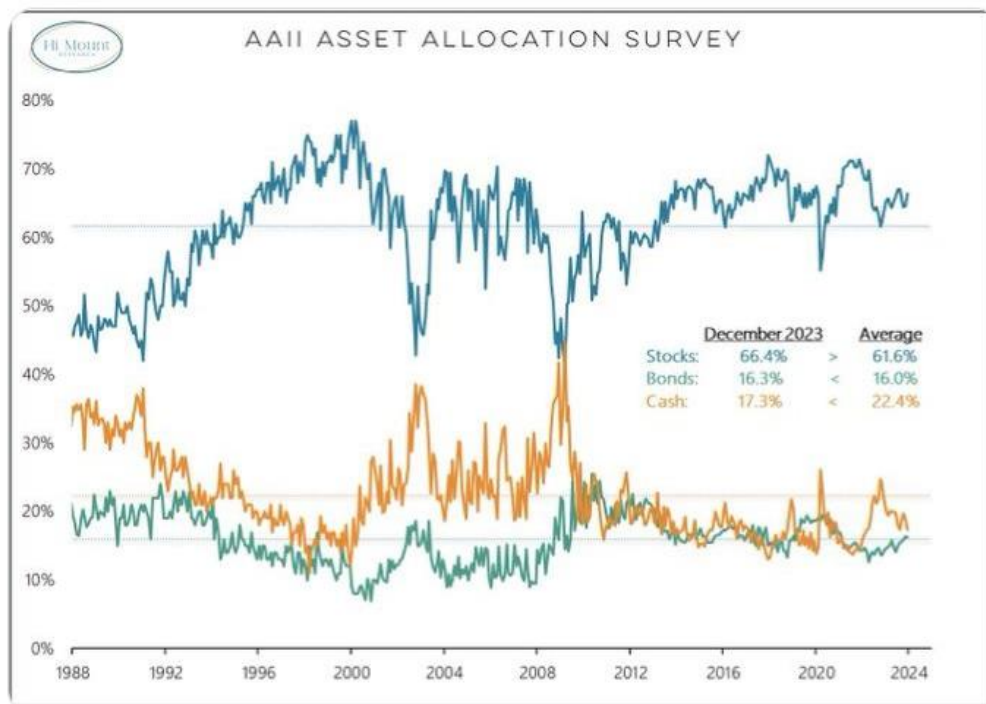


Daily Chartbook   
@dailychartbook



"The monthly AAI asset allocation data for December shows that investors remain fully invested in stocks and cash on the sidelines is at below average levels (and falling)."

@HiMountResearch @WillieDelwiche



2:30 PM · Jan 3, 2024 · 3,526 Views





## #sp500 #performance

Stocks have Historically Never Failed to Regain a Prior High.



Source: jpm, acemaxx

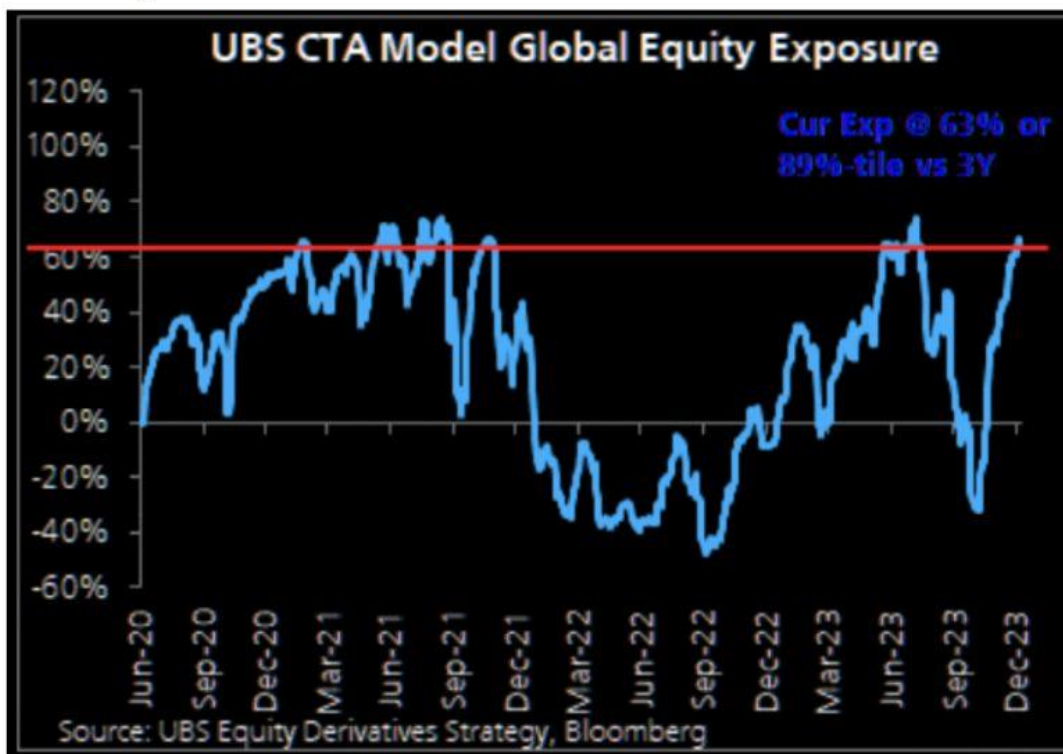




## #equities #cta

Long positioning by CTAs is extreme and creates some downside risk for the market. According to UBS: "ES1 (sp500 futures) is already 100% long with first meaningful sell triggers @ -4% to -6%. NQ1 (nasdaq) is 92% long with first meaningful sell triggers @ - 4% to 6%".

The CTA long



Source: UBS

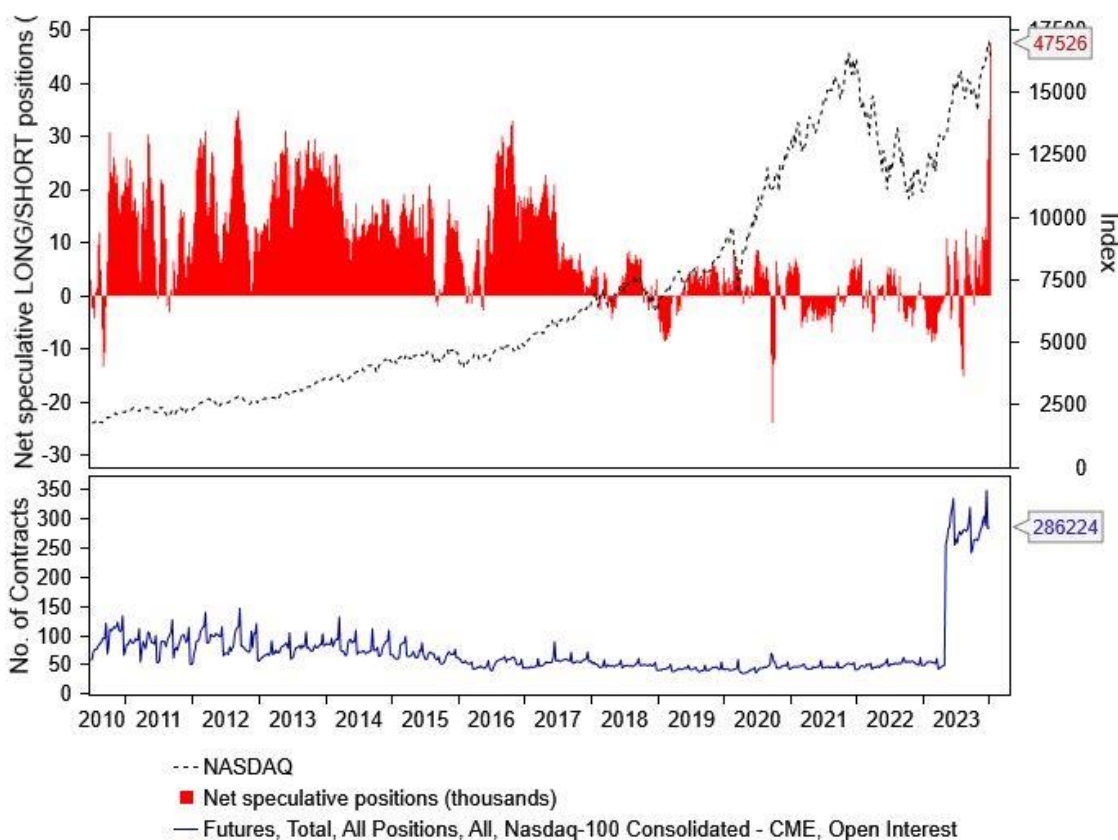
Source: TME, UBS





## #us #nasdaq #speculators

Speculators have built the largest nasdaq long position in history according to CFTC data - Positioning remains a short-term issue for equity markets.



Source: Longview Economics, Macrobond

Source: Barchart







## #sp500 #2024 #earnings #forecasts

Goldman believes that the 5% EPS forecast for sp500 is too low as a strong economy and falling interest rates should lead to positive surprises.

The screenshot shows a Bloomberg news article with the following content:

- Goldman Says S&P 500 Earnings Forecast Could Rise Further (1)**
- US growth, Fed pivot, weaker dollar may boost profits
- Firm's EPS forecast is already higher than strategist median

By Joanna Ossinger

(Bloomberg) -- US corporate earnings may exceed current forecasts in 2024, powered by a strong economy and falling interest rates, said strategists at Goldman Sachs Group Inc.

S&P 500 companies' earnings per share are forecast to rise 5% to \$237 this year, the team led by chief US equity strategist David Kostin predicted in a weekly research note.

That's above the median \$231-per-share forecast of strategists tracked by Bloomberg but could still be too low, the Goldman Sachs strategists said.

"We see potential upside to our EPS estimate from stronger US economic growth, lower interest rates, and a weaker dollar" despite lower oil prices, the strategists said.

Looking at 2023 fourth-quarter earnings, which will start rolling out in the coming week, the strategists expect S&P 500 firms "in aggregate will beat analyst forecasts" despite a higher bar than in

**Related Content**

- Wall Street Euphoria Ends in Worst New Year Kick-Off Since 2003 (01/05 BN)
- JPMorgan Leads Banks to Shrug Off 2023: US Earnings Week Ahead (01/05 BN)
- Citi Strategists Say Buy Dips, Don't Chase Stock Rallies in 2024 (01/05 BN)

At the bottom of the article, there are suggested functions: **BNEF** Explore proprietary industry forecasts and **CPFC** Compare major commodity price forecasts.

Source: Bloomberg



## #nasdaq #mag7

Nasdaq's strength last week was driven by the 'Magnificent 7' stocks' best week since early Nov '23...



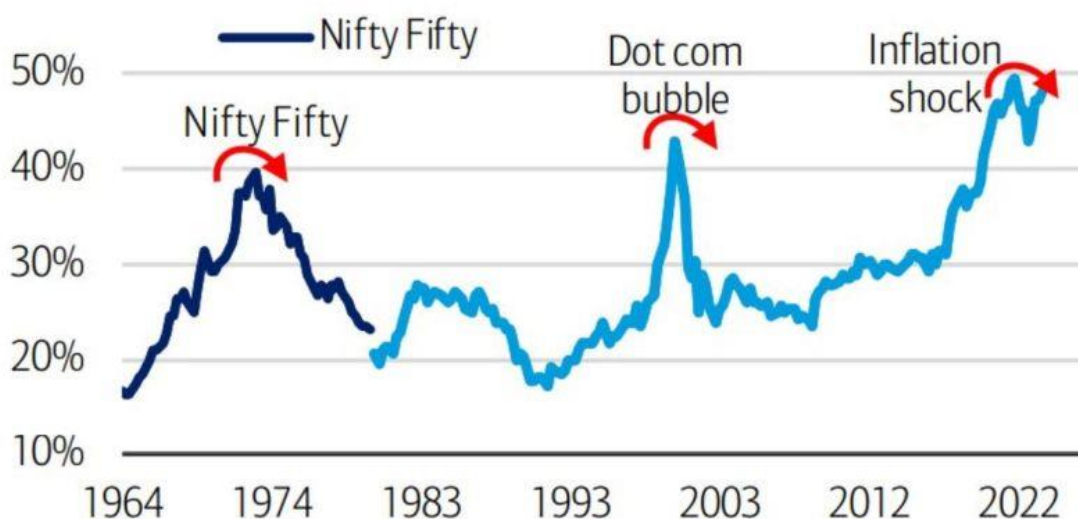
Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #sp500 #concentration

S&P Concentration over Different Market Regimes.

**Exhibit 10: Higher tech concentration = higher geopolitical risk**  
S&P 500 concentration over different market regimes



**Source:** BofA Global Research, Global Financial Data, Standard and Poor's, Bloomberg. "New" economy = Tech + Communication Services + Consumer Discretionary

Source: BofA



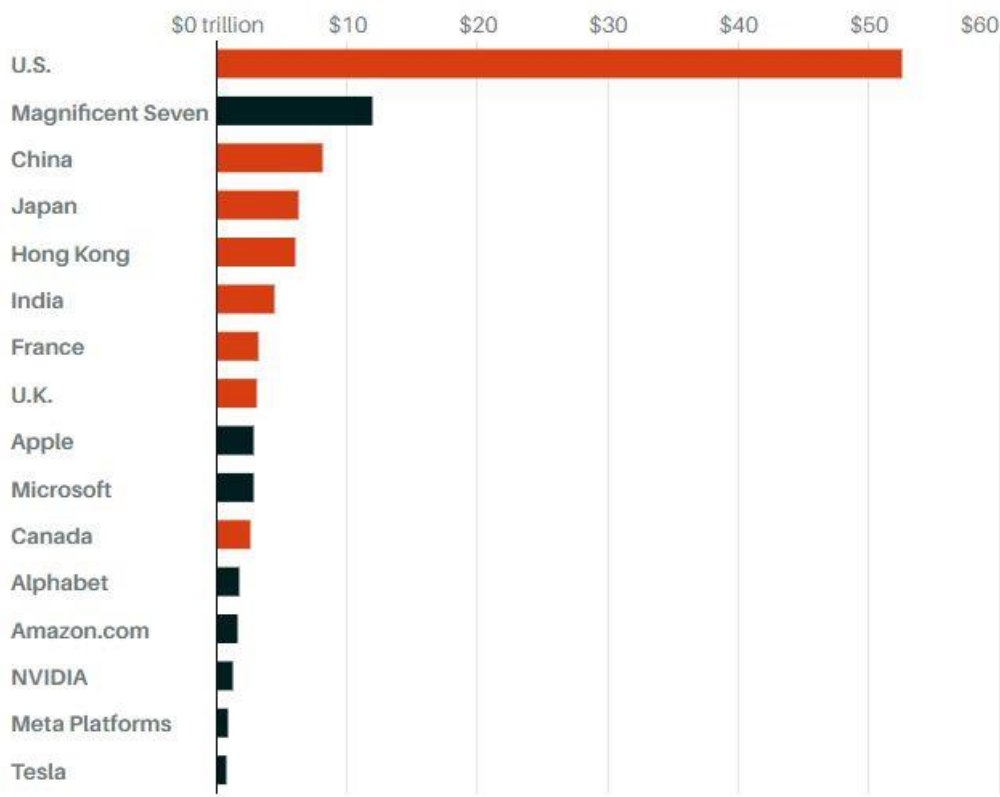


## #us #mag7

The Magnificent Seven have a larger market cap than any country's entire stock market except the U.S.

### Nation-size Wealth

The Magnificent Seven combined have a larger market cap than any single country's stock market except for the U.S.



Source: Factset

Source: Barchart



## #microsoft #apple

Microsoft overtook Apple as the world's most valuable company (as TSLA faded this week)...



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



# #GLOBALMARKETS WEEKLY WRAP-UP

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## #us #sectors #weekly

Thanks to MAG7, Tech was the best performer on the week as Energy lagged heavily. Financials ended the week lower...



Source: www.zerohedge.com, Bloomberg



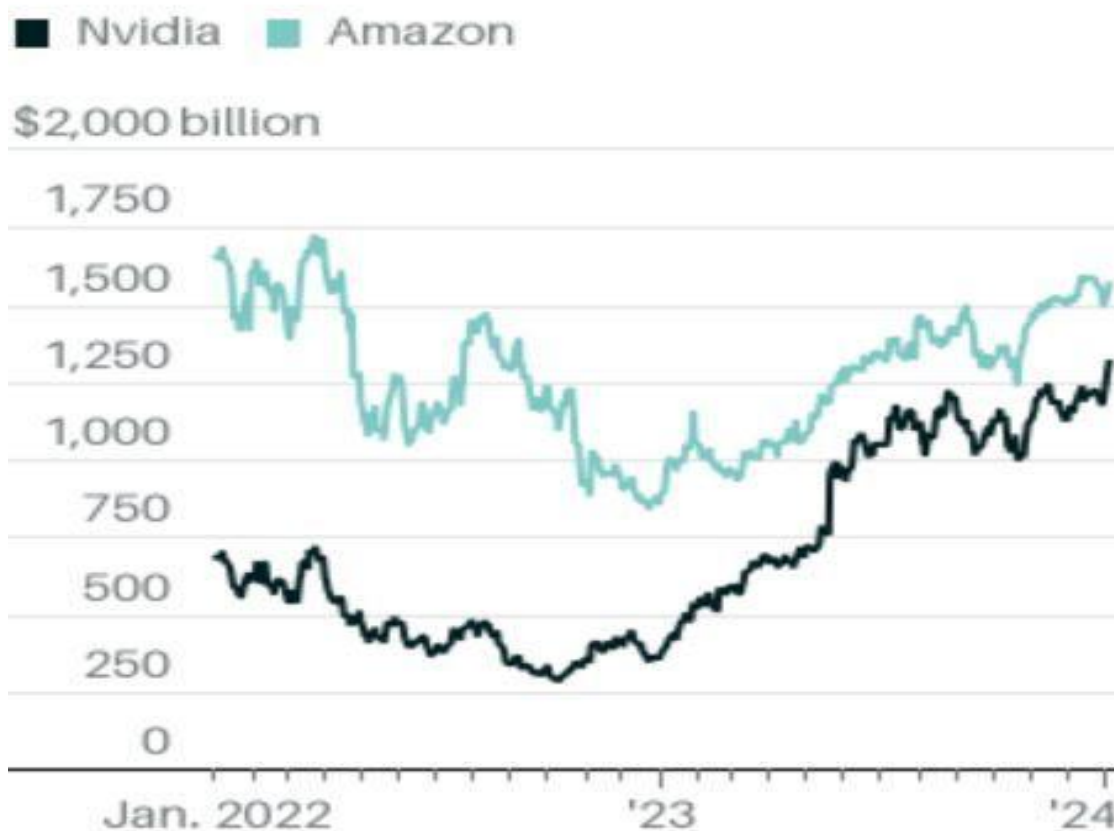


## #nvidia #marketcap

Nvidia Chases Amazon's Market Cap...with only a \$240 billion gap now separating the two companies

### Closing the Gap

Nvidia's market value has closed in on Amazon's over the last two years.



Source: FactSet

Source: barrons

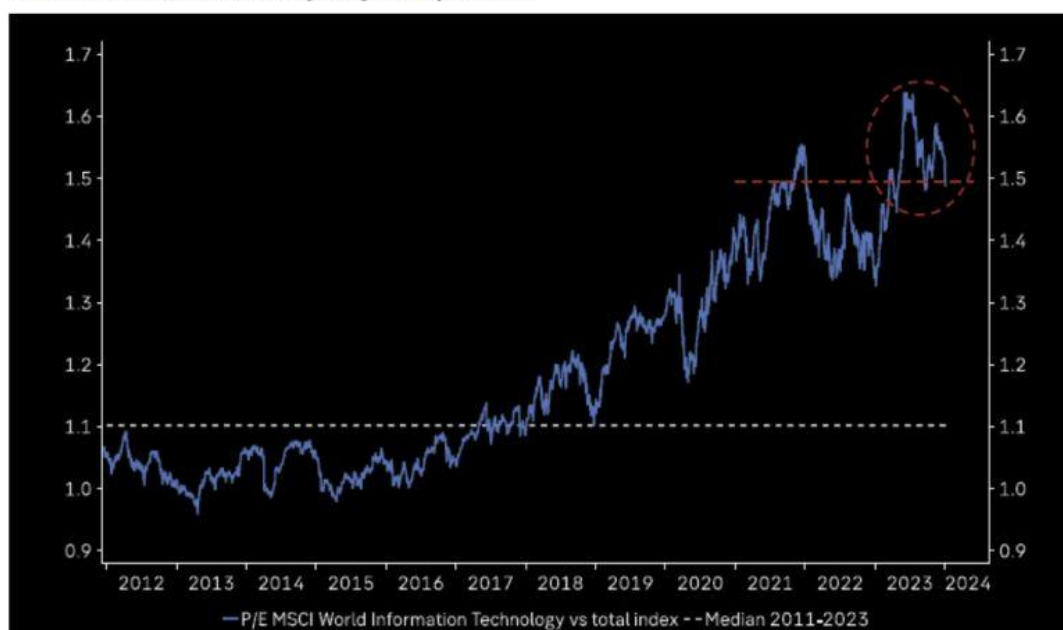


#markets

## #us #tech #stocks #valuation

P/E MSCI World IT vs MSCI World -> Tech stocks have unusually large P/E premium.

Tech stocks have unusually large P/E premium



Source: Macrobond

Source: Macrobond, TME



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## #tesla #chart

Not a great chart for Tesla...



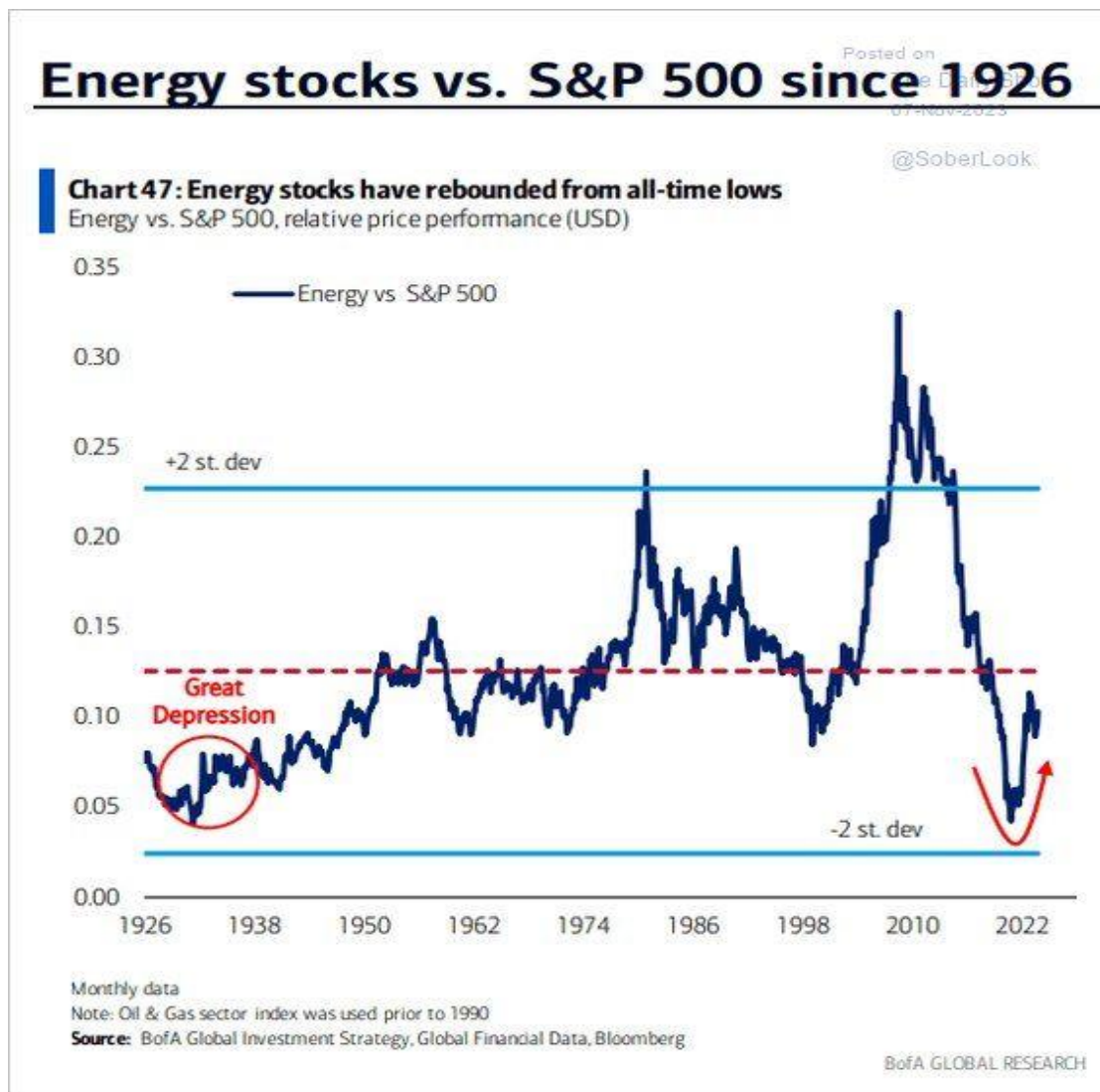
Source: Barchart





#stocks #energy

ENERGY STOCKS SINCE 1926 (relative to S&P)



Source: BofA, The Daily Shot



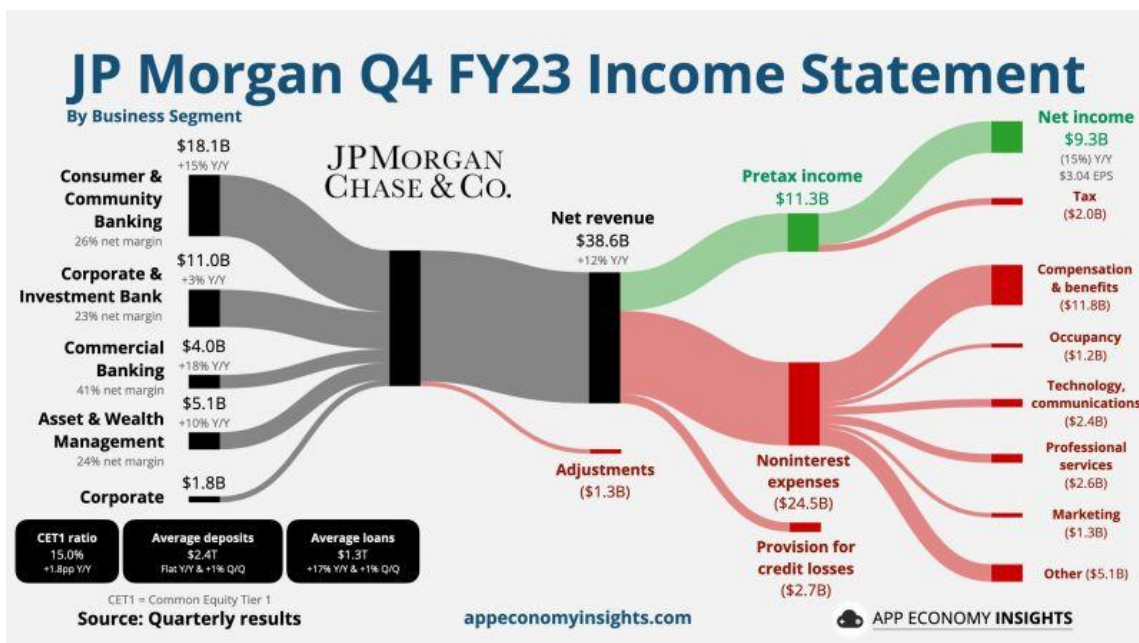


## #jpmorgan #q4 #earnings

\$JPM JP Morgan Chase Q4 FY23.

CEO Jamie Dimon: Deficit spending and supply chain adjustments “may lead inflation to be stickier and rates to be higher than markets expect.”

- Net revenue +12% Y/Y to \$38.6B (\$1.2B miss).
- Net Income \$9.3B.
- Non-GAAP EPS: \$3.97 (\$0.37 beat).
- CET1 ratio of 15.0%.
- Expect FY24 NII of \$90B (+1% Y/Y).



Source: App Economy Insights





## #japan #equities

Japan's Nikkei 225 stock index rises above 34,000 for the first time since March 1990. Breakout from a 30-year base!

- Breakout + test from 30-year base (blue circle)
- Successful test of 2nd base (purple circle)
- \$NIKKEI now trading at 34-year high
- Still below ATH recorded in 1989
- Yen is undervalued by ~40% on PPP-basis

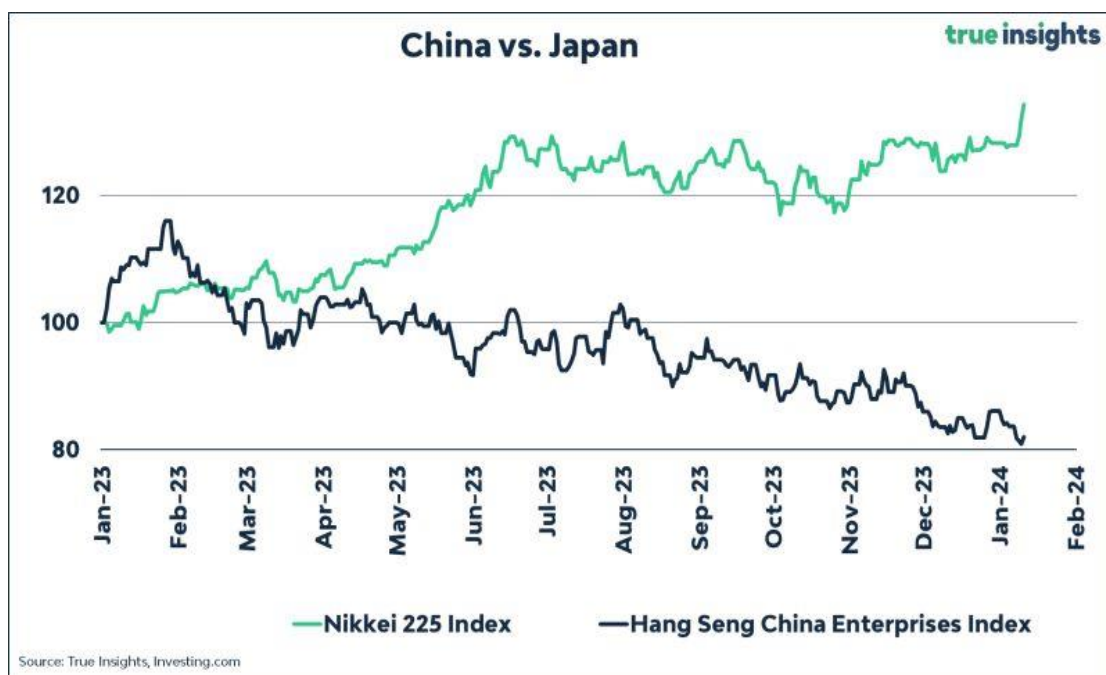
Along with hitting a fresh 33-year high, Japan's stock market is now up 120% from its low in 2020. Both technology and health care stocks have been the main drivers. Recently, Warren Buffett began betting on a recovery of Japan's economy. Japan is back in a bull market.





## #japan #china

China vs. Japan in one chart! Japanese stocks have outperformed their Chinese counterparts by a whopping 63% since the start of 2023.



## #china #equities

New Year, New Low! After a shallow rally, Chinese equities just made a new low. Down 15% from their peak in May last year, down 22% from their 2021 peak.

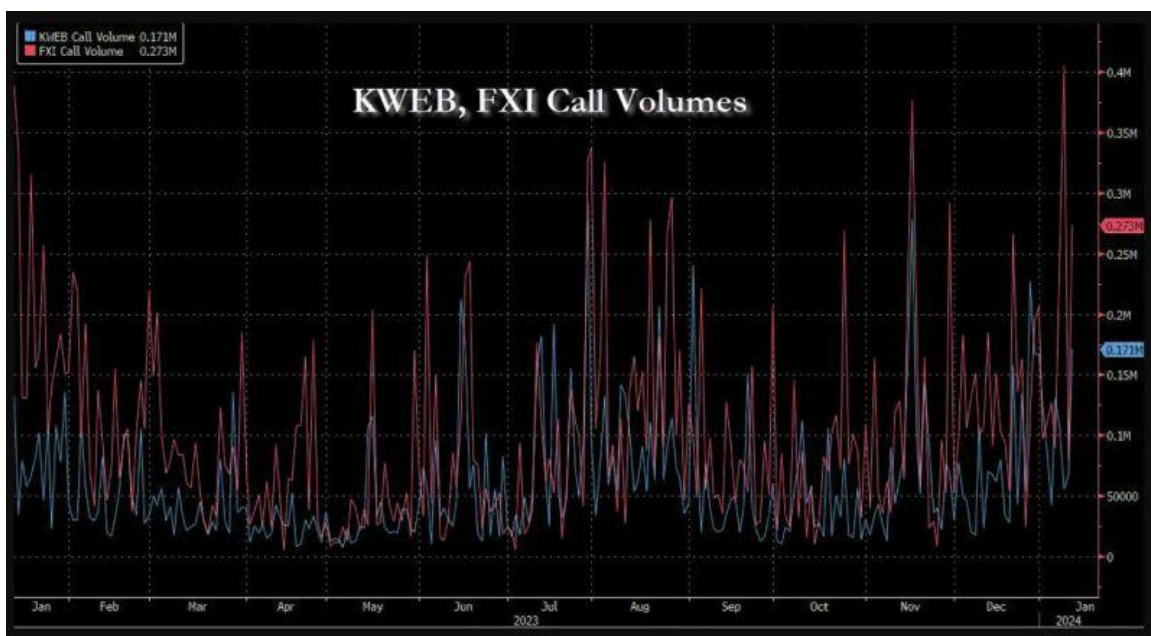


Source: Jeroen Blokland, Bloomberg



## #fxi #kweb #china #calls

Something's Cooking? Call volumes in FXI and KWEB are surging.

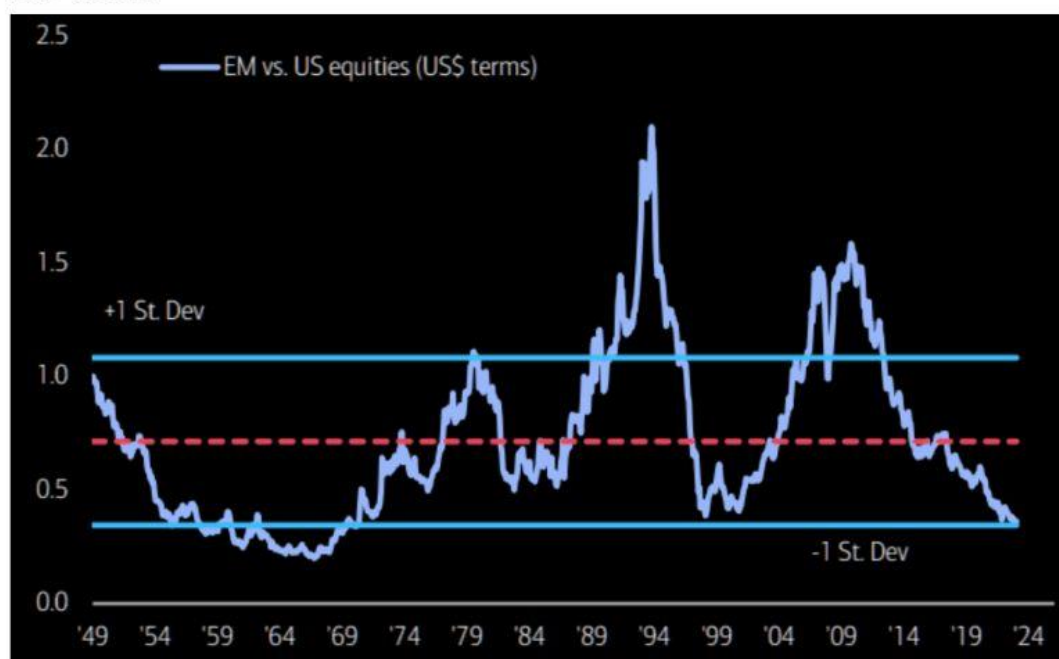


Source: [www.zerohedge.com](http://www.zerohedge.com)

## #em #equities

BofA Harnett: "...new 'BRICS 10' = 51% of global CO2 emissions, 46% of population, 45% of energy consumption, 45% of oil production, 37% of GDP (at purchasing power parity)... yet <25% of global market cap, and EM equities also at 52-year low vs. US"

Dare the EM?



Source: BofA

Source: BofA, TME





## #us #treasuries #weekly

Yields tumbled across the entire curve this week,,, except for the long-end (which was unchanged). The 10Y is back below 4.00% and the 2y Yield is at its lowest since May '23 (and the same level as it was in Sept '22)...



Source: www.zerohedge.com, Bloomberg





## #us #treasuries #weekly

The move in yield triggered a massive bull-steepening in the curve - dis-inverting the 2s30s segment...



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



## #us #treasuries #weekly

For context, this is the 'steepest' and most un-inverted the (2s30s) curve has been since July 2022...



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



## #oil

Oil prices jump back above \$75 after the US and UK conduct strikes in Yemen.

The primary motive for these strikes was the recent Red Sea attacks by the Houthi group in Yemen.



Source: The Kobeissi Letter





## #us #natural-gas

Natural Gas is now up 54% since the December 13th low and has traded green in 8 of the last 9 days



Source: www.zerohedge.com, Bloomberg





## #uranium

Uranium 16-Year High: Uranium going parabolic as it hits its highest price since November 2007

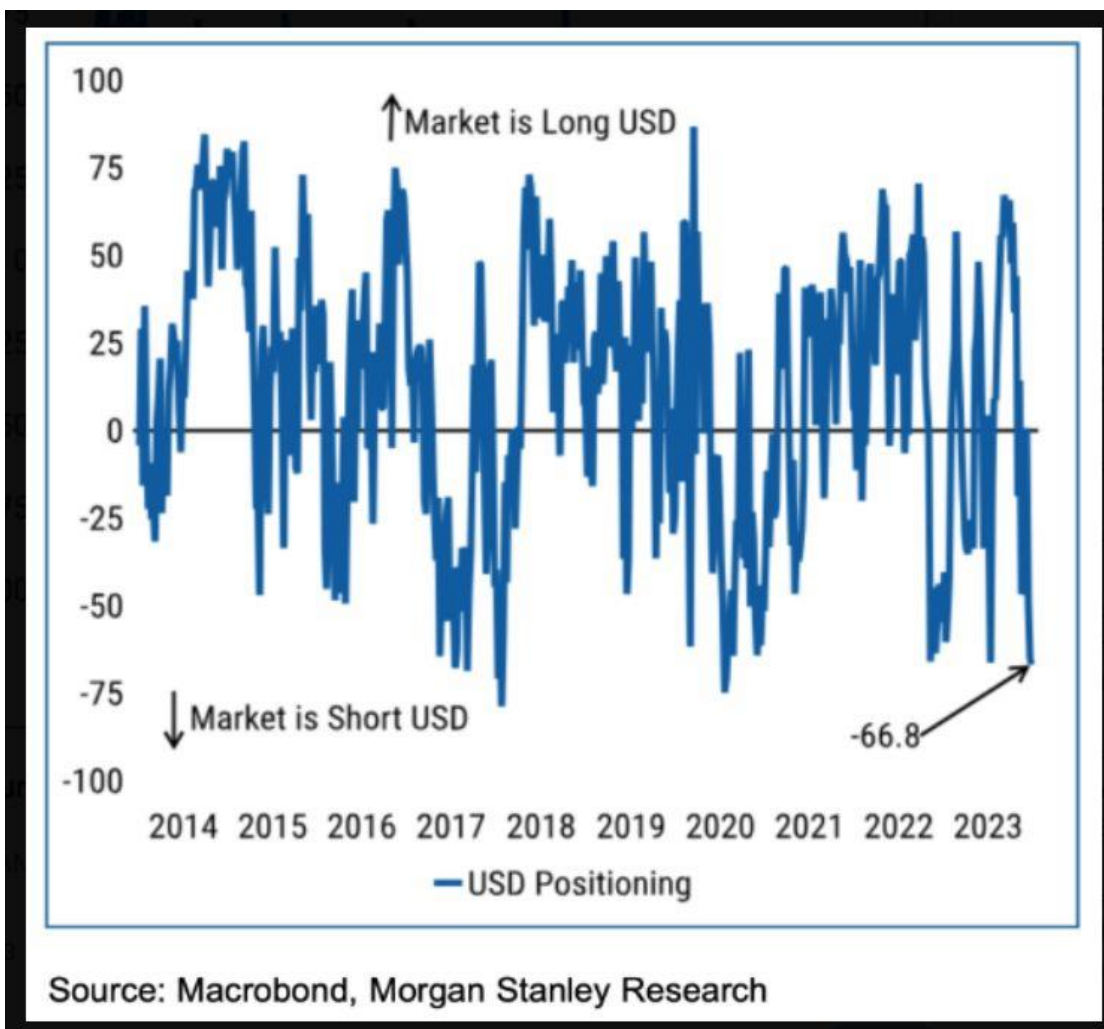


Source: barchart



## #us #dollar #short

Speculators have built their largest short U.S. Dollar position since 2020 and one of the largest in history





## #turkish-lira

The obliteration of the Turkish Lira continues as it falls to an all-time low against the U.S. Dollar

### Turkish New Lira/U.S. Dollar (^TRYUSD)

0.03319 -0.00014 (-0.42%) 21:15 CT [FOREX]

0.03319 0.03319

INTERACTIVE CHART for Fri, Jan 12th, 2024

Notes My Charts Alerts Watch Help



Source: www.zerohedge.com, Bloomberg





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### #yen

Just to put things into perspective: #Japan's Yen is 46% undervalued vs the Euro when measured by Big Mac Purchase Power Parity.



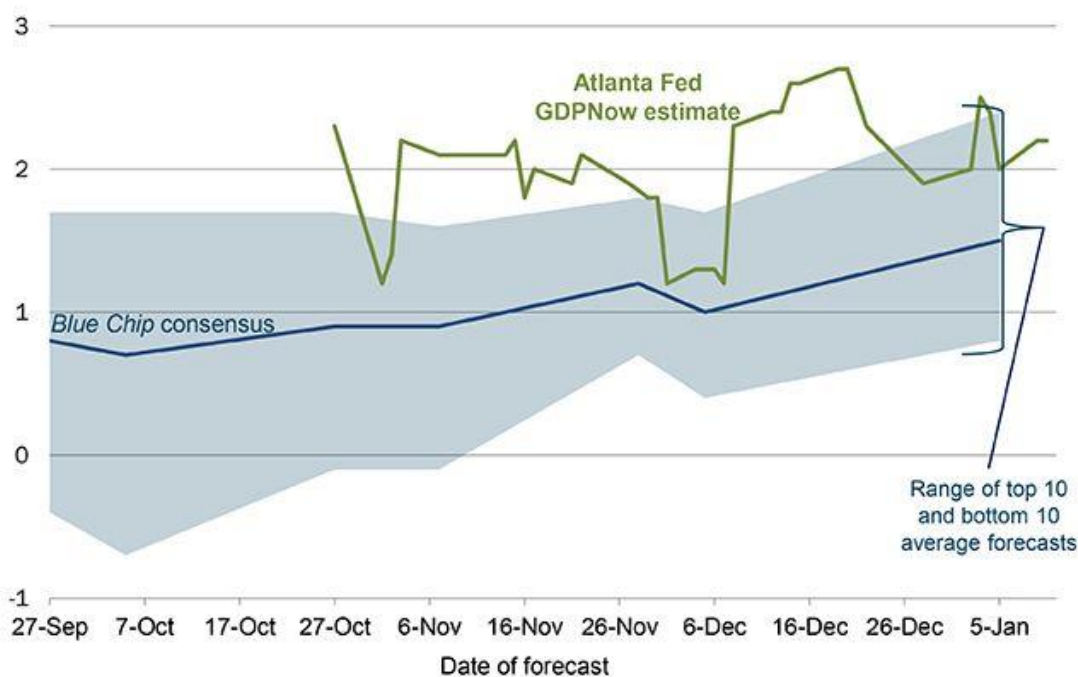
Source: Bloomberg, HolgerZ



## #gdpnow #us

On January 10, the GDPNow model nowcast of us real GDP growth in Q4 2023 is 2.2%.

**Evolution of Atlanta Fed GDPNow real GDP estimate for 2023: Q4**  
Quarterly percent change (SAAR)



Sources: Blue Chip Economic Indicators and Blue Chip Financial Forecasts

Note: The top (bottom) 10 average forecast is an average of the highest (lowest) 10 forecasts in the Blue Chip survey.

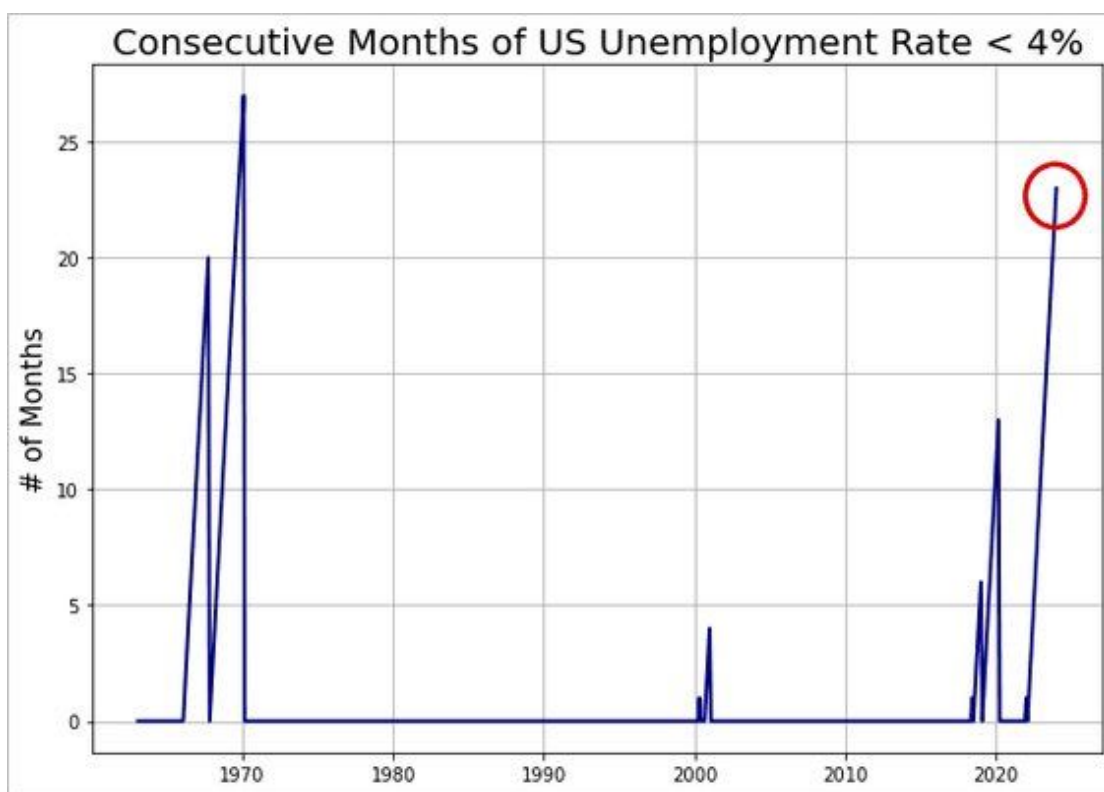


Source: Atlanta Fed

#macro

## #us #unemployment

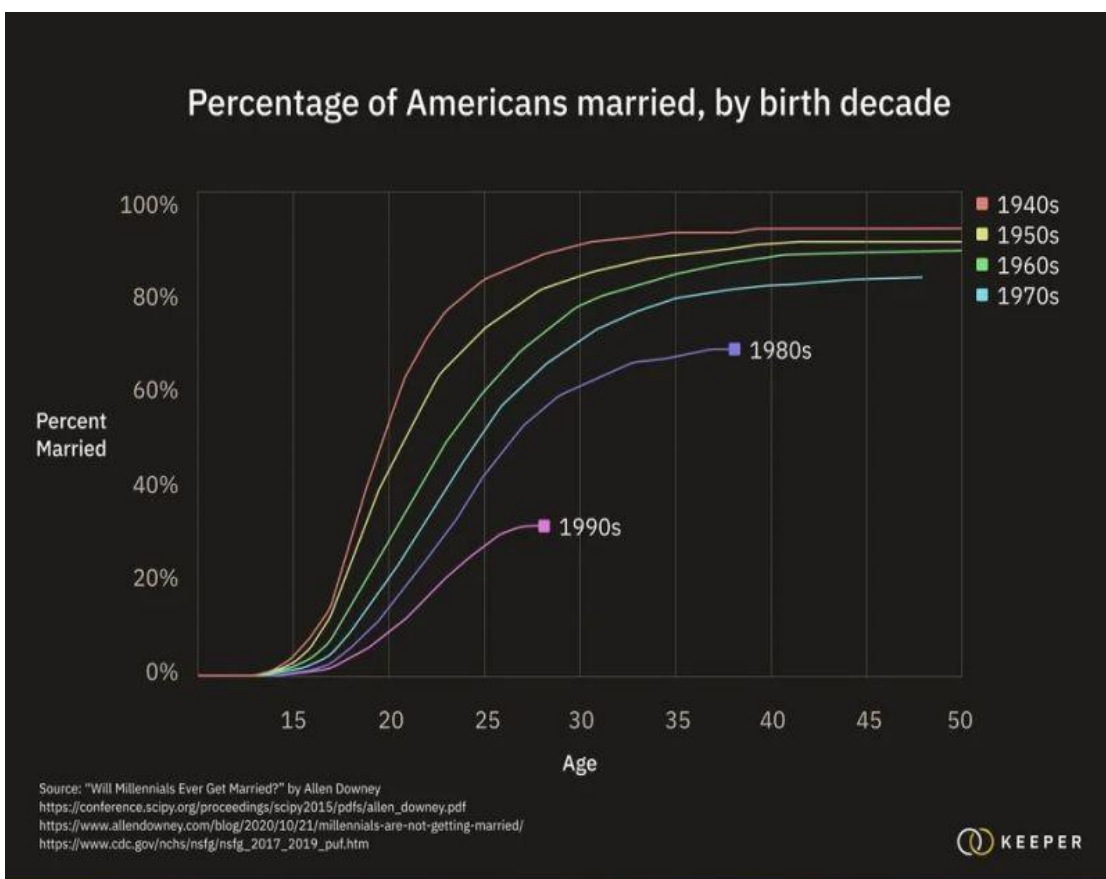
Remember the 70s?





## #us #marriage #demographics

Less and less Americans are getting married. This is negatively impacting family formation and leading to a slower population growth rate as a result.





## #us #cpi

Headline CPI Hotter Than Expected In December, Food Costs Hit Record High>>> Headline Consumer Price Inflation printed hotter than expected in December, +0.3% MoM vs +0.2% exp and +0.1% prior, pushing the YoY headline CPI up to +3.4% (from +3.1% prior and hotter than the +3.2% exp)...>>> US Core CPI (ex-Food/Energy) rose 0.3% MoM as expected, dropping the YoY change below 4.00% (3.93%) for the first time since May 2021. This was also above estimates of 3.8% yoy.>>> Goods deflation has stalled as the used cars and trucks index rose 0.5 percent over the month, after rising 1.6 percent in November. Food costs stand at record highs. Fuel costs are on the rise again.>>> More problematically for The Fed is the fact that Core CPI Services Ex-Shelter (SuperCore) rose 0.4% MoM, upticking the YoY rise to +4.09%...



Source: Bloomberg, The Kobeissi Letter, www.zerohedge.com

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#macro

### #us #ppi

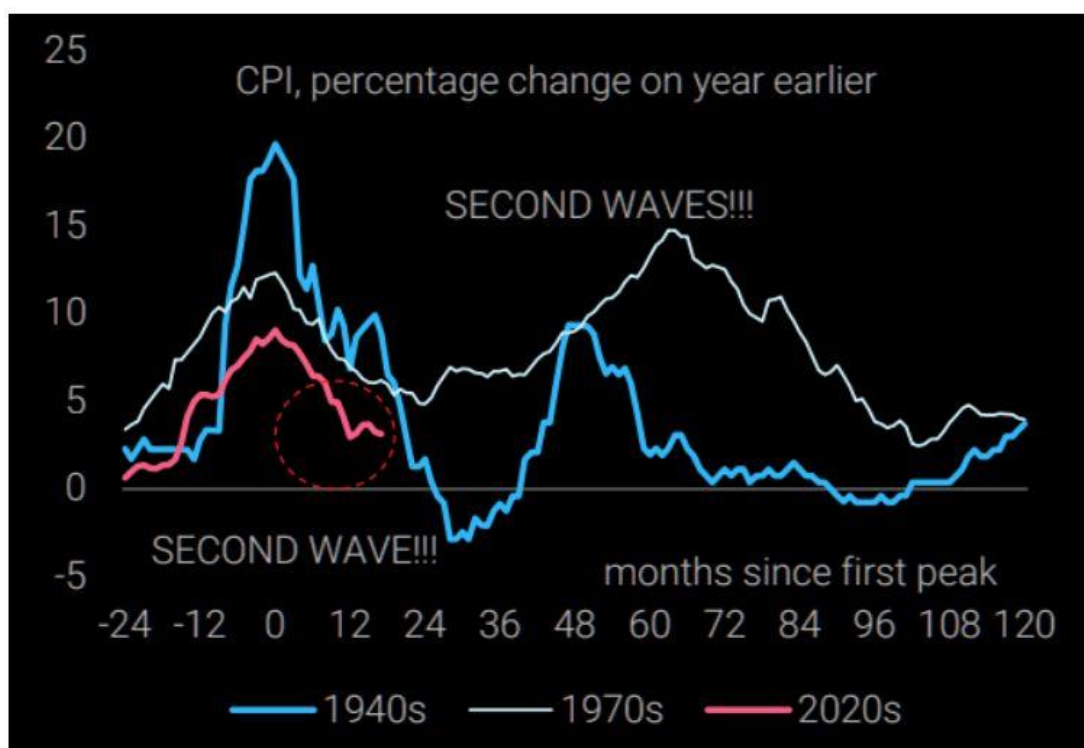
- Core PPI comes in at 0% m/m vs 0.2% forecast
  - Core PPI comes in at 1.8% y/y vs 2% forecast
  - Headline PPI comes in at -0.1% m/m vs forecast of 0.1%
  - Headline PPI comes in at 1% y/y vs 1.3% forecast
- A colder than expected print across all readings!



#macro

## #us #cpi

Beware the second wave... inflation moves in mysterious ways and sometimes you get that "unplanned" second wave.



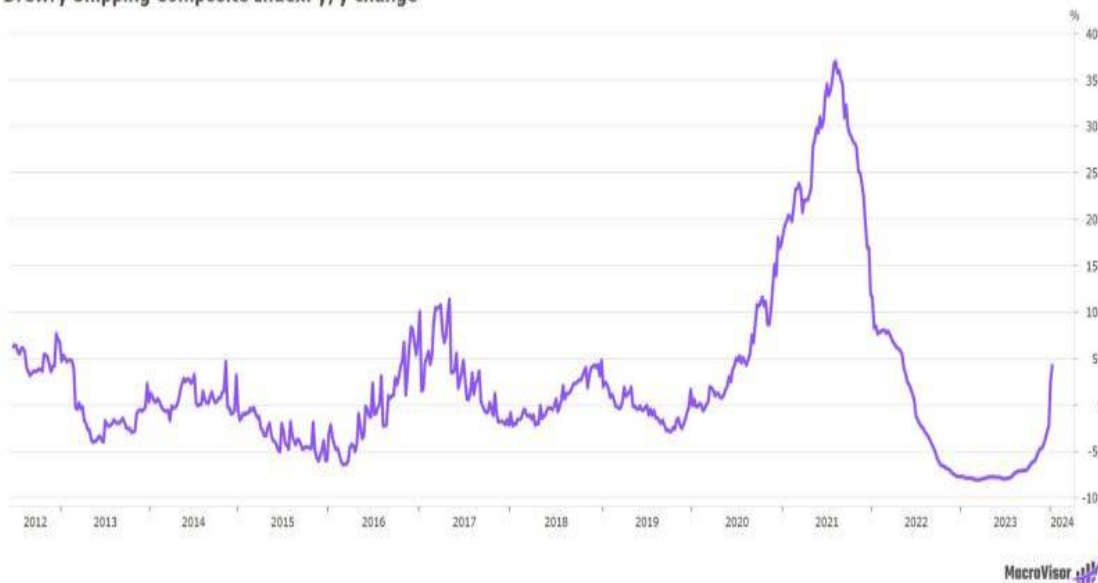
Source: TS Lombard

#macro

## #shipping #inflation

The tensions in the Red Sea have pushed international shipping prices up by nearly 50% year-over-year, according to the Drewry Shipping Composite Index

Drewry Shipping Composite Index: y/y change

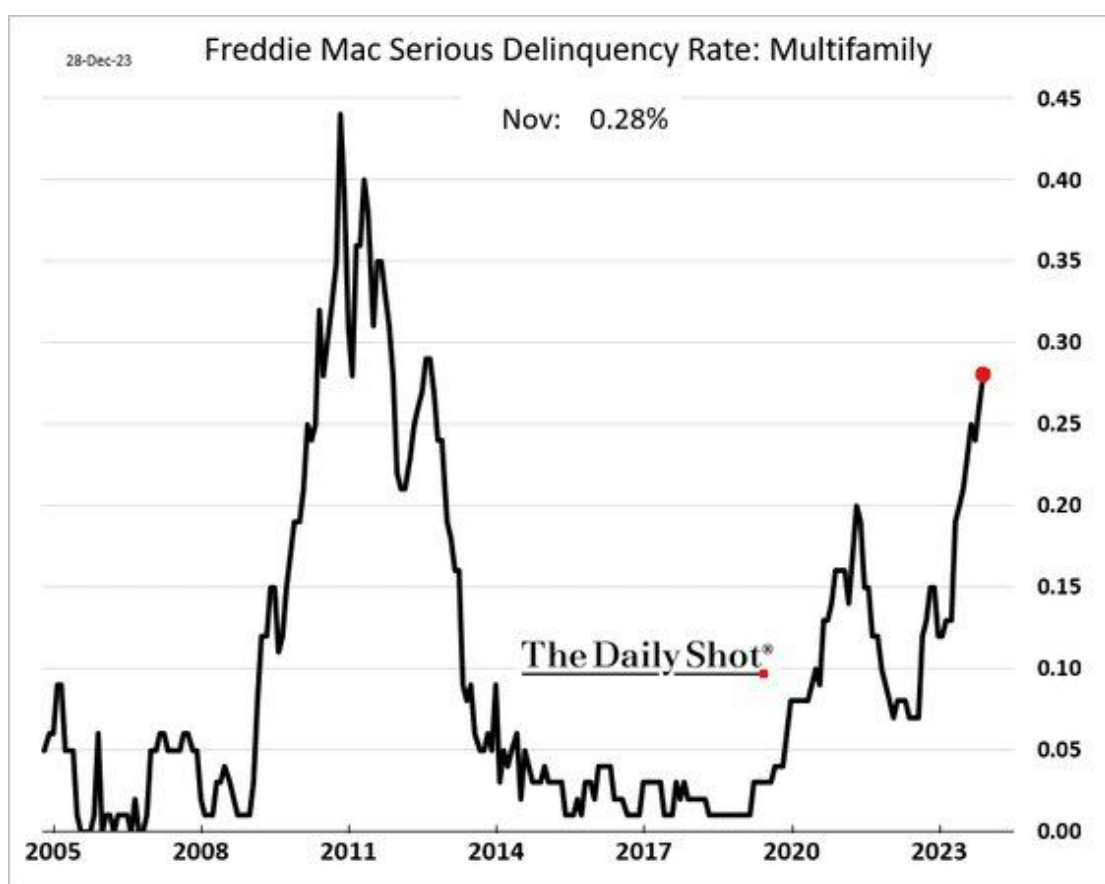




#macro

#us #real-estate #delinquency-rate

Freddie Mac Serious delinquency rate US multifamily homes.

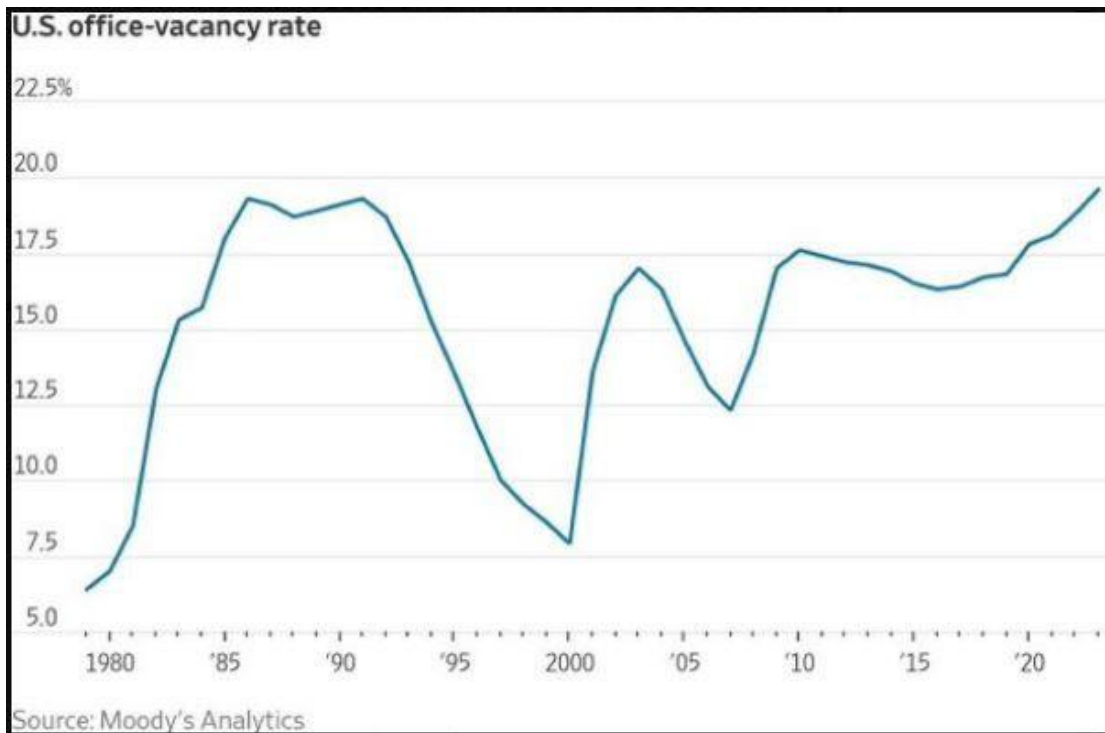


Source: The Daily Shot

#macro

## #us #real-estate #office #vacancy-rate

Office vacancy rate hits record high. The national office vacancy rate rose to a record-breaking 19.6% in the fourth quarter of 2023, Moody's Analytics said. That's the largest quarterly increase since the first quarter of 2021, and larger than the 19.3% level reached twice in 40 years. The average pre-pandemic office vacancy rate was around 16.8%.



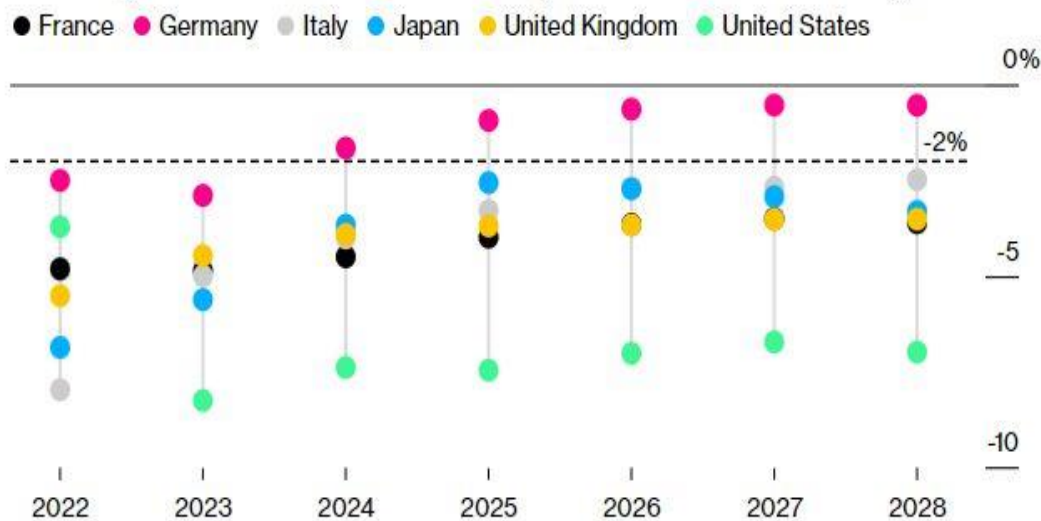


## #us #fiscal #deficit

Over the next several weeks, governments from the US, UK and the eurozone will start flooding the market with bonds at a clip rarely seen before. Saddled with the kind of bloated deficits that were once unthinkable, these countries — along with Japan — will sell a net \$2.1 trillion of new bonds to finance their 2024 spending plans, a 7% increase from last year, according to estimates from Bloomberg Intelligence.

### US Stands Out in Era of Sustained Fiscal Deficits

Most major economies see net borrowing at least 2% of GDP through 2028



Source: IMF  
NOTE: Figures are for net lending/borrowing as % of GDP; also referred to as overall balance

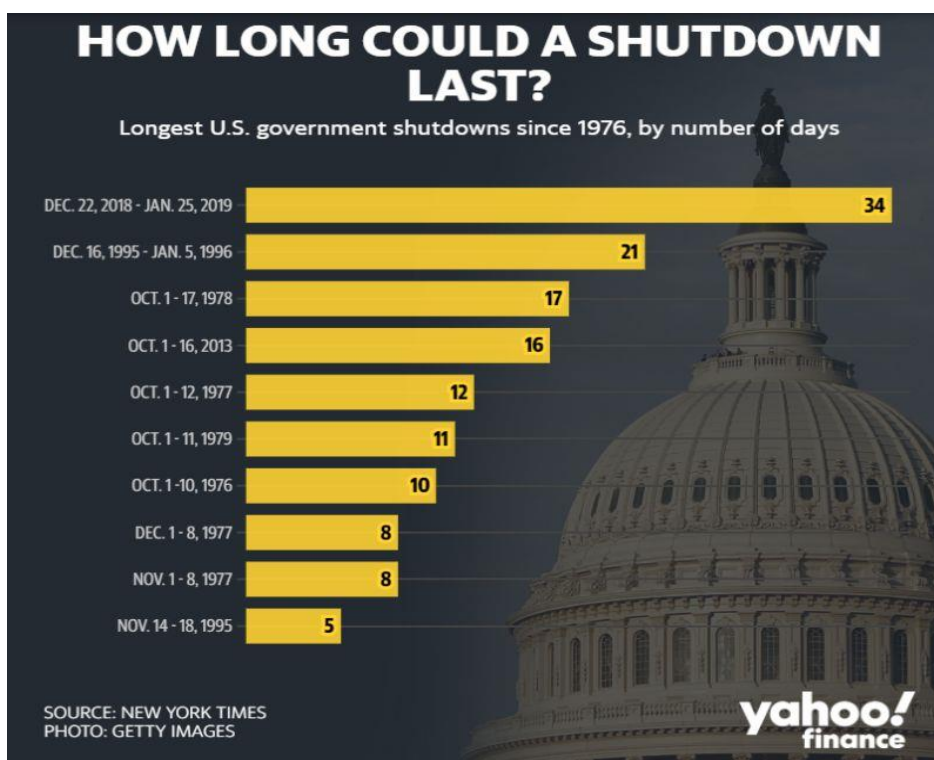


Source: Bloomberg Intelligence



## #us #shutdown

Lawmakers will Return to Washington with just 11 days to Avert a Shutdown. The coming standoff between Republicans and Democrats over government spending is a sequel of sorts to 2023's battles — one about the debt ceiling and two about possible shutdowns — that were averted with last-minute deals. But this latest confrontation could prove the most complicated yet. Emotional issues from the southern border to abortion to Ukraine are all likely to play a role in the complex and overlapping talks.



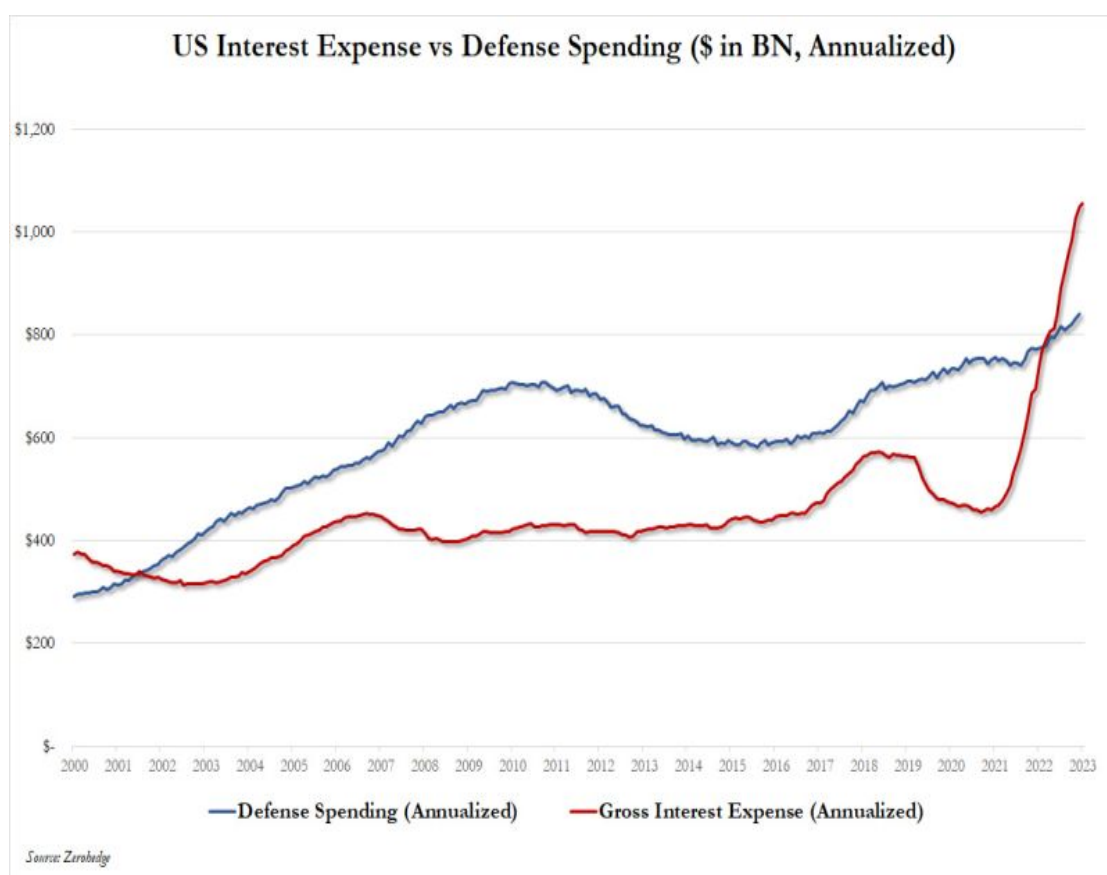
Source: yahoo!finance



#macro

## #us #debt #interest-expense

### US defense spending vs interest on Federal debt

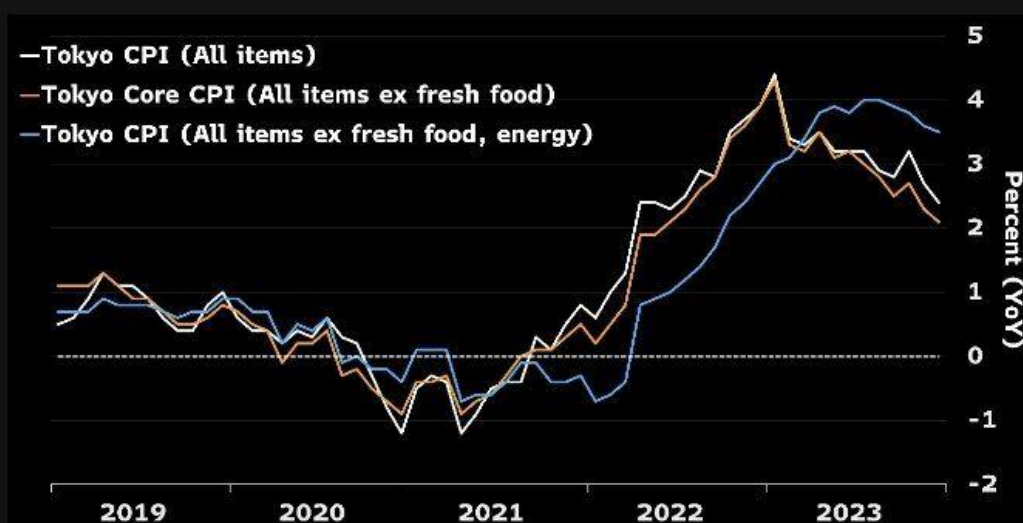


#macro

## #boj #inflation

Tokyo CPI down again supports BOJ dovish stance for now.

### Tokyo Inflation Gauges



Source: Ministry of Internal Affairs and Communications, Bloomberg Economics



## #geopolitics #centralbanks

The "multipolar world" will remain a major topic in 2024 as the rewiring of the global commerce system creates geopolitical risks & business model shifts that will last decades. The Dollar's & Euro's share in global CenBank reserves dropped. Greenback accounted for 59.2% of globally allocated FX reserves in Q3 2023, down from a revised 59.4% in Q2, lowest since Q4 2022. Euro's share in reserves also fell to 19.6% from 19.7%, while the participation of Japan's Yen rose to 5.5% from 5.3%.



Source: HolgerZ, Bloomberg



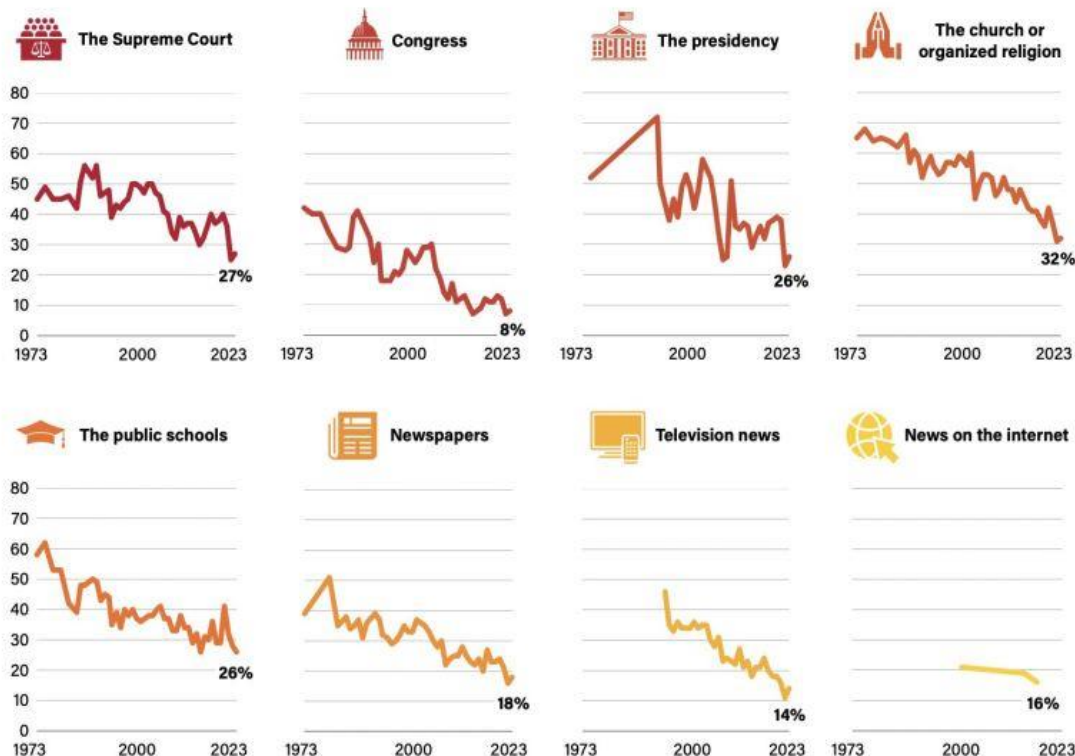
#geopolitics

#us #elections

This chart from Eurasia Group's Top Risks 2024 Report shows how far Americans' trust in institutions has eroded. And the chart gives a feel for the upcoming election campaign, which is unlikely to be a trust-building measure. And should Trump win, he 'would take steps to consolidate exec power, weaken checks & balances, & undermine the rule of law,' the authors write.

Americans' confidence in political and social institutions continues to decline

Please tell me how much confidence you, yourself, have in each one—a great deal/quite a lot (%)



Source: Gallup

Source: HolgerZ



#geopolitics

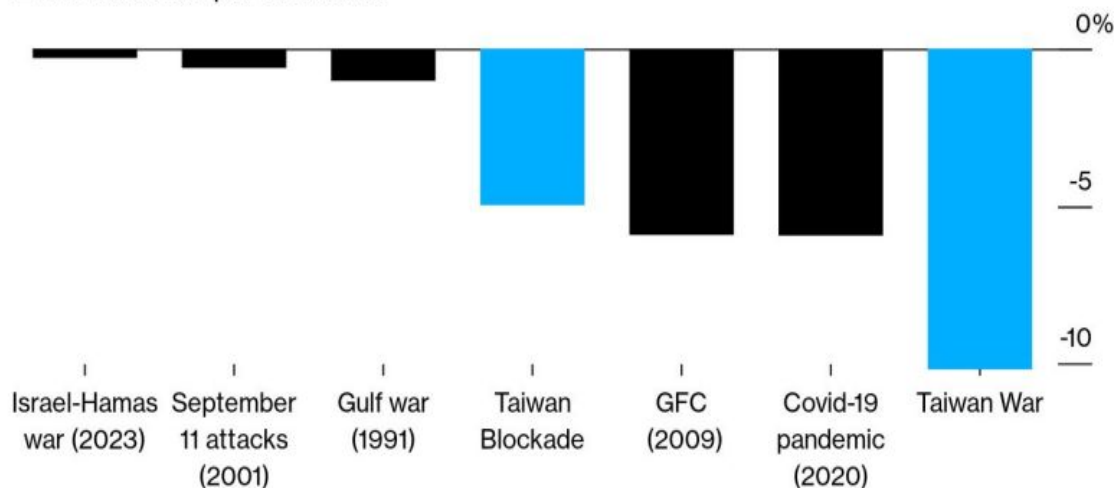
#taiwan #war

Is Taiwan's war the biggest risk for the economy and financial markets in 2024?

The Global Risk of a Taiwan War

Estimates of scenarios in any escalation of tensions over Taiwan show a potentially bigger impact to global GDP than other recent shocks

■ Deviation from pre-crisis trend



Sources: Bloomberg Economics, IMF  
Note: Israel-Hamas war, Taiwan blockade, and Taiwan war are Bloomberg Economics estimates.

Bloomberg

Source: Bloomberg

#geopolitics

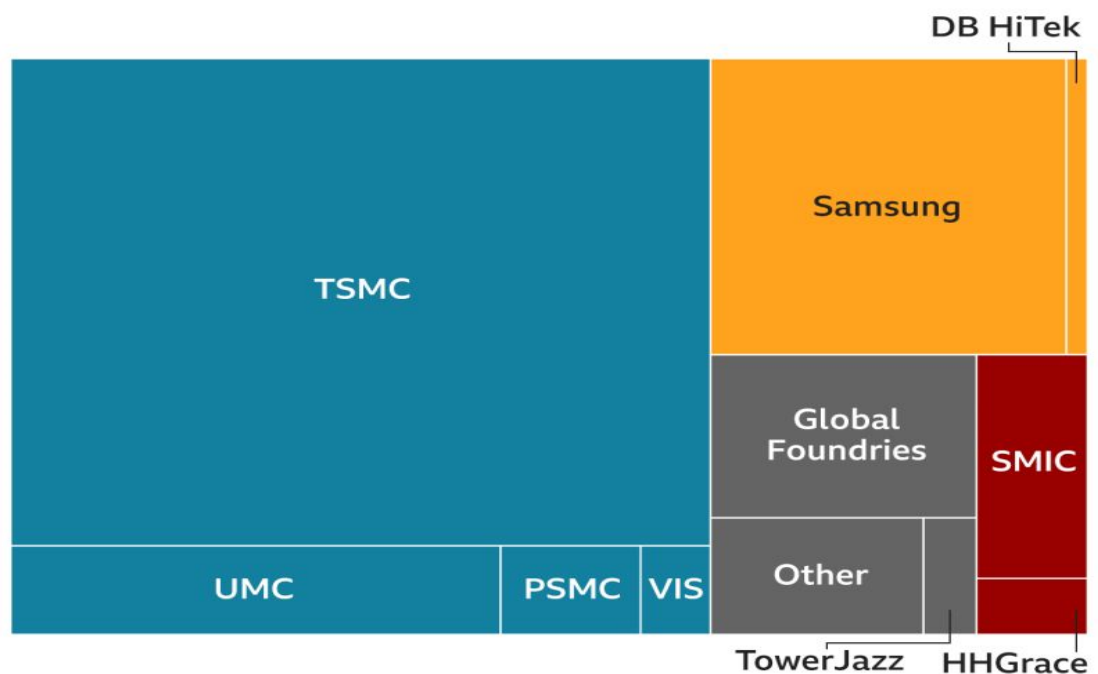
## #taiwan #semiconductor

A few days ahead of Taiwan election... Taiwan: the island that matters - or why Taiwan is important to China, USA and the rest of the world... Imagine the implications of any blockade or invasion on the semiconductor value chain and the magnificent7...

### Taiwan dominates the global production of computer chips

Global foundry market share, by country and company 2021

Taiwan 65% South Korea 18% China 5% Other 12%



Source: Trendforce 2021

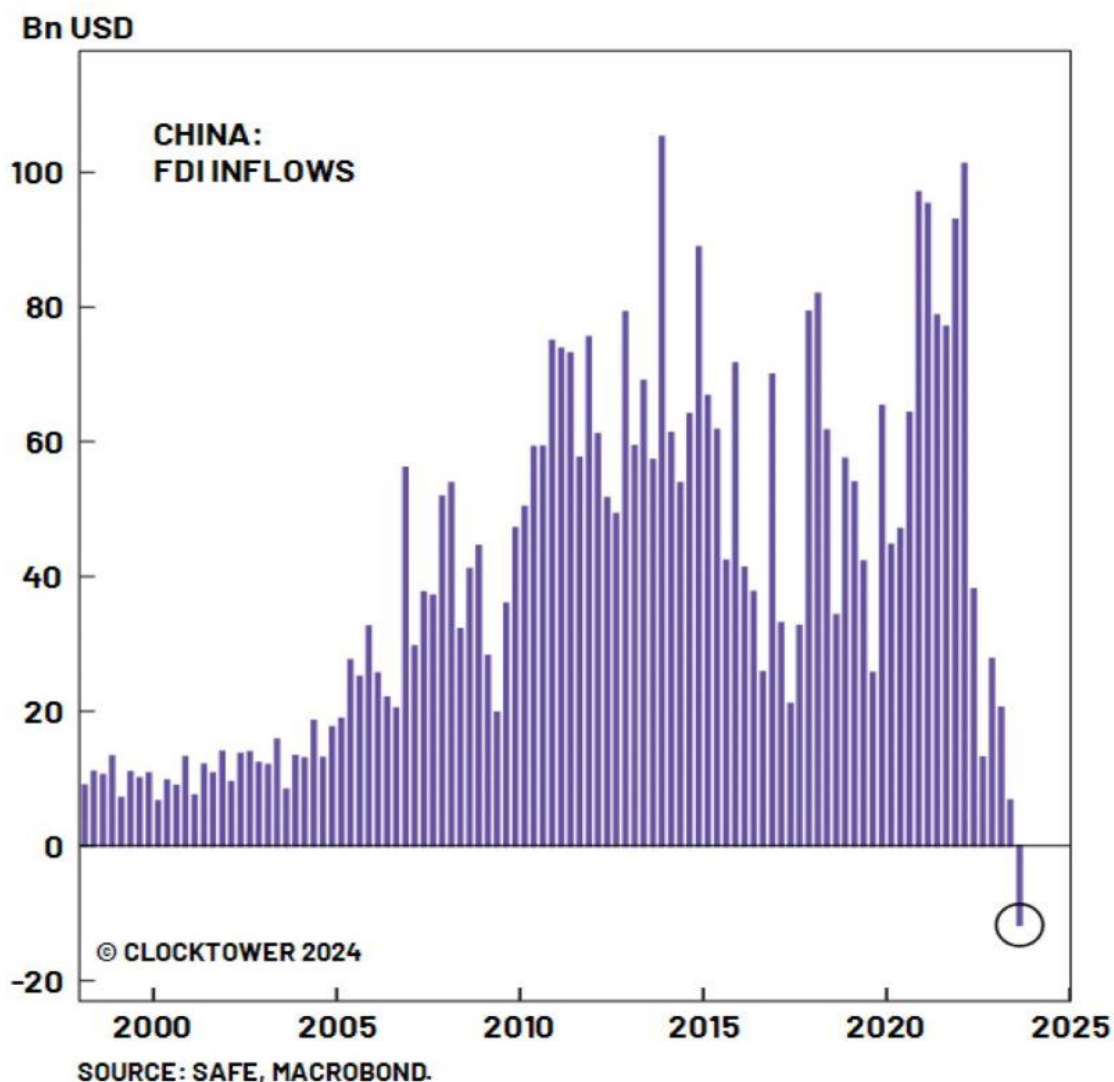
BBC

Source: BBC

#geopolitics

#china #flows

Money is flowing out of China for the first time in over 25 years.



#geopolitics

### #iran #crude-oil

Iran seizes oil tanker involved in U.S. dispute off coast of Oman. Crude oil is up 2% on the news -> Iran has captured an oil tanker previously involved in a Washington-Tehran dispute over carrying U.S.-sanctioned crude, state media said. -> Earlier on Thursday, the U.K. Marine Trade Operations said an unnamed tanker was boarded by armed individuals near the Gulf of Oman and appeared to change course toward Iranian waters.



#centralbanks

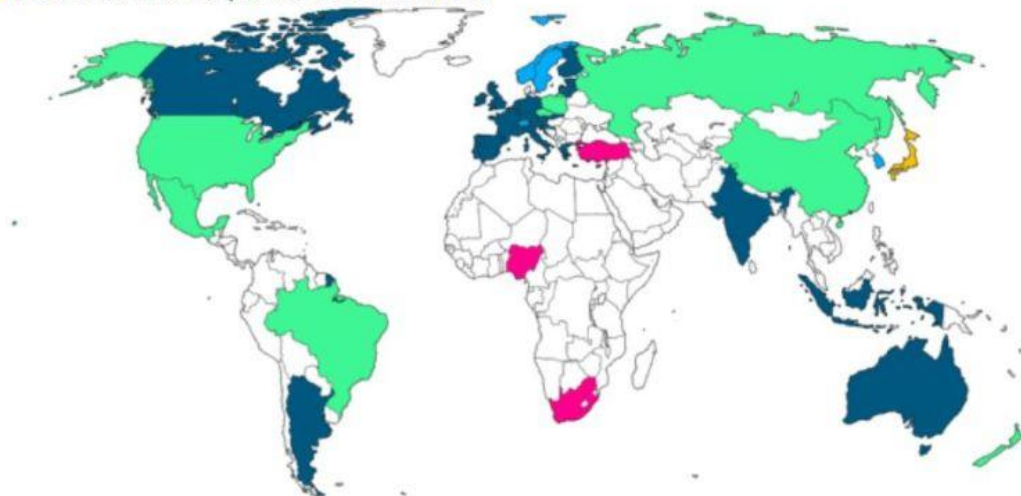
#centralbanks #outlook #ratecuts

Outlook on What to Expect from Monetary Policy

**This Year Will Be Dominated by Rate Cuts**

What's set to happen with borrowing costs in 2024

- First cut in 1Q
- ...2Q
- ...3Q
- ...4Q
- First 2024 move expected to be hike in 2Q



Sources: Bloomberg Economics forecasts; survey of economists for Czech Republic, Norway and Switzerland

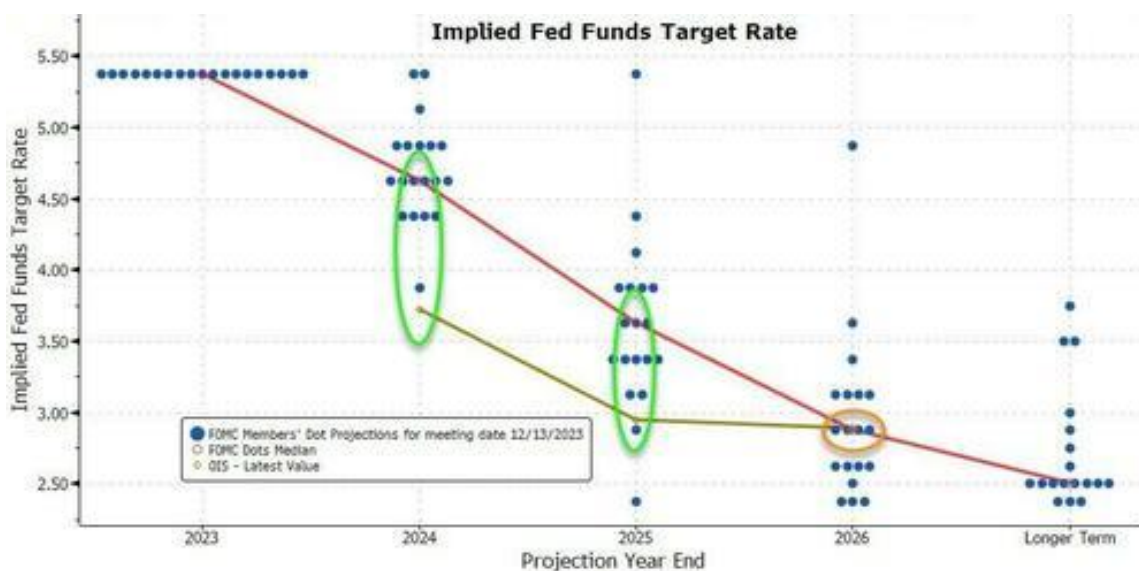
Note: Mapped are distinct central banks. Nigeria is expected to hike rates before cutting.

Source: Bloomberg

#centralbanks

## #fed #rates #expectations

'Cooler-than-expected' PPI (along with lower inflation expectations from NYFRB's survey) trumped 'hotter-than-expected' CPI this week and opened the floodgates for traders to bet on The Fed being dovish-er than they expect to be in 2024.



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

#centralbanks

## #fed #rates #expectations

Markets are now expecting a rate cut at EVERY MEETING in 2024 beginning in March.

The odds of a cut in March have soared above 80% (despite all the FedSpeak jawboning away from that)...

The market now has a 65% odds of 7 STRAIGHT interest rate cuts this year to bring the Fed Funds rate down to 3.50% to 3.75% in December.

Meanwhile, the Fed's latest guidance showed 3 cuts in 2024 and officials are questioning if March is too soon to start..

MEETING DATE	275-300	300-325	325-350	350-375	375-400	400-425	425-450	450-475	475-500	500-525	525-550
1/31/2024						0.0%	0.0%	0.0%	0.0%	6.7%	93.3%
3/20/2024	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.5%	77.7%	16.8%
5/1/2024	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	10.8%	73.2%	15.5%	0.0%
6/12/2024	0.0%	0.0%	0.0%	0.0%	0.1%	3.3%	27.9%	57.5%	11.3%	0.0%	0.0%
7/31/2024	0.0%	0.0%	0.0%	0.2%	4.1%	28.8%	55.9%	10.9%	0.0%	0.0%	0.0%
9/18/2024	0.0%	0.0%	0.2%	4.0%	28.1%	55.1%	12.3%	0.3%	0.0%	0.0%	0.0%
11/7/2024	0.0%	0.1%	2.7%	20.2%	46.3%	26.2%	4.2%	0.1%	0.0%	0.0%	0.0%
12/18/2024	0.1%	2.1%	16.1%	40.2%	30.9%	9.4%	1.1%	0.0%	0.0%	0.0%	0.0%

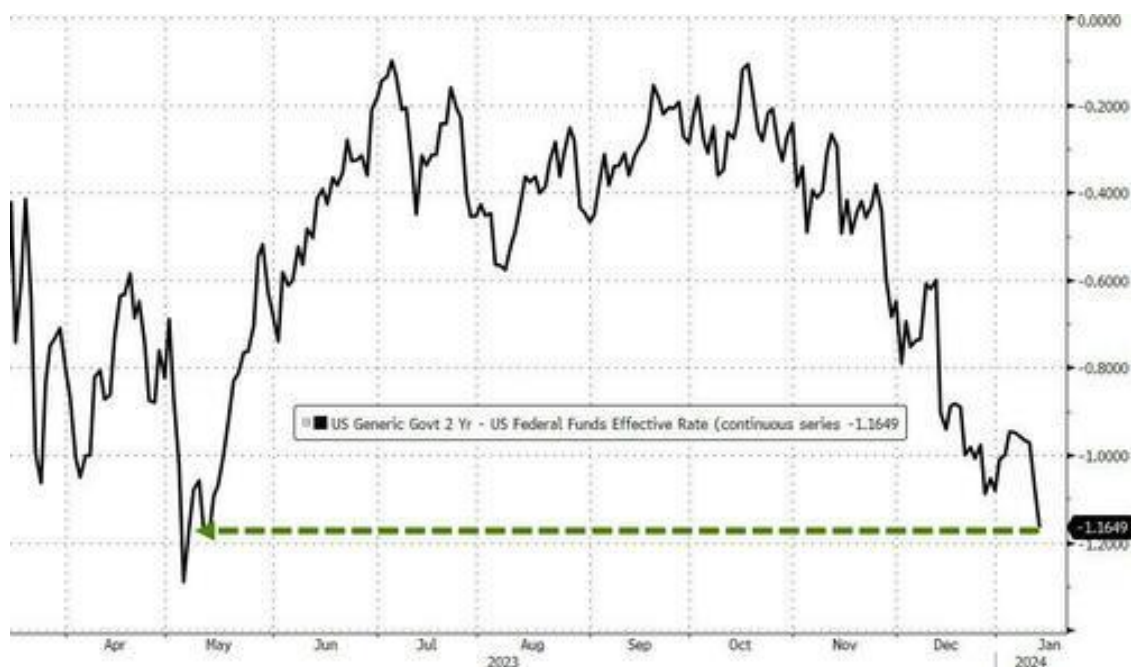
Source: The Kobeissi Letter



#centralbanks

## #2y #fed-rate #spread

As rate-cut expectations soar, so the spread between 2Y yields and current Fed Funds nears record highs...



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



#centralbanks

## #btfp #liquidity

**🚨 BREAKING NEWS: Fed's BTFP Hits Record High of \$148 Billion! 🚨**

- Unprecedented support for insolvent banks
- QE on steroids: Banks trade old bonds that were a loss for gains getting 100 cents on the dollar
- Program set to end in March



NOTES

GRAPH

DATA

...

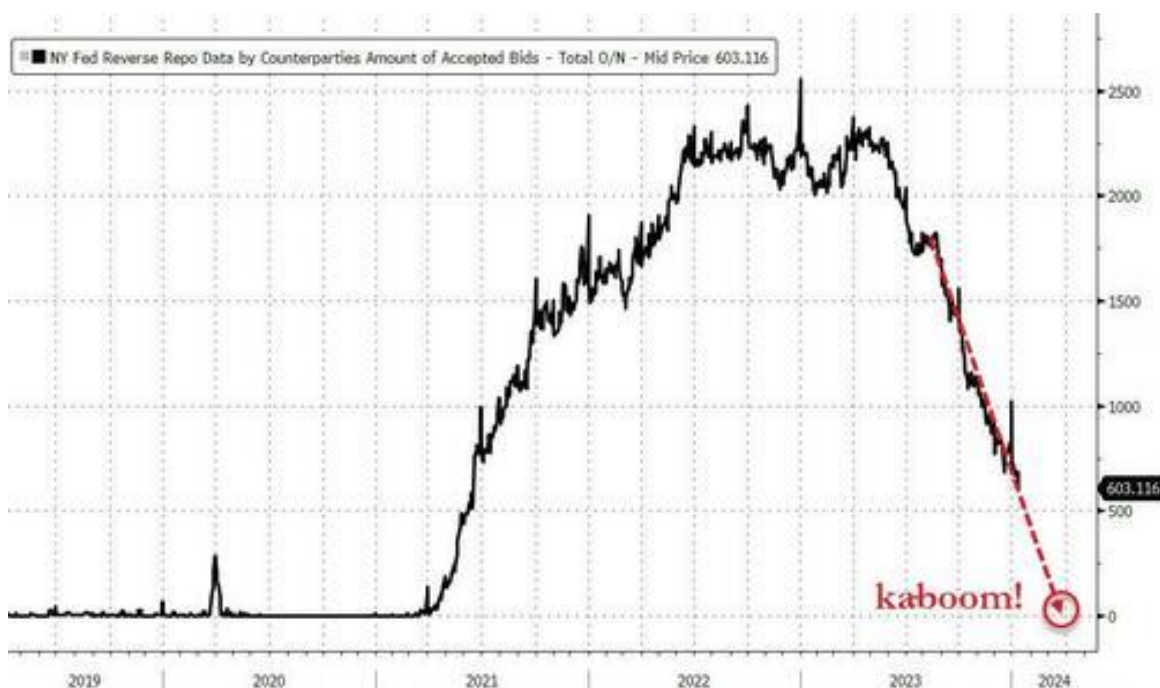
Assets: Liquidity and Credit Facilities: Loans: Bank Term Funding Program, Net: Wednesday Level

#centralbanks

## #us #federal-reserve #reverse-repo

Is this the reason why the Fed might be forced to cut rates in March? Indeed, we'll have:

- 1. Reverse repo ends (see chart below)
- 2. BTFP expires
- 3. Fed cuts (allegedly)
- 4. QT ends (allegedly)



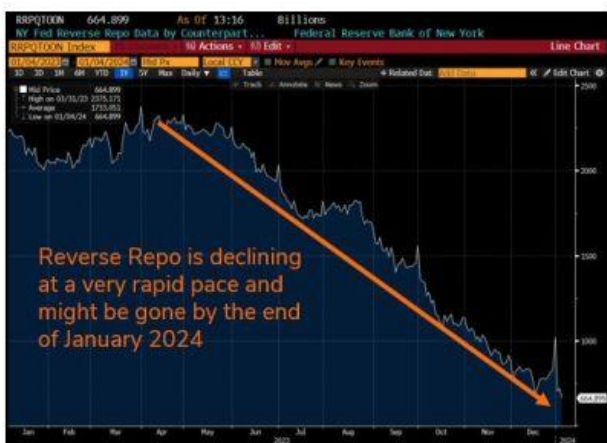
Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg

## #centralbanks

### #us #federal-reserve #reverse-repo

Bank of America Corp. expects the Federal Reserve to announce plans to begin tapering the runoff of its Treasuries holdings in March, coinciding with its first 25 basis points interest-rate cut.

- The Reverse Repo ("RRP") is de facto QE-infinity \$ printed during 2020-21 that was sitting dormant. It's now being used to buy up US Treasuries. Problem: it is declining at a very rapid pace and might be gone by the end of January 2024.
- Something needs to be done to preserve QB / liquidity.
- This is why the Fed is now thinking about slowing down the pace of QT. Over the week-end, Dallas Fed chief Logan said the Fed should slow Asset runoff as Reverse Repo dwindles
- 2024 is an election year and we expect net liquidity to be supportive for the economy, bond markets and risk assets



### Logan Says Fed Should Slow Asset Runoff as Reverse Repo Dwindles

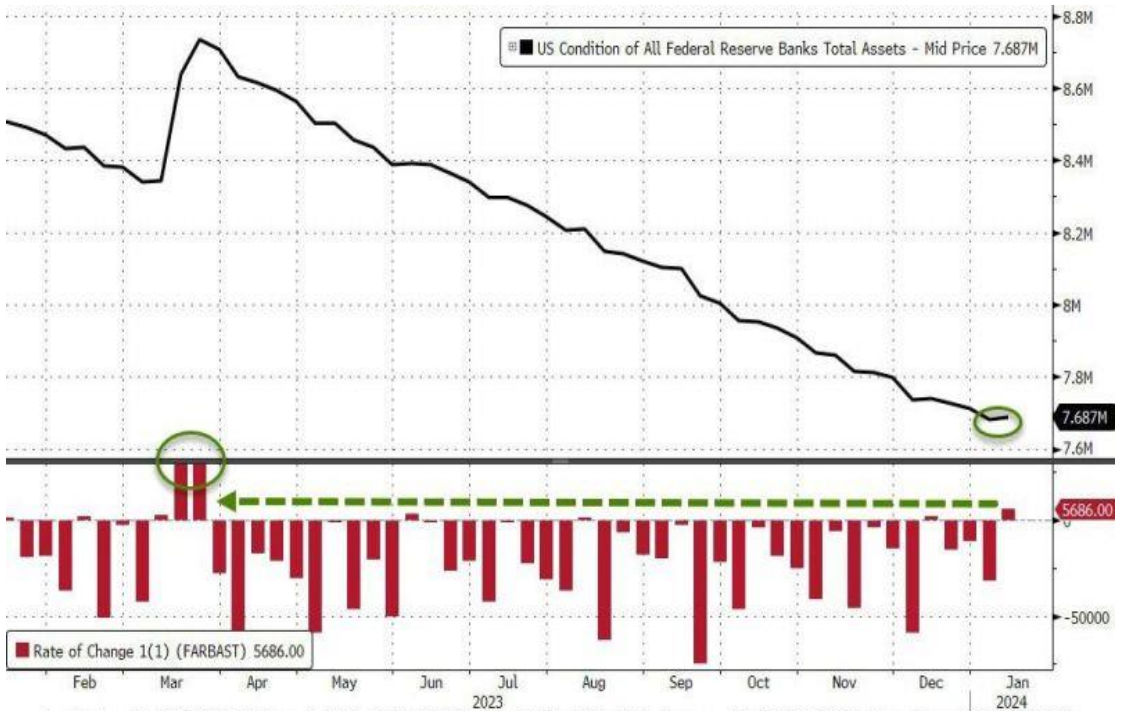
- Fed shouldn't rule out chance of another rate hike, Logan says
- Dallas chief warns easing financial conditions may fuel demand



#centralbanks

#us #federal-reserve #reverse-repo

The Fed balance sheet expanded last week by \$5.7BN - the most since March's SVB crisis...

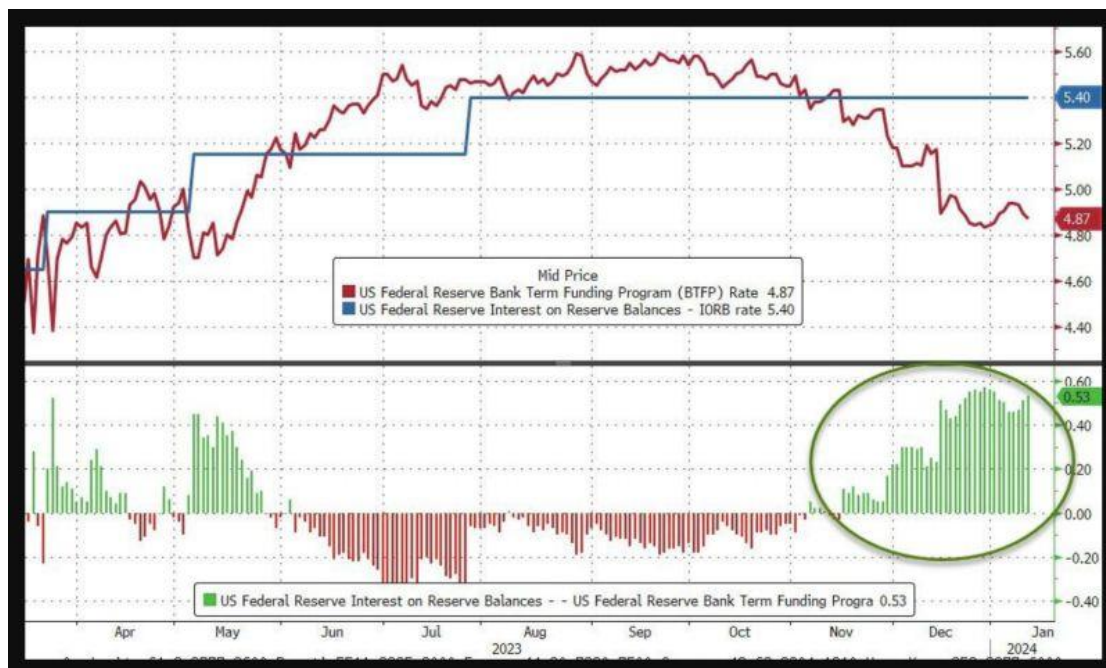


Source: Bloomberg, [www.zerohedge.com](http://www.zerohedge.com)

#centralbanks

#us #federal-reserve #btfp

Wondering by us bank stocks are doing well? Since the introduction of the Bank Term Funding Program (BTFP) in March, there is a nice arbitrage opportunity for banks - watch out on the chart below the gap between the rate on the Federal Reserve's nascent funding facility and what the central bank pays institutions parking reserves. Since March / SVB crisis, the BTFP-Fed Arb continues to offer 'free-money' to banks - and usage of the BTFP has risen by \$38BN since the arb started to exist.



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



## #bitcoin #weekly

Bitcoin ended the week marginally lower (after early week gains evaporated on 'sell-the-news' flow)...

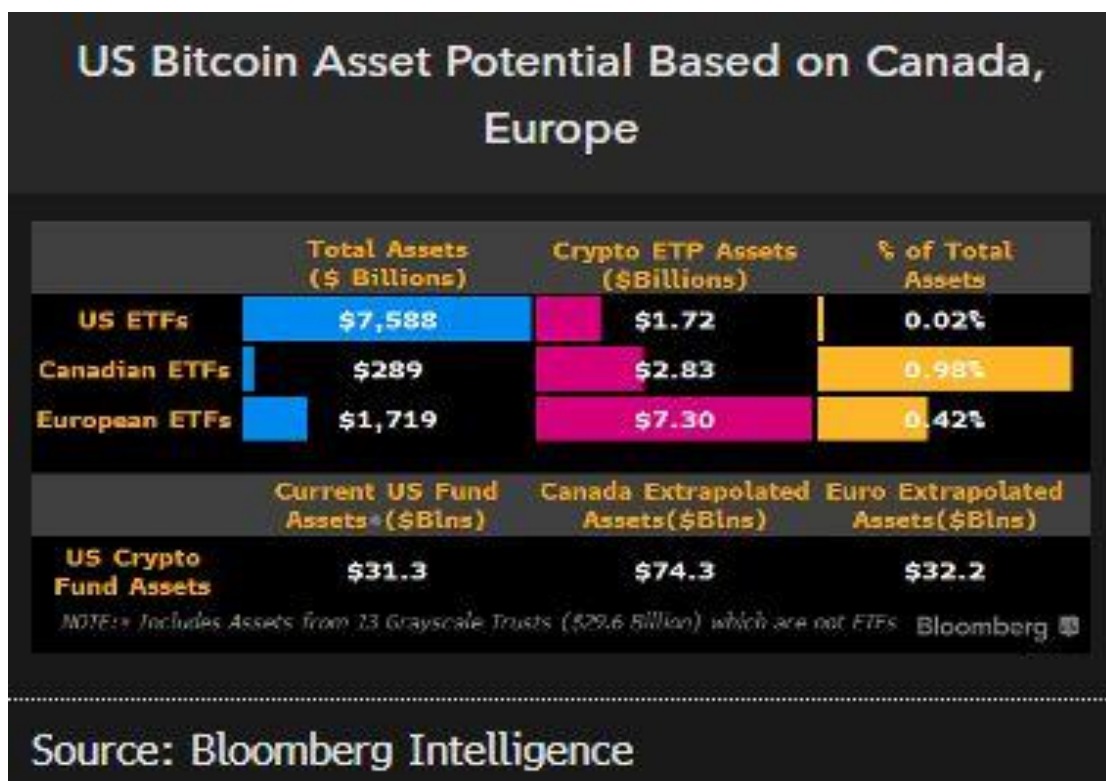


Source: Bloomberg, [www.zerohedge.com](http://www.zerohedge.com)



#bitcoin #etf

BlackRock may break the first-day flow record with a possible \$2 billion asset injection on the first day of trading for its US spot Bitcoin ETF, according to BI's senior ETF analyst Eric Balchunas. Seed funding could combine with grassroots interest to give it momentum in a race that includes up to 11 ETFs that we think could gather as much as \$4 billion on the first day, and \$50 billion of assets within two years.



Source: Eric Balchunas



## #bitcoin #etf

BREAKING: bitcoin spot ETF: the fee war has begun  
 Bitcoin ETF applicants are filing last-minute amendments to lower their fees 🙄  
 BlackRock's lowered to 0.30% 🙄  
 ARK lowered lowered to 0.25% 🙄  
 Wall Street is competing to offer cheap access to \$BTC...

Name	Ticker	Issuer	Fee (after Waiver)	Waiver Details	Exchange	Most Recent Filing
<i>"Physically" Backed</i>						
Grayscale Bitcoin Trust (Re-file) <i>Conversion</i>	GBTC	Grayscale	1.5%	None	NYSE	1/8/24
ARK 21Shares Bitcoin ETF (Re-filing)	ARKB	21Shares & ARK	0.0% (0.25%)	6 Months or \$1 Billion	CBOE	1/8/24
iShares Bitcoin Trust	IBIT	BlackRock	0.20% (0.30%)	6 Months or \$5 Billion	Nasdaq	1/8/24
Bitwise Bitcoin ETP Trust (Re-filing)	BITB	Bitwise	0.0% (0.24%)	6 Months & \$1 Billion	NYSE	1/8/24
VanEck Bitcoin Trust (Re-filing)	HODL	VanEck	0.25%	None	CBOE	1/8/24
Wisdomtree Bitcoin Trust (Re-filing)	BTCW	Wisdomtree	0.50%	None	CBOE	1/8/24
Invesco Galaxy Bitcoin ETF (Re-filing)	BTCO	Invesco & Galaxy	*0.0% (0.59%)	6 Months & \$5 Billion	CBOE	1/8/24
Fidelity Wise Origin Bitcoin Trust (Re-filing)	FBTC	Fidelity	0.39%	None	CBOE	1/8/24
Valkyrie Bitcoin Fund (Re-filing)	BRRR	Valkyrie	0.80%	None	Nasdaq	1/8/24
Hashdex Bitcoin ETF <i>Strategy Change</i>	DEFI	Hashdex	0.90%	None	NYSE	12/26/23
Franklin Bitcoin ETF	EZBC	Franklin	0.29%	None	CBOE	1/8/24

Source: Bloomberg Intelligence, SEC.gov Bloomberg

Source: The Kobeissi Letter, Bitcoin Magazine





#cryptos

## #bitcoin #etf

### Bidding War

#### BTC ETF fees

Manager	Fund Name	Fee
Bitwise Investment Advisers	Bitwise Bitcoin ETF	0.20%*
ARK Invest / 21 Shares	ARK 21 Shares Bitcoin ETF	0.21%
VanEck Digital Assets	VanEck Bitcoin Trust	0.25%
BlackRock	iShares Bitcoin Trust	0.25%*
Fidelity	Fidelity Wise Origin Bitcoin Fund	0.25%
Franklin Templeton	Franklin Bitcoin ETF	0.29%
WisdomTree	WisdomTree Bitcoin Fund	0.30%
Invesco / Galaxy	Invesco Galaxy Bitcoin ETF	0.39%*
Valkyrie Digital Assets	Valkyrie Bitcoin Fund	0.49%
Wilshire Phoenix Funds	WShares Bitcoin Fund	0.75%
Grayscale Investments	Grayscale Bitcoin Trust	1.50%

Source: Morgan Stanley

Source: Bloomberg



## #bitcoin #etf

### Global banking giant Standard Chartered says \$50-\$100 BILLION could flow into Bitcoin ETFs in 2024.



standard chartered

Digital Assets

Global Research  
8 January 2024

#### Bitcoin – Price upside from US spot ETF approval

- The US SEC is expected to approve spot ETFs for Bitcoin imminently
- ETF approval could create significant BTC price upside, based on the historical experience of gold ETPs
- We see price gains materialising faster for BTC than for gold as BTC ETF market matures more quickly
- We look for USD 50-100bn of inflows to Bitcoin ETFs in 2024, opening up potential for BTC to reach the USD 200,000 level by end-2025

##### Go with the flow

The US Securities and Exchange Commission (SEC) is expected to approve spot ETFs for Bitcoin (BTC) as soon as this week. ETF approval is a key driver of BTC price upside, as we recently outlined (*Bitcoin – On track for USD 100,000 level by end-2024*). We see this as a watershed moment for normalising Bitcoin participation by institutional money, and we expect approval to drive significant inflows and price upside for BTC.

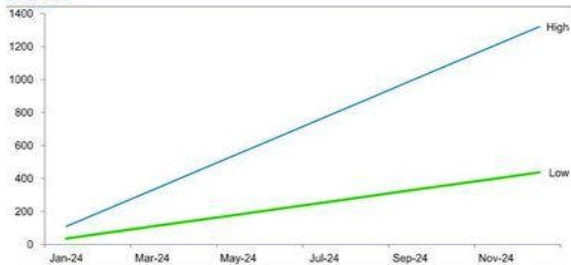
**Geoff Kendrick**  
+44 20 7885 6175  
Geoffrey.Kendrick@sc.com  
Head of FX Research, West, and Digital Assets Research  
Standard Chartered Bank

To gauge how big a driver this might become, we use the introduction of the first US-based gold ETP (in November 2004) as a point of comparison. The price of gold rose 4.3x in the seven to eight years it took for gold ETP holdings to mature after the first ETP was introduced.

**Suki Cooper**  
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Suki.Cooper@sc.com  
Precious Metals Analyst  
Standard Chartered Bank NY Branch

We expect Bitcoin to enjoy price gains of a similar magnitude as a result of US spot ETF approval, but we see these gains materialising over a shorter (one- to two-year) period, given our view that the BTC ETF market will develop more quickly. This is consistent with our end-2024 view of Bitcoin at the USD 100,000 level. If ETF-related inflows materialise as we expect, we think an end-2025 level closer to USD 200,000 is possible. This assumes that between 437,000 and 1.32mn new bitcoins will be held in spot US ETFs by end-2024. In USD terms, this should be roughly USD 50-100bn.

Figure 1: Estimated 2024 inflows to spot BTC ETFs  
BTC '000



Source: Standard Chartered Research

If you are in scope for MiFID II and want to opt out of our Research services, please contact us.

Important disclosures and analyst certifications can be found in the Disclosures Appendix  
All rights reserved. Standard Chartered Bank 2024  
Issuer of Report: Standard Chartered Bank  
<https://research.sc.com>



Source: Bitcoin Archive



## #bitcoin #etf

Bitcoin \$BTC Spot ETFs could trade at an 8% premium relative to the underlying asset warns GTS market maker Reggie Browne.

# Spot-Bitcoin ETF To Trade at Eye-Popping 8% Premium, GTS's Browne Says

- ETF market maker says share price will diverge from underlying
- SEC to hold vote later this week on pending ETF filings



Could See Spot Bitcoin ETF 8% Above Fair Value: GTS's Browne

By [Emily Graffeo](#) and [Katie Greifeld](#)

January 8, 2024 at 3:01 PM CST

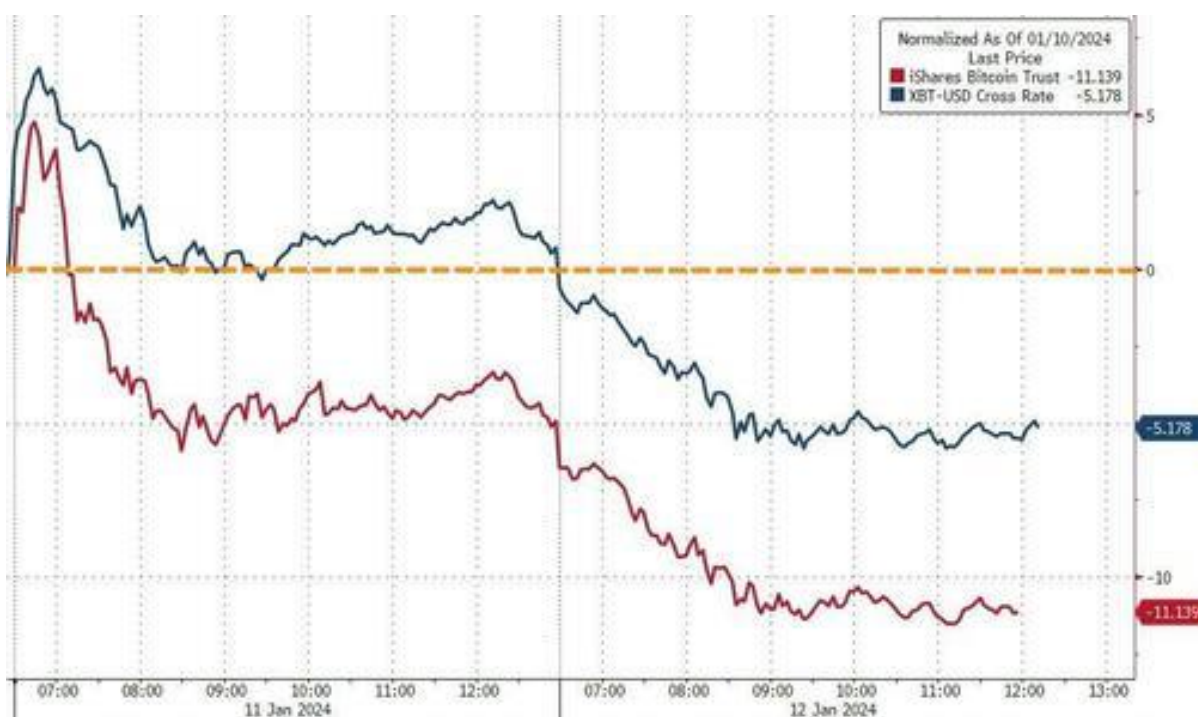
Source: Barchart





## #bitcoin #etf

IBIT - the iShares BTC ETF – has been underperforming during the first 2 days of trading.

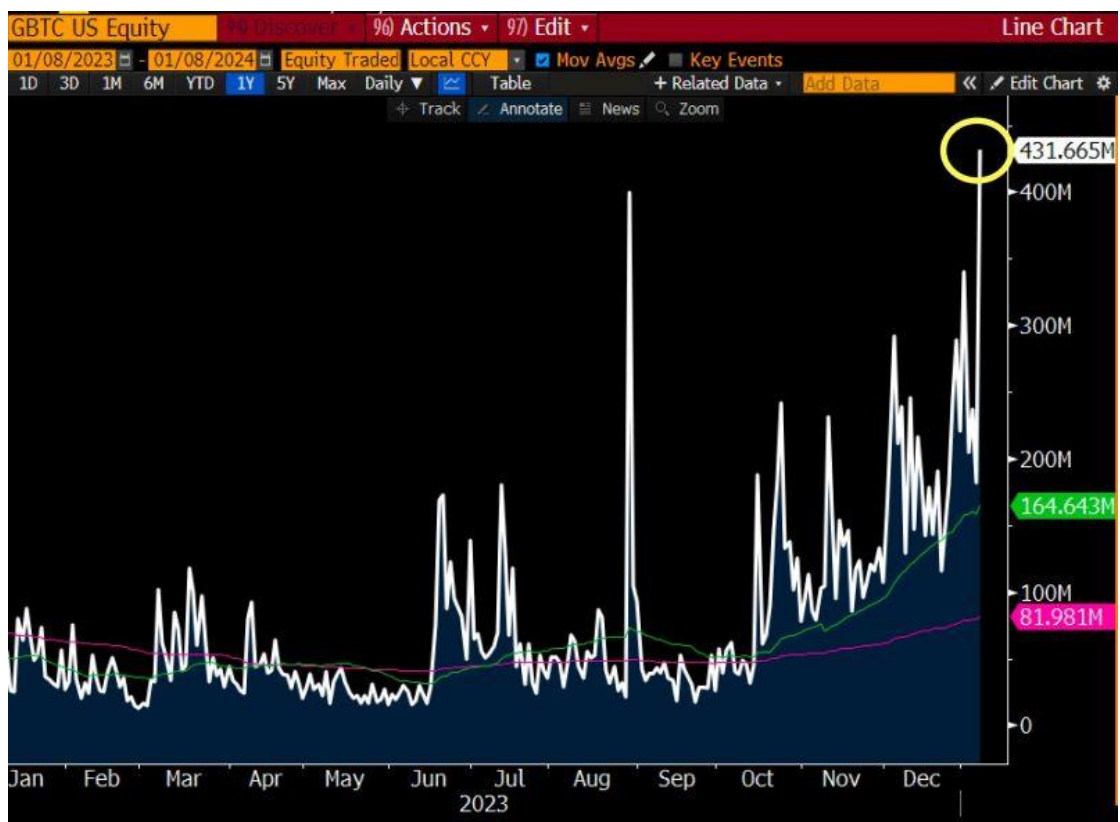


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #bitcoin #etf

Grayscale Bitcoin Trust \$GBTC traded close to half a billion on Monday, which is more than 99% of the 3000 current ETFs, and reminder that they are bringing a (volume) gun to a knife fight if they launch with everyone else. That said, the 1.5% fee will act as a repellent at a time when the big asset managers plan to launch spot BTC ETF at 0% or super low fees.



Source: Eric Balchunas, Bloomberg





## #bitcoin #etf

The first US ETFs that directly hold Bitcoin are off to a strong start, with billions of dollars changing hands in a historical first day of trading for the long-sought investment vehicles.



**Eric Balchunas** ✓  
@EricBalchunas

...

HOME STRETCH: \$IBIT has just passed \$1b in volume today (will break \$BITO's record) w/ group hitting \$4.3b or \$2.2b ex-GBTC (which isn't 'new' per se). Also good sign to see 4 issuers over \$100m. Strong middle class in the works. Easily the biggest Day One splash in ETF history.

TICKER	VOLUME \$MM
IBIT	1009.2
FBTC	673.7
ARKB	275.6
BITB	120.3
EZBC	65.2
BTCO	44.6
HODL	24.8
BRRR	9.0
BTCW	6.4
DEFI	4.2
GBTC	2093.8
SPOT TOTAL	4326.8
SPOT TOTAL ex GBTC	2232.9
BITO	1874.2
WHOLE COMPLEX	6201.0



#cryptos

### #bitcoin #etf

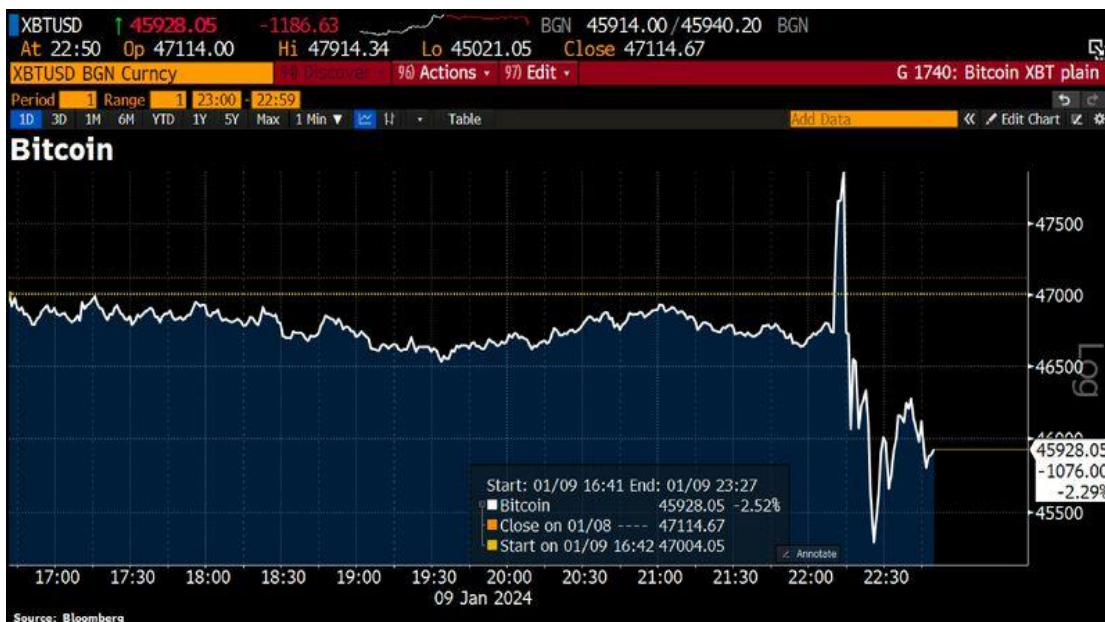
Interesting tweet by X Safety with regards to yesterday evening fake news around bitcoin spot ETF approval by SEC. A bit worrying as well... let see what internal investigation will reveal





## #bitcoin #SEC

Bitcoin on a roller coaster after SEC drama. Shortly after the market close on Tuesday, the SEC's X account posted an announcement that it had approved bitcoin ETFs to begin trading, something that has been widely anticipated by the crypto market. That post was made by an imposter and was deleted soon after. About 15 minutes after SEC's imposter post, SEC chair Gary Gensler said from his X account that no bitcoin ETFs had been approved. "The SEC's @SECGov X/Twitter account has been compromised. The unauthorized tweet regarding bitcoin ETFs was not made by the SEC or its staff," an SEC spokesperson told CNBC.



Source: Bloomberg, CNBC, HolgerZ







## #bitcoin #performance

HOLDERS have been nicely rewarded over the last few years

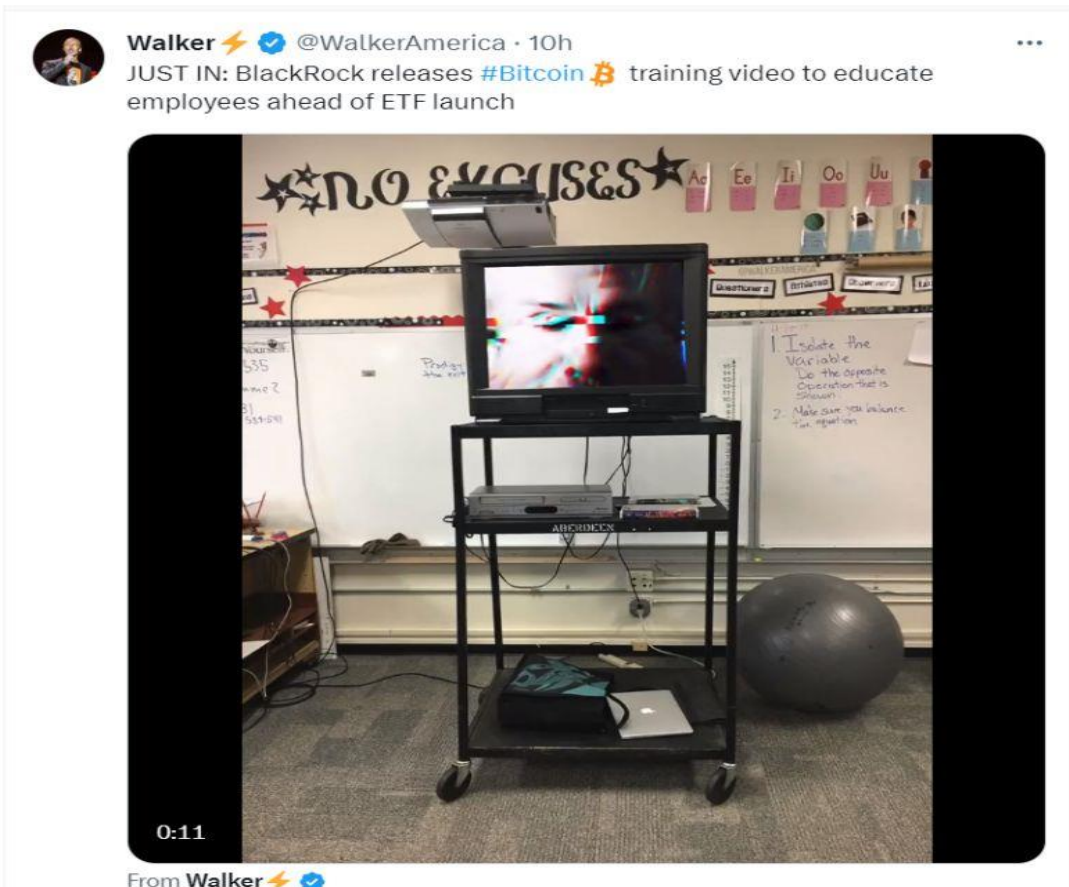
	Bitcoin	Gold	S&P 500
1 year:	+164%	+8%	+20%
2 year:	+8%	+12%	+1%
3 year:	+24%	+10%	+25%
4 year:	+466%	+31%	+45%
5 year:	+1,165%	+58%	+83%
6 year:	+241%	+53%	+71%
7 year:	+5,688%	+70%	+109%
8 year:	+10,491%	+87%	+148%
9 year:	+18,528%	+65%	+134%
10 year:	+5,156%	+62%	+158%
11 year:	+322,265%	+22%	+223%
12 year:	+693,935%	+24%	+267%
13 year:	+14 million%	+47%	+269%
14 year:	+6.7 billion%	+78%	+314%

<https://casebitcoin.com>



## #bitcoin #education

The approval of 11 bitcoin spot ETF by the SEC is going to accelerate adoption of cryptocurrencies by Wall Street (and Main Street). Adoption rhymes with education and this is precisely what the big guys are currently doing -> training their staff to better understand, explain and promote crypto products & solutions to their clients.



#cryptos

### #assetmanager #humor

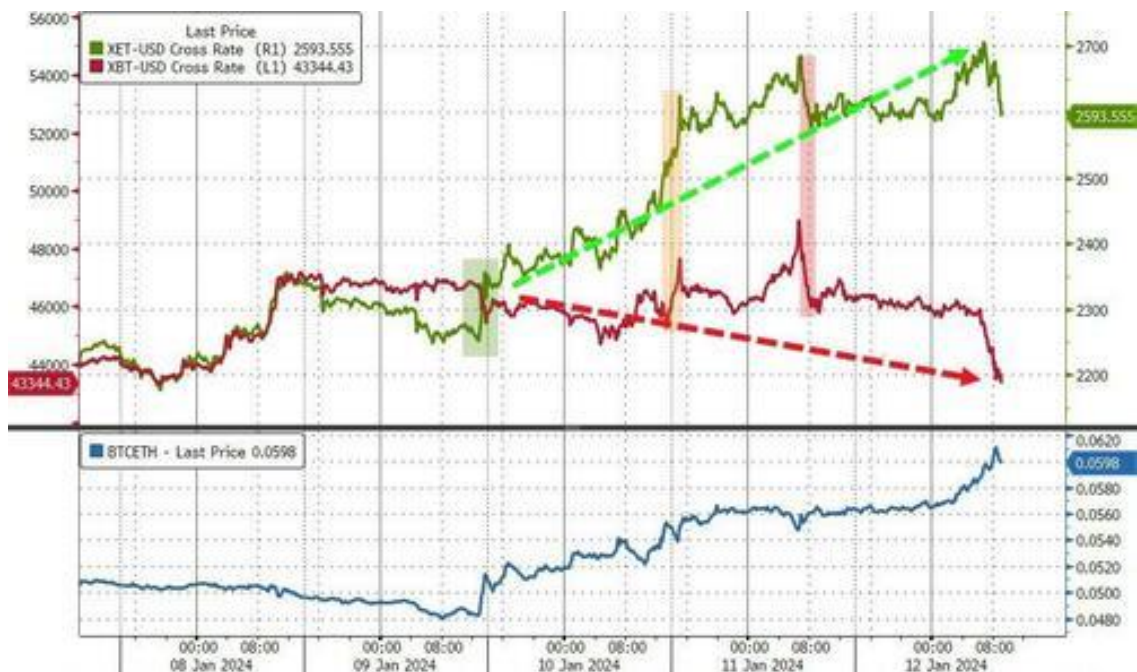
According to Darwin's Origin of Species, the species that survives is the one that is able best to ADAPT and ADJUST to the changing environment in which it finds itself. See below the twitter profile of Franklin Templeton, a 77 years old asset manager with \$1.5T assets under management.





## #eth #performance

Ethereum soared 16% (its best week since January 2023) and massively outperformed BTC as traders are positioning ahead a potential ETH spot ETF.



Source: www.zerohedge.com, Bloomberg

#food-for-thought

## #warren-buffett #investing

### The 12 Tenets of the Warren Buffett Way

#### The 12 Tenets of the Warren Buffett Way

##### **Business Tenets**

1. Is the business simple and understandable?
2. Does the business have a consistent operating history?
3. Does the business have favourable long-term prospects?

##### **Management Tenets**

4. Is management rational?
5. Is management candid with its shareholders?
6. Does management resist the institutional imperative?

##### **Financial Tenets**

7. What is the ROE?
8. What are the company's "owner's earnings"?
9. What are the profit margins?
10. Has the company created at least \$1 of market value for every dollar retained?

##### **Market Tenets**

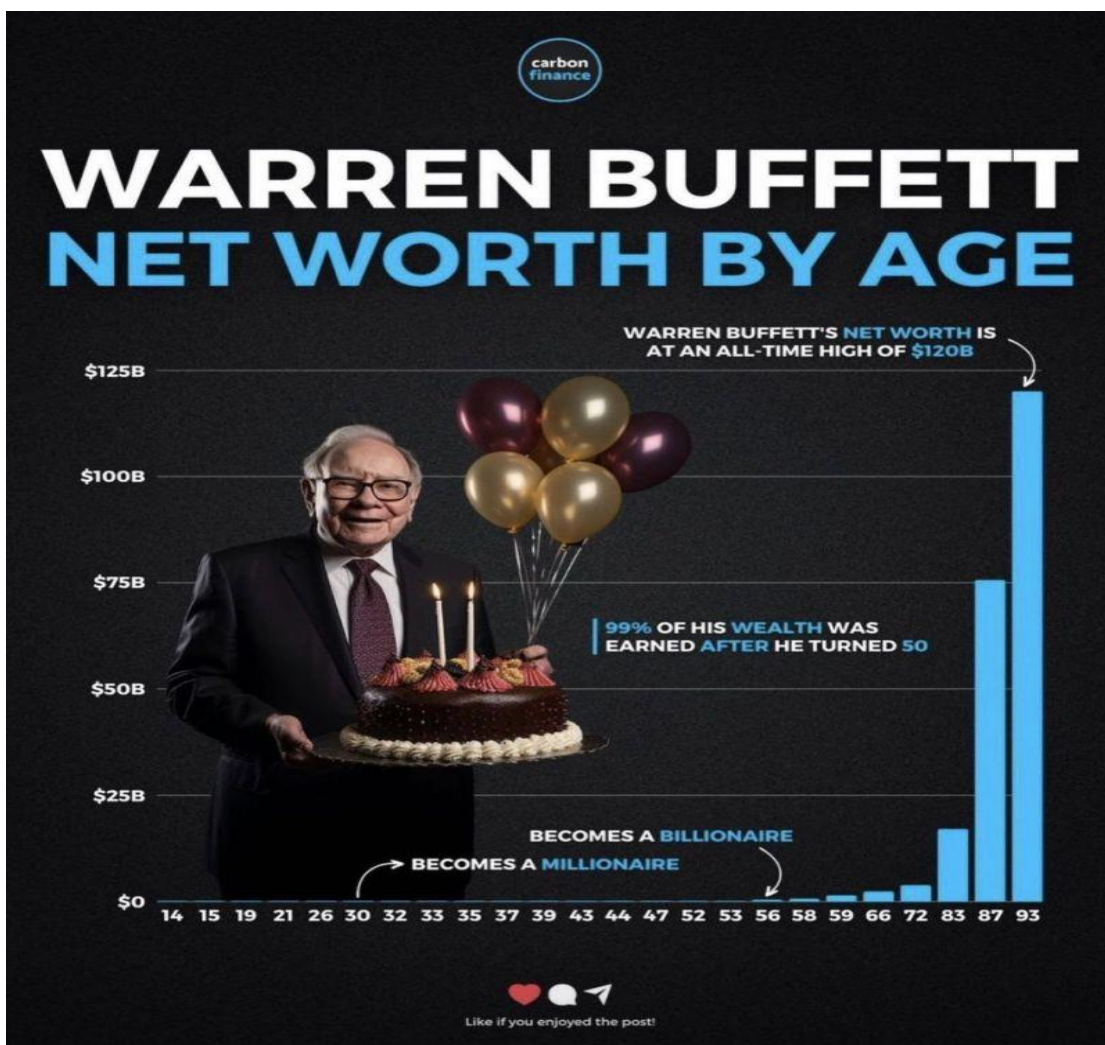
11. What is the value of the business?
12. Can the business be purchased at a significant discount to its value?

Source: Investment Books (Dhaval)

#food-for-thought

#warren-buffet #investing

Warren Buffett became a Millionaire at the age of 30 and a Billionaire at 56. Here's Warren Buffett's net worth by age



Source: Evan

#food-for-thought

#charts #investing

Why investors should embrace risk in one chart by Charlie Bilello:

Annualized Volatility since 1928...

Stocks: 19.6%

Bonds: 7.7%

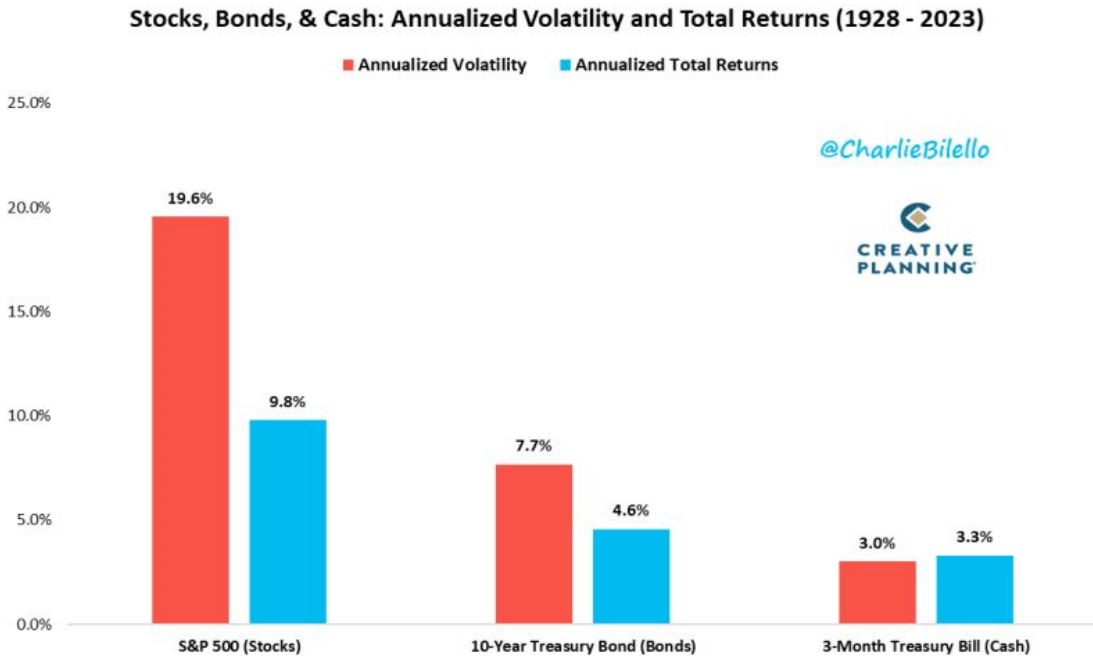
Cash: 3.0%

Annualized Returns since 1928...

Stocks: +9.8%

Bonds: +4.6%

Cash: +3.3%

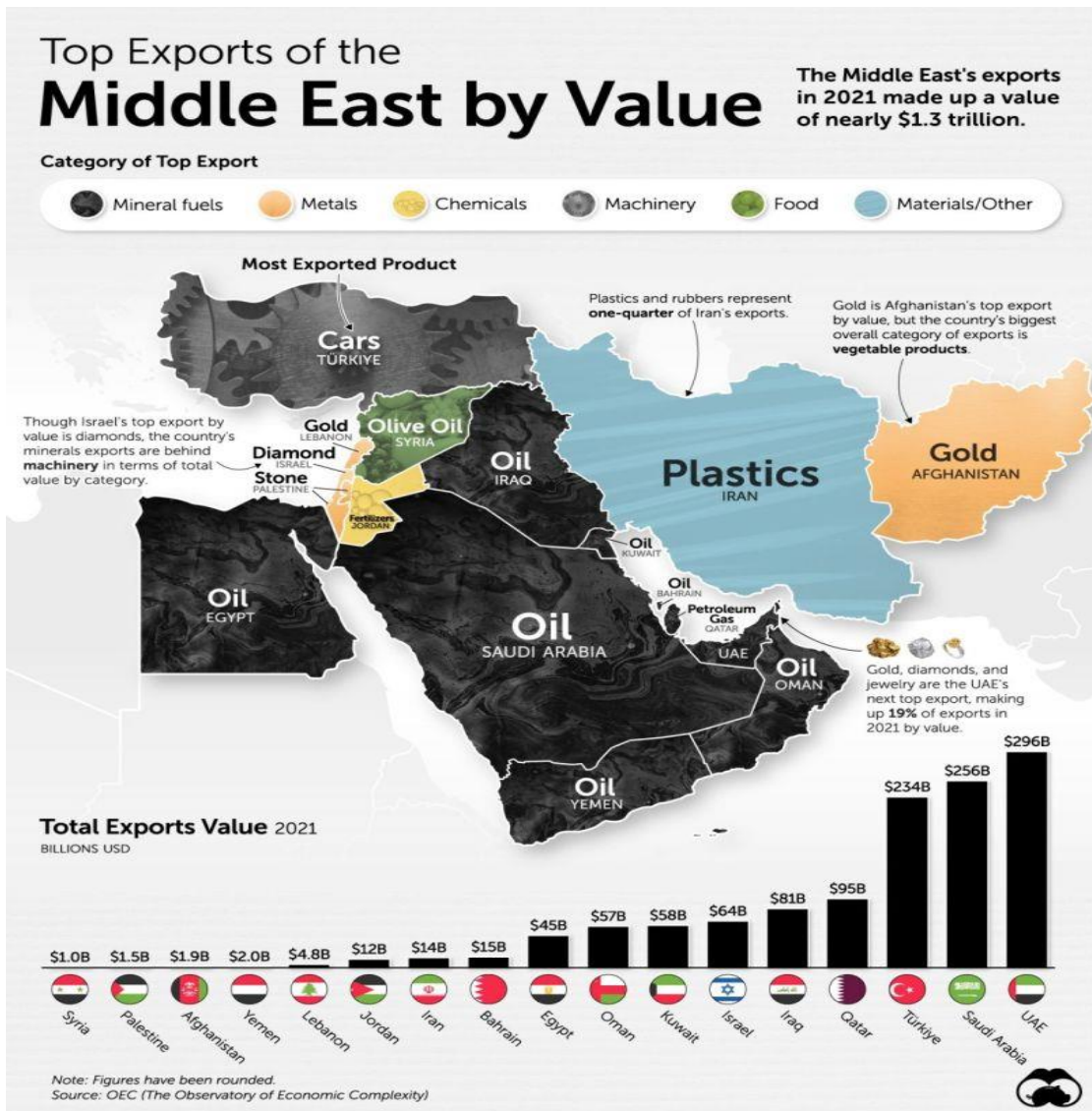


Source: Charlie Bilello

#food-for-thought

#middle-east #exports

Mapped: The Top Middle East Exports by Country 



Source: OEC



#food-for-thought

## #inflation #CPI

You can measure the concrete effects of inflation on your purchasing power over time by using this CPI Inflation calculator (This applies to the US only)

### CPI Inflation Calculator

\$

in

has the same buying power as

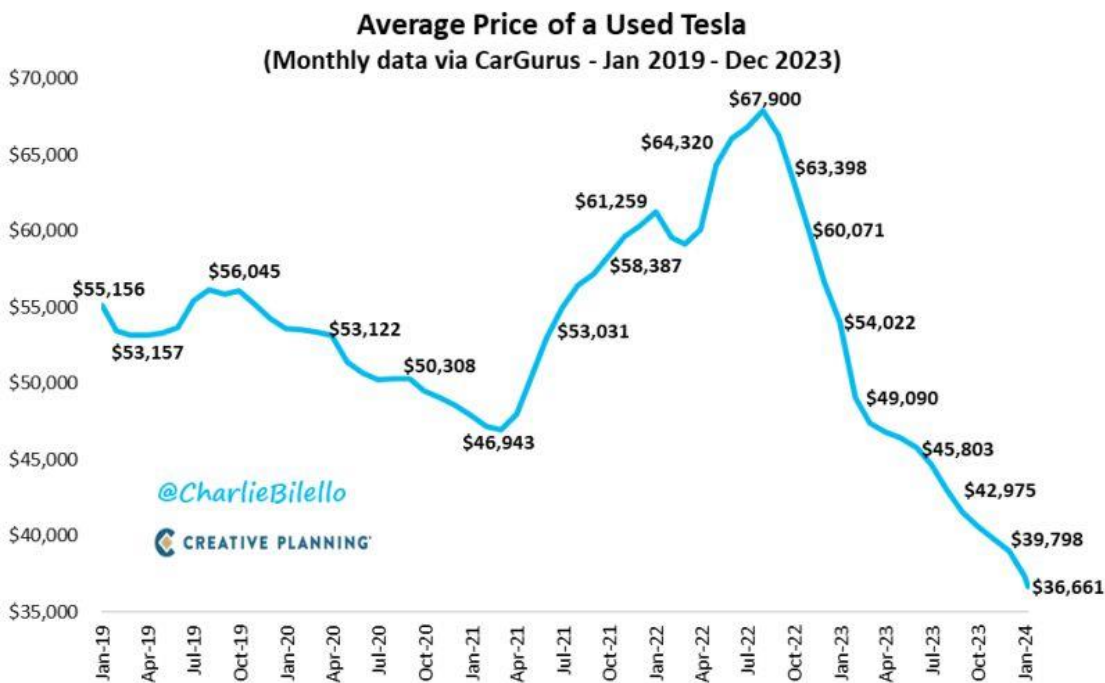
in

Source: <https://lnkd.in/eFFzyTpu>

#food-for-thought

#tesla #used #prices

The average price of a used Tesla has declined 18 months in a row, moving from a record high of \$67,900 in July 2022 to a record low of \$36,661 today (-46%). \$TSLA

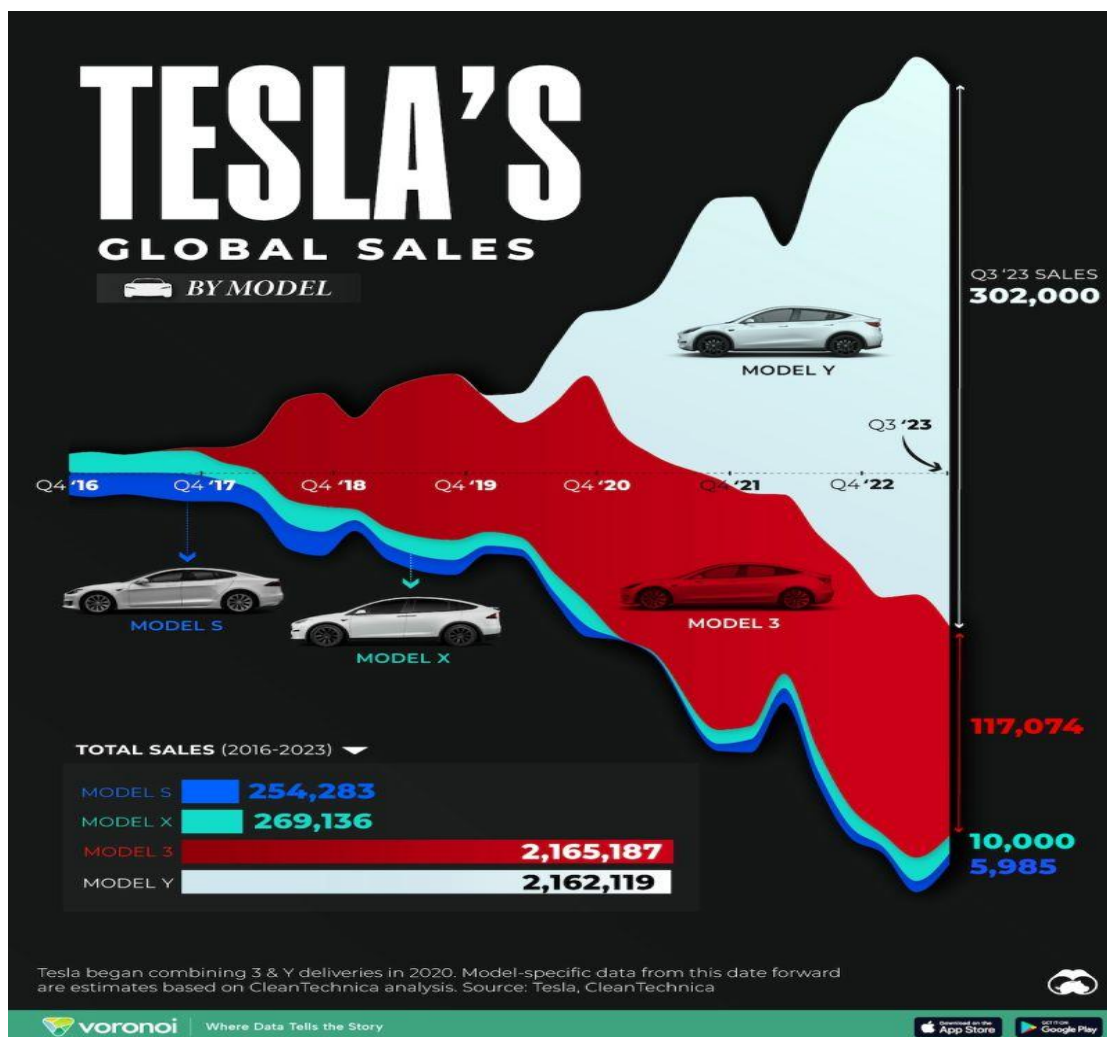


Source: Charlie Bilello

#food-for-thought

## #tesla #models #evolution

Tesla's Global Sales By Model and Year (2016–2023). In the last five years, Tesla stock has exploded upwards more than 800%.



Source: voronoi, visualcapitalist

### #food-for-thought

## #nostalgia #blackberry

If you're looking for a touch of nostalgia, this startup turns your iPhone into a BlackBerry-era relic. Clicks Technology is today unveiling the Clicks creator keyboard for the iPhone. The Clicks keyboard brings the "benefits" of touch and typing together. By moving the keyboard off the display when typing, Clicks almost doubles the available screen. Now, you can feel the physical pain in your fingers as you type out your memoirs on the go. Keyboard shortcuts are another "innovation" coming with Clicks. iPhone users can now use shortcuts like CMD + H to navigate to the home screen, or CMD + Space to launch Search. Clicks connects directly to iPhone through Lightning or USB-C.



Source: axios

#food-for-thought

### #diversification #warren-buffett

After Bill Gates became friends with Warren Buffett, he began to diversify his portfolio and sold Microsoft shares. Bill Gates' fortune today is 138 billion dollars, if he hadn't diversified it would be 1.33 trillion dollars.




Source: alex\_avoigt

#food-for-thought

## #investing #humor

A funny one by r/wallstreetbets







**r/wallstreetbets** 5 hr. ago  
Kyrneh-1234

[Join](#) ...

### Is it insider trading if I bought Boeing puts while I am inside the wrecked airplane?

**Discussion**

Purely hypothetical of cause:  
Imagine sitting in an airplane when suddenly the fucking door blows out.  
Now, while everyone is screaming and grasping for air, you instead turn on your noise-cancelling head-phones to ignore that crying baby next to you, calmly open your robin-hood app (or whatever broker you prefer, idc), and load up on Boeing puts.  
There is no way the market couldve already priced that in, it is literally just happening.  
Would that be considered insider trading? I mean you are literally inside that wreck of an airplane...  
On the other hand, one could argue that you are also outside the airplane, given that the door just blew off...

 12K   810 

Source: Oktay Kavrak, CFA

#food-for-thought

#samaltman #ai

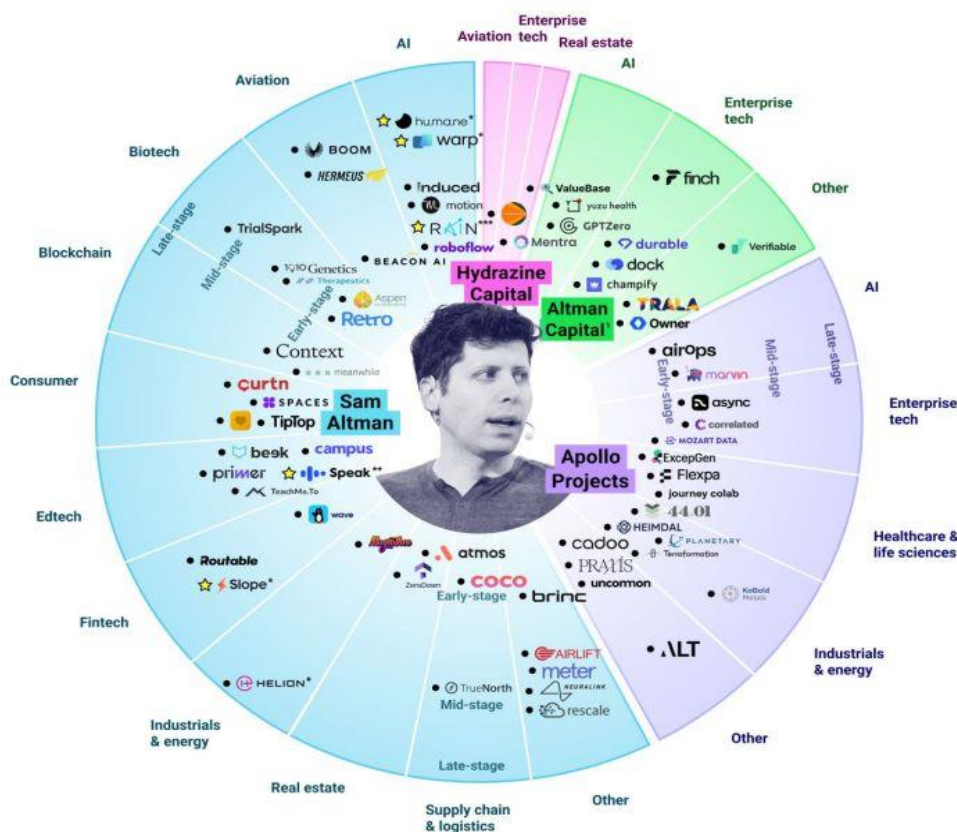
OpenAI CEO Sam Altman is one of the best angel investors and entrepreneurs.



Sam Altman's investment web

We mined and mapped CB Insights data to shine a light on the companies Sam Altman and related entities have invested in since 2019.

☆ Indicates a relationship with OpenAI



Source: CB Insights. Data as of 12/7/2023.  
 \*Disclosed publicly that it's powered by OpenAI.  
 \*\*OpenAI Startup Fund invested in Speak's Series B.  
 \*\*\*OpenAI signed letter of intent in 2019 to spend \$51M on Rain's chips.  
 \* Microsoft signed a power purchase agreement to buy electricity from Helion in 2028.  
 † Sam Altman is an LP in Altman Capital.

Photo by TechCrunch, CC BY 2.0



#food-for-thought

## #workplace #ranking

Glassdoor unveils the best places to work in 2024. Here are the top 10 companies.

1. Bain & Company, 4.8 out of 5
2. Nvidia, 4.7
3. ServiceNow, 4.6
4. MathWorks, 4.6
5. Procore Technologies, 4.6
6. In-N-Out Burger, 4.6
7. VMware, 4.5
8. Deltek, 4.5
9. 2020 Companies, 4.5
10. Fidelity Investments, 4.5

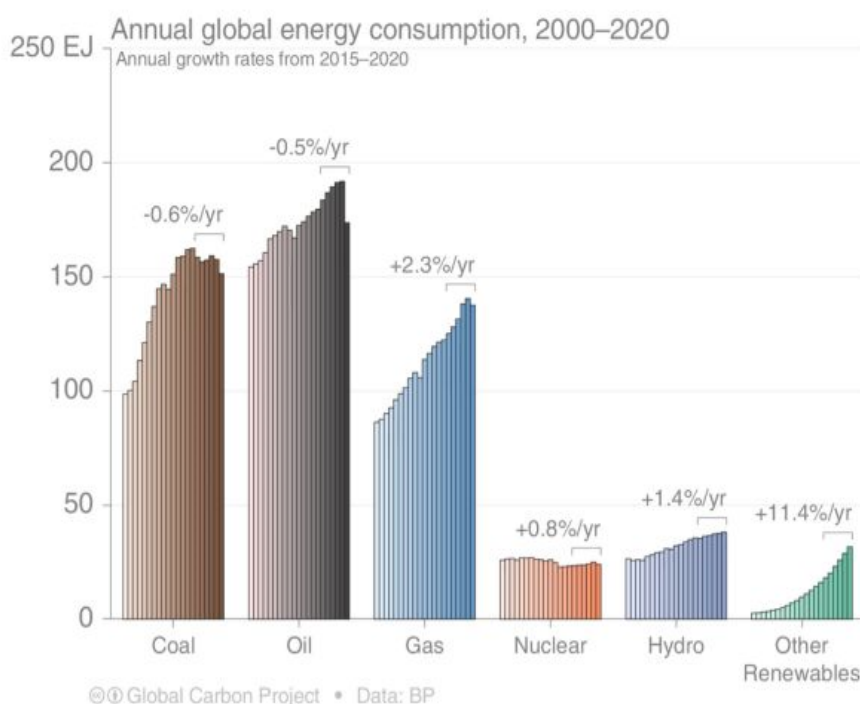




#food-for-thought

#energy #consumption

Global Energy Shock Graph (only till 2020 unfortunately)  
Life without fossil fuels is not for tomorrow



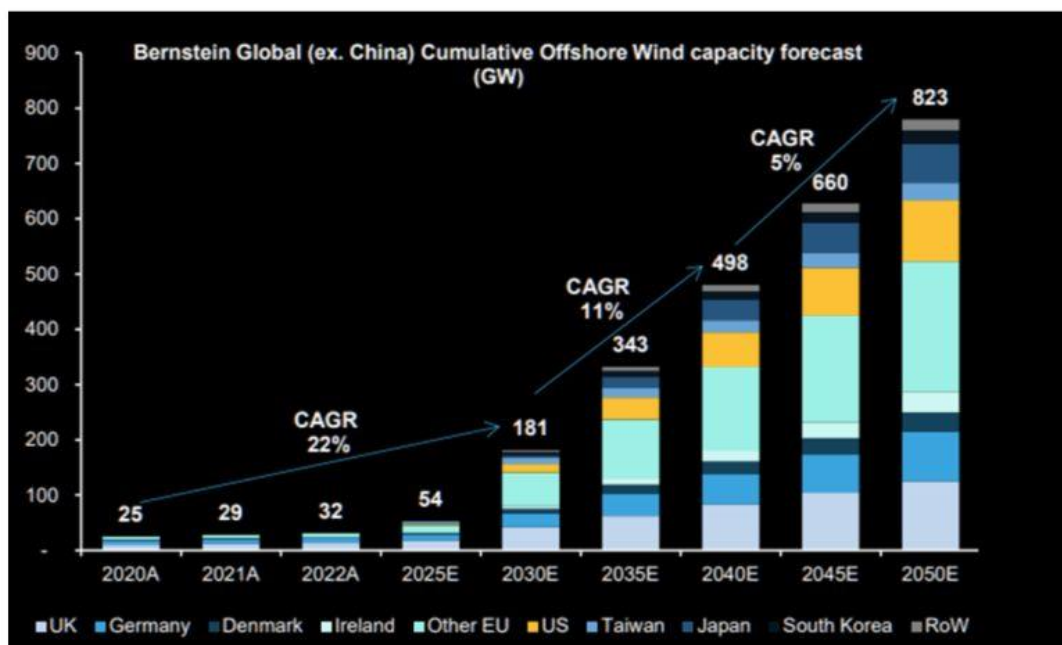
Source: Willem Middelkoop

#food-for-thought

#renewable #energy

While renewables energy have been a bug disappointment for investors over the last few years, long-term forecasts for offshore wind capacity remain quite attractive. Growth still remains strong at 22% CAGR until 2030, 11% CAGR between 2030 and 2040 and 5% CAGR between 2040 and 2050. In the next 12 months, more than 80GW of auctions will be started or concluded globally.

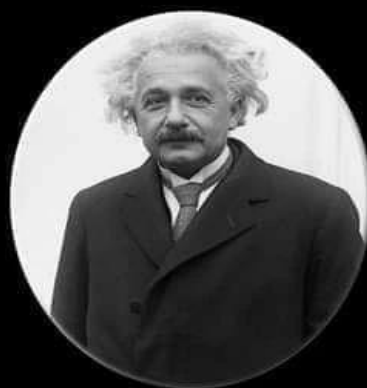
Offshore Wind



Source: Sanford Bernstein

#food-for-thought

#intelligence #einstein



**“The measure of  
intelligence is the  
ability to change.”**

— Albert Einstein

Source: Yasin Arafah

#food-for-thought

#comparison #creativity

Comparison kills creativity



Source: Adam Danyal

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**For the future...**