

The week in seven charts



European Central Bank trims interest rates
after inflation dips below target

Read more on page 2 - Image ©iStock/F. Wagner

Eurozone gets a rate cut as prices cool

Plus, gold leaves its commodity counterparts behind as President Trump and Elon Musk feud. Each week, the Syz investment team takes you through the last seven days in seven charts.

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Chart #1

European Central Bank trims interest rates after inflation dips below target

The European Central Bank (ECB) has reduced interest rates for the eighth time in a year, responding to a decline in inflation below the 2% threshold and continued economic strain caused by US tariffs. The deposit rate was lowered by 25 basis points to 2%, with the ECB emphasising that it is not committing to a predetermined policy trajectory.

Meanwhile, the ECB's balance sheet contracted to €6.3 trillion. In its latest economic outlook, the central bank estimates that inflation will average 2% in 2025, lowering its previous estimate of 2.3% from March.

Notably, for the first time since September 2023, the ECB's deposit rate has dropped below Germany's inflation rate.

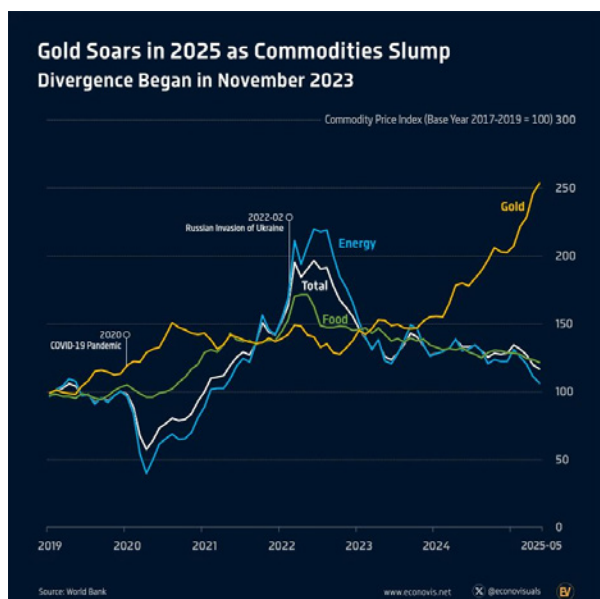


Source: HolgerZ, Bloomberg

Chart #2

Gold and other commodities path have been diverging since November 2023

As of May 2025, gold prices grew by 25.0% since the beginning of the year, marking a stark difference from the broader downturn in commodity markets. The general commodity index declined by 9.0%, driven by a 12.9% drop in energy prices and a 5.9% decrease in food prices. Compared to pre-pandemic levels, gold was trading 153% higher, significantly outperforming the overall commodity index by 117%, energy by 138%, and food by 109%.

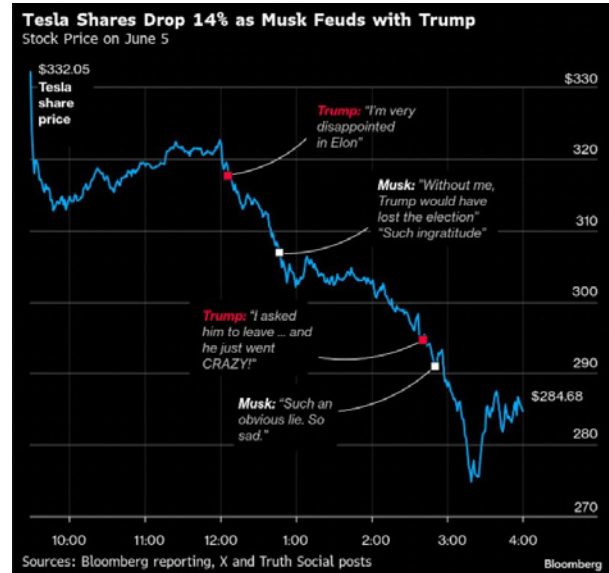


Source: Econovis on X

Chart #3

The Trump-Elon meltdown

The breakup between the world's most powerful politician and the world's richest man is unfolding in a way that reflects the surreal nature of our times: rapid, dramatic, and highly public, playing out through television broadcasts and their personal social media accounts. Tesla's stock took a sharp 14% dive, wiping out \$153 billion in market value and pushing the company's worth below the \$1 trillion mark.

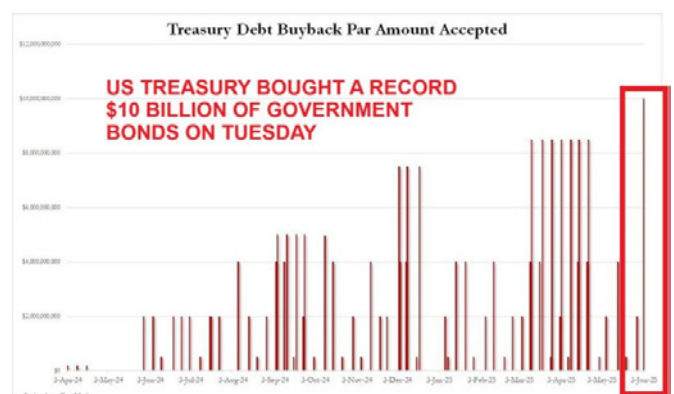


Source: HolgerZ, Bloomberg

Chart #4

The US Treasury is supporting the bond market!

On Tuesday, the US Treasury conducted its largest debt repurchase since the start of the buyback program, acquiring \$10 billion in securities. In recent months, these buyback operations have shown a clear upward trend.

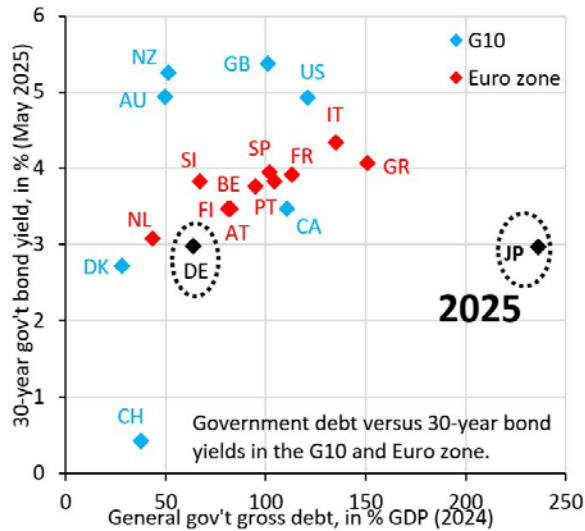


Source: Global Markets Investors

Chart #5

Japan's 30-year government bond yields should theoretically be even higher

Japan's 30-year government bond yield has climbed significantly in recent months, reaching 3%, matching the yield on German government bonds. However, this parity comes despite a stark contrast in debt levels: Germany's government debt stands at 60% of GDP, while Japan's exceeds 240%. Given the scale of Japan's debt, its current yields remain disproportionately low.

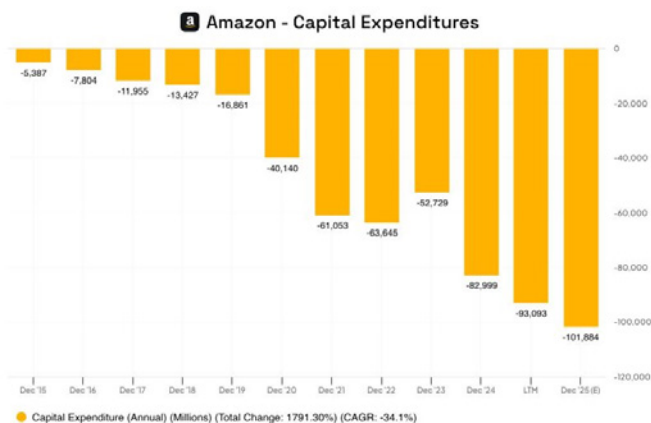


Source: Robin Brooks @robin_j_brooks on X

Chart #6

Amazon is going to invest 100 billion dollars this year

Amazon is on track to become the first company in history to surpass \$100 billion in annual capital expenditures. Over half of that spending is allocated to building out its technology infrastructure. This raises a key question: how much growth potential does AWS still have ahead of it?



Source: Finchart

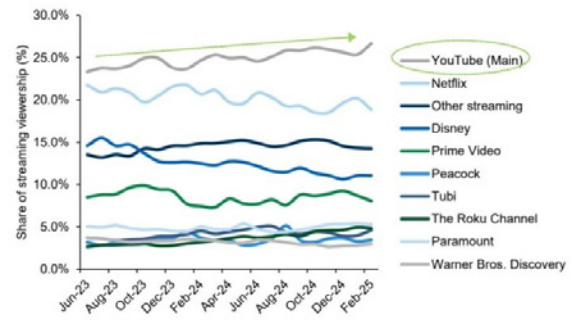
Chart #7

Youtube number one in the US

YouTube has become the leading platform on US televisions, capturing 12.4% of total TV viewership and over 25% of streaming time. Last year, its combined advertising and subscription revenue exceeded \$50 billion. If valued at the same 12x sales multiple as Netflix, YouTube on its own could be worth more than \$700 billion.

Exhibit 4: YouTube's share of viewership increased to 12.4% a record high for the platform

Monthly share of TV viewing; total day, P2+ (%)



Source: Vlad Investment Bastion, Goldman Sachs Global Investment Research

For further information

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