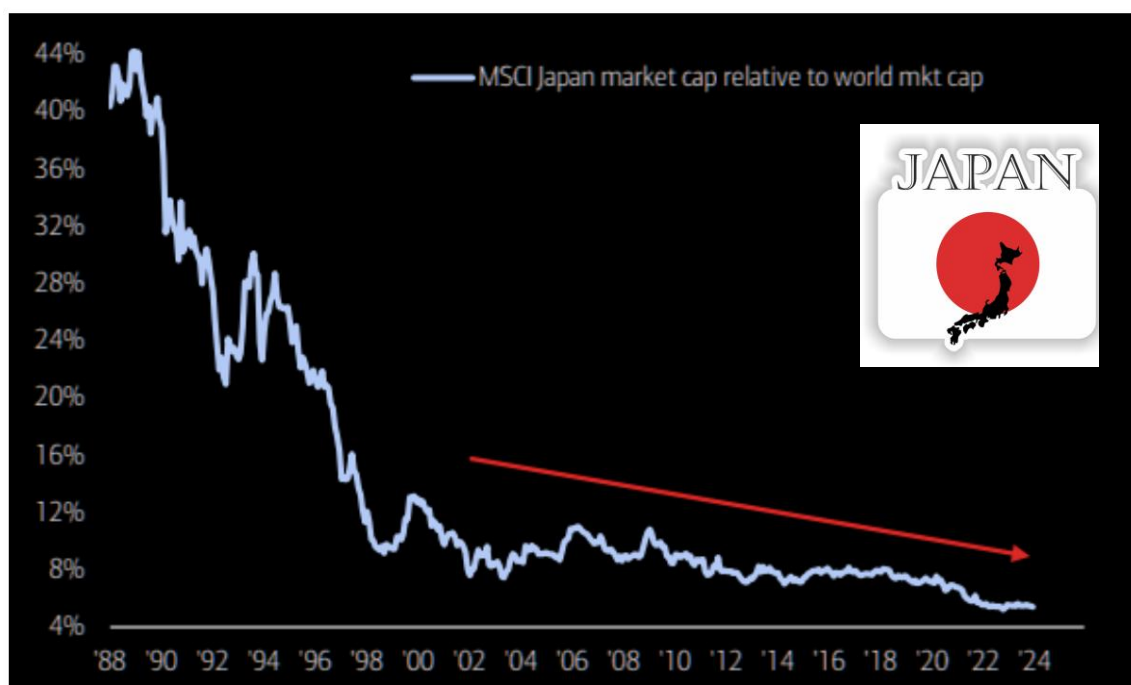


Chart of the week

UNDEROWNED, UNLOVED & UNDERVALUED

BofA: "Investors are structurally underweight Japan"-



Source: BofA

Source: TME, BofA

Equities end with narrow advance; bonds fell

US stocks ended mostly higher but the advance was narrow with technology stocks outperforming, helped by a rally in semiconductor shares. AI chip giant NVIDIA was particularly strong, as was rival AMD. On Tuesday, shares of Boeing fell sharply after the company reported earnings following an analyst downgrade. The week's data offered some starkly different pictures of the economy's health. On Tuesday, the New York Manufacturing index reached its lowest level since early in the pandemic. Conversely, Wednesday's December retail sales numbers easily exceeded expectations, up 0.6% in October, with online sales growing 1.5% and hitting a new record high. On Friday, the University of Michigan preliminary report of consumer sentiment jumped in January to its highest level in nearly three years and by the most since 2005, providing evidence that consumers finally believed that "inflation has truly turned the corner." Expectations for Fed rate cuts in 2024 fell sharply over the week, with futures markets pricing only a 13% chance of 7+ rate cuts in 2024 versus 61% the week before. Chances of a rate cut in March fell from 81% to 47%. The yield on the 10-year U.S. Treasury note rose sharply higher for the week and to its highest intraday level since December 12. In the rest of the world, the STOXX Europe 600 Index ended the week 1.58% lower. The Nikkei 225 Index gained 1.1% to reach a 34-year high. The Shanghai Composite Index fell 1.72%, its 8th weekly drop in the past 9.

#GLOBALMARKETS WEEKLY WRAP-UP

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#markets

#weekly-stats

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	37,864	0.7%	0.5%
S&P 500 Index	4,840	1.2%	1.5%
NASDAQ	15,311	2.3%	2.0%
MSCI EAFE*	2,171	-2.5%	-2.9%
10-yr Treasury Yield	4.13%	0.2%	0.2%
Oil (\$/bbl)	\$73.62	1.3%	2.7%
Bonds	\$98.02	-1.1%	-1.3%

Source: Edward Jones

#sp500 #all-time-high

JUST IN 🚨 : S&P 500 Soars to a New All-Time High

The S&P 500 finally joined the Nasdaq at new record highs, surpassing its record high close (4796.6 1/3/22) and intraday record high (4818.6 1/4/22)...



Source: www.zerohedge.com, Bloomberg



#sp500 #us #bonds

US equity markets melted up in the second-half of this holiday-shortened week, completely decoupling from the Treasury market - which saw yields rocket back higher, roundtripping the post-FOMC move entirely.



Source: www.zerohedge.com, Bloomberg





#sp500 #statistics

Less than 67% of S&P 500 stocks are now trading above their 200D moving average. Where will be the next move : higher ? lower ?



Source: barchart





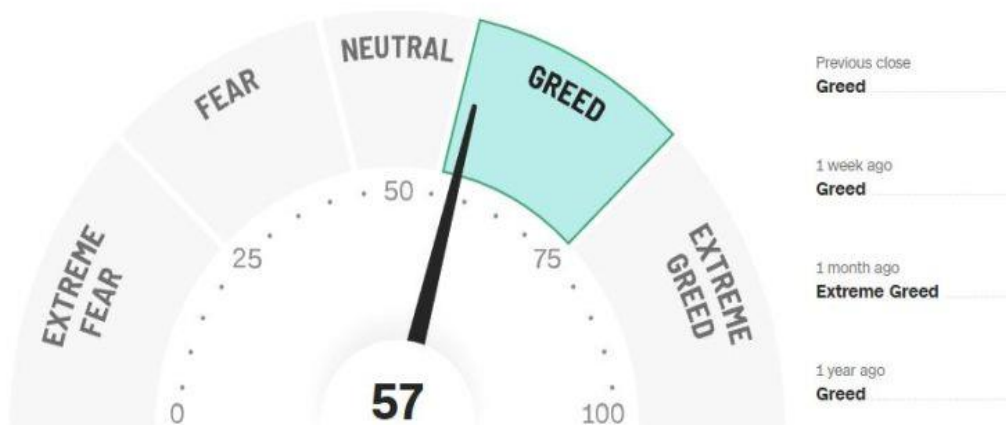
#us #equities #sentiment

Fear & Greed Index : 57 - The lowest Level in 2 Months

Fear & Greed Index

What emotion is driving the market now?

[Learn more about the index](#)



Last updated Jan 17 at 8:59:39 PM ET

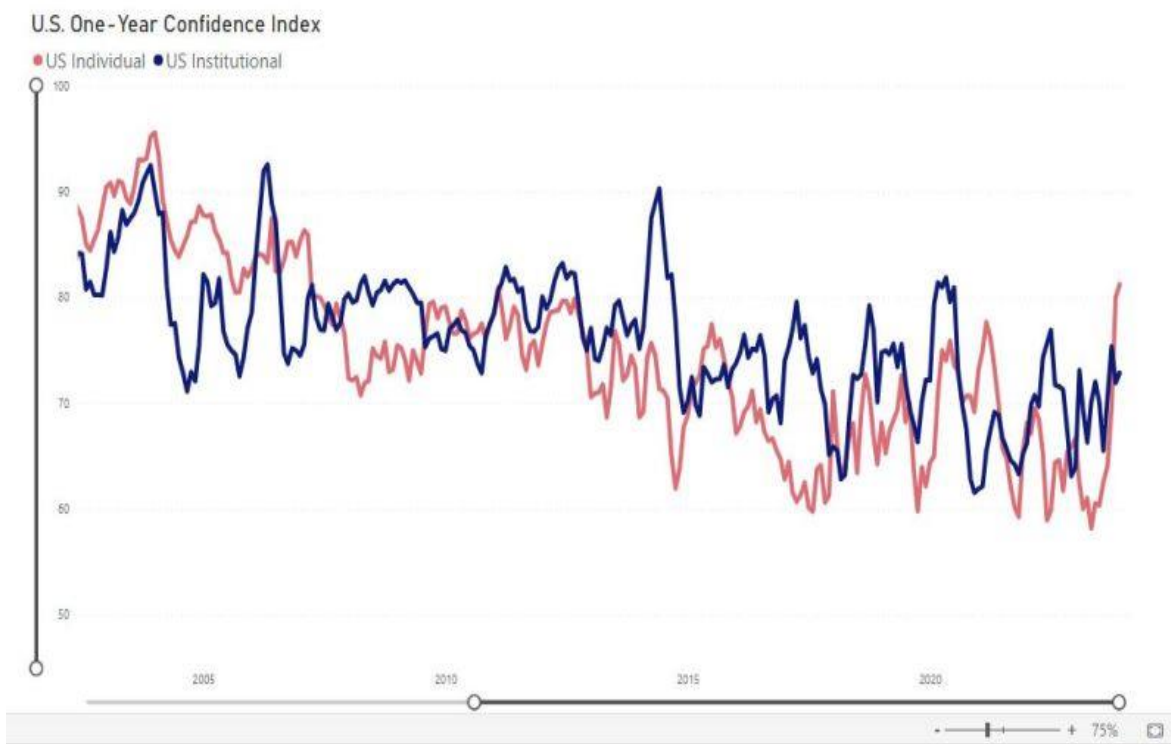
Source: cnsentiment





#us #equities #sentiment

Individual investors are feeling the most optimistic about stocks in nearly 17 years. Over 81% of individual investors believed the Dow would end the next year higher, according to the index's December reading. Institutional investors are slightly less optimistic, with 74% of saying the Dow will end in positive territory over the next year, the One-Year Confidence index shows, the highest reading in about 18 months.





#sp500 #positioning

Asset Managers are the most bullish on the S&P 500 since early 2021



Source: bloomberg, barchart



#qqq #seasonality

The market is in a seasonally weak period for another week. .

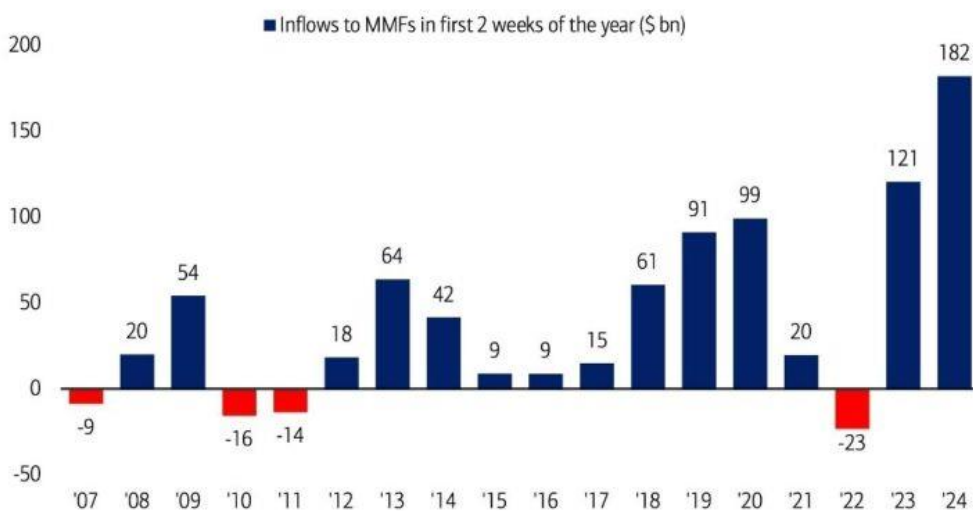




#moneymarket #funds

Fund flows do not sound "risk-on" at all... Money Market Funds have seen inflows of \$163 billion over the first 2 weeks this year, the highest amount EVER 🙌 There is a lot of dry powder on the sideline...

Chart 12: Record start to the year for inflows to MMFs
Cumulative inflow to MMFs in first 2 weeks of the year (\$bn)



Source: BofA Global Investment Strategy, EPFR

BofA GLOBAL RESEARCH

Source: BofA, Win Smart

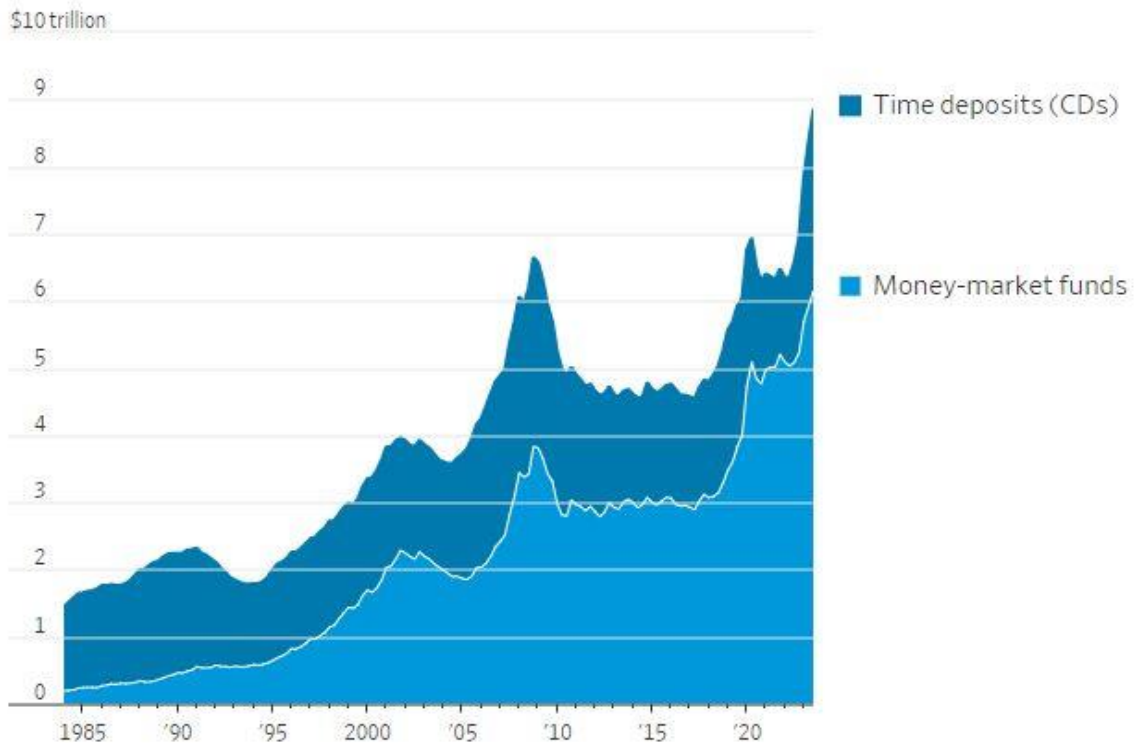




#moneymarket #timedeposits

Cash Assets Hit Record High 🚨 : Assets in money market funds and CDs hit \$8.8 Trillion, the highest amount in history. When interest rates eventually head lower, will this cash find its way into the equity markets?

Assets in money-market funds and CDs



Note: Quarterly, as of third-quarter 2023
Sources: Federal Deposit Insurance Corp.; Federal Reserve

Source: Barchart, Fed



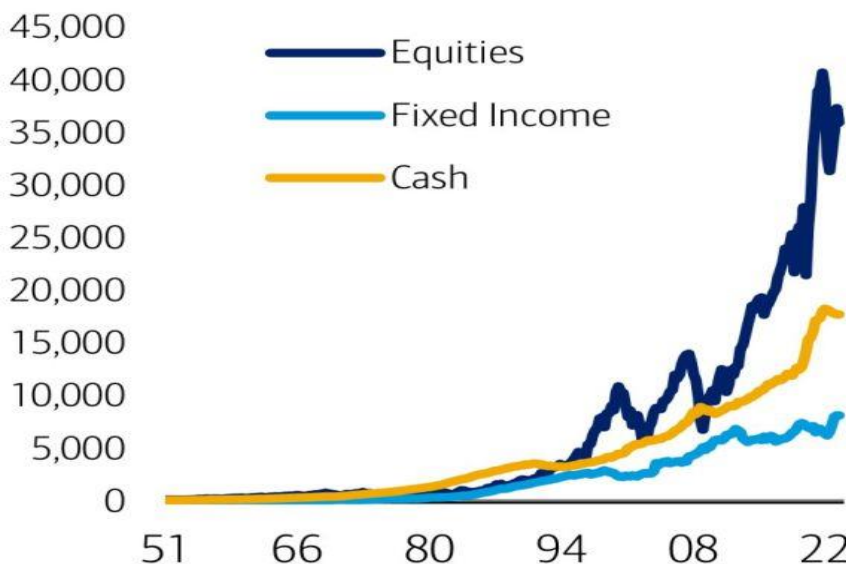
#macro

#us #household #positioning

B of A: “.. Following a year of investors bracing for a recession .. every type of US investor holds more cash and less equities. .. We see some inklings of warming sentiment toward equities .. but are far from levels of euphoria that would mark the end of a bull market.”

Exhibit 11: Households have \$18tn in cash, up from \$13tn pre-COVID

US household financial assets: equities, fixed income, cash



Source: BofA Research Investment Committee, Haver, Federal Reserve FoF

BofA GLOBAL RESEARCH

Source: Carl Quintanilla



#us #equities #valuations

The valuation gap between the S&P 500 \$SPX and the rest of the world continues to widen

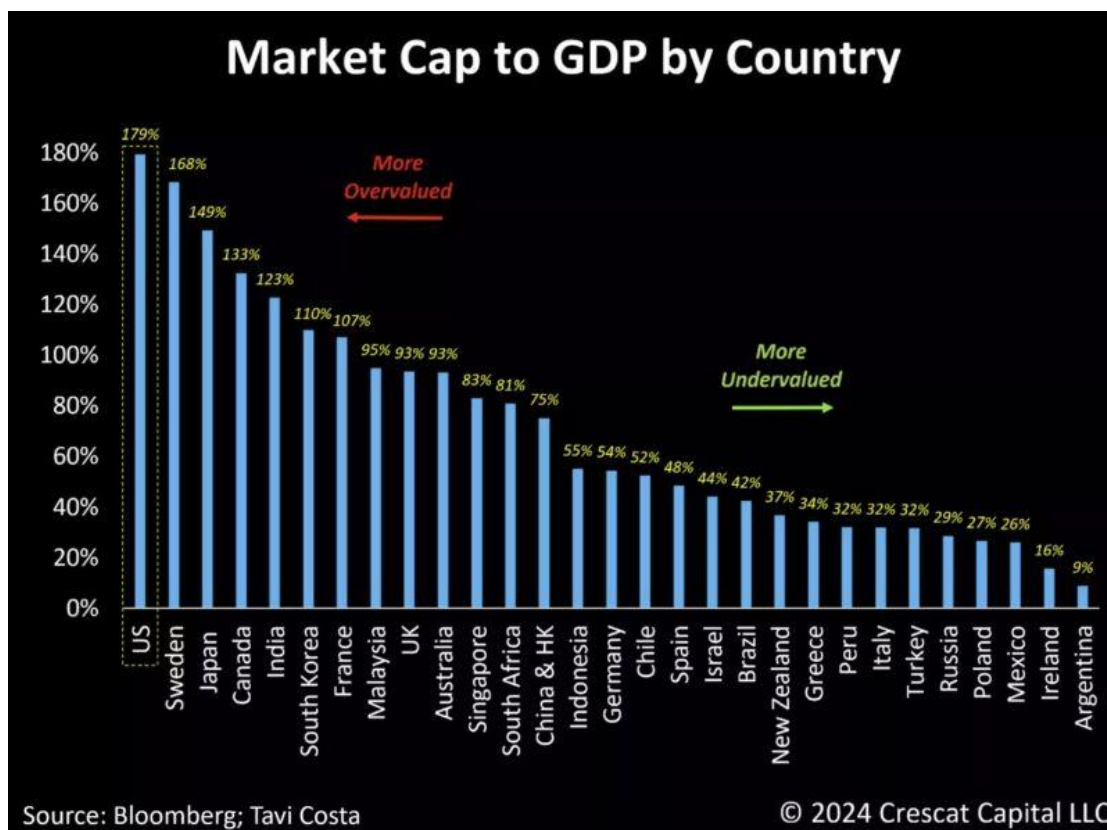


Source: FT, Barchart



#us #equities #valuations

The current macro environment across global equity markets presents a sharply divided investment setup for 2024 and the remainder of the decade.

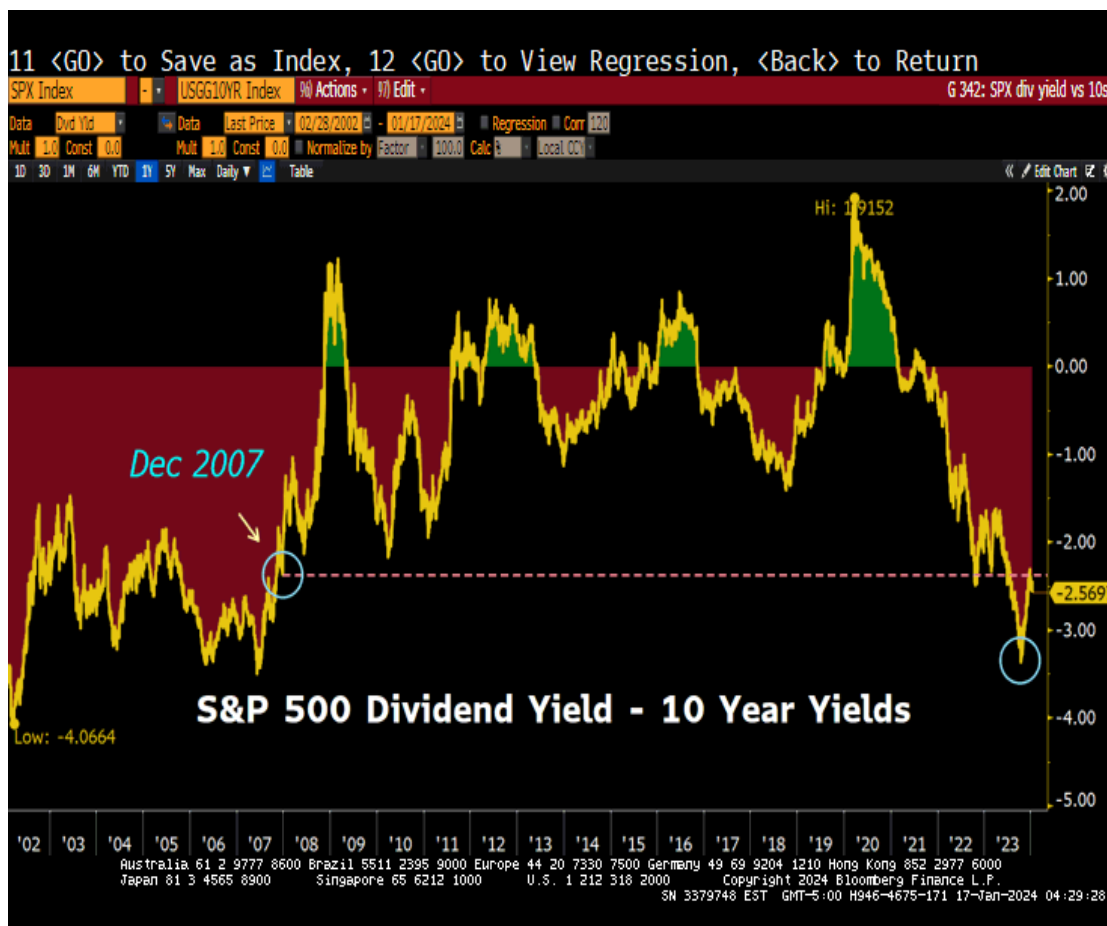


Source: Tavi Costa



#us #equities #valuations

Bonds vs. Stocks by Bastien Chenivresse. When comparing the sp500 dividend yield to the US 10 years yield over the past two decades, it appears bonds are more and more attractive vs. equities.



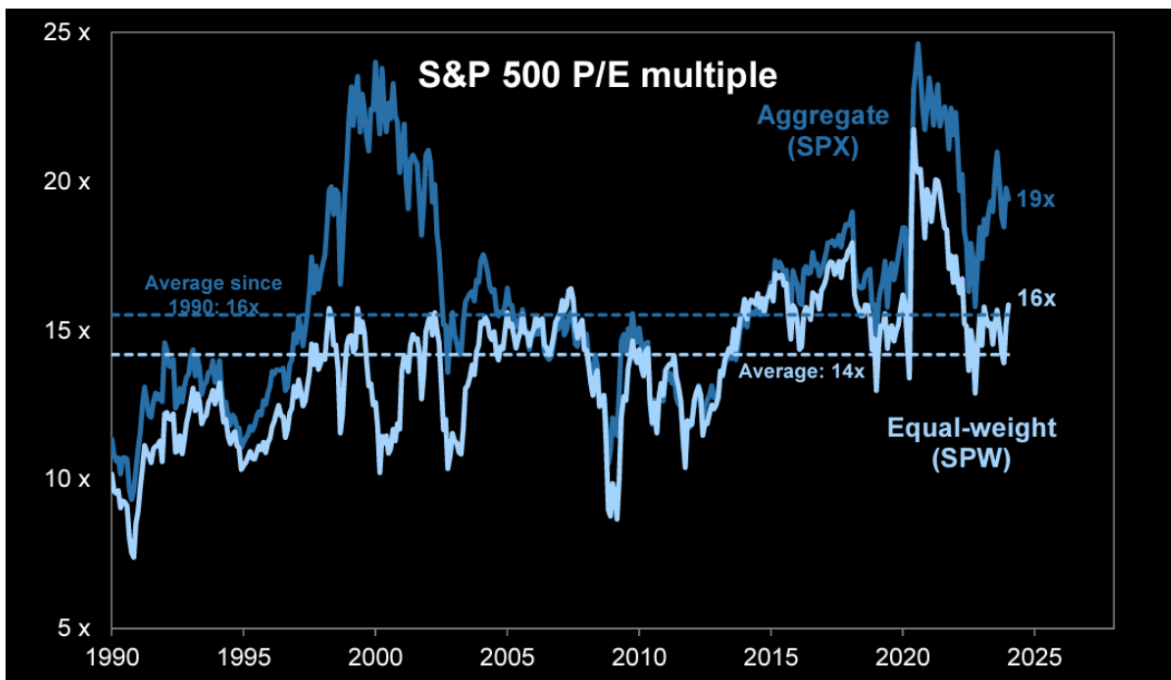
Source: Bloomberg



#us #equities #valuations

Aggregate index (SPX) trades at P/E of 19x vs. 16x for equal-weight index (SPW).

S&P 500 P/E multiple: aggregate vs. equal weight



Source: Goldman

Source: TME, Goldman



#ipos

You'd think there would be more IPOs considering how well stocks have been doing the past year+ all around the world... supply is clearly not an issue for tech stock market. Basically, we have huge supply coming on the G7 bonds side (to finance growing budget deficits) and shrinking supply on the equity side. Make your choice...

A longer term view of IPO activity



Source: Topdown Charts, Quandl, Nasdaq, SEC, LSEG

topdowncharts.com

Source: Topdown charts

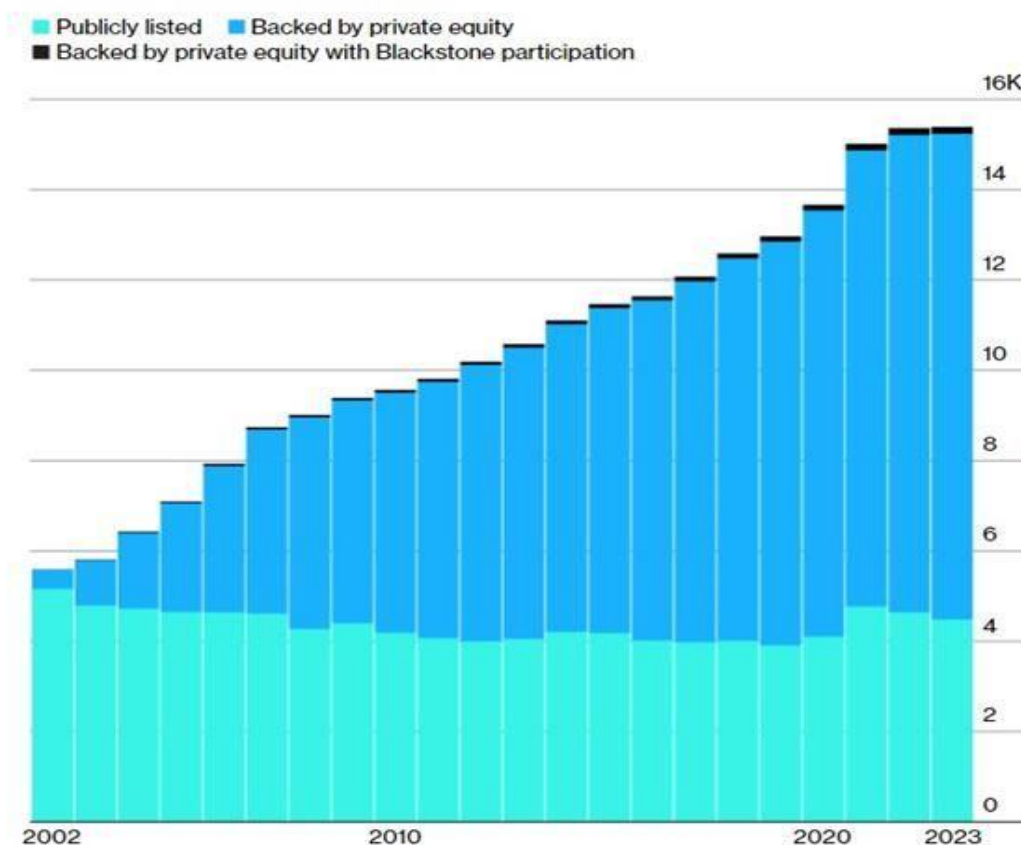




#ipos

More and more companies are staying private for longer, avoiding IPOs until much later in their growth cycle (if they get there at all).

Number of US companies that are:



Source: Public company data from World Federation of Exchanges; Blackstone and private company data from Pitchbook
Note: Listed companies may involve double counting if companies are dual-listed on the NYSE and Nasdaq. Data as of June 2023.



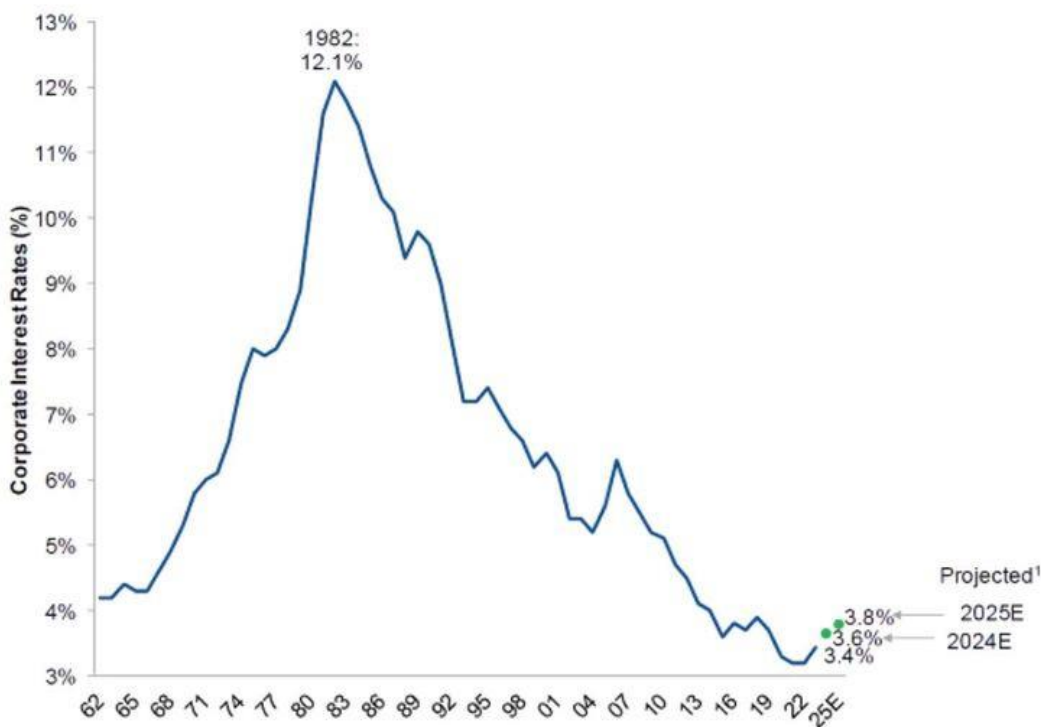
Source: Markets & Mayhem



#sp500 #interestrate

Weighted Average interest rate for sp500 non-financial firms is expected to pick-up in 2024e and 2025e but remains quite low by historical standard.

Weighted Average Interest Rate for S&P 500 Non-Financial Firms



Source: Michel A.Arouet



#mag7 #all-time-high

MAG7 stocks ripped to new highs this week



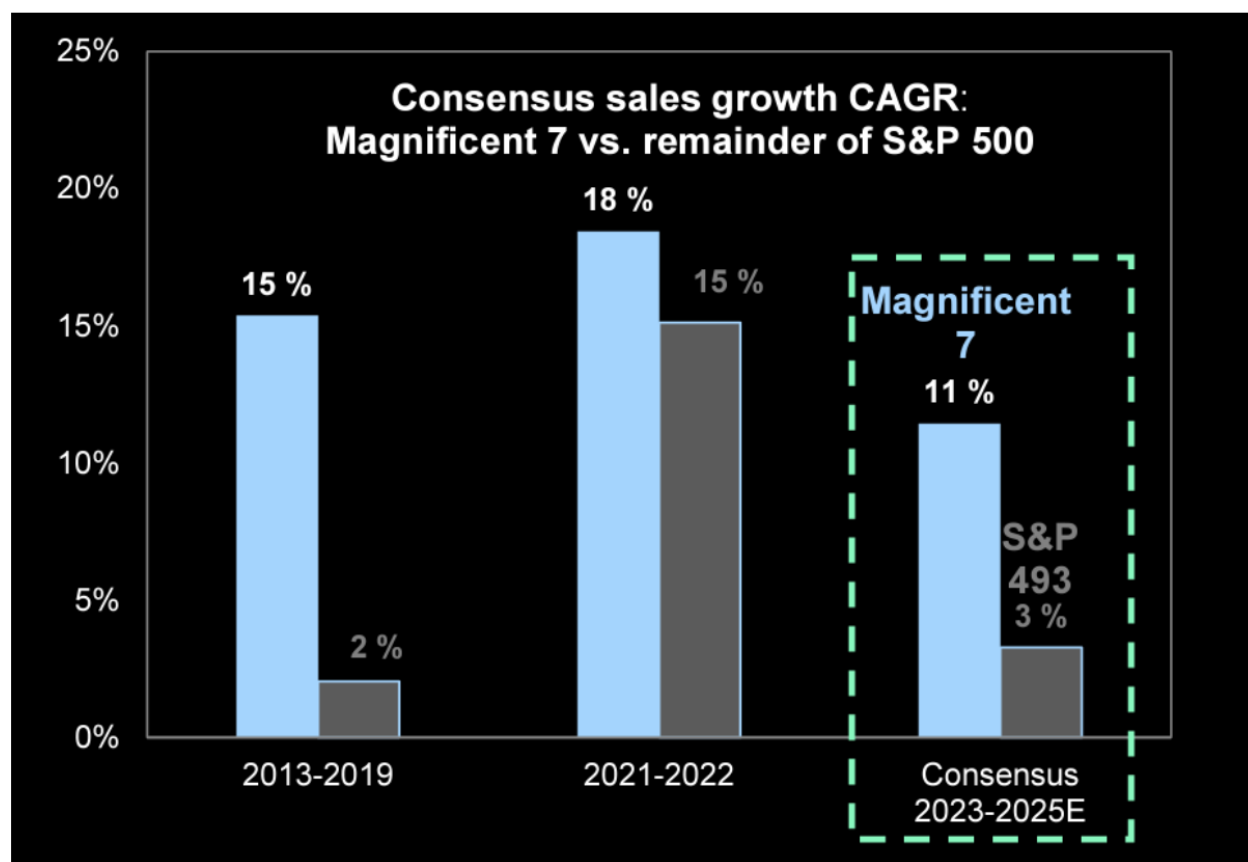
Source: www.zerohedge.com, Bloomberg

#markets

#mag7 #fundamentals

2023-2025 CAGR sales growth: 11% for Magnificent 7 vs. 3% for rest of index.

Magnificent sales growth



Source: Goldman

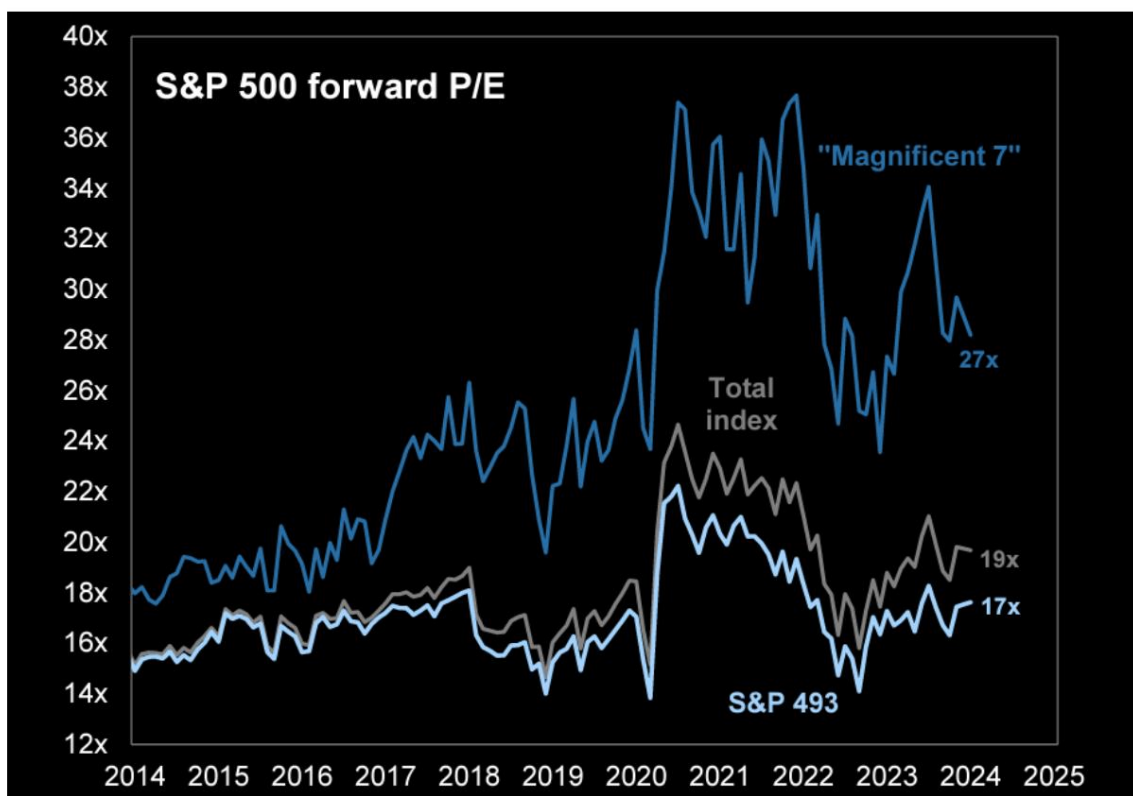
Source: TME, Goldman



#mag7 #valuations

P/E multiple of 27x for “Magnificent 7” vs. 17x multiple for remaining 493 stocks.

Magnificent valuation



Source: Goldman

Source: TME, Goldman



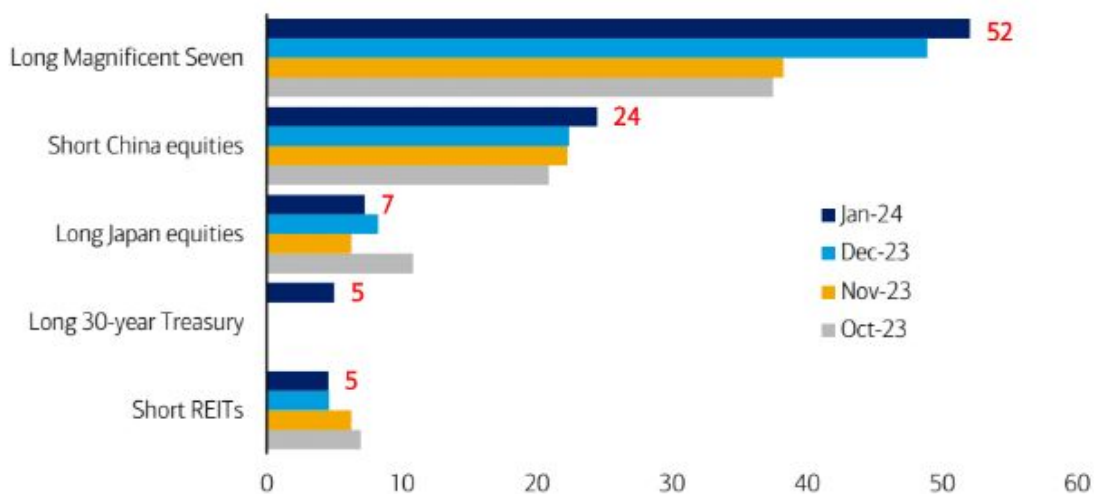


#mag7 #positioning

BofA's Fund Manager survey shows the mag7 is still the most crowded trade.

Chart 1: "Long Magnificent Seven" is the most crowded FMS trade

What do you think is currently the most crowded trade?



Source: BofA Global Fund Manager Survey

Source:: BofA



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#markets

#nvidia

Most overbought since the shocker mast May.

NVDA - new superlatives needed



Source: Refinitiv

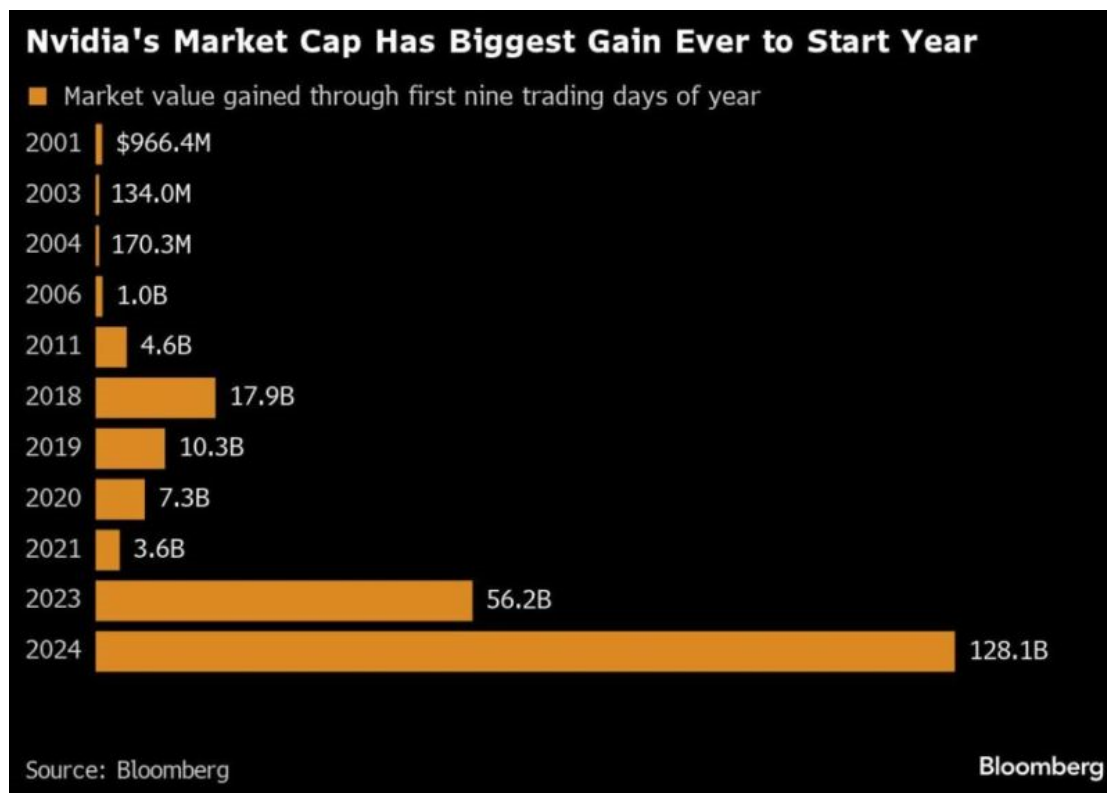
Source: TME



#markets

#nvidia #valuation

In the first 9 trading days of 2024, Nvidia's market value increased by over \$128 billion, averaging a daily gain of \$14.2 billion. (more than double its gain in the same period last year.)



Source: bloomberg, bkindig

#apple #samsung

Apple overtakes Samsung to seize crown as world's largest smartphone-maker. Apple became the biggest smartphone manufacturer in the world in 2023, in terms of volume, surpassing Samsung and putting an end to its 12-year streak. Apple's success was largely fuelled by more consumers deciding to buy higher-end models, regardless of price, because of their durability and features. According to research group IDC, Apple claimed 20.1% market share in 2023 in terms of shipments, with Samsung coming in at 19.4% and Xiaomi at 12.5%. Oppo had an 8.8% market share and Transsion had 8.1%.



Source: euronews, idc

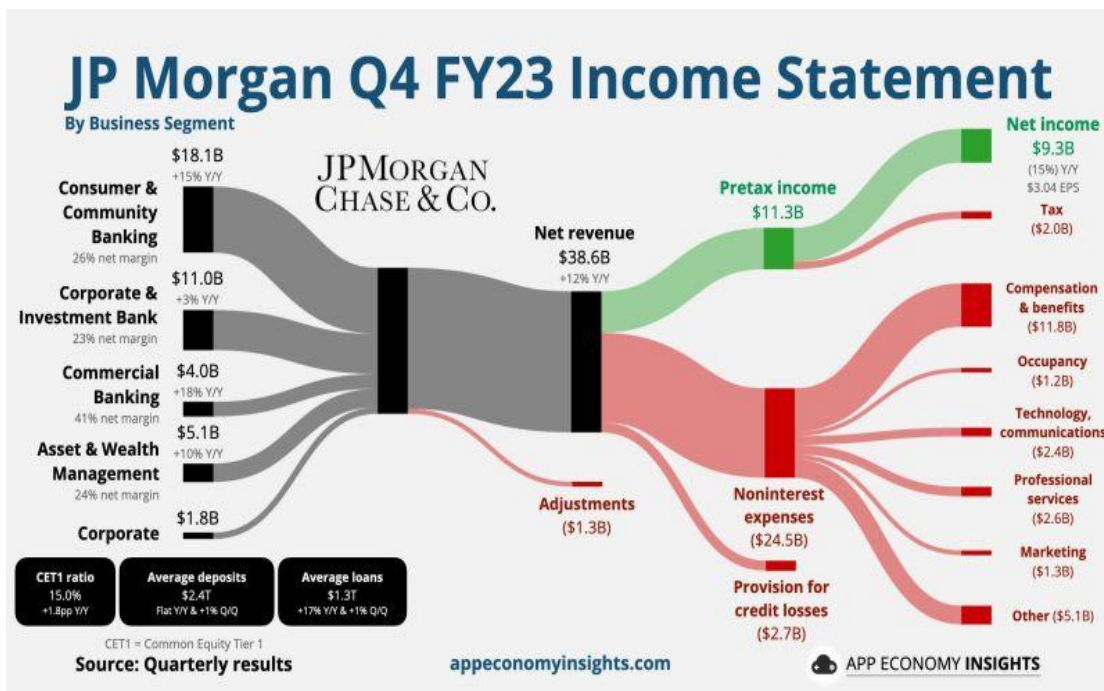


#jpmorgan #q4 #earnings

\$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).

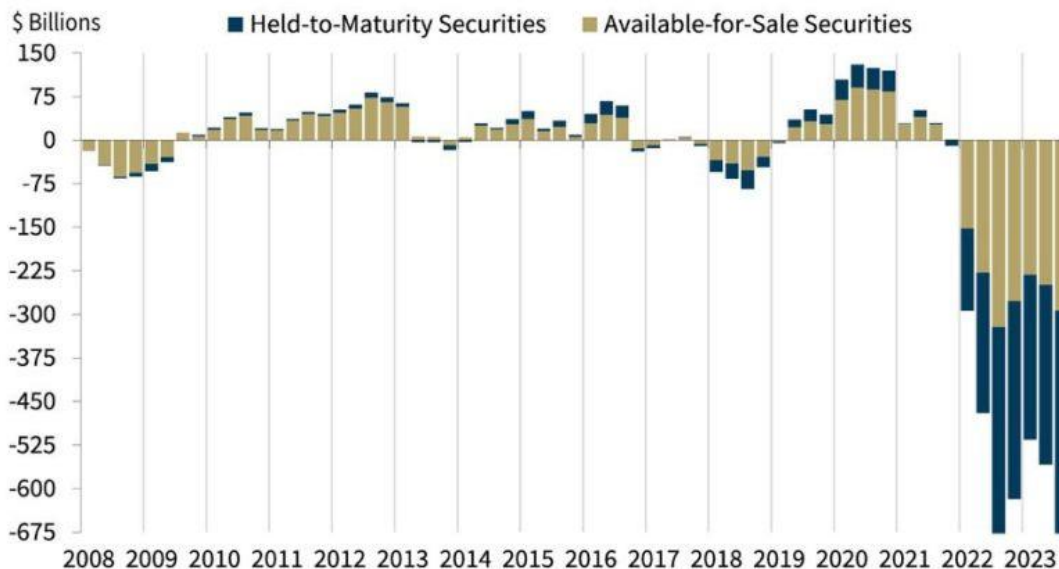




#us #banks #unrealized-losses

U.S. Banks are facing unrealized losses of roughly \$685 billion. They are desperately hoping the Federal Reserve will cut rates sooner rather than later..

Unrealized Gains (Losses) on Investment Securities



Source: FDIC.

Note: Insured Call Report filers only. Unrealized losses on securities solely reflect the difference between the market value as of quarter end and the book value of non-equity securities.

Source: Barchart, FDIC





#china #stocks #returns

Total Returns, Last 10 Years...

US Stocks \$SPY: +207%

Chinese Stocks \$FXI: -23%



CREATIVE PLANNING @CharlieBilello

Jan 17 2024, 11:13PM EST. Powered by YCHARTS

Source: charliebilello



#china #stocks #shortselling

China's Biggest Brokerage Restricts Short Sales After Stock Rout
China's largest brokerage has suspended short selling for some clients in mainland markets according to people familiar with the matter. State-owned Citic Securities Co. has stopped lending stocks to individual investors and raised the requirements for institutional clients earlier this week after so-called window guidance from regulators, said the people, asking not be identified discussing a private matter. Citic Securities didn't respond to a request for comment. Beijing has a history of limiting short selling at times of market volatility, with an aim to avert a downward spiral in stocks. As recently as October, regulators tightened rules on short selling to halt decline.

Short Selling



Source: Bloomberg



#china #stocks

China's largest brokerage has suspended short selling for some clients in mainland markets amid a deepening China rout, BBG reports. Indeed, China's largest brokerage, Citic Securities, has banned short selling for some clients, according to Bloomberg. This comes as the Shanghai Composite Index is having its worst start to a year since 2016. China's stock market is down nearly 25% from its recent high and 5% YTD.



Source: HolgerZ, Bloomberg





#china #stocks #valuations

You've probably heard Chinese stocks are cheap. This chart takes that to a whole new level. The Hang Seng Index's P/E is now below the Nasdaq's P/B. Those two valuation ratios should not even be anywhere close one another.



Source: David Ingles, Bloomberg



#china #stocks #derivatives

Another day, another loss for Chinese stocks. According to Guotai Junan Futures, there are about 30 billion yuan (\$4.2 billion) of snowball derivatives products tied to the CSI 1000 Index are near levels that trigger losses at maturity, according to Guotai Junan Futures Co, as the stock rout in China's stock market pushes the derivatives to near knock-in levels. Another 60 billion yuan of the derivatives are 5%-10% away from their knock-in thresholds!



Source: www.zerohedge.com

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#india #china #stocks

India stocks vs. china stocks



Source: Mac10



#GLOBALMARKETS WEEKLY WRAP-UP

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20 JANUARY 2024

#markets

#india #stocks

India stock market cap crossed \$4 trillion for 1st time!



Source: Win Smart



#japan #stocks #under-invested

The silent bull market... Global mutual funds' active weighting of Japanese stocks has not risen in the past six months.

Still low Japan weighting



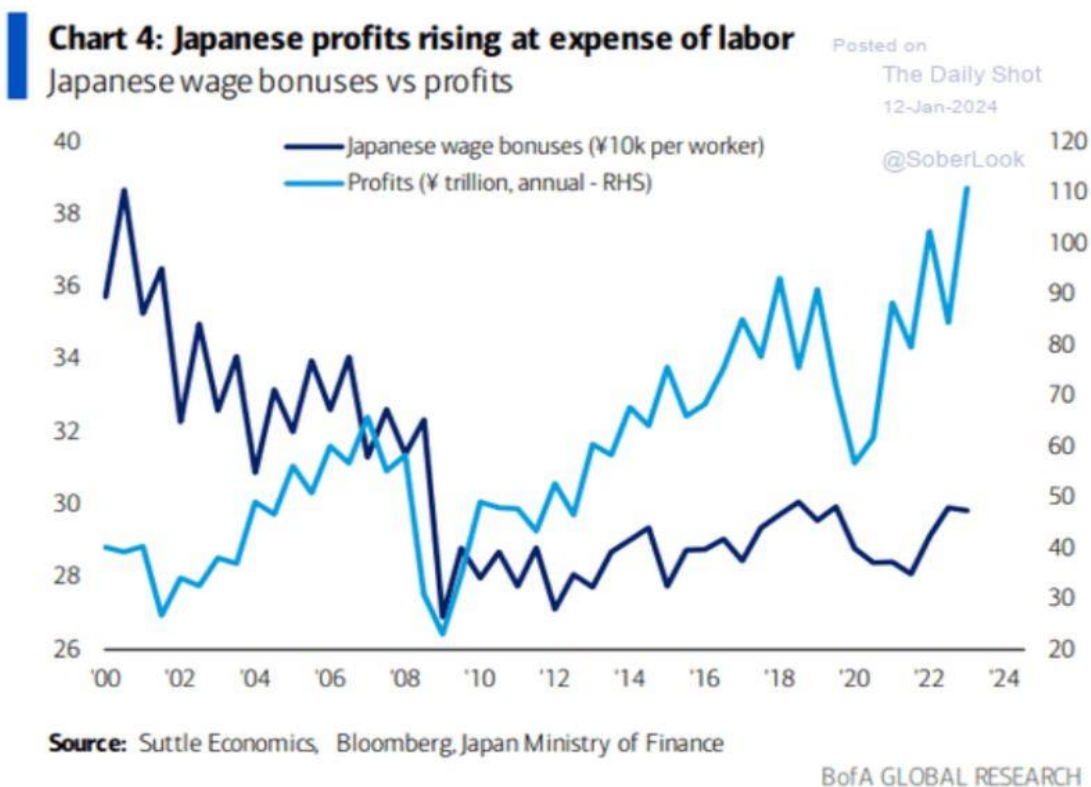
Source: FactSet

Source: TME, Factset



#japan #stocks #profitability

Japanese companies profits are surging, but that's not translating into rising domestic wages, keeping a lid on domestic inflationary pressures, and allowing easy monetary & FX policy to persist. The main winners are Japan equity investors.



Source: DB, Bob Elliott, The Daily Shot



#japan #stocks #chinese-buyers

China stocks bear market continues unabated, as Hong Kong's Hang Seng index tumbled 3.06% after weaker than expected GDP numbers were released, while China's CSI 300 index shed 0.73%. Meanwhile, AMC Nomura Nikkei 225 ETF went limit up today after Chinese traders ignored warnings to avoid chasing gains in Japanese Stocks. This ETF trades with a 9.5% premium over its net asset value...

Chinese Traders Ignore Warning in Chase for Japanese Stocks

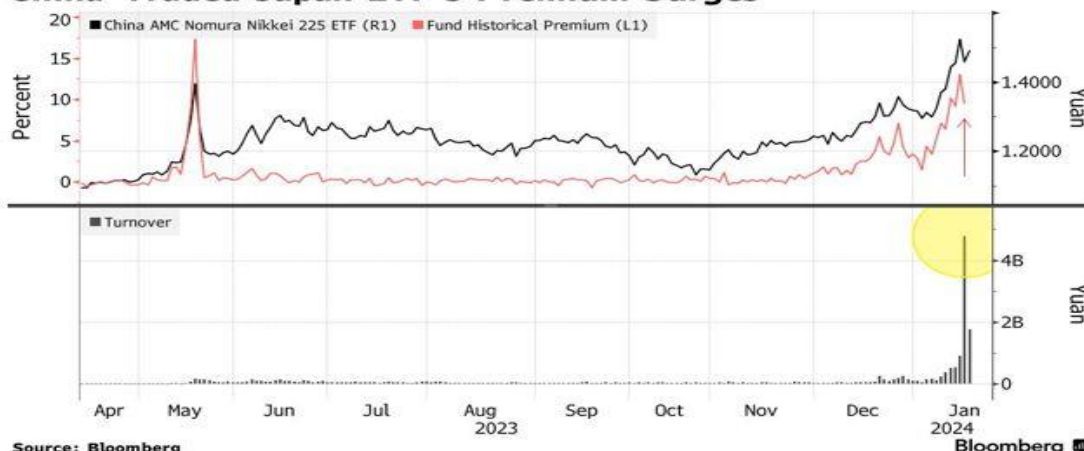
- China AMC Nomura ETF hits daily limit after trading resumes
- Investors should be rational, refrain from chasing gains: Li

By Bloomberg News

January 16, 2024 at 7:29 PM CST

Updated on January 16, 2024 at 10:04 PM CST

China-Traded Japan ETF's Premium Surges



Source: Bloomberg

Source: Mac10





#us #treasuries #weekly

Treasury yields were higher every day this week, with the long-end the laggard YTD (30Y +33bps, 2Y +16bps).



Source: www.zerohedge.com, Bloomberg



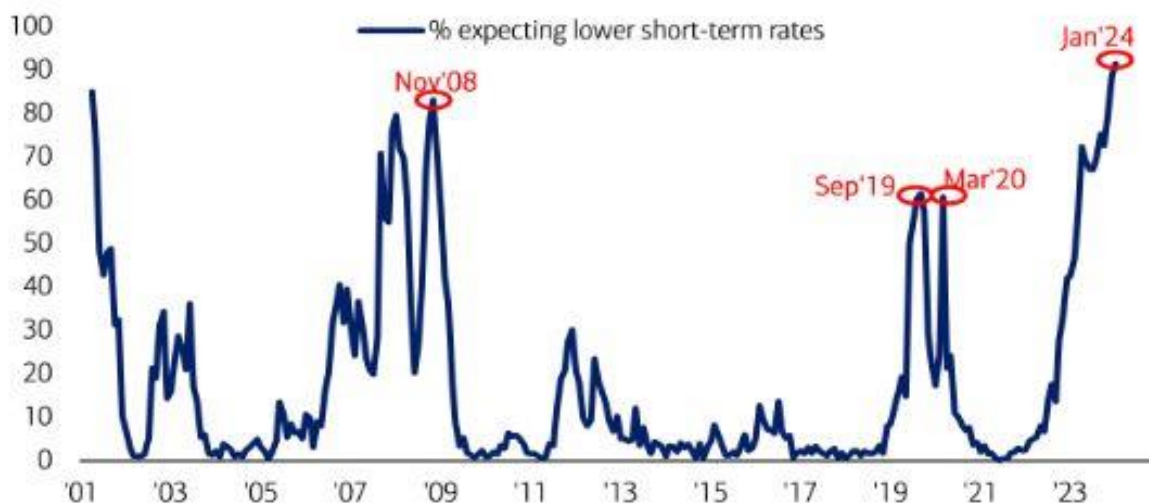


#fixedincome #positioning

An All-Time High 91% of Fund Managers expect lower short-term interest rates during the next 12 months.

Chart 8: Expectations for lower short-term rates at a record high

% FMS investors expecting lower short-term rates in next 12 months



Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

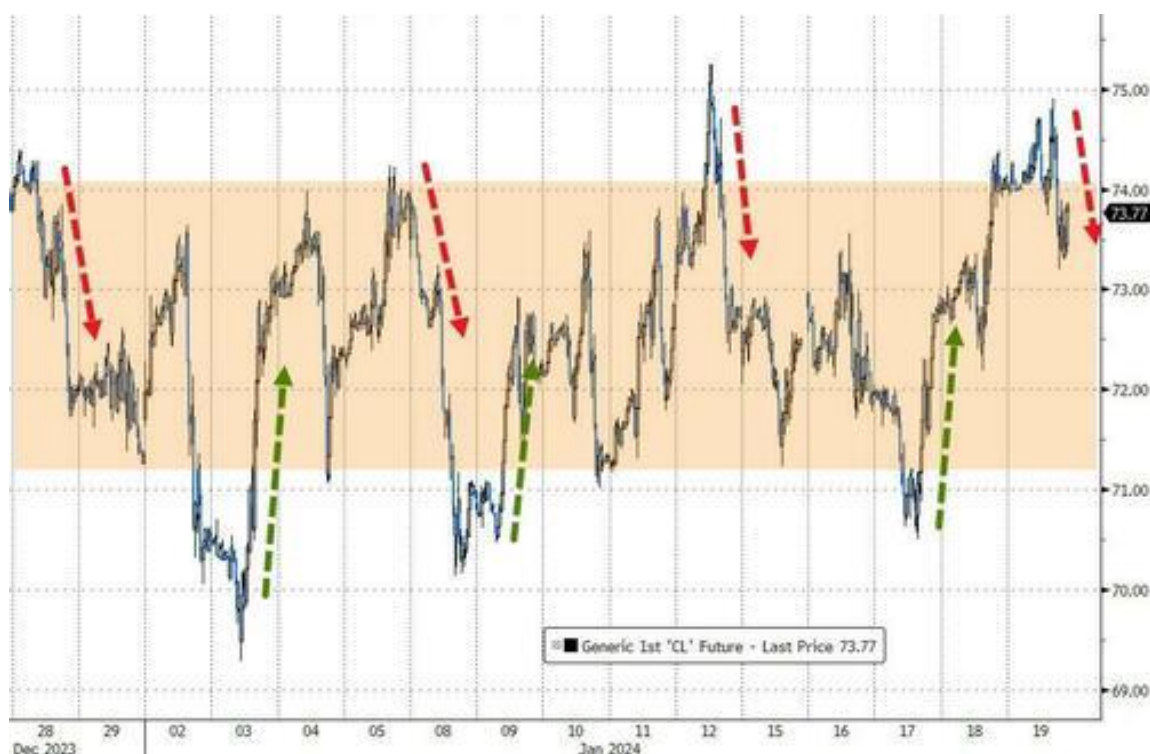
Source: BofA





#crude-oil

Oil prices ended the week higher (yes, higher), but reverted back into the YTD range after breaking out yesterday...



Source: www.zerohedge.com, Bloomberg

#uranium

URANIUM GOING PARABOLIC as prices surges above 100 for the first time since 2007 and reaches its most overbought level in history...



Source: Barchart

#macro

#us #growth #fiscal-boost

A bipartisan proposal for an unexpected \$70B fiscal boost of tax breaks for businesses and families could fuel us economic growth (and inflation) in 2024

US Economy Set for Another Cash Boost If Congress Backs Tax Deal

- Bipartisan proposal could fuel price pressures, economists say
- Passage isn't assured as Republicans and Democrats haggle

By Enda Curran

(Bloomberg) -- The US [economy](#) is set for an unexpected fiscal boost if lawmakers back a potential deal for \$70 billion worth of tax breaks for businesses and families.

Congressional negotiators are locked in talks over renewing expired business tax breaks and boosting the child tax credit, evenly split between both. The proposal will need to pass through a Congress that is deeply divided over the nation's [fiscal](#) trajectory, as some Republican lawmakers push for deep spending cuts as a condition for averting another government shutdown on Jan. 19 and Feb. 2, when temporary funding expires.

If passed, the tax breaks offer a double-edged sword for an [economy](#) that appears on course for a soft landing.



#us #joblessclaims

The latest us jobless claims data showed that Americans filed just 187,000 jobless claims last week. This is the lowest reading since September 2022 and the SECOND lowest since May 1969. Just as the Fed is bracing for rate cuts, the labor market is at its strongest point in 50+ years.



#macro

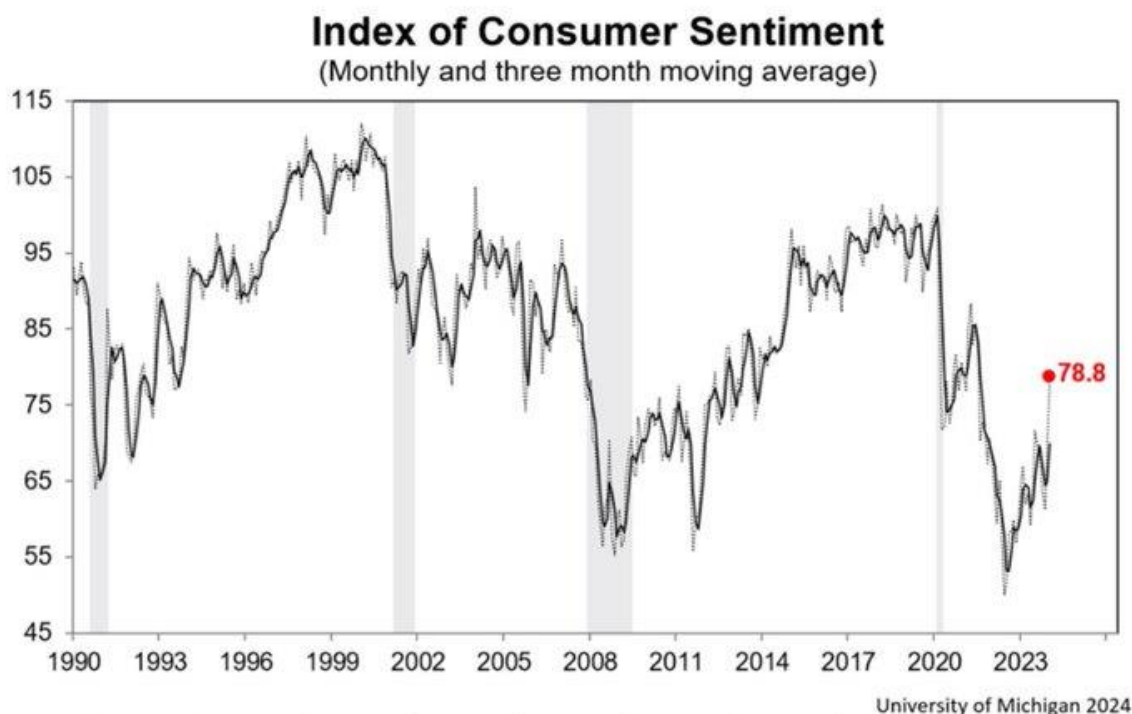
#us #consumer-sentiment

Americans finally feel better about the economy. Big jump in University of Michigan Consumer Sentiment in January to 78.8 —> highest since July 2021. People believe the inflation spike is over.

For comparison, sentiment was:

65.4, on average, in 2023

59.0 in 2022; 77.6 in 2021; 81.5 in 2020; 96.0 in 2019



Source: Heather Long



#us #retail-sales

After 13 consecutive YoY declines, US inflation-adjusted retail sales rose 1.4% YoY in December, the first YoY increase since Oct 2022. Nominal Retail Sales grew 4.78% over the last year, rising just above the historical average of 4.71%.



Source: Charlie Bilello



#us #creditcards #delinquencies

■ The delinquency rate for credit card loans in 2023 has risen sharply, which, based on historical patterns, suggests that the economy might be heading towards a recession.

LATE PAYMENT RATE FOR CREDIT CARD LOANS



Source: FEDERAL RESERVE, MFHOZ





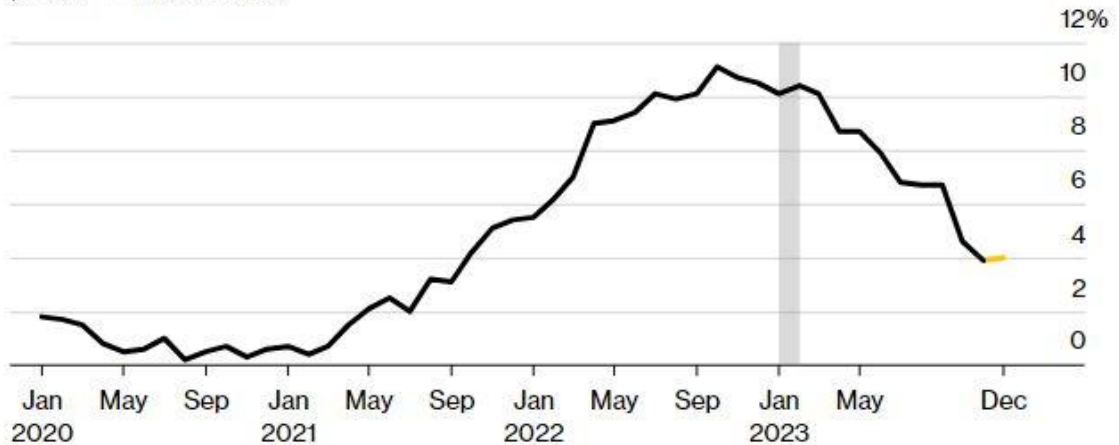
#uk #inflation

UK Inflation Rises Unexpectedly, Tempering Talk of Rate Cuts – UK inflation disappoints at both the headline and core levels: Headline inflation rose to 4.0% in December, above the consensus forecast looking for it to fall from 3.9% to 3.8%. Core inflation, which was also expected to fall, remained unchanged at 5.1%.

UK Inflation Rises for the First Time in 10 Months

Annual CPI inflation rate

▲ CPI ■ Previous rise



Source: UK Office for National Statistics



Source: Bloomberg



#swiss #german #inflation

Swiss inflation vs. German inflation.

The inflation rate in Switzerland is already well below the target of 2%. At 1.7%, it is a full 2ppts lower than the German rate.



Source: Bloomberg, HolgerZ

#macro

#us #real-estate #risk

44% of office loans carry outstanding loan balances higher than the property value and are at risk of default according to a paper from the National Bureau of Economic Research

Nearly Half of Office Loans Now Risk Default: Report

More than 1 in 10 commercial real estate loans overall are on the precipice heading into 2024, according to the National Bureau of Economic Research

BY BRIAN PASCUS DECEMBER 18, 2023 4:02 PM

REPRINTS



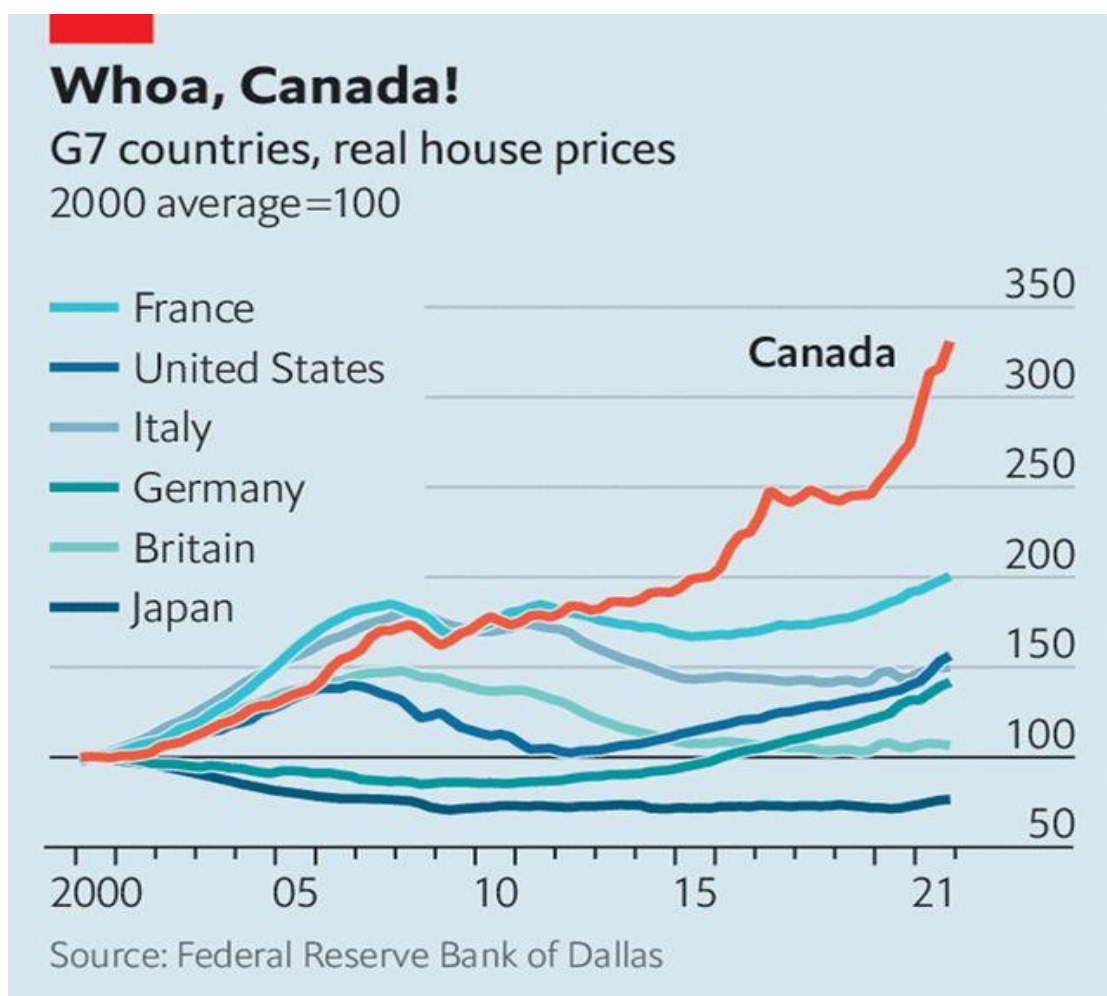
MINNEAPOLIS HAD THE LARGEST LEVEL OF CRE DISTRESS OF PRIMARY/GATEWAY MARKETS AT 51.5 PERCENT.

PHOTO BY RAYMOND BOYD/GETTY IMAGES



#global #real-estate #prices

Why are homes so expensive in Canada?



The Economist

Source: Wall Street Silver, The Economist





#global #housing #affordability

Reality Check

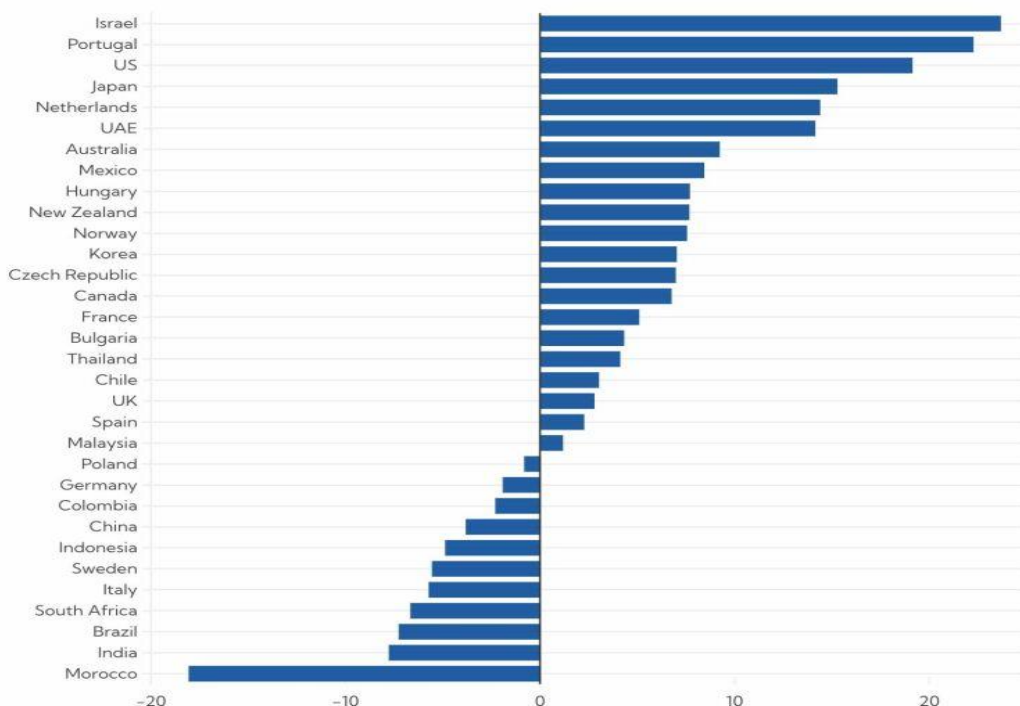
Housing Affordability Remains Stretched Amid Higher Interest Rate Environment. Prospective home buyers face high prices and elevated borrowing costs, while homeowners refrain from listing their properties

Reality check

Home prices are cooling but a sharp downward correction remains unlikely in advanced economies.

Change in real house prices, percent

Since pre-pandemic



Source: Bank of International Settlements, IMF staff calculations. - Note: Data as of end Q2-2023. Since pre-pandemic is vs Q4-2019.



Source: imf

#geopolitics

#geopolitical #risk

Goldman Client Survey Shows Geopolitics Is Biggest Risk in 2024 –

Geopolitics Poses Biggest Threat to Markets in 2024: GS Survey



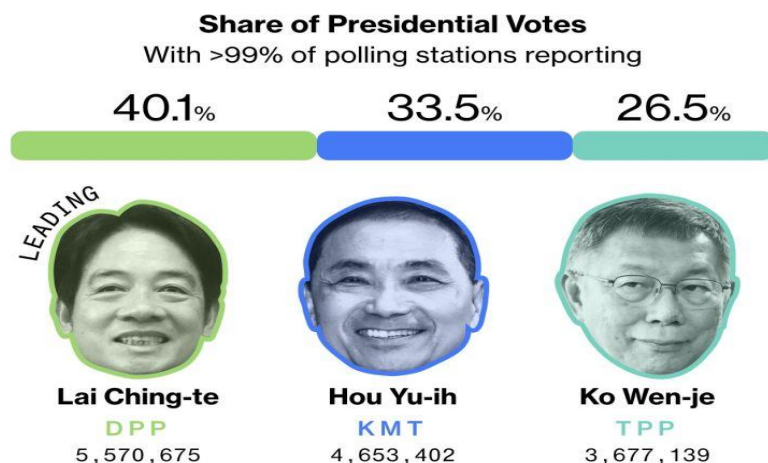
Source: Goldman Sachs Global Investment Research

Source: Bloomberg

#geopolitics

#taiwan #elections

China skeptic Lai Ching-te wins Taiwan’s presidential election. Ruling-party candidate Lai Ching-te emerged victorious in Taiwan’s presidential election, a man Beijing has labeled an “instigator of war”, in a vote that has enormous geopolitical implications across not just the Taiwan Strait, but between the US and China, too. Lai’s victory represents an unprecedented democratic milestone: the 1st time a political party in Taiwan has won a 3rd straight presidential election. Kuomintang or KMT, Beijing’s preferred political partner, gained roughly 33% of the vote. Beijing has repeatedly labeled Lai as a “stubborn worker for Taiwan independence” and a dangerous separatist. There are also fears this could in turn influence frosty China-U.S. relations and security in the broader Indo-Pacific region.



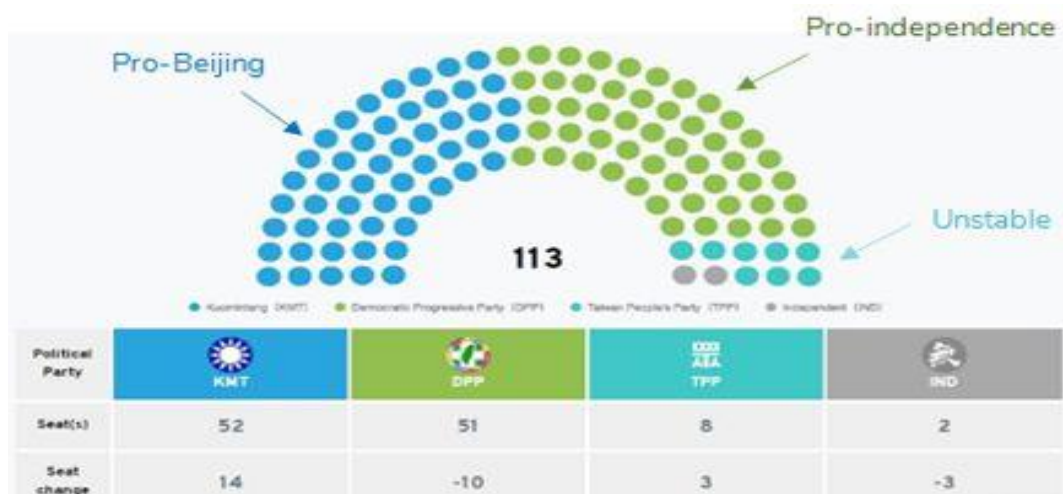
Note: Data as of Saturday, 8:55 PM Taiwan Time (2 minutes ago)

Source: HolgerZ, Bloomberg, CNBC

#geopolitics

#taiwan #elections

Some new developments in Taiwan's presidential & legislative elections. The DDP's Lai Ching-te won Taiwan's 2024 presidential election on Saturday with 40% of the vote, but the ruling party failed to hold onto its parliamentary majority. Pro-Beijing Kuomintang, or KMT, won 52 seats in the legislature — one more than the DPP which lost 10 seats in Taiwan's parliament from its previous 61, giving up its majority. Lai Ching-te will face a split parliament that will likely moderate his policy agenda, with Taiwan People's Party (TPP) seen as the king maker with eight seats since neither of the two major parties won an outright majority in the 113-seat Legislative Yuan.



Source: CNBC

#taiwan #elections

Key takeaways from Taiwan's President election;

- 1) Re-elected President Lai Ching-te (DPP party) favors closer ties with the US and an expected status quo regarding the situation of Taiwan and the existing relationships. We don't expect any significant change in Taiwan's policies
- 2) We note that US President Biden statement post-election has been very balanced (Official congratulations to Lai-Ching Te but no support to Taiwan independence vote)

Biden Says US Doesn't Support Taiwan Independence After Vote (1)

Saturday, January 13, 2024 05:27 PM
By Justin Sink

- President reacts US-friendly candidate Lai's election victory
- Blinken cites robust democracy; House lawmakers to visit

(Bloomberg) -- President Joe Biden said the US did not support independence for Taiwan, after voters there defied China and returned the governing Democratic Progressive Party – which has sought to limit Beijing's influence – to a third consecutive term.

"We do not support independence," Biden told reporters Saturday as he departed the White House for Camp David.

Read: [Taiwan Elects US-Friendly President Defying China's Warnings](#)

Source: Bloomberg

#geopolitics

#taiwansemiconductor #geopolitics

Taiwan Semiconductor is trading at a political discount, which is unlikely to narrow after the election of the China-critical candidate Lai Ching-te.



Source: Bloomberg, HolgerZ

#geopolitics

#supplychain #shipping

Canals Aren't Even the World's Biggest Shipping Chokepoints
Thousands of miles from Suez and Panama, waterways that carry large swathes of global commerce are vulnerable to disruptions that will shake up supply chain.

Global Shipping Chokepoints

Recent droughts and conflict highlight maritime hotspots, with many more locations vulnerable to disruption



Sources: Lincoln Pratson of Duke University; GPS locations from OpenStreetMap; Statista
Note: Percentages don't sum to 100 as a ship may pass through multiple chokepoints.

Source: Bloomberg

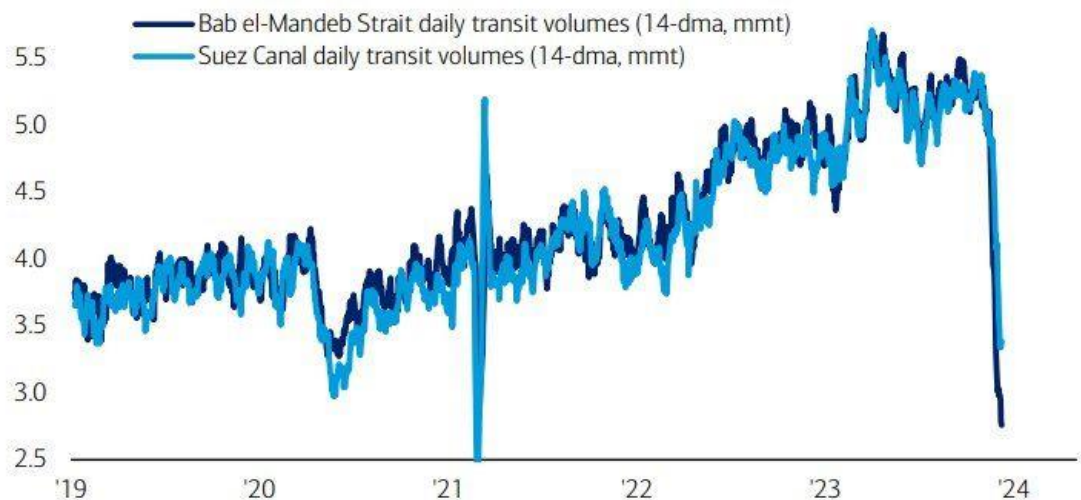


#redsea #transits

Red Sea Transit Volume

Chart 2: Geopolitics

Daily transit volumes at Red Sea maritime chokepoints (14-dma, million metric tons)



Source: BofA Global Investment Strategy, Bloomberg. MMT = million metric tons

BofA GLOBAL RESEARCH

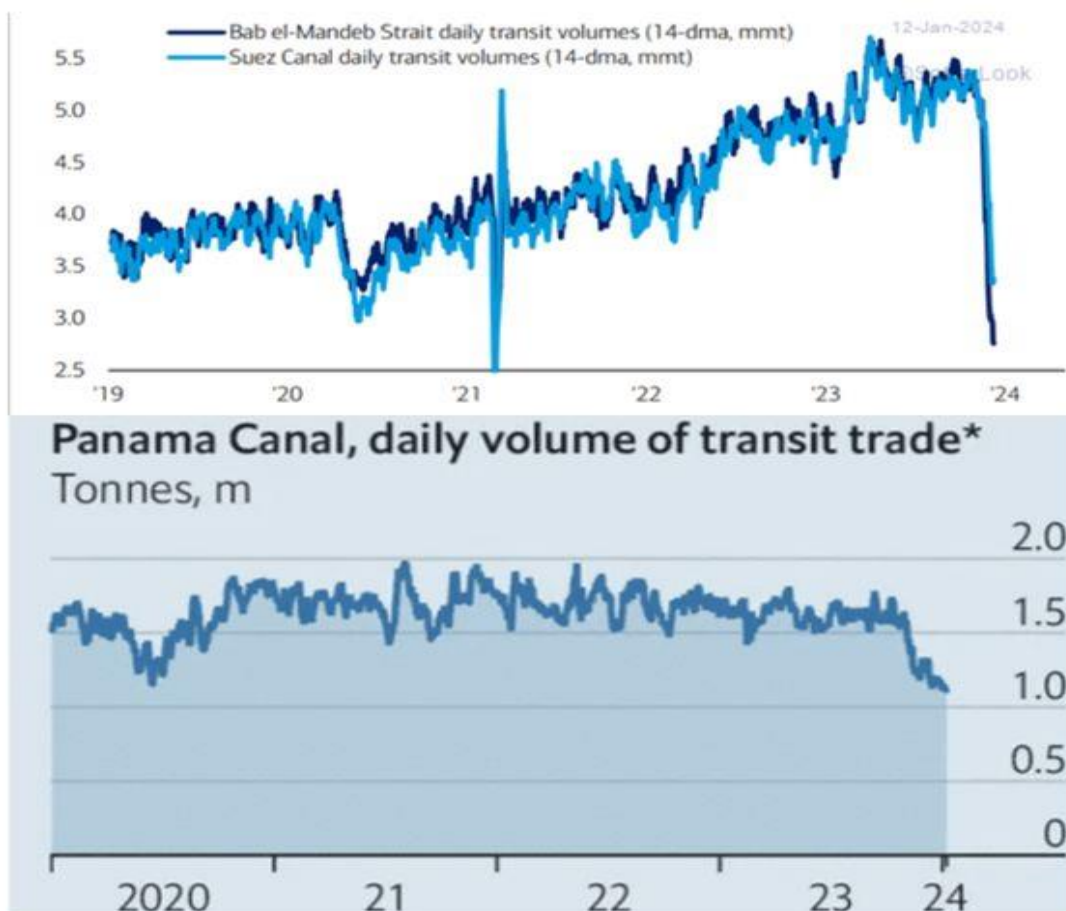
Source: BofA, Win Smart





#redsea #panama #transits

What happens when the 2 biggest global trade chokepoints rapidly halve their combined capacity?

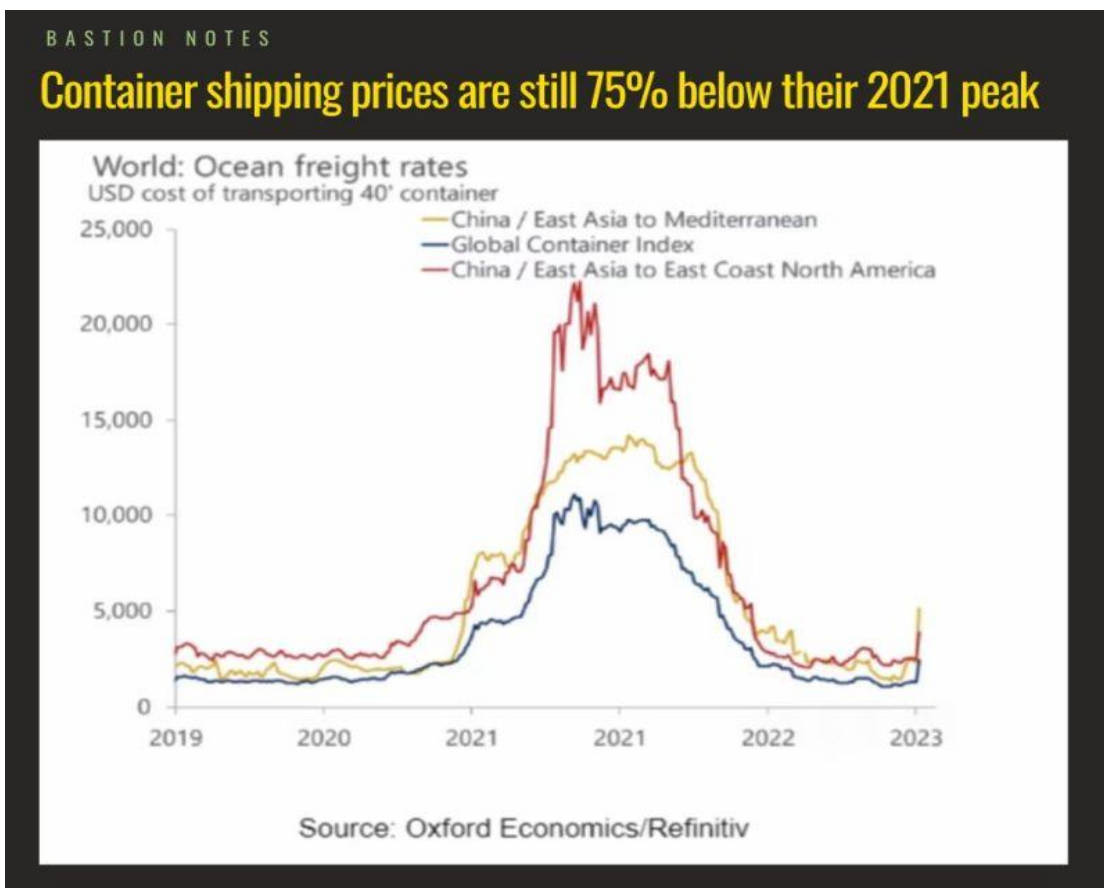


Source: Bob Elliott

#geopolitics

#container #freight

Container transportation costs have indeed doubled over the past 6 weeks but it is important to see the full picture. Relative to the pandemic peaks, transportation prices are still 75% lower...



#geopolitics


#us #elections

US 2024 Presidential race: Trump heads into Iowa caucuses
The Iowa caucus on January 15 launches the long designation process of the Republican and Democrat candidates to the US presidential election. On that day, only Republicans will vote (Democrats will hold their own later in 2024). While Iowa is a small state, and not very representative of the country's population (90% of Iowa's population is white), it is seen as very important for candidates to gather positive momentum for the remaining of the campaign and the following state caucus and primaries. In the current context, the Iowa caucus may already provide a hint on whether any challenger to Trump within the Republican party has the potential to compete with the former President, or not.

(Bloomberg) -- Republican presidential frontrunner Donald Trump heads into the Iowa caucuses Monday with a commanding 48% support in a closely watched poll that showed Nikki Haley moving into second place with 20%.

The results of the NBC News/Des Moines Register poll suggest further trouble for Ron DeSantis, who dropped to third place with 16%, two days before the nation's first Republican nominating contest. The Florida governor is banking on a strong showing in Iowa to bolster his challenge to the former president.

Who will win the 2024 Iowa Republican caucuses?

Contract	Latest Year Price
 Donald Trump	95¢ NC
 Ron DeSantis	5¢ 1¢*
 Vivek Ramaswamy	2¢ NC
 Nikki Haley	1¢ NC
 Mike Pence	1¢ NC

Source: PredictIt

Source: Bloomberg, PredictIt

#geopolitics

#us #elections

IOWA REPUBLICAN CAUCUS: TRUMP MADE HISTORY BY WINNING ALL 99 COUNTIES AND WINNING BY THE LARGEST MARGIN EVER.

CANDIDATES	PARTY	VOTES	PCT.
Donald J. Trump ✓	GOP	53,444	50.9%
Ron DeSantis	GOP	22,395	21.3%
Nikki Haley	GOP	20,024	19.1%
Vivek Ramaswamy	GOP	8,079	7.7%
Ryan Binkley	GOP	733	0.7%

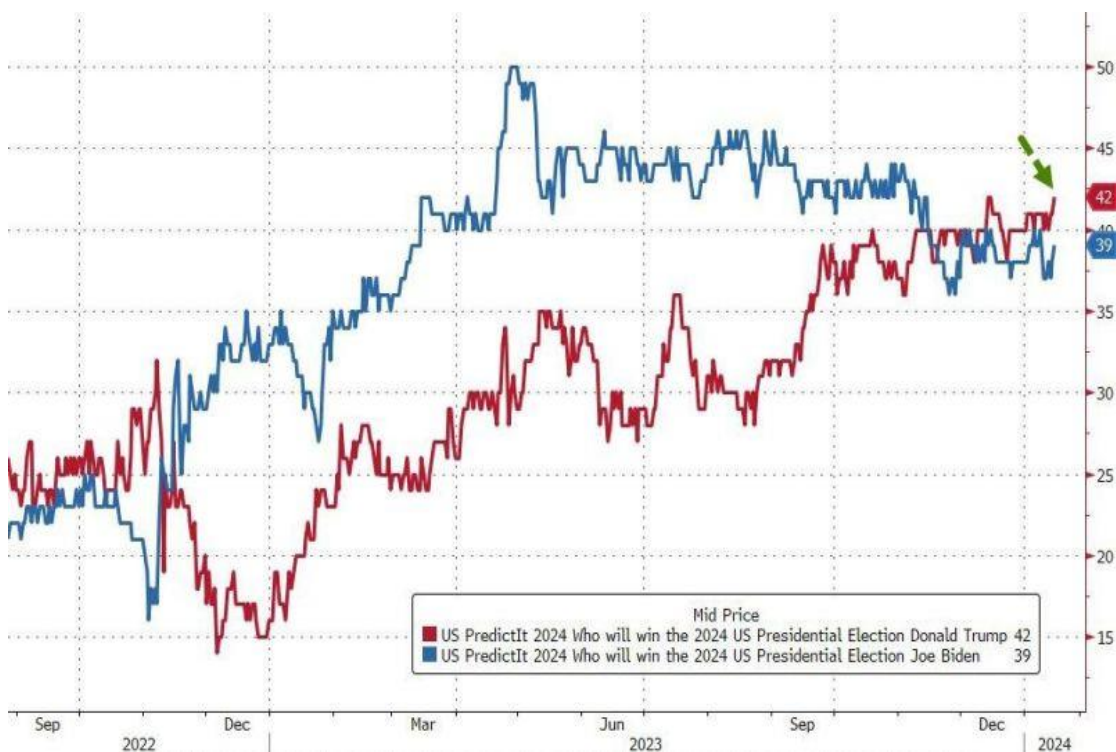
+ More Candidates 90% est. reporting / Votes counted: 104,975 0-100% SHQ



#geopolitics

#us #elections

Trump's odds of winning the election are now at the highest, and 3 pts above Biden. As Goldman notes, on balance, a Republican 'sweep' looks likely to increase the chances of a stronger USD, higher breakeven inflation rates, higher yields, and a steeper yield curve. It may also increase the tails in both directions for energy prices.



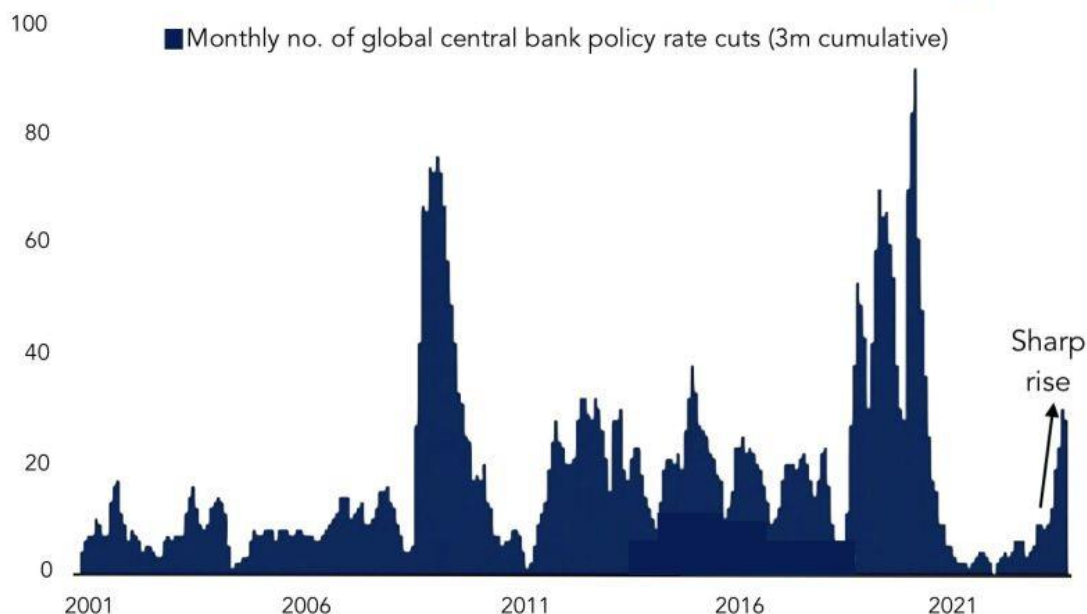
Source: Predictit, www.zerohedge.com, Bloomberg

#centralbanks

#global #centralbanks #loosening

After an aggressive tightening cycle, 152 central banks around the world expect to cut rates in 2024, including the Fed.

152 Global Central Banks Expect to Cut Rates in 2024



Source: BofA Global Investment Strategy, Bloomberg, Game of Trades.

Source: Games of Trades



#centralbanks

#fed #ratecuts

Main culprits from Tuesday's pullback in Wall Street were comments by Governor Waller in a speech and discussion as they raised the risk that the first cut could come slightly later than the market's expectation of March and that the pace of cuts could be quarterly from the outset, rather than the market's more aggressive forecast of three initial consecutive cuts followed by a switch to a quarterly pace.

Fed's Waller Says Interest-Rate Cuts Shouldn't Be Rushed



By Nick Timiraos, Reporter



Christopher Waller. (Bess Adler/Bloomberg News)

#centralbanks

#fed #ratecuts

Strong 'hard' data prompted a biig (hawkish) repricing of rate-cut expectations (initial timing and velocity)...

The probability of a rate cut in March has come down from over 70% to just over 50% during this time



Source: www.zerohedge.com, Bloomberg

#centralbanks

#federalbanks #borrowing

Use of Fed funding tool jumps most since April to fresh record: Banks borrowed record sum of \$161.5bn from Fed's Bank Term Funding Program, w/demand at \$14.3bn climbing the most in 9 months as they piled into a reliable arbitrage trade just weeks ahead of its scheduled closure.



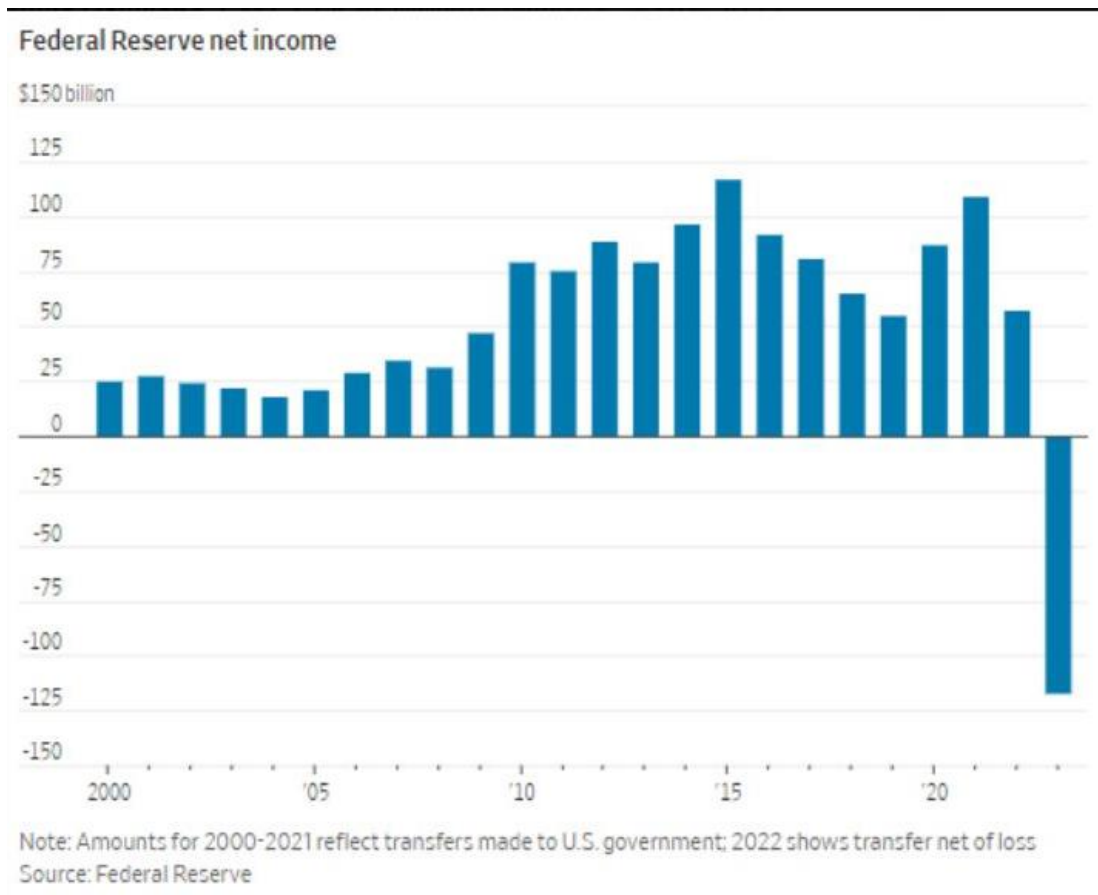
Source: HolgerZ, Bloomberg

#centralbanks

#federalbanks #loss

Fed Posts Largest-Ever Annual Operating Loss

Central bank's deficit of \$114.3 billion last year resulted from its efforts to stimulate economy and then stamp out inflation.



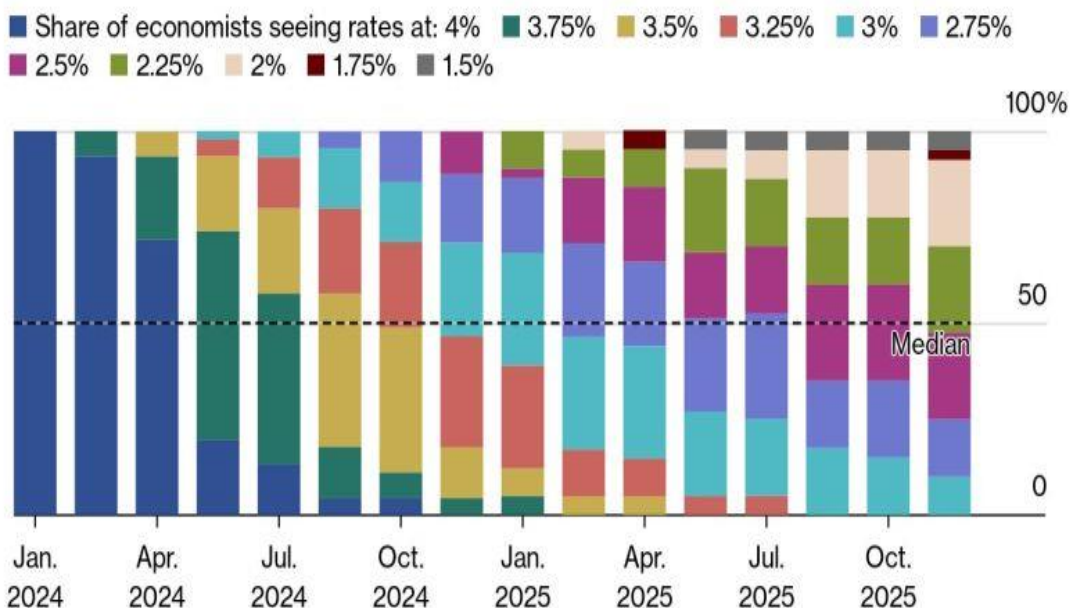
Source: wsj

#centralbanks

#ecb #rate

Views on ecb rate path diverge vary sharply

Views on ECB Rate Path Diverge Sharply



Source: Bloomberg survey of economists conducted Jan. 12-17

Note: Figures may not add up to 100% due to rounding

Bloomberg

Source: Bloomberg




#bitcoin #etf #silver

Bitcoin ETFs total AuMs just hit \$27.5B, ahead of silver ETFs



Bitcoin Archive ✓
@BTC_Archive



JUST IN: #Bitcoin  overtakes silver to become the second biggest commodity ETF.

- 1. Gold - \$96b
- 2. BITCOIN - \$27.5b
- 3. Silver - \$11.5b

It's just week 1...





#bitcoin #etf

JUST IN: BlackRock and Fidelity Bitcoin ETFs are in the top 5 for fund inflows this week among all ETFs

Summary		Assets	Cost	Performance	Flow	Liquidity	Allocations	Re
Top Ranked		All Funds						
Ticker		Fund Assets (MLN USD)	YTD Flow	YTD Return	1W Flow ↓			
Average		2,356.38	+2.91	-2.22%	+.39			
Sum		7,957,499.01	+9,816.04	-7383.18%	+1,323.20			
1) IWV	US	405,034.63	+7,514.74	-0.63%	+5,199.25			
2) QQQ	US	231,446.69	+2,945.72	-0.56%	+1,430.42			
3) VOO	US	375,155.84	+4,940.21	-0.63%	+1,307.52			
4) IBIT	US	1,069.58	+1,081.84	--	+1,081.84			
5) FBTC	US	874.65	+882.37	--	+882.37			
6) LQD	US	37,243.80	+5,858.43	-1.42%	+878.79			
7) QQQM	US	19,630.02	+1,185.76	-0.55%	+752.83			
8) IWY	US	8,729.26	+256.20	+0.56%	+678.62			
9) VCIT	US	45,426.30	+917.63	-1.17%	+474.36			
10) BITB	US	354.52	+373.66	--	+373.66			

Source: Bloomberg’s Eric Balchunas, Bitcoin archive





#bitcoin #etf

NEW: US BlackRock updated their home page to showcase their new spot Bitcoin ETF



Source: Bitcoin Magazine



#bitcoin #etf

BlackRock is already putting out charts showing that \$BTC has been the world's best-performing asset in the last decade.

Bitcoin performance compared to major asset classes

Bitcoin has had periods of high performance and significant drawdowns 2013-2023

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Cumulative	Annualized
BTC 5,516%	SPX 12%	BTC 37%	BTC 119%	BTC 1,300%	AGG 0%	BTC 92%	BTC 302%	BTC 58%	CMT 20%	BTC 156%	BTC 315,678%	BTC 124%
SPX 26%	AGG 5%	AGG 0%	HY 17%	EM 35%	HY -2%	SPX 29%	Gold 24%	CMT 30%	Gold 1%	SPX 25%	SPX 226%	SPX 13%
HY 6%	HY 2%	SPX -1%	EM 15%	SPX 18%	Gold -3%	EM 21%	SPX 15%	SPX 29%	HY -11%	HY 12%	HY 64%	HY 5%
AGG -1%	EM 1%	HY -4%	CMT 14%	Gold 12%	SPX -7%	Gold 18%	EM 14%	HY 5%	AGG -12%	Gold 12%	EM 35%	EM 3%
EM -3%	Gold -3%	Gold -11%	SPX 11%	HY 7%	CMT -9%	HY 14%	AGG 7%	EM 0%	EM -18%	EM 9%	Gold 18%	Gold 2%
CMT -9%	CMT -18%	EM -14%	Gold 7%	CMT 6%	EM -15%	CMT 10%	HY 7%	AGG -1%	SPX -20%	AGG 5%	AGG 17%	AGG 2%
Gold -29%	BTC -58%	CMT -25%	AGG 2%	AGG 3%	BTC -73%	AGG 8%	CMT -3%	Gold -6%	BTC -65%	CMT -2%	CMT -4%	CMT 0%

Source: Lark Davis



#cryptos

#bitcoin #etf

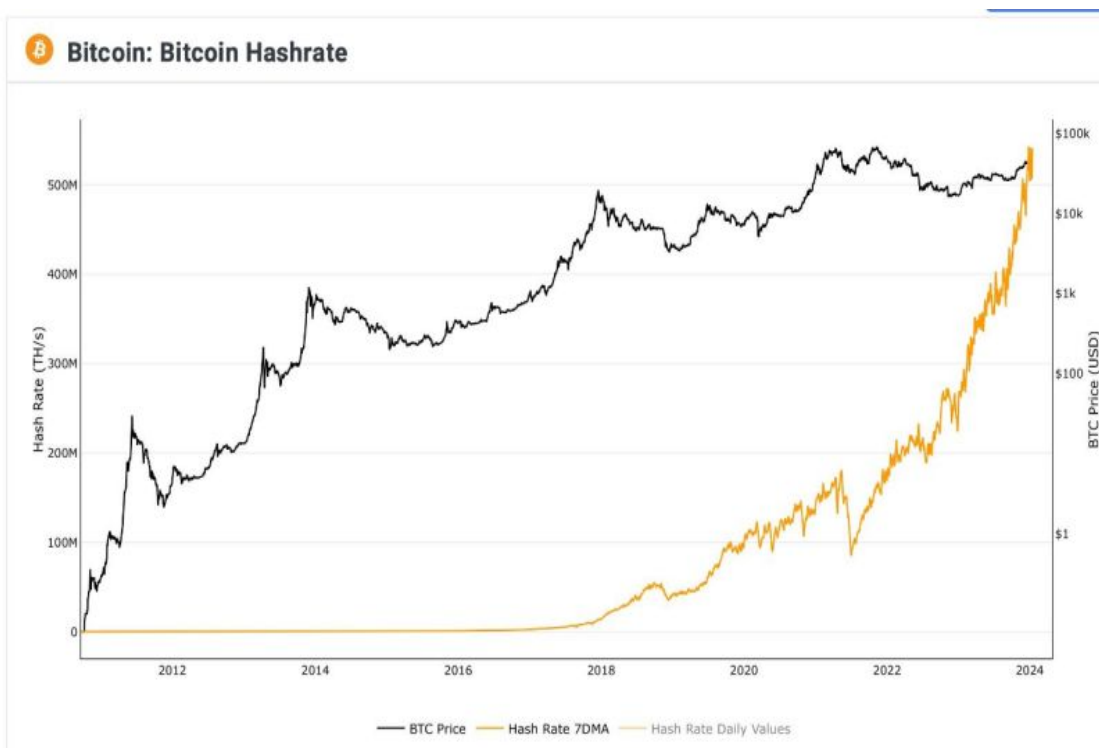
What a tweet by Franklin Templeton, a \$1.5T and 77-years old leading asset manager...





#bitcoin #hashrate

Bitcoin hashrate is going parabolic! 🚀

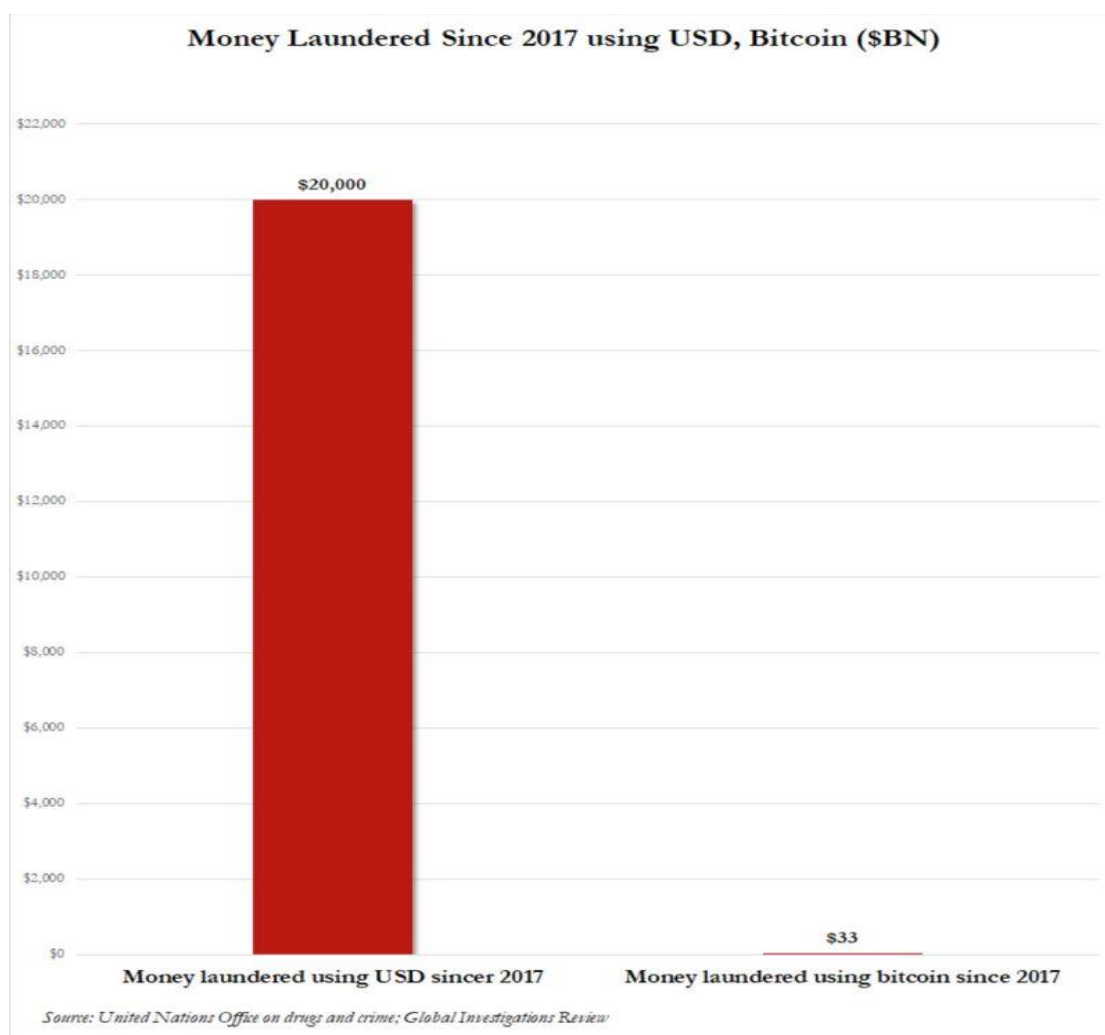


Source: Bitcoin Archive



#moneylaundering #bitcoin #usdollar

Money laundering using us dollar vs. using bitcoin - in BILLION dollars

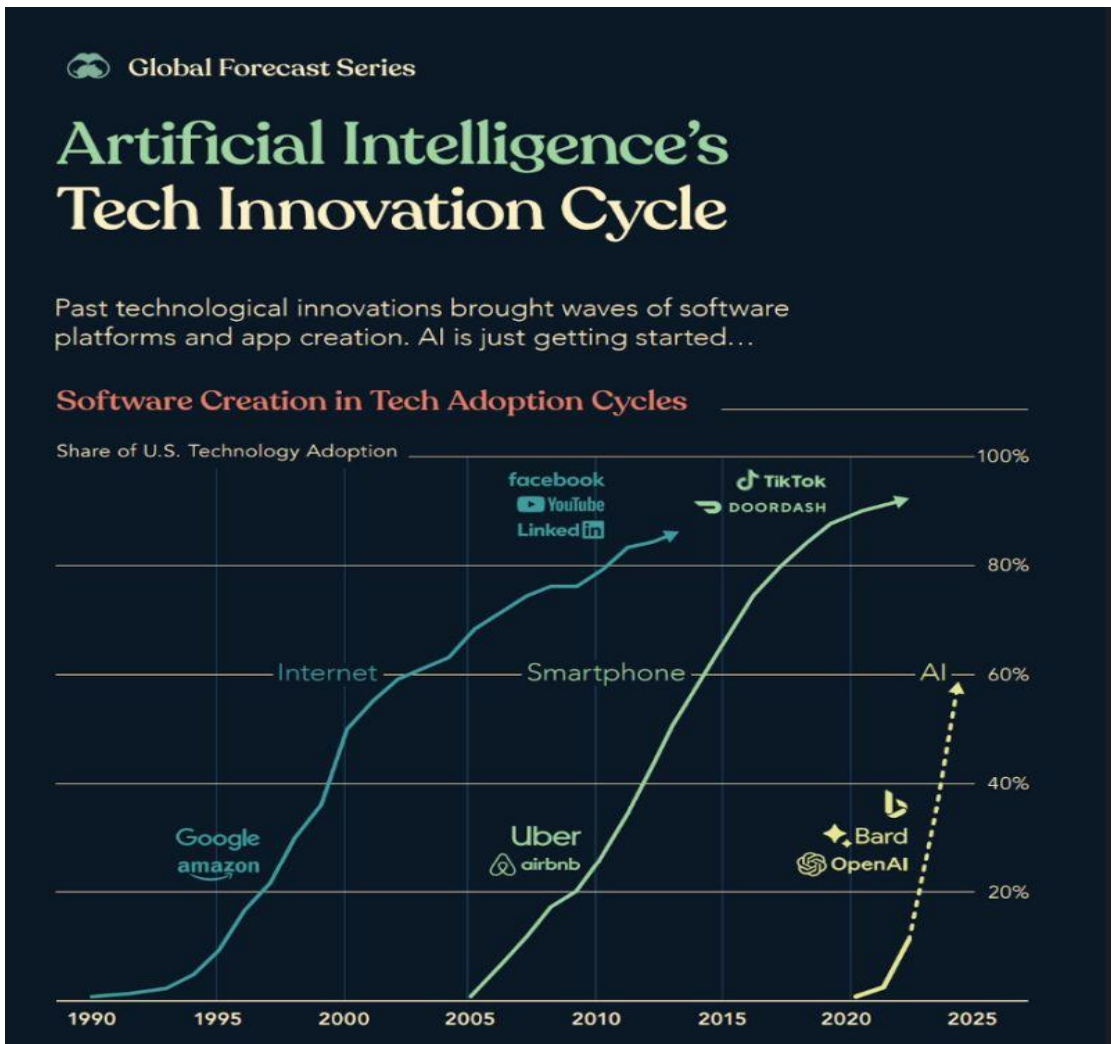


Source: United Nations Office on drugs and crime, Global investigation review, www.zerohedge.com

#food-for-thought

#artificialintelligence #tech

Artificial Intelligence Tech Innovation Cycle by Visual Capitalist



#food-for-thought

#startup #leaders

These Four Companies Started Out With a Garage Stories.

They are collectively worth \$6.5 trillion



Source: jonerlichman

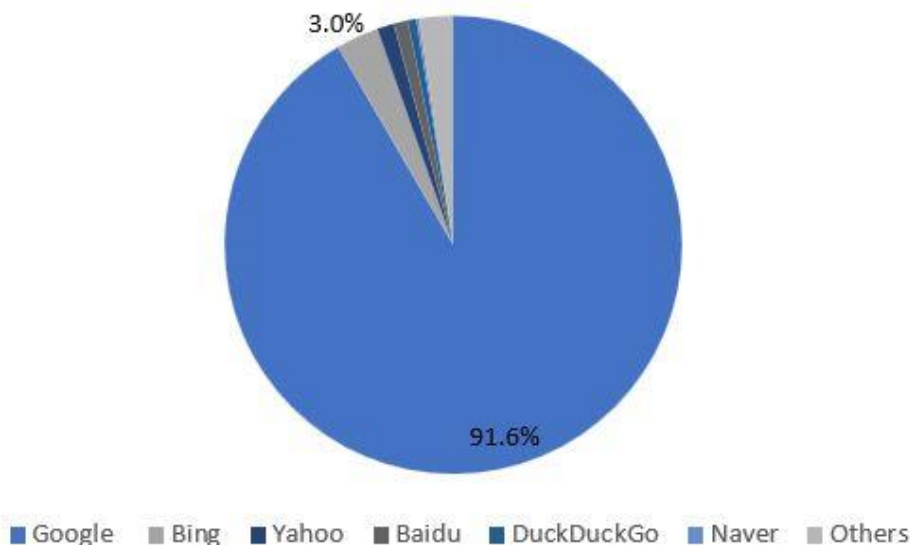
#food-for-thought

#search #google

Google Search \$GOOG continues to hold more than 91% share of search engine referrals, followed by Bing \$MSFT at 3% and Yahoo at 1.2%.

Source: Meltwater

Share of Search Engine Referrals



Source: Beth Kindig

#food-for-thought

#most-valuable #companies #us

America's Most Valuable Company Every Year Since 1995.

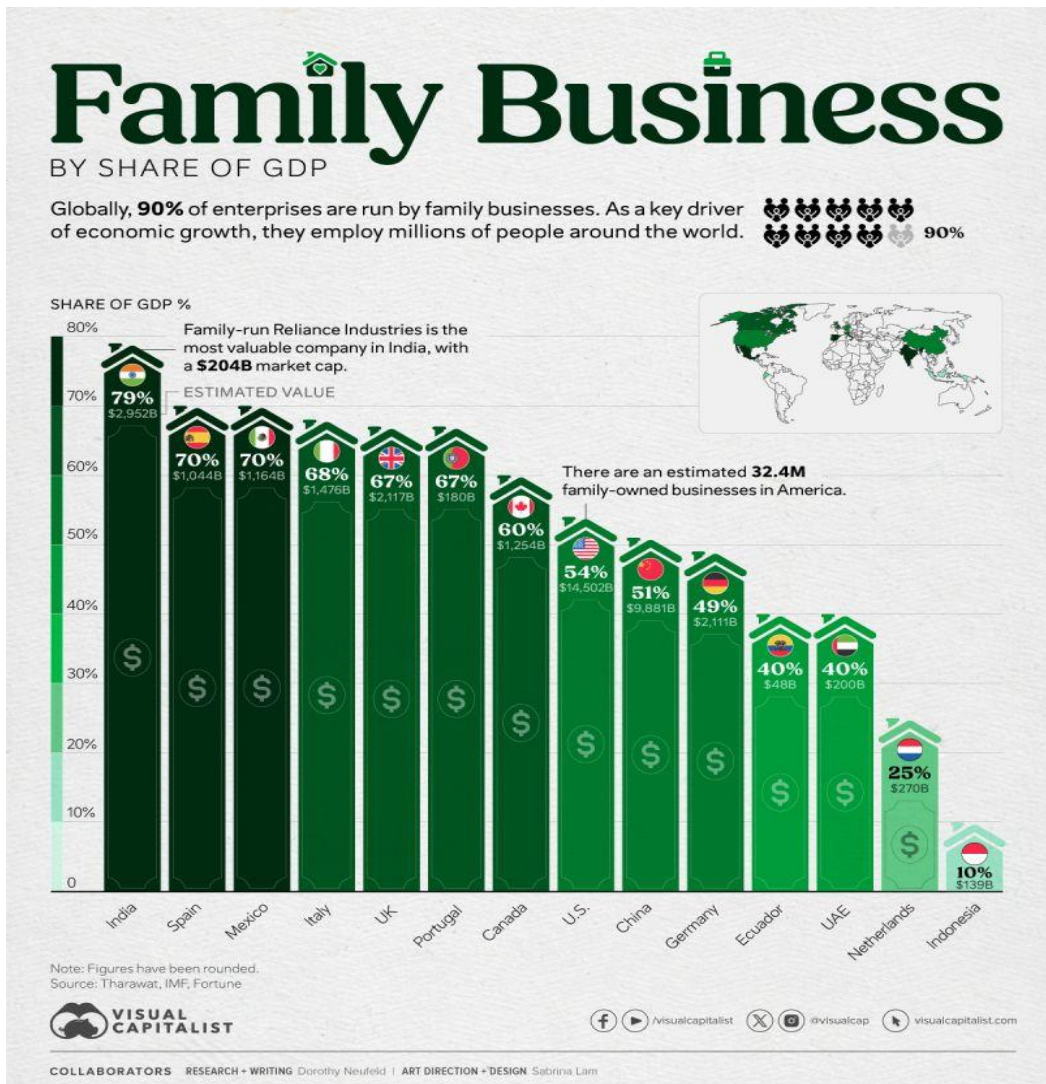


Source: visual capitalist

#food-for-thought

#family #businesses

The Influence of Family-Owned Businesses, by Share of GDP by The Visual Capitalist

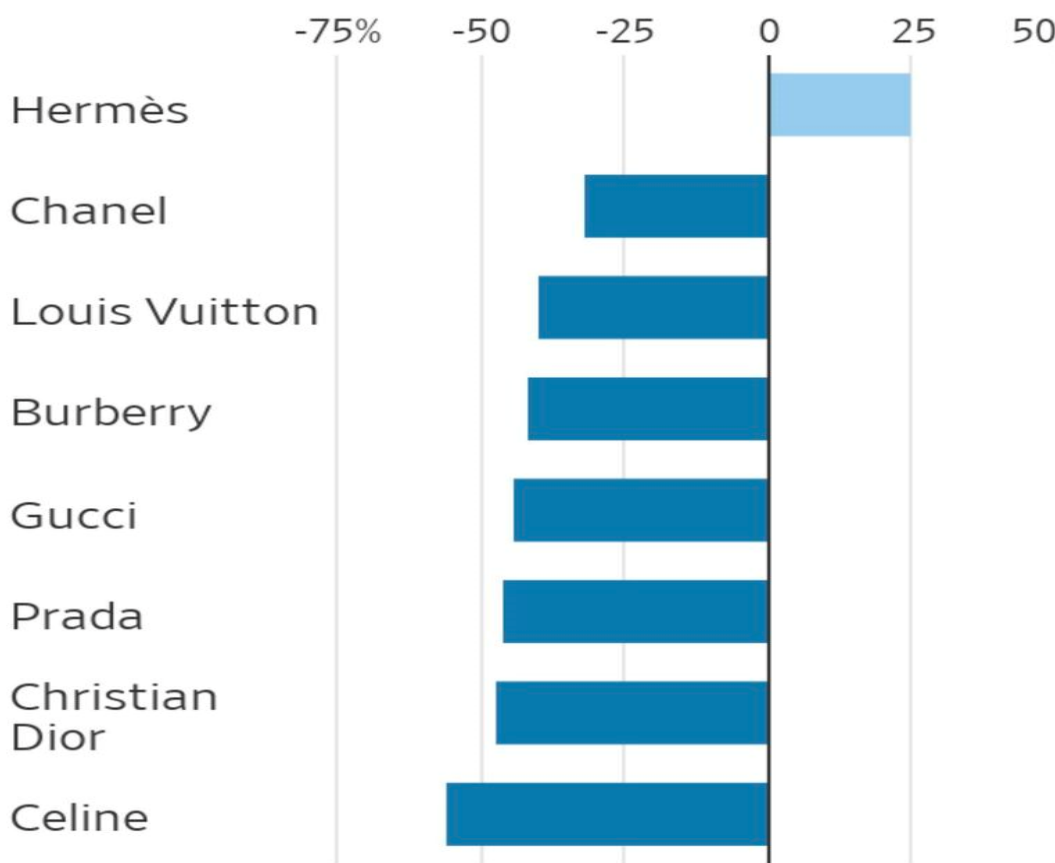


#food-for-thought

#hermes #resale

Why Hermès is the GOAT of luxury brands...

Handbag resale values vs. original price



Source: The RealReal

Source: Scuttlebutt Investor

#food-for-thought

#assetmanagers #etf

Top 10 largest asset managers in the world



#food-for-thought

#nike #chart

Last week, Nike and Tiger Woods announced they'd be ending one of the most iconic (and lucrative) brand deals in sports history after some 27 years. To mark the end of the Big Cat/Shoe Dog partnership, Chartr is diving into how huge collabs with some of the biggest names and teams in sports — and much more besides — have helped Nike change the sportswear game .- see chart below



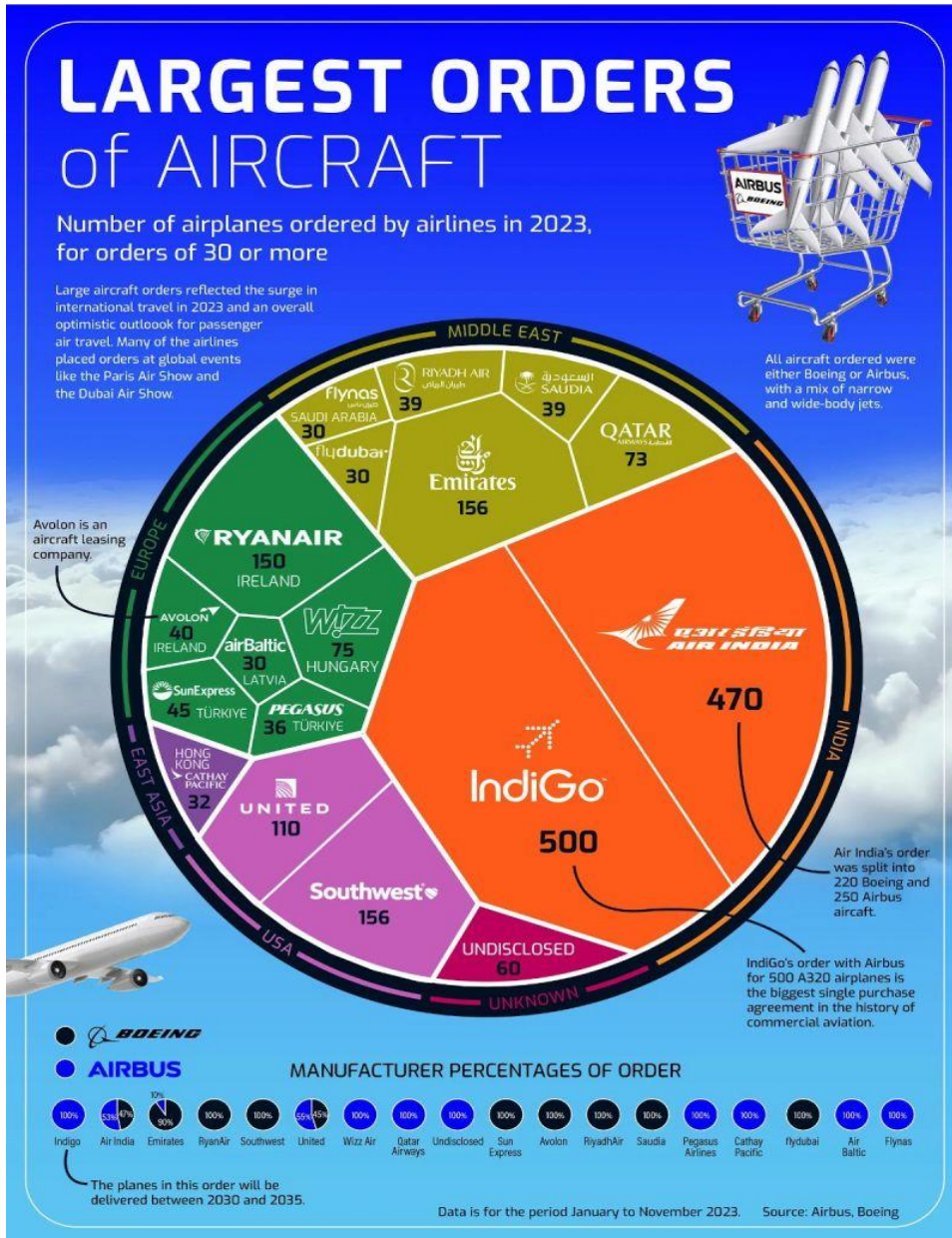
#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

20 JANUARY 2024

#food-for-thought

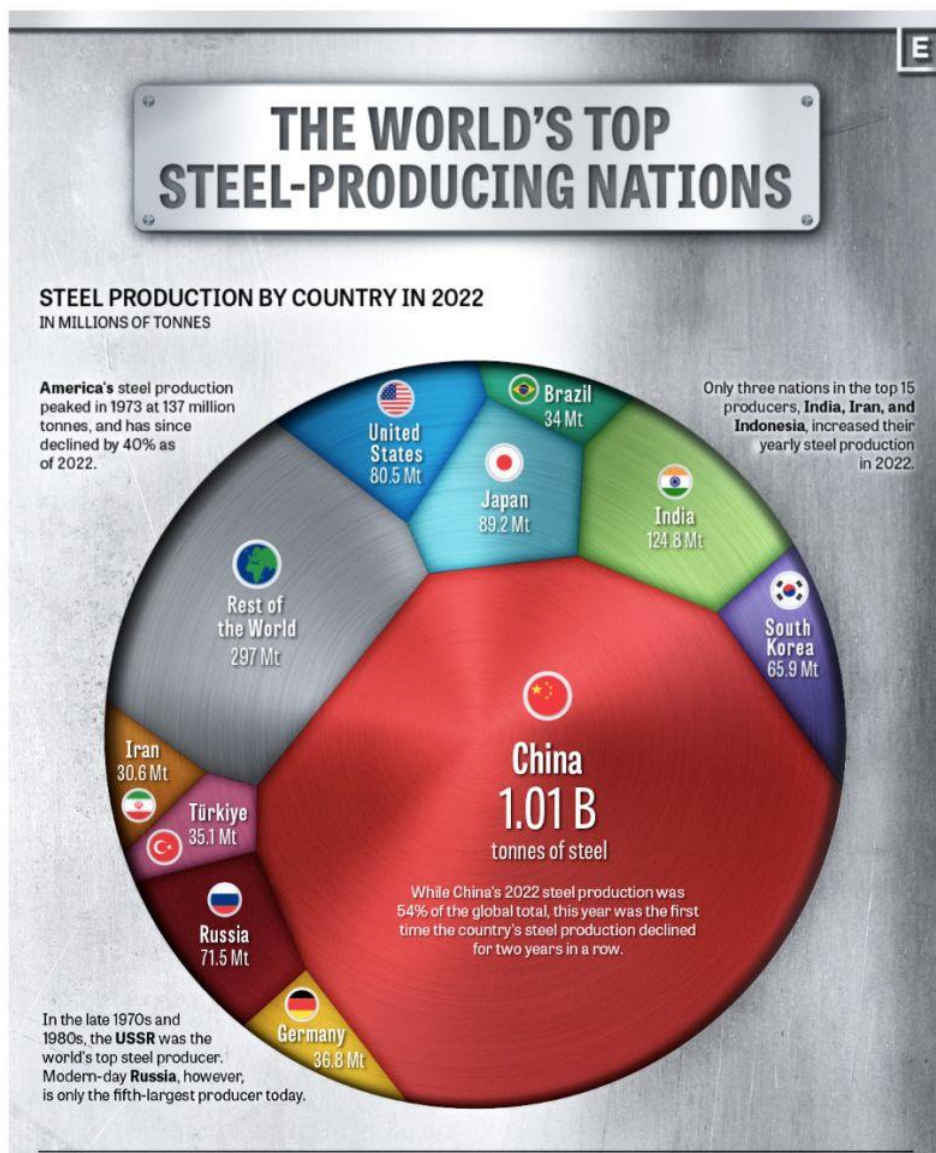
#india #aircrafts



#food-for-thought

#china #steel

Visualizing the World's Largest Steel-Producing Countries

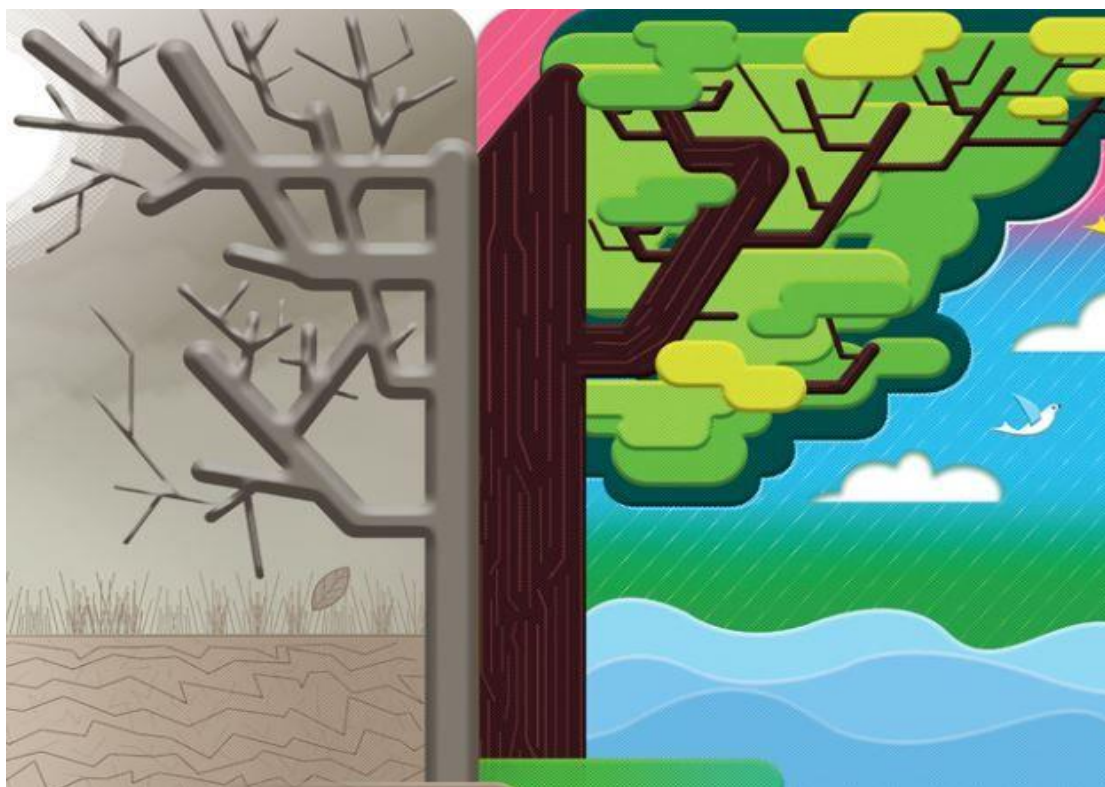


#food-for-thought

#esg #funds

Launches of funds focused on ESG experience a significant decline.

Just six funds citing ESG launched in the second half of 2023, compared with 55 in the first half, and an annual average of almost 100 between 2020 and 2022



Source: Morningstar Direct, FT

#food-for-thought

#accounting #principles

13 accounting principles by Brian Feroldi

13 ACCOUNTING PRINCIPLES
BY BRIAN FEROLDI

ACCOUNTING PRINCIPLES
The rules, benchmarks, and procedures in the accounting field companies should follow while reporting financial statements. In the United States, the common set of accounting standards is GAAP (Generally Accepted Accounting Principles).

<p>ECONOMIC ENTITY</p> <p>Owner & business are two different entities with separate liabilities.</p>	<p>REVENUE RECOGNITION</p> <p>Revenue should be recognized using the accrual basis of accounting.</p>
<p>CONSERVATISM</p> <p>When there are two acceptable options for reporting, the less favorable option should be chosen.</p>	<p>CONSISTENCY</p> <p>The usage of methods and principles should be consistent until another method proves to be better.</p>
<p>HISTORICAL COST</p> <p>Assets should be recorded based on their original purchased value.</p>	<p>FULL DISCLOSURE</p> <p>All important information should be disclosed within the financial statements or as a footnote.</p>
<p>GOING CONCERN</p> <p>Business is assumed to carry on forever with no intention of liquidation.</p>	<p>MATCHING CONCEPT</p> <p>All debits should have a matching credit, and all credits should have a matching debit.</p>
<p>MATERIALITY</p> <p>Any information which will have a significant impact should be reported on the financial statements.</p>	<p>MONETARY UNIT</p> <p>Transactions that carry a monetary value should be recorded in terms of a monetary currency (Ex: Dollars)</p>
<p>RELIABILITY</p> <p>Transactions should only be recorded that can be proven & have significant evidence.</p>	<p>REVENUE TIMING</p> <p>Revenues will be recognized at the time of the transactions regardless of whether payment has been made.</p>
<p>TIME PERIOD</p> <p>There should be a standardized time period for the reporting of the financial statements (Ex: Monthly, Quarterly, or Annually)</p>	

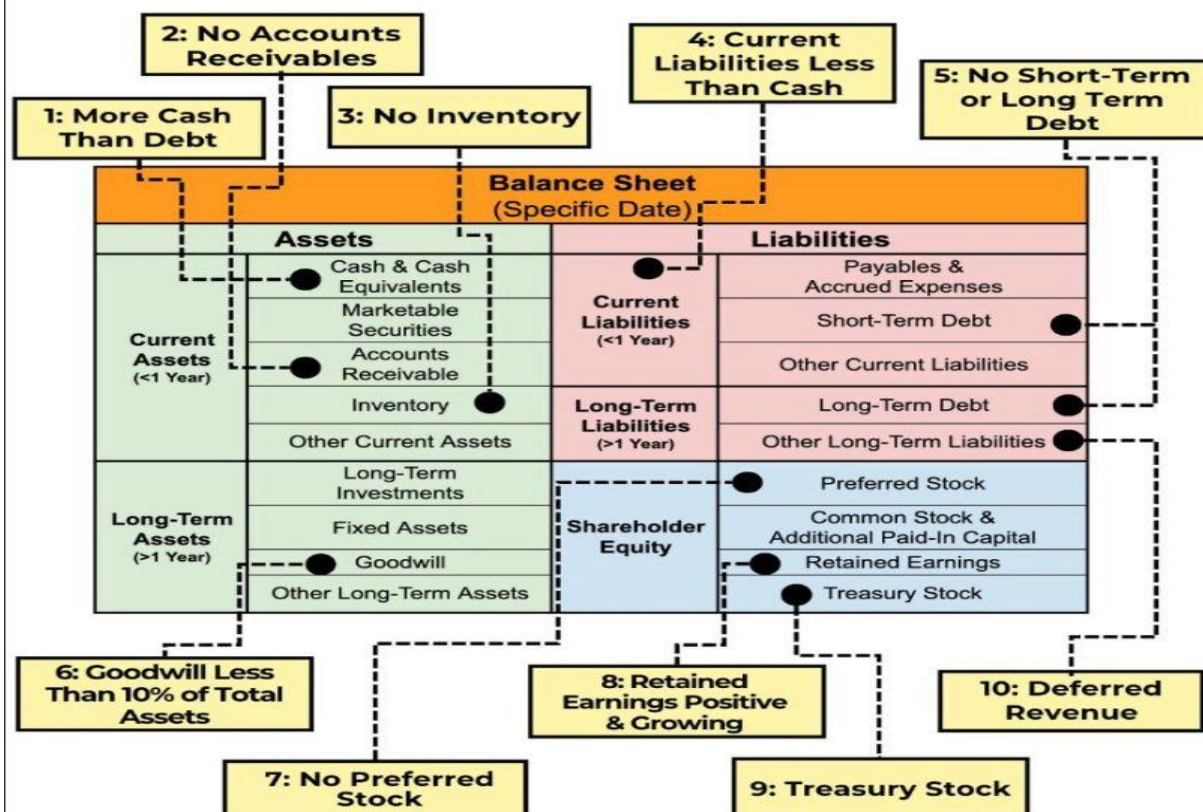
#food-for-thought

#analyze #greenflag

How to analyze a balance sheet – FAST
Watch for these 10 green flags

10 BALANCE SHEET GREEN FLAGS

BRIAN STOFFEL



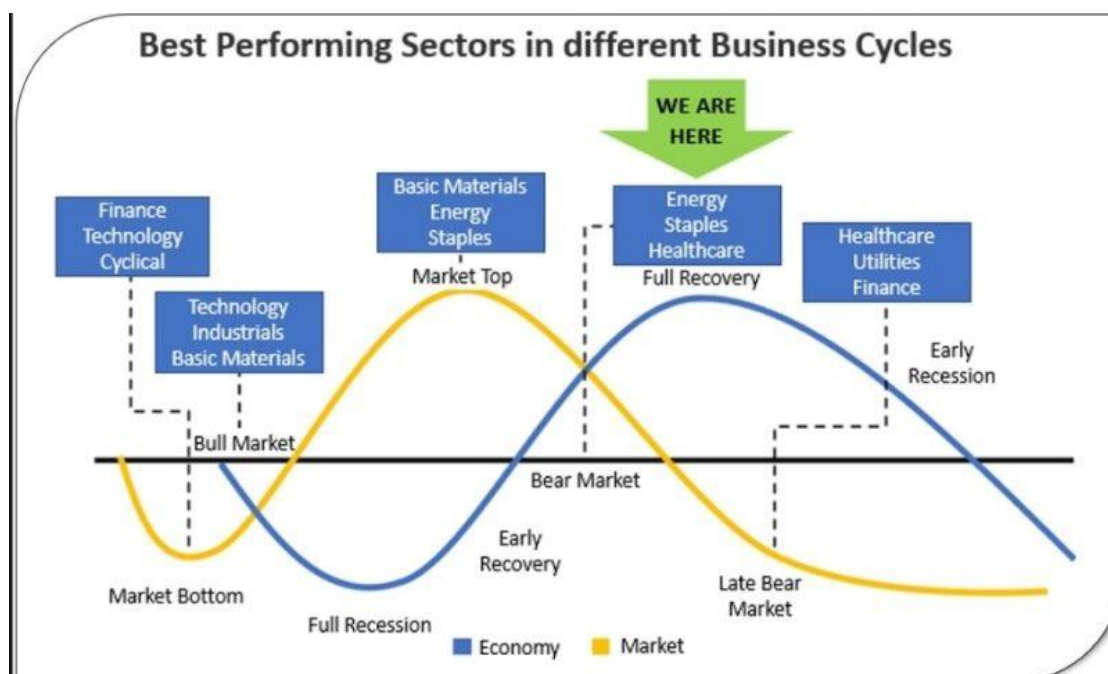
Follow Brian Stoffel on

Source: Brian Feroldi

#food-for-thought

#economy #market

The Economy is not The Market



Source: Win Smart

#food-for-thought

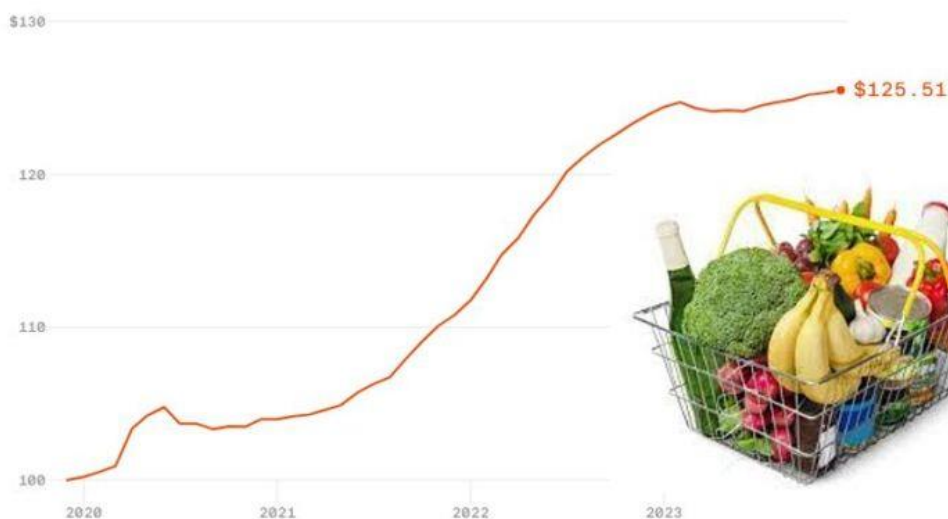
#inflation #groceries

Your grocery bill has increased more than 25% over the last 4 years!

Price of a basket of groceries that cost \$100 in December 2019

Monthly; December 2019 to December 2023

The Vibe: 📉



Data: Bureau of Labor Statistics; Chart: Axios Visuals

Source: barchart

#food-for-thought

#ski #europe #us

Europe - US : Ski Pass Prices



#food-for-thought

#americandream #costs

A reminder that 'The American Dream' now costs \$3.4M.

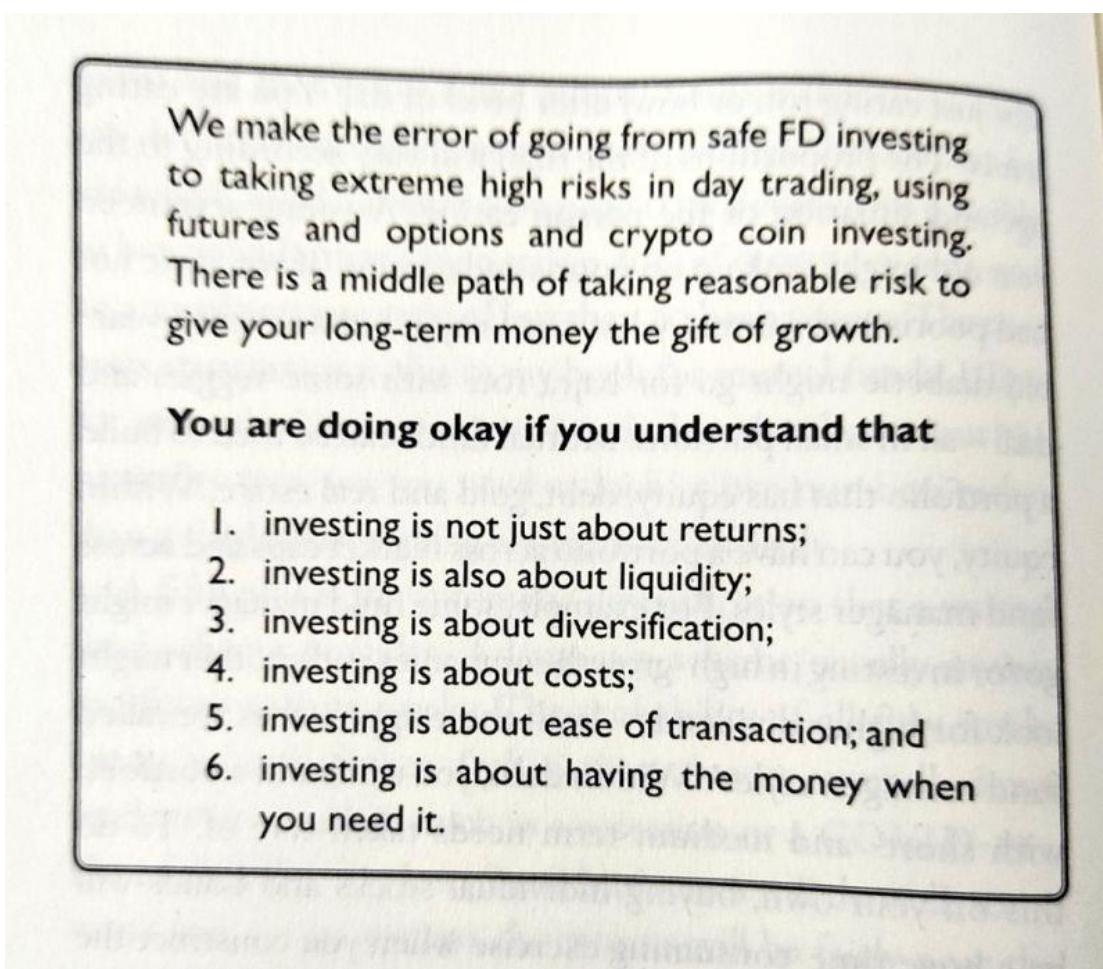


Source: Cheddar Flow

#food-for-thought

#investing

You are doing OK in investing if you understand this



Source: Investment Books (Dhaval)

#food-for-thought

#focus #longterm

The importance about thinking long-term by Seek Wiser

Life is simple.

Love comes from long-term relationships.

Health comes from long-term good habits.

Wealth comes from long-term investments.

Peace comes from long-term self-reflection.

Talent comes from long-term focused efforts.

You want value, think and act long-term.

Subscribe to the newsletter

syzgroup.com/newsletter



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For the future...