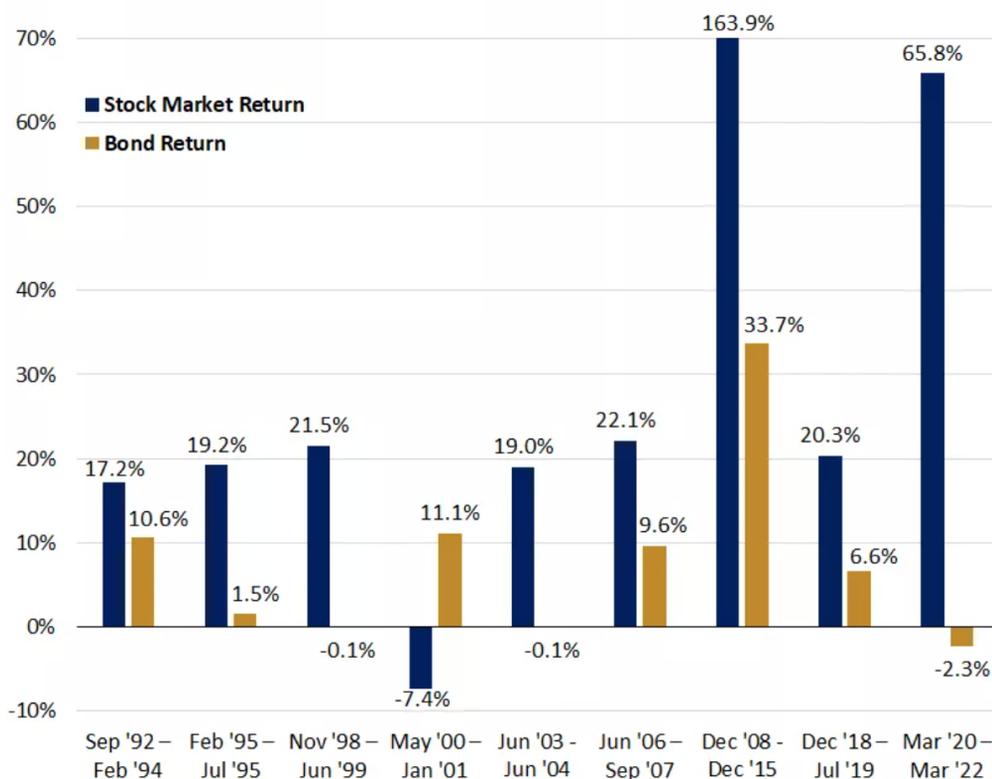


Chart of the week

Markets have typically performed well when the Fed was on the sidelines

This chart shows the performance of the S&P 500 index and Bloomberg U.S. Aggregate bond index during periods of Fed pauses (Past performance does not guarantee future results).

Stock and Bond Market Returns During Fed Rate Pause Periods



Source: Edward Jones

S&P 500 climbs 5.9% for the week, best since Nov '22

The S&P 500 Index recorded its strongest weekly gain in nearly a year. Signs of a slowing economy and a rather dovish FOMC meeting led to a sharp decrease in long-term bond yields. The gains were broad-based and led by the small-cap Russell 2000 Index, which scored its best weekly gain since October 2022. On Wednesday, the Fed left rates steady, as expected, but investors appeared encouraged by the post-meeting statement, which signaled that the recent runup in long-term Treasury yields had achieved some of policymakers' intended tightening in financial conditions. Friday's US payrolls report seemed to confirm that the labor market was cooling. Employers added 150,000 jobs in October, below expectations and the lowest level since June, and September's strong gain was revised lower. Meanwhile, the unemployment rate rose to 3.9%, its highest level since January 2022. The 10-year U.S. Treasury yield tumbled from 4.88% to an intraday low on Friday of around 4.48%, its lowest level since late September. In Europe, the STOXX Europe 600 Index rebounded from the previous week's loss and ended 3.41% higher. In Asia, the BoJ remained committed to its ultra-loose monetary policy stance at its October meeting, leaving its short-term lending rate unchanged at -0.1%. However, the central bank now allows yields to rise more freely—it will now regard its 1.0% ceiling for 10-year Japanese government bond yields as a reference, rather than strictly capping interest rates at that upper bound.

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

04 NOVEMBER 2023

#markets

#weekly #summary

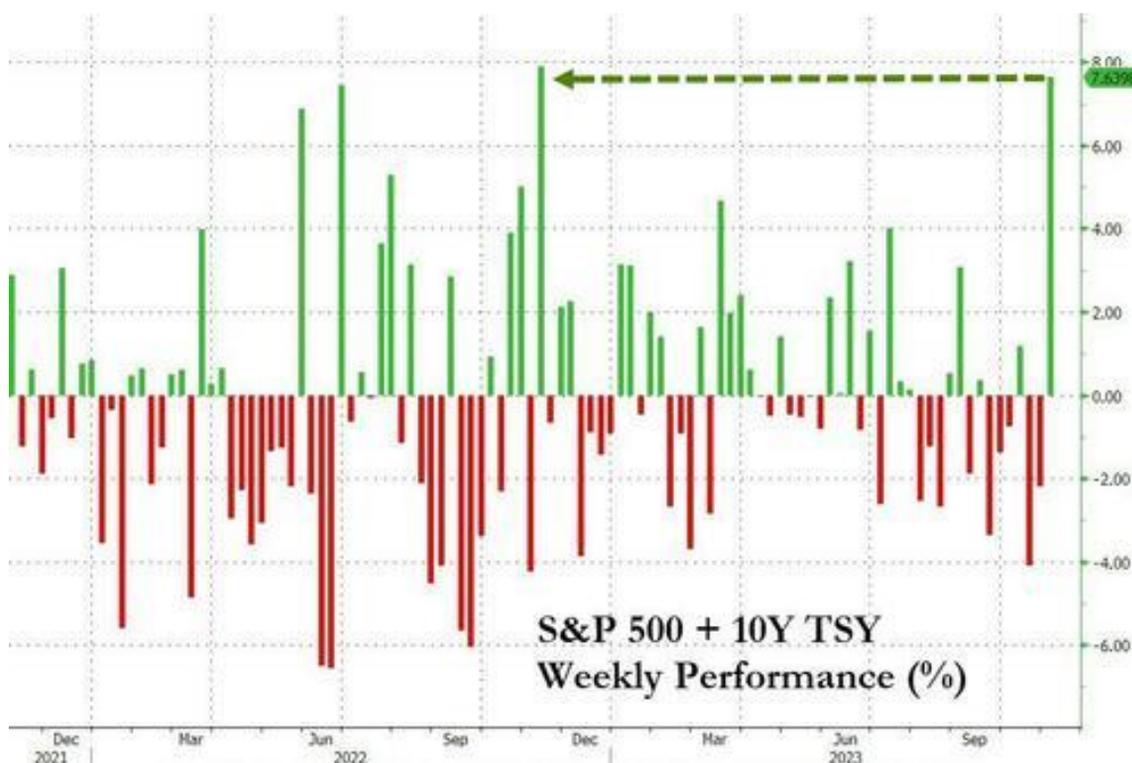
INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	34,061	5.1%	2.8%
S&P 500 Index	4,358	5.9%	13.5%
NASDAQ	13,478	6.6%	28.8%
MSCI EAFE*	2,006	3.1%	3.2%
10-yr Treasury Yield	4.52%	-0.3%	0.6%
Oil (\$/bbl)	\$80.92	-5.4%	0.8%
Bonds	\$94.16	1.7%	-0.9%

Source: FactSet, 11/3/2023. Bonds represented by the iShares Core U.S. Aggregate Bond ETF. Past performance does not guarantee future results. *4-day performance ending on Thursday.



#60-40 #portfolio

This was the best week for a combined stock-bond portfolio since November 2022...



Source: www.zeroedge.com, Bloomberg

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

04 NOVEMBER 2023



#us #equities #weekly

The S&P 500 up 5.85% this week and the Nasdaq gained 6.61%.
The best week for both indexes this year! 🍷

- ▶ VIX saw its biggest weekly plunge since Dec 2021
- ▶ 2-year yields down 15bps to 4.84%
- ▶ The US dollar slid the most since July



Source: Anthony Cheung

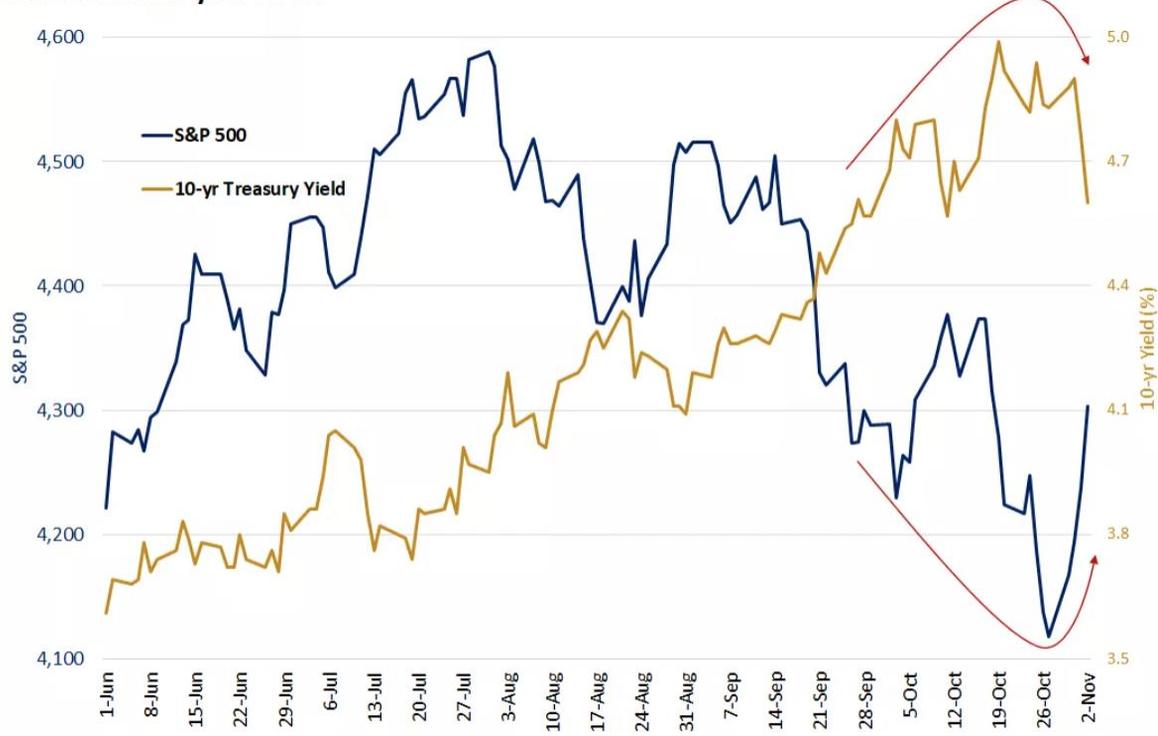




#us #equities #bonds

This was the best week for a combined stock-bond portfolio since November 2022...

S&P 500 vs. 10-year Rates



Source: FactSet. S&P 500 index and U.S. 10-year Treasury yield.

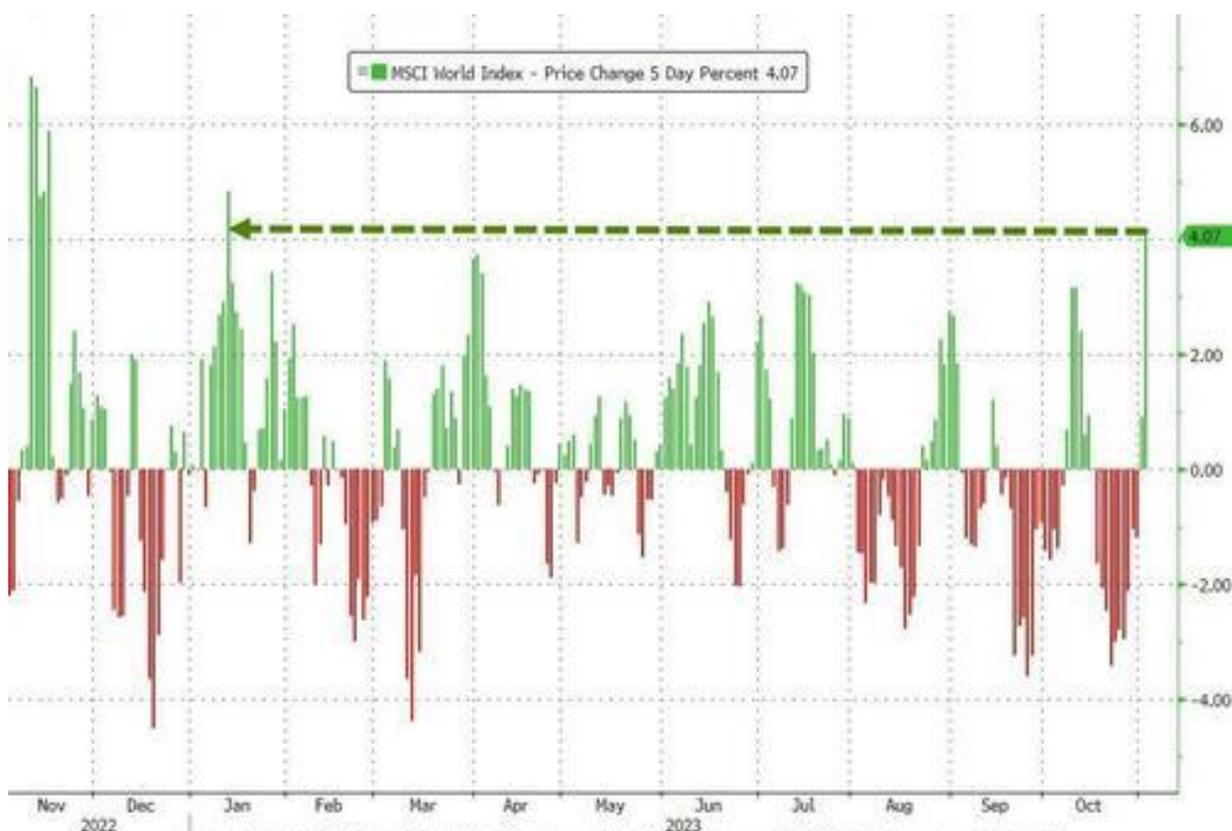
Source: Edward Jones





#global #stocks

Global stocks don't care - they just saw their biggest 5-day gain since early January...



Source: www.zerohedge.com, Bloomberg

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

04 NOVEMBER 2023

#markets

#us #equities #technicals

Nasdaq had its best week since November 2022, but this was the Russell 2000's biggest weekly gain since June 2020 as it ripped hard to try and regain its 50DMA. The rest of the major all surged back above their 200DMA and 50DMAs....



Source: www.zerohedge.com, Bloomberg



#nasdaq100

Look at this chart of the Nasdaq 100 ETF \$QQQ and the near-perfect downtrend channel in place. Bulls will be looking for a higher high to be made here very soon.

Nasdaq 100 ETF (QQQ): Last Six Months

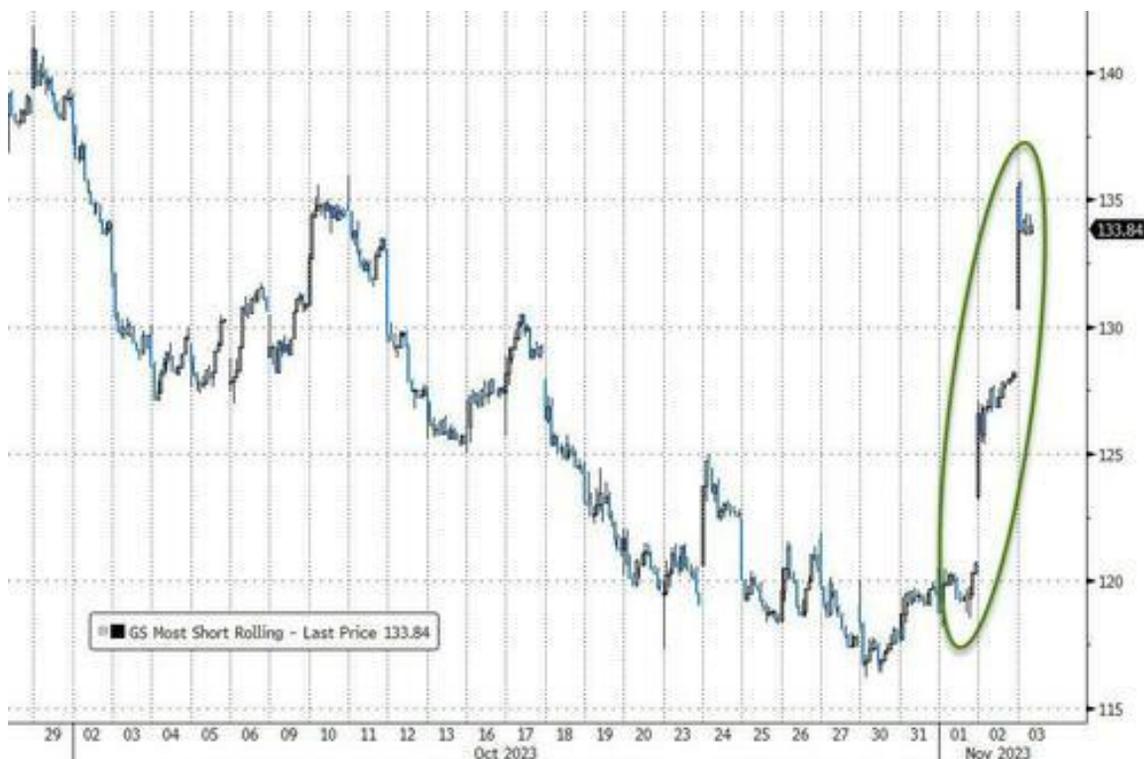


Source: Bespoke



#us #equities #short-squeeze

The biggest short-squeeze in stocks in a year sent Small Caps soaring with a basket of the "most shorted" stocks up over 11% in the last 2 days (and the biggest weekly short-squeeze since January)...



Source: www.zerohedge.com, Bloomberg



#tech #relative-chart

Tech is at all-time highs versus S&P 500

Chart 3: Tech at all-time highs vs S&P 500

Tech vs S&P 500 (price relative)



Source: BofA Global Investment Strategy, Bloomberg

Source: www.zerohedge.com, Bloomberg

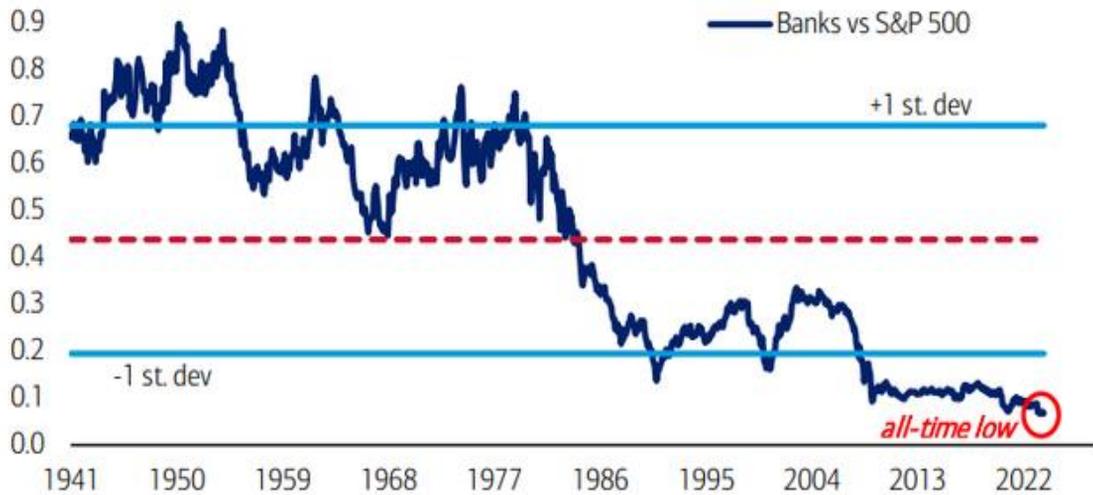


#us #banks #relative-chart

US banks trade at a 80-year lows vs S&P 500

Chart 2: US banks at 80-year lows vs S&P 500

Banks vs S&P 500 (price relative)



Source: BofA Global Investment Strategy, Bloomberg.

BofA GLOBAL RESEARCH

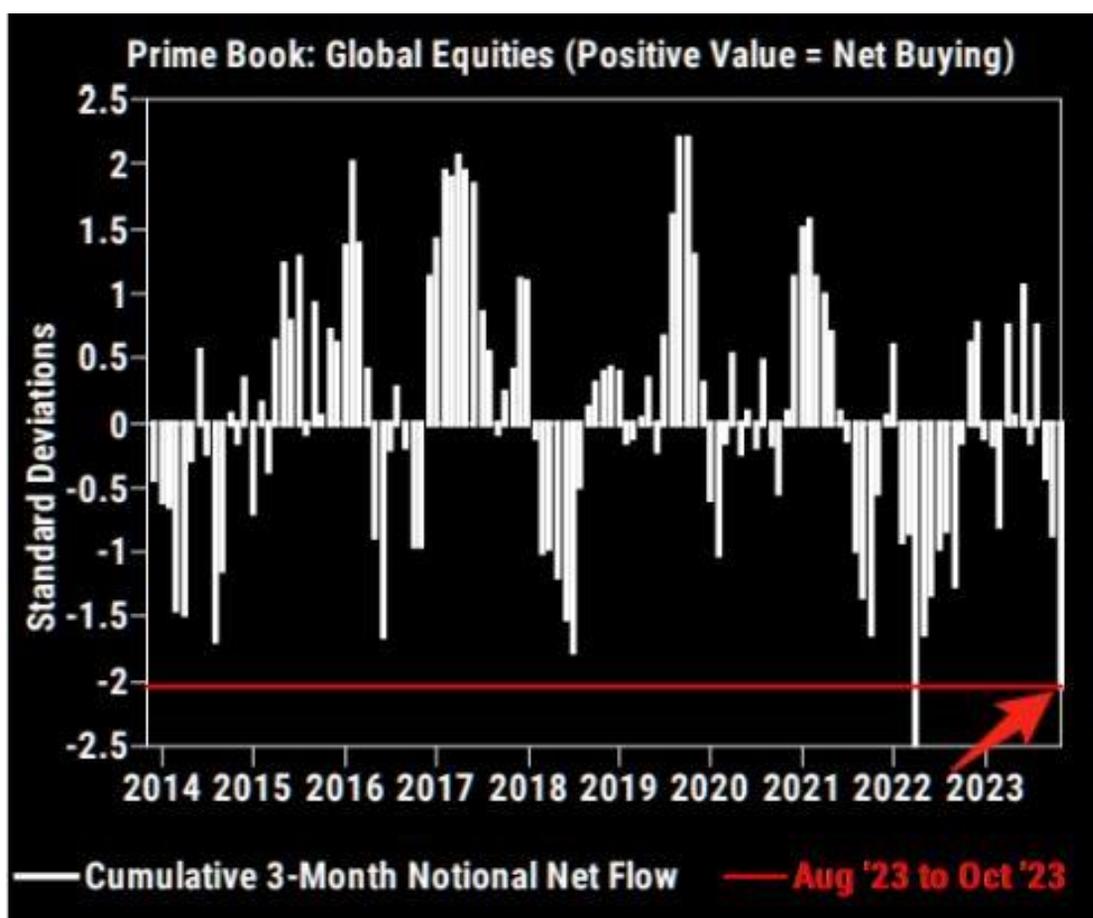
Source: BofA





#hedgefunds #short #equities

Hedge Funds were quite short going into November



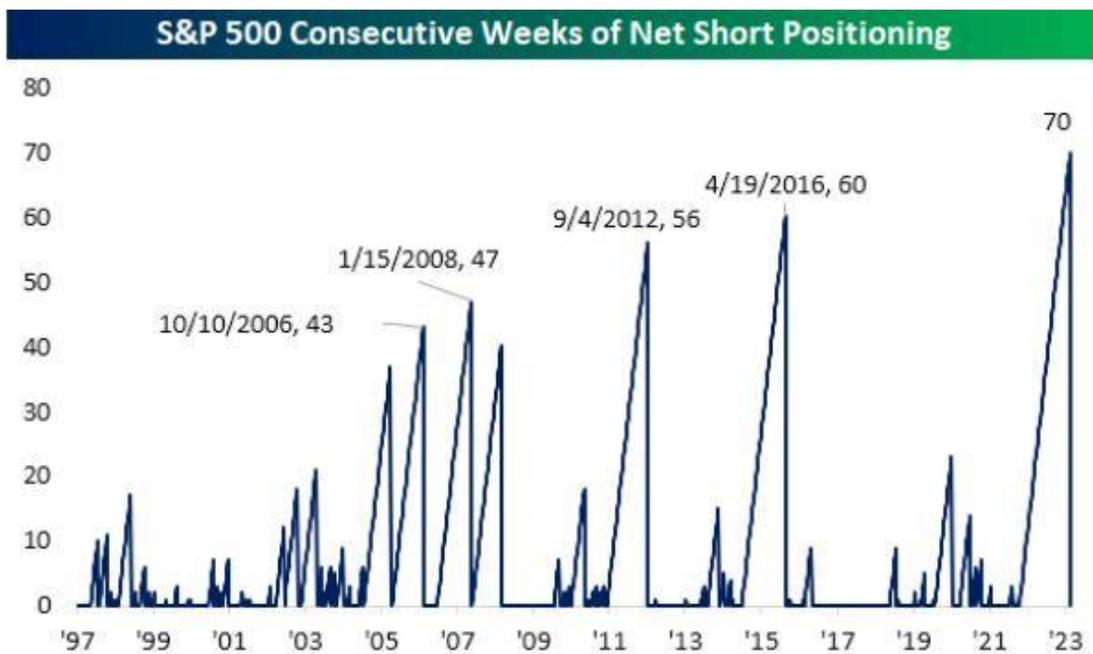
Source: Markets Mayhem, GS





#sp500 #positioning

Speculator positioning went net long on S&P 500 futures for the first time in 70 weeks according to the latest CFTC release, ending the longest streak of weekly net short readings in the history of the data.



Source: bespoke



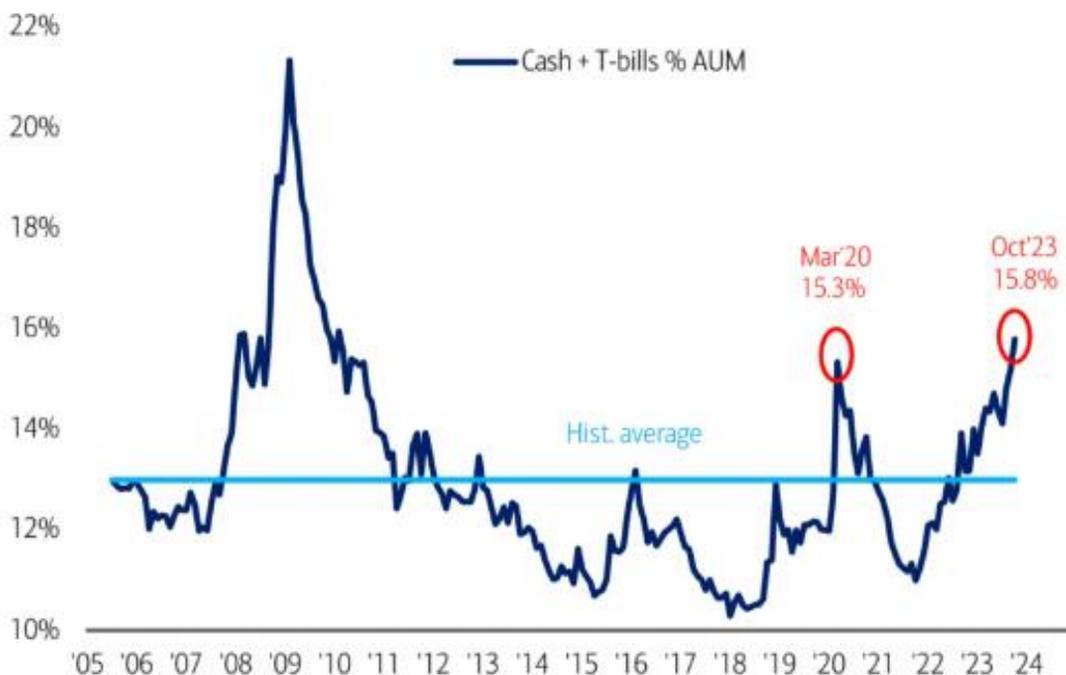


#cash #asset-allocation

Private Client allocation to cash + treasury bills is at its highest level in almost 14 years. Could potentially be a tailwind for stocks if there is a rotation of capital back into the equity markets.

Chart 7: Allocation to cash + T-bills highest since Feb'10

BofA Private Client Cash + T-bills % of AUM



Source: BofA Global Investment Strategy

Source: BofA, Barchart

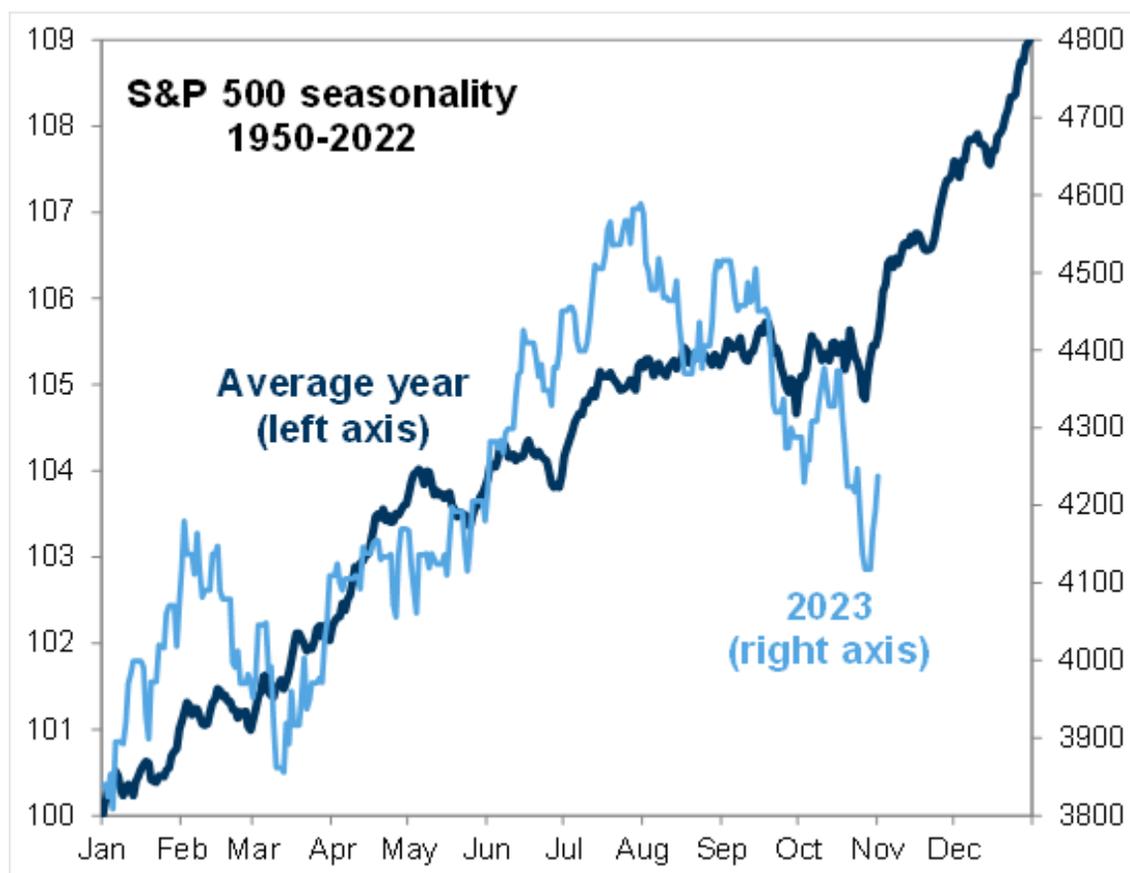




#sp500 #seasonality

Here's why stocks are suddenly melting up:

- 1. Dealer gamma turns deeply positive
- 2. \$5BN in daily buybacks until mid-Dec
- 3. CTAs buying up to \$200BN in global stocks over next month
- 4. Hedge Funds least net long since 2011
- 5. **Seasonals**



Source: www.zerohedge.com, GS



#seasonality #sp500

Seasonality Note. November and December is the best 2-month period of the year with data going back to 1950



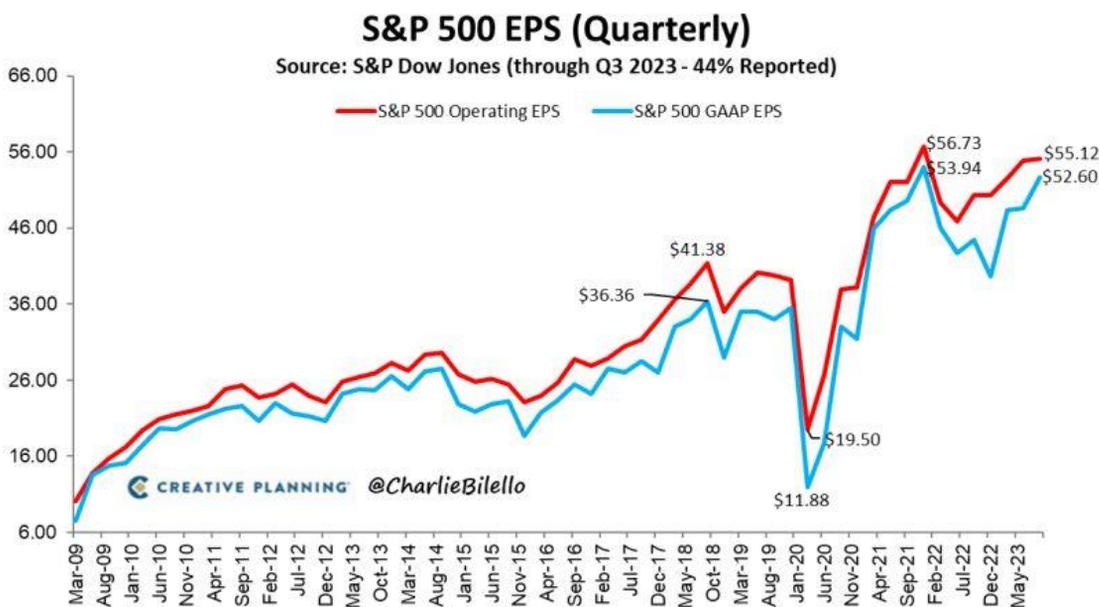
Source: IPI Research, FactSet, Bloomberg 103123 (1950 - current)
All indexes are unmanaged and cannot be invested into directly. Past performance is no guarantee of future results.
The modern design of the S&P 500 Index was first launched in 1957. Performance before then incorporates the performance of its predecessor index, the S&P 90

Source: barchart



#sp500 #earnings

S&P 500 Q3 GAAP earnings per share are 18% higher than a year ago, the 3rd straight quarter of positive YoY growth. Quarterly earnings are now just 2% below the record high from Q4 2021



Source: Charlie Bilello

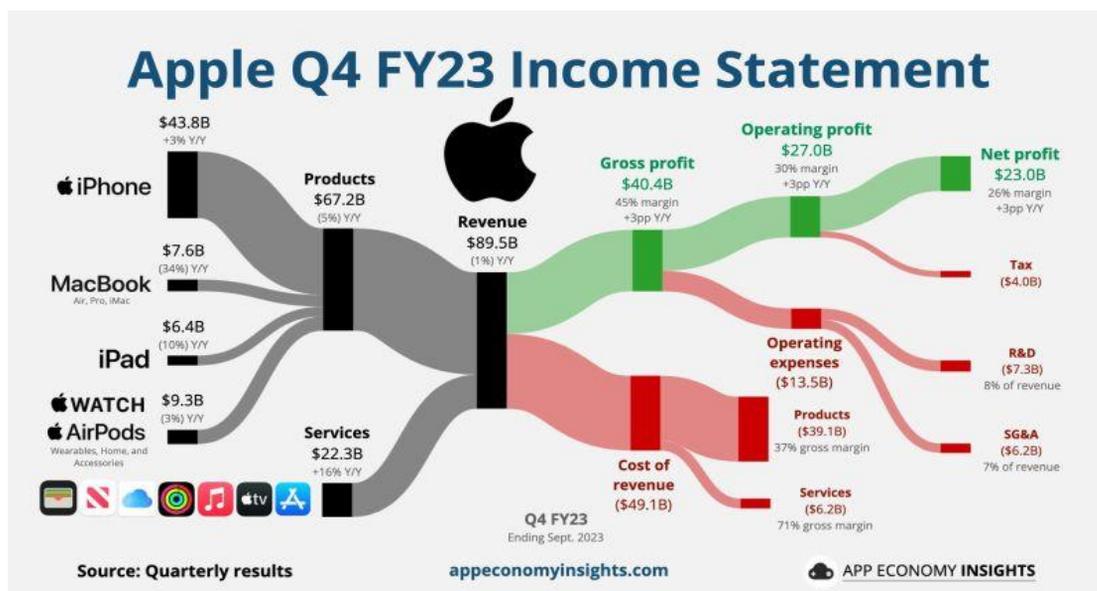




#apple #earnings

While the numbers were mixed, with revenue of almost \$82 billion coming above expectations thanks to strong service revenue offsetting iPhone print and a miss on Products, Macs and wearables, what the market did not like (again) is that this was another quarter without revenue growth and the 4rd consecutive quarter of annual revenue declines: the first time for AAPL since 2001. Some key numbers:

- Revenue -1% Y/Y to \$89.5B (in-line). Services +16% Y/Y to \$22.3B. Products -5% Y/Y to \$67.2B.
- Operating margin 30% (+3pp Y/Y). EPS \$1.46 (\$0.07 beat).
- Returned \$93B to shareholders in FY23 (\$78B in buybacks and \$15B in dividends).

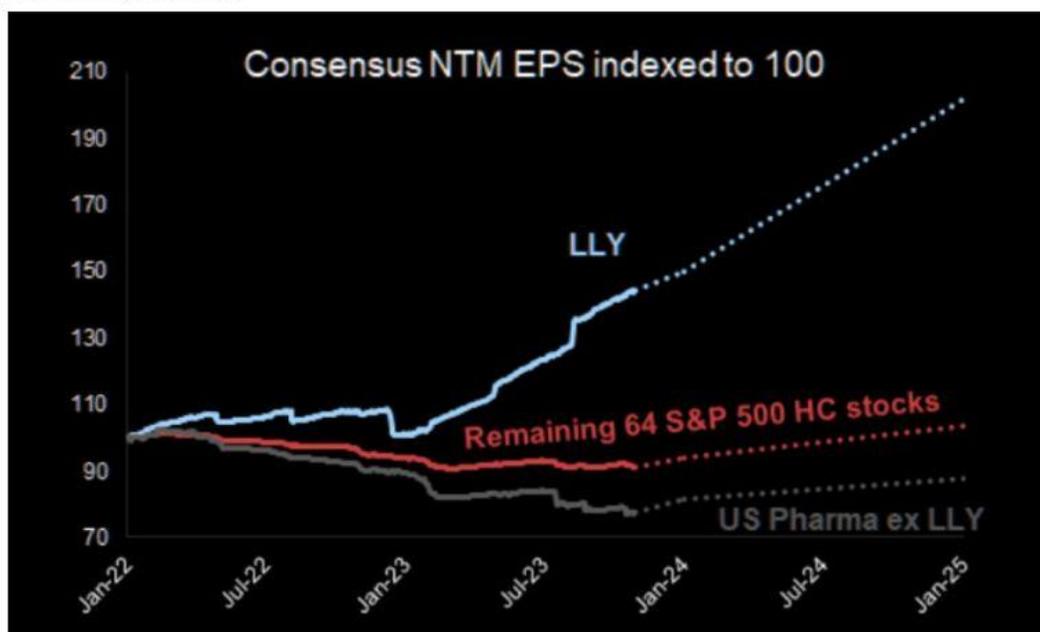


Source: App Economy Insights, www.zerohedge.com

#eli-lilly #pharma #performance

Eli Lilly exceptionalism... \$LLY vs. rest of Pharma and S&P 500 Healthcare stocks.

LLY's exceptionalism



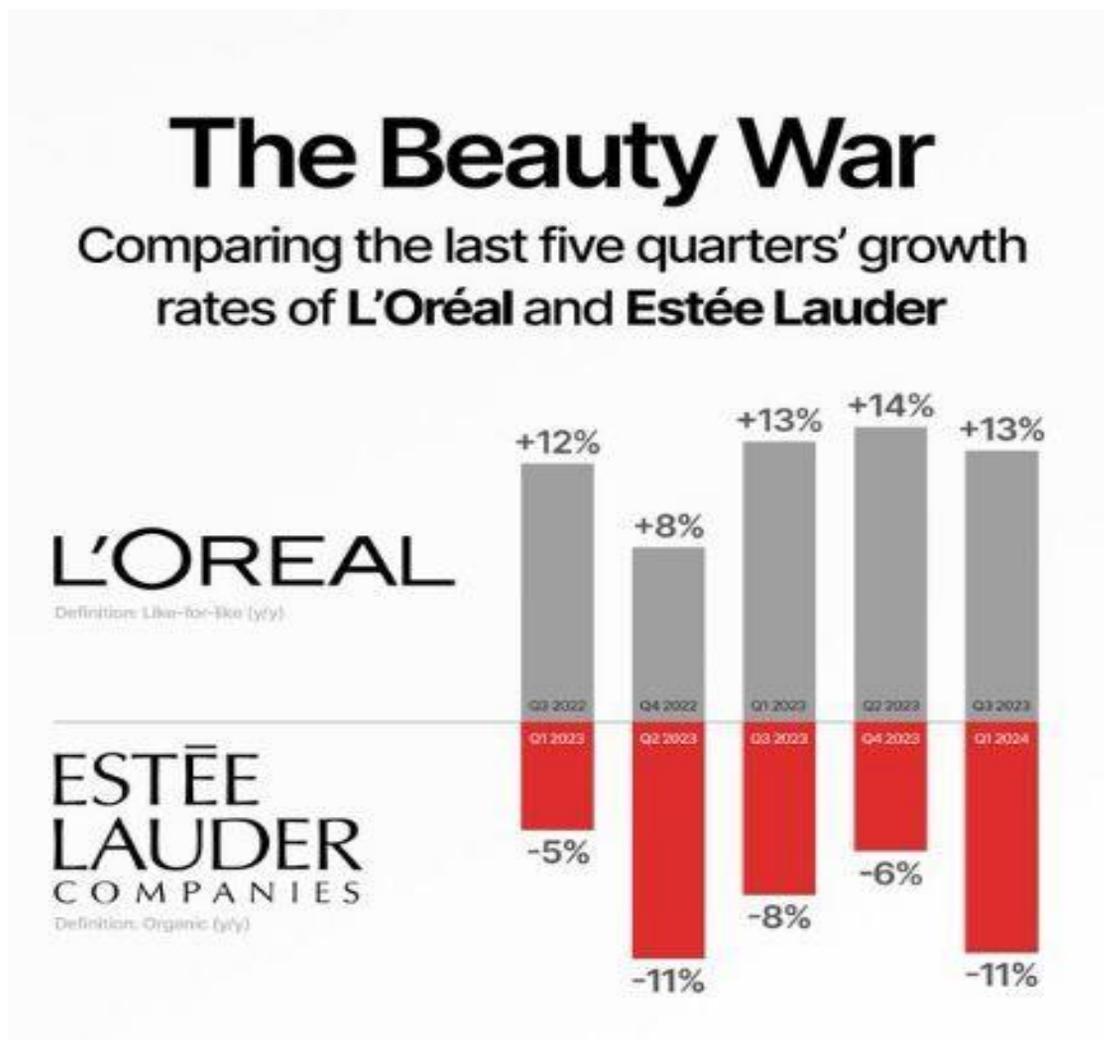
Source: Goldman

Source: Goldman Sachs, TME



#esteelauder #earnings

The Beauty War. Estée Lauder is down 20% today after another disappointing earnings release, which means the stock is now ~75% off its all-time highs.

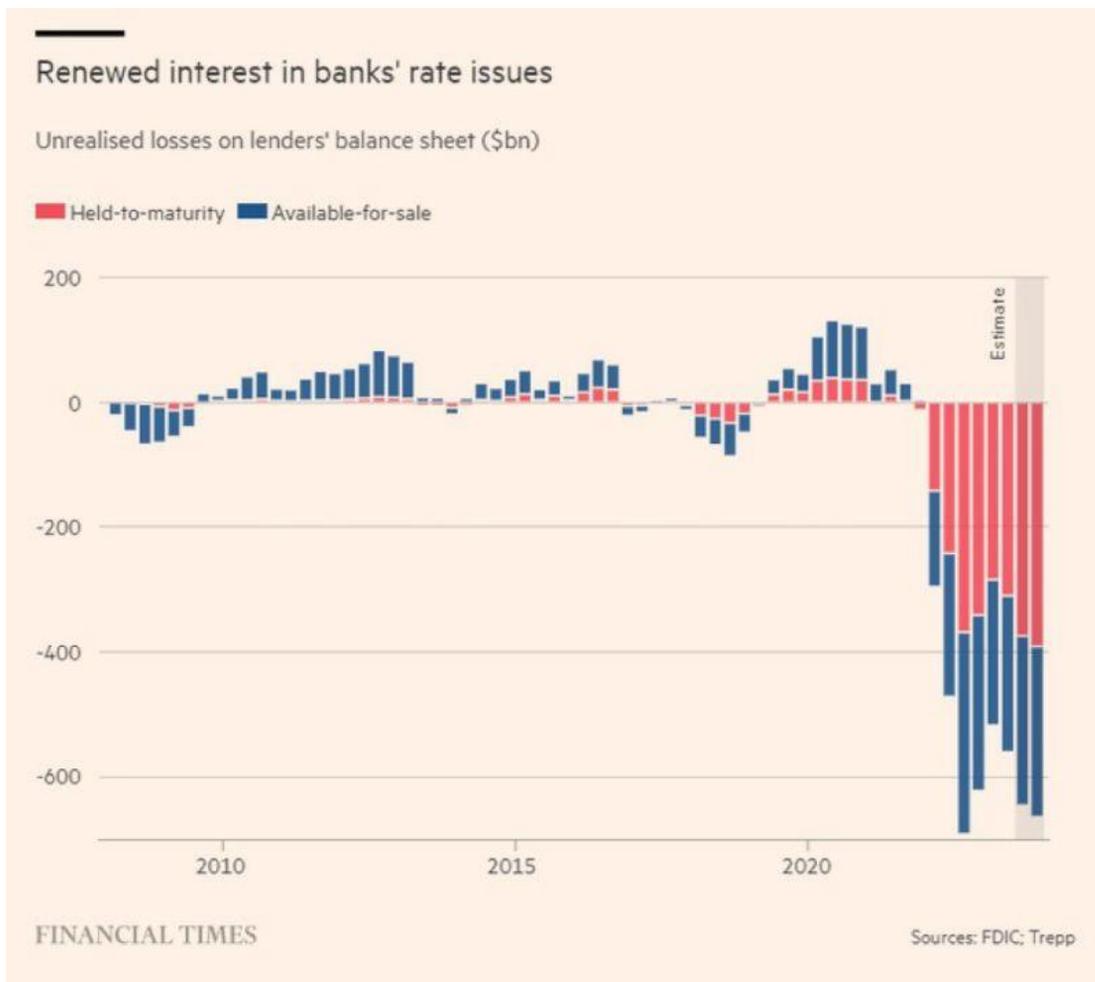


Source: quartr



#us #banks #held-to-maturity

U.S. Bank losses on held-to-maturity assets have soared to an ALL-TIME HIGH of \$400 Billion.



Source: Barchart





#wework #bankruptcy

WeWork has officially filed for bankruptcy. From a \$47 billion private market valuation to a \$9 billion IPO via a SPAC in 2021, and now trading at \$1.32 a share in after hours, marking a jaw-dropping 99% drop from its IPO price. The co-working space drama continues to unfold, reminding us that even unicorns can stumble in the real world of business.

Wework Inc

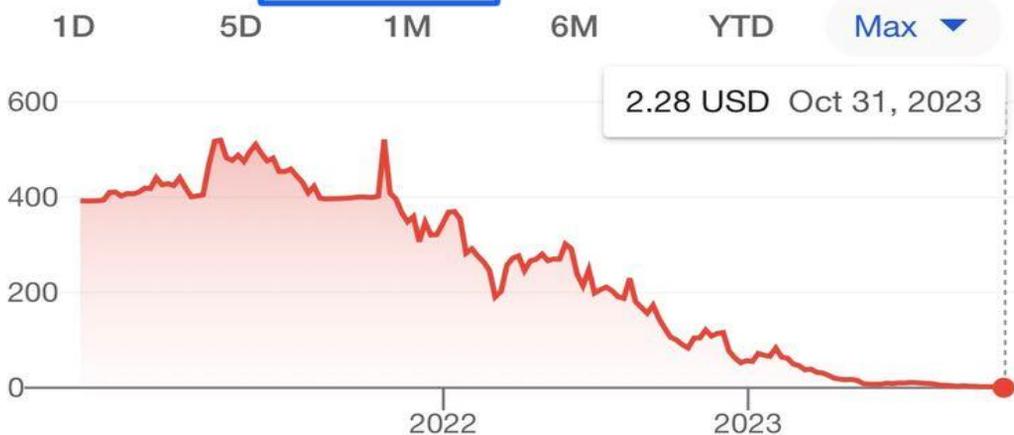


NYSE: WE

2.28 USD -390.52 (-99.42%) ↓ all time

Closed: Oct 31, 7:12 PM EDT • Disclaimer

After hours 1.32 -0.96 (42.11%)



Source: Michael Burry Stock Tracker



#emerging-markets #relative

Emerging Market stocks have fallen to their lowest valuation relative to U.S. stocks in 52 years 🗳️ 🗳️

Chart 4: EM stocks lowest vs US since 1971

US vs Emerging Market equities (relative price, USD)



Source: BofA Global Investment Strategy, Bloomberg.

Source: BofA, Barchart



#us #japan #valuations

This sweet spot where you have "pretty solid" companies with ROE of 10-20% and price-to-sales ratios under 1.0 is virtually non-existent in the US. Only 20 companies in the S&P 500 fit that profile. In Japan, such companies are one-sixth of the Nikkei 225



Source: Jeff Weniger



#us #10y #treasuries #weekly #move

The 10-year note yield is now down ~50 basis points in 5 days. This marks the largest 5-day move in treasury yields since March 2023. After the Fed kept rates unchanged and the jobs report came in weaker than expect, bonds are seeing some relief. Also, the US Treasury's announcement to borrow short-dated treasuries helped lower long-term rates. We continue to see historic moves in both directions for the bond markets.



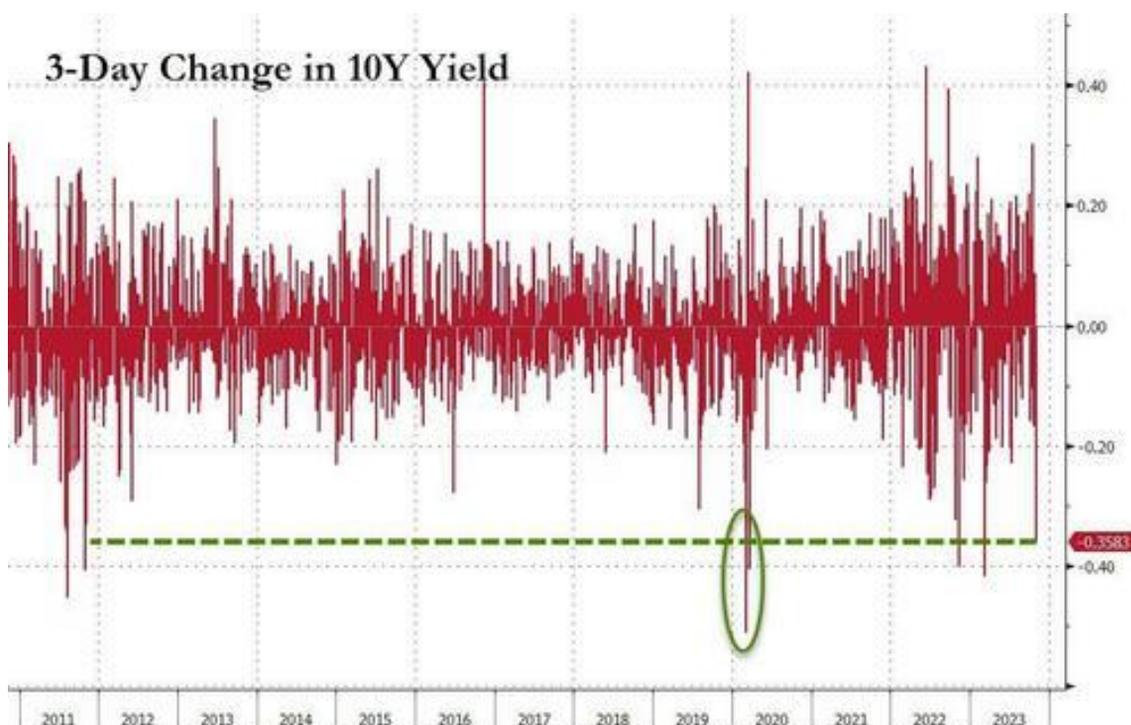
Source: The Kobeissi Letter





#us #10y #treasuries #weekly #move

The 36bps plunge in 10Y yields in the last 3 days is, outside of COVID, among the largest in the last 12 years...



Source: www.zerohedge.com, Bloomberg



#us #10y #treasuries #technicals

Bonds were bid last week with the long-end significantly outperforming. The US 10 year is breaking well below the short term trend line, hitting the 50 day right here. There is a small support here, but the bigger support is down around 4.3%. Note that the 200 day remains way lower, down around 3.95%.

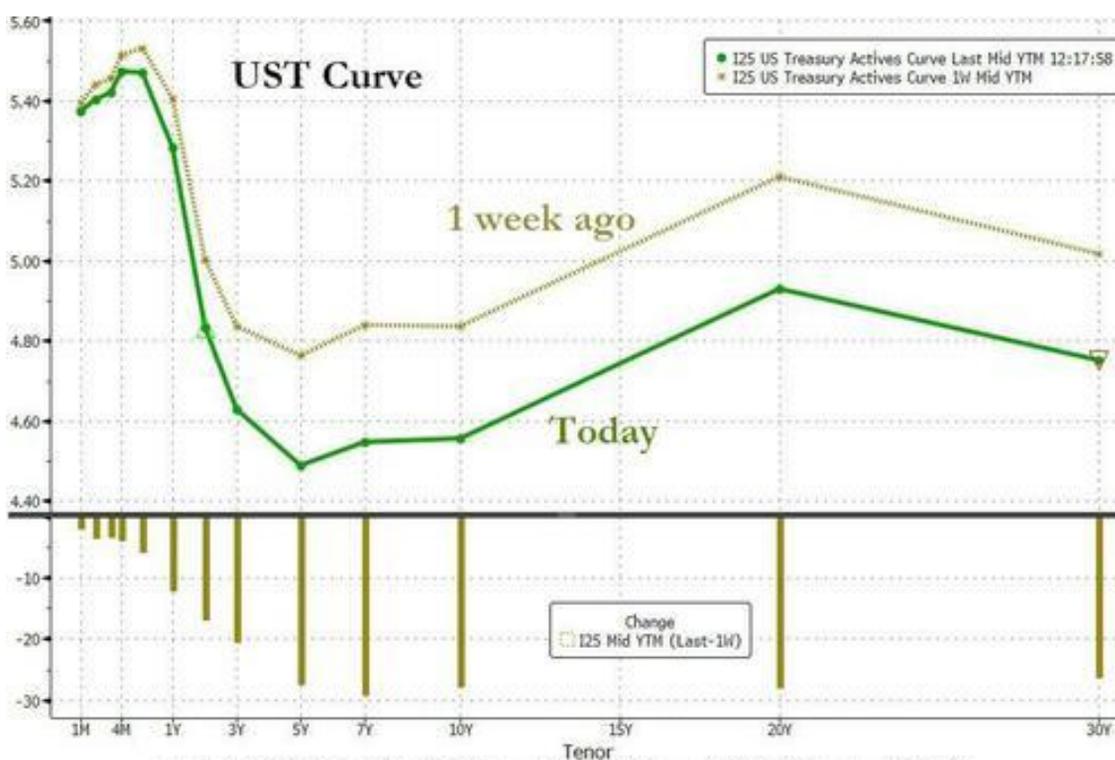


Source: TME



#us #yield-curve

The entire US yield curve has bull flattened hard...



Source: www.zerohedge.com, Bloomberg



#us #bond #drawdown

The US Bond Market has now been in a drawdown for 39 months, by far the longest bond bear market in history.

Bloomberg US Aggregate Bond Index: Longest Drawdowns (Monthly Data, 1976 - 2023)			
Start of Drawdown	End of Drawdown	# Months	Max Drawdown During Period (Monthly)
Aug-20	?	39	-17.2%
Jul-80	Oct-81	16	-9.0%
May-13	Apr-14	12	-3.7%
Aug-16	Jul-17	12	-3.3%
Feb-94	Jan-95	12	-5.1%
Mar-87	Nov-87	9	-4.9%
Aug-79	Apr-80	9	-12.7%
Apr-08	Nov-08	8	-3.8%
Feb-96	Sep-96	8	-3.2%
Jun-03	Nov-03	6	-3.6%
Feb-84	Jun-84	5	-4.9%
May-83	Aug-83	4	-3.5%

CREATIVE PLANNING @CharlieBilello (As of 10/31/23)

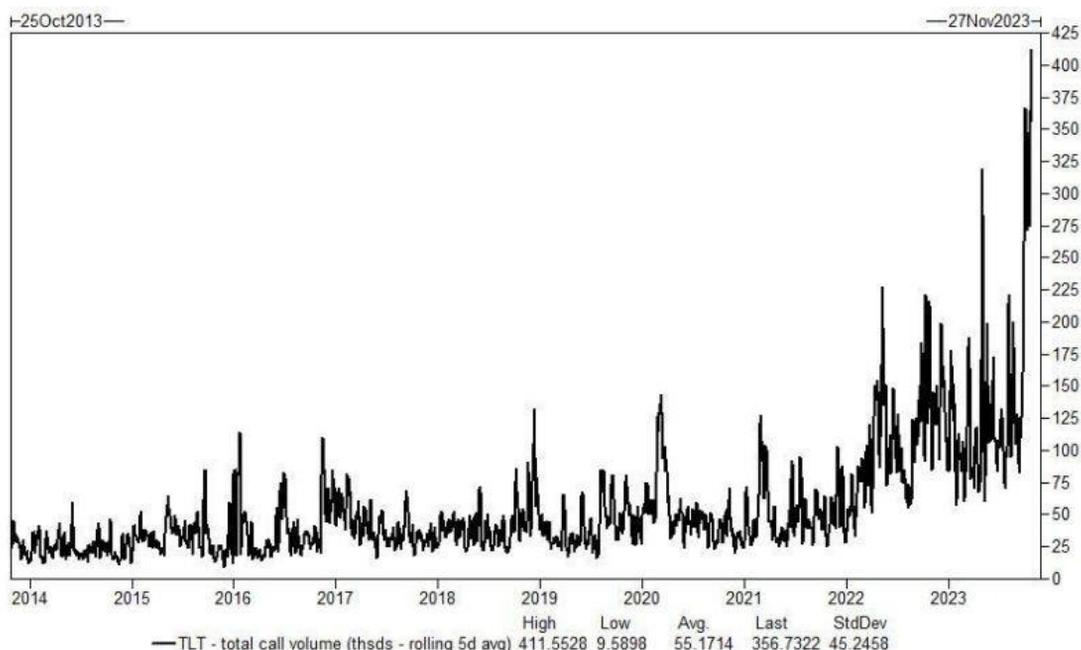
Source: Charlie Bilello





#tlt #derivatives #call #spread #volume

Goldman's Derivatives desk: demand for TLT calls and call spreads exploded this week. That's because "this is a cheap way to play for a snapback in bonds." As shown below, average TLT call volume this was over 350k contracts per day, an all-time highs...





#us #bonds #sentiment

With the US 10-year yield close to 5%, long duration bonds start to look attractive. There is one issue though: sentiment on long-dated bonds look too optimistic E.g 1/ not a single sell-side analyst does have a 10-year target yield above 5% for the next 6 months; 2/ Long-dated bonds funds are enjoying record inflows; 3/ Magazine cover pages look upbeat on bonds. The consensus is not always wrong but so much optimism is usually not a good sign from a contrarian perspective.



Source: J-C Parets





#10y #yield #drawdown

The 10-year note yield is now down ~35 basis points in just 5 days. This is the biggest pullback in treasury yields since the October 6th high. Let's keep in mind that it is not only due to a shift in Fed expectations, but rather a shift in US Treasury borrowing. As the US Treasury ramps up issuances of short-term debt, long-dated bonds are falling. However, higher for longer Fed policy seems to be setting a floor on this pullback.



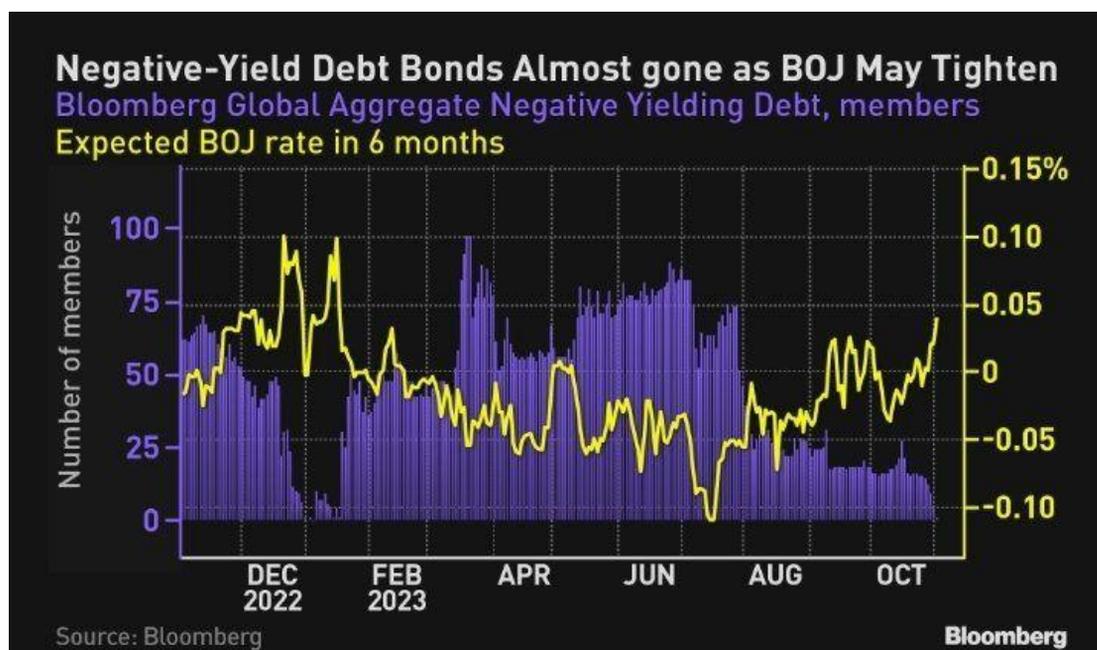
Source: The Kobeissi Letter





#japan #bonds #yield

The negative bonds world is gone, with also a Japanese bond maturing in 24 trading at 0% yesterday.



Source: From Macro to Micro

#oil

A lack of escalation from Nasrallah's speech this morning sent oil prices significantly lower today (less fear of escalation). WTI is now below the pre-Israel-attack lows...



Source: www.zerohedge.com, Bloomberg

#gold

Gold (futures) held up this week above \$2000, but considering the slump in the dollar, this was weak performance by the precious metal.

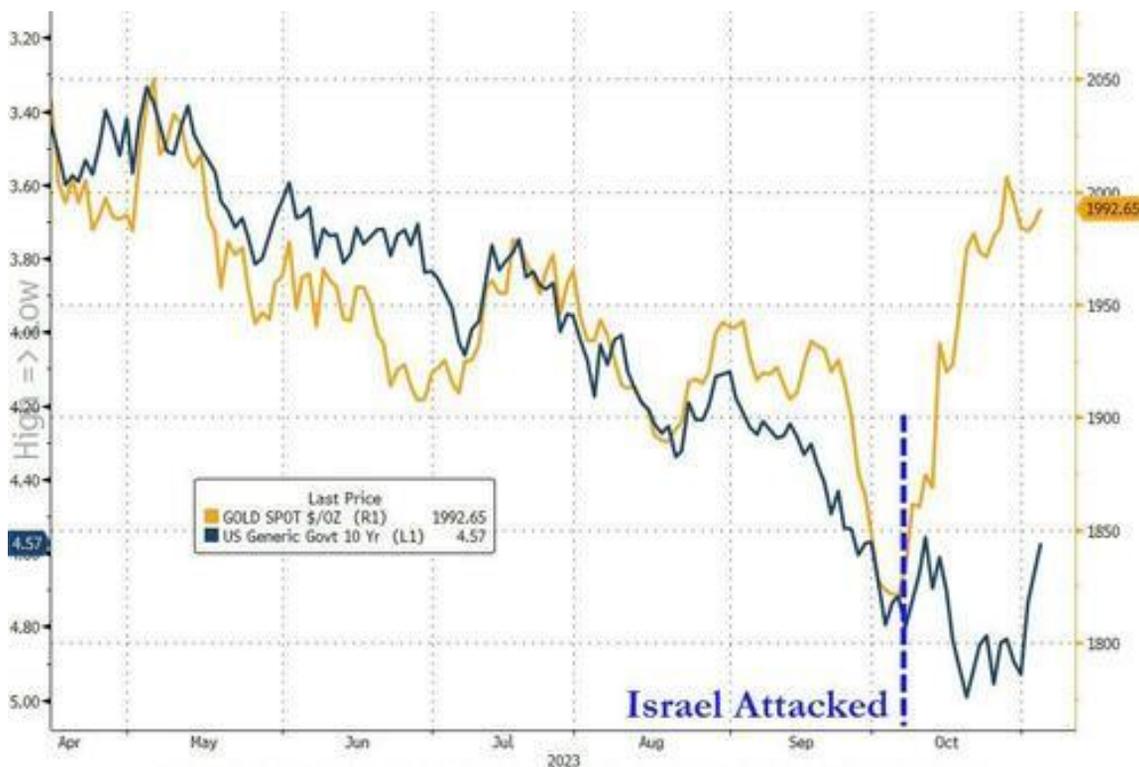


Source: www.zerohedge.com, Bloomberg



#gold #hedge

It seems, for now, that Gold is the preferred safe-haven (over bonds)...

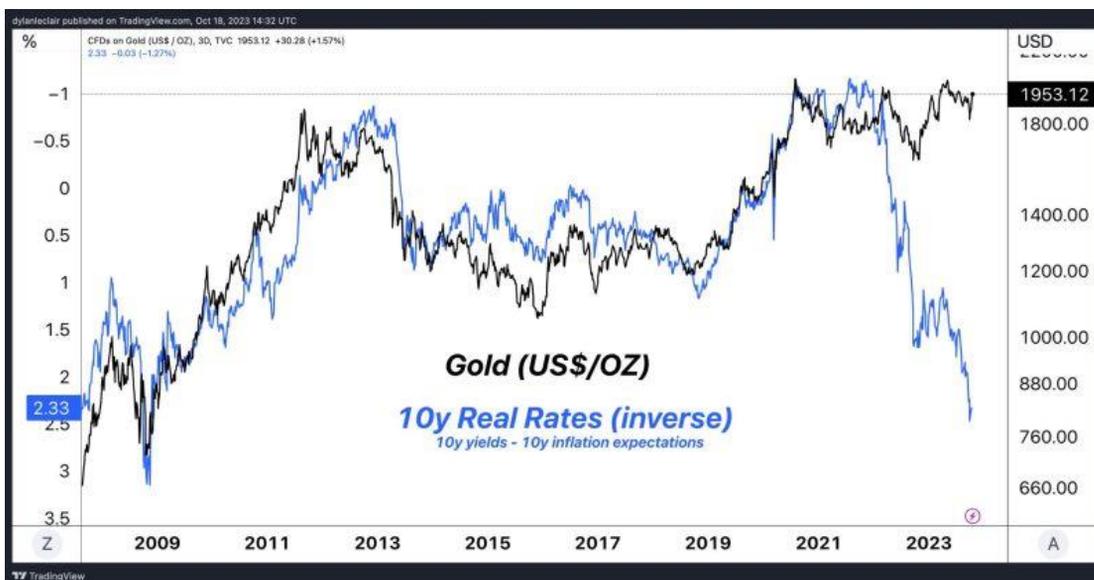


Source: www.zerohedge.com, Bloomberg



#gold #rates

Here's the downside risk on gold. Either this longstanding correlation is broken or inflation is grossly understated and real rates remain negative.



Source: Henry Smith

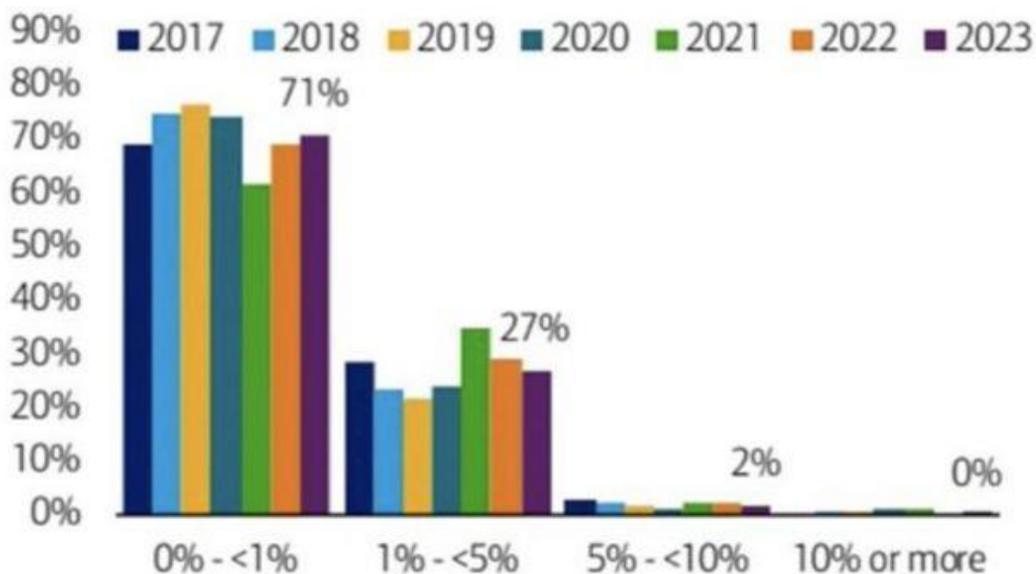


#gold #allocation

As highlighted by Tavi Costa, despite the recent push toward new highs, gold remains severely under-allocated. In fact, 71% of US advisors have little to no exposure to the metal. Similar to how central banks continue to aggressively accumulate the metal, conventional investment portfolios have yet to take steps to find true diversifiers.

Exhibit 60: 71% of advisors have little to no exposure in Gold (<1% of assets)

Asset allocated to gold among all book of business



Source: Wealth Management Marketing Research, BofA US Equity & US Quant Strategy
BoFA GLOBAL RESEARCH

Source: Tavi Costa, BobEUnlimited





#orange-juice #commodities

Orange juice hit another all-time high this week.



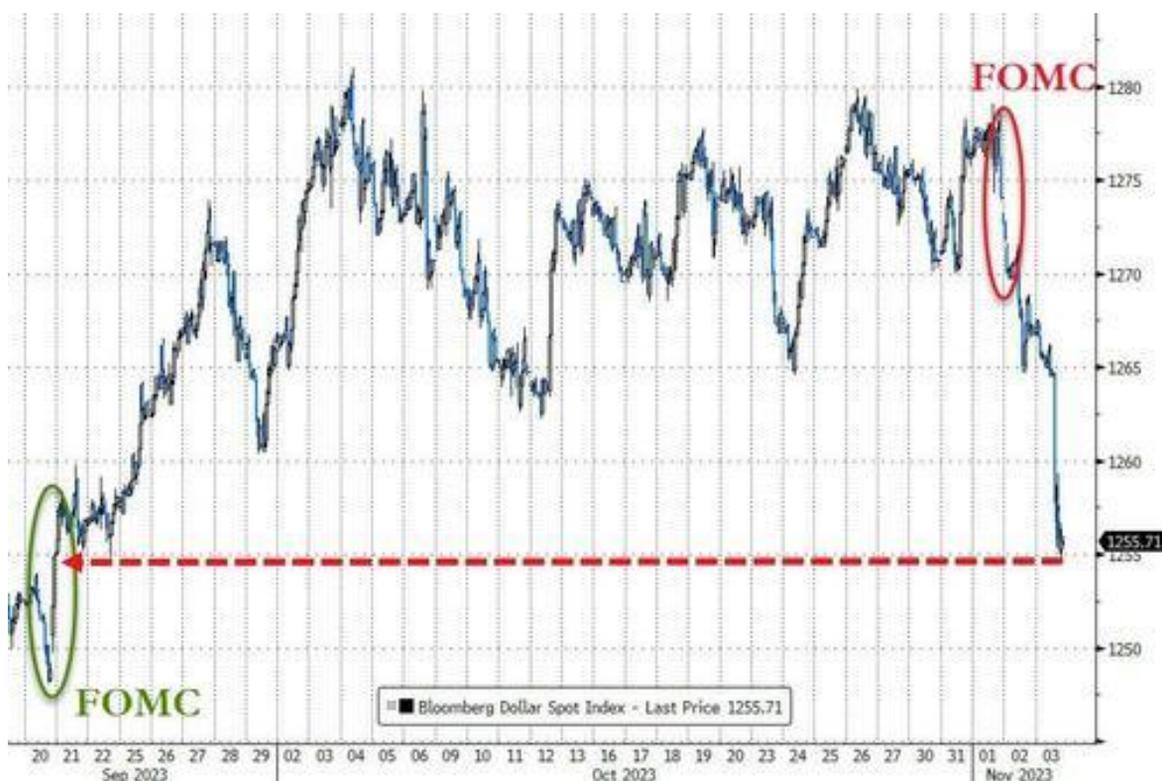
Source: Tradingview





#us-dollar

The dollar has fallen for 3 straight days - close the worse 3-day decline this year - back to its lowest since the September FOMC meeting...



Source: www.zerohedge.com, Bloomberg



#usd #jpy #forex

Moments ago the yen spiked to a session high against the US dollar, and the highest since Oct 12, after Japan's Nikkei reported that the Bank of Japan may tweak its YCC again and allow long-term yields to rise above 1% as soon as its Tuesdays meeting.



Source: www.zerohedge.com



#macro

#global #macro #data #weekly

Significant softening in global macro data this week:

- German recessionary data: Retail Sales miss, Flash GDP turns negative on drop in consumption, German inflation data makes a two year low
- Eurozone flash (dis)inflation continues to fade with more “downside surprise,” making a two-year low and evidencing further confirmation of European economic contraction, especially with deeply negative ECB Bank Lending Survey, showing that Credit Demand is drying-up meaningfully
- Chinese contractionary Manu PMIs did the same
- UK Manu PMIs contractionary downside surprises as well Canada GDP print a back-to-back contraction in Q2 and Q3
- A soft Manufacturing US ISM
- Weaker US labor / wages data, with headline NFP “miss,” a prior down Revision of over 100k and Employment downside prints too



#global #macro #surprises

Global growth surprised on the downside this week.





#us #macro #surprises

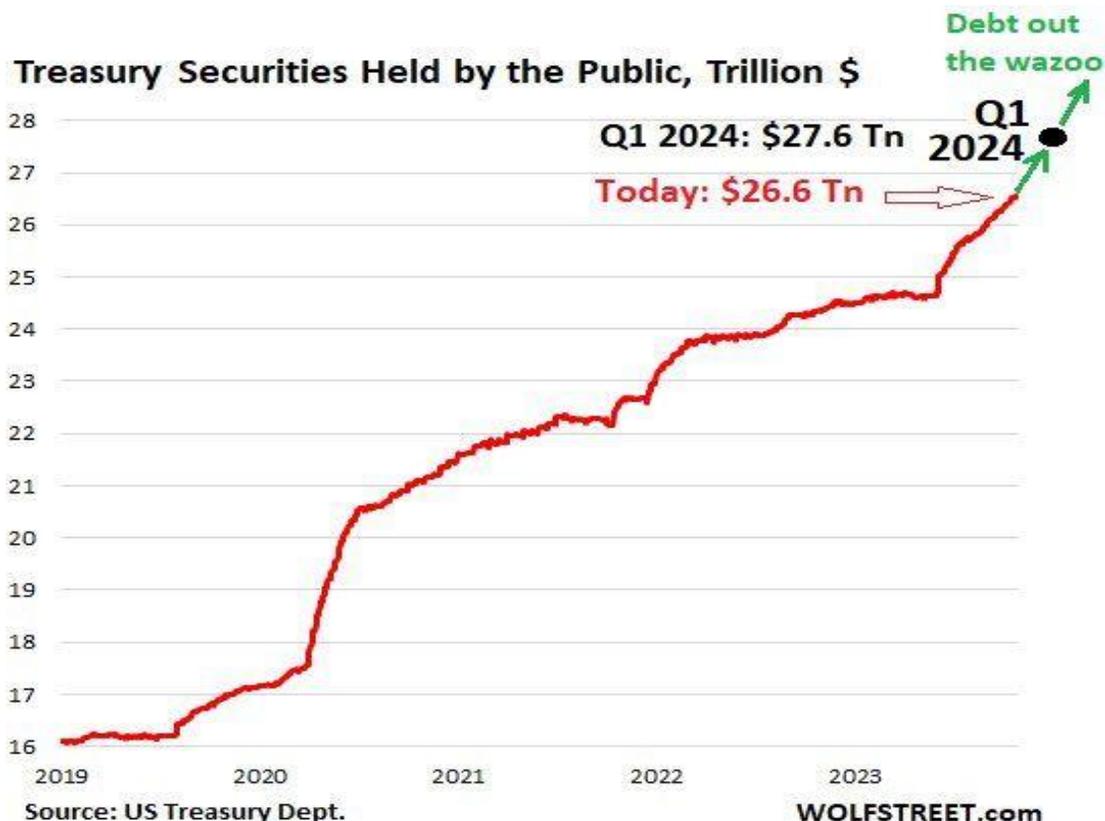
US macro serially disappointed as the impact of recent tightening financial conditions starts to weigh on the economy...





#us #treasury #debt

Marketable US Treasury Debt to Explode by \$2.85 Trillion in the 10 Months from End of Debt Ceiling to March 31, 2024
In total, over those two quarters marketable debt will have increased by \$1.59 trillion! This follows the \$1.01 billion increase in Q3, and the surge in June after the debt ceiling ended. At the beginning of Q4, marketable debt outstanding was \$26.04 trillion. The government will add \$1.59 trillion to it, pushing it to \$27.6 trillion by March 31, 2024.



Source: Wolfstreet, WallStreetSilver





#us #treasuries #qt

While there are reasons to turn tactically bullish on long dated US Treasuries, let's not forget that Treasury supply (at the time of QT and waning demand stemming from China, Saudi and the likes) remains a headwind for the bond market



FXHedge  
@Fxhedgers



TREASURY TO BORROW \$776 BILLION IN THE FINAL THREE MONTHS OF THE YEAR (CNBC)

In a closely watched announcement Monday afternoon, the Treasury Department said it will be looking to borrow \$776 billion.

The Treasury said it expects to borrow \$816 billion between January and March.

The Treasury just borrowed \$1.01 trillion in the recently ended July through September period, the highest ever for that quarter.



11:17 PM · Oct 30, 2023 · 586.6K Views

#us #debt

US To Borrow \$1.5 Trillion In Debt This & Next Quarter, After Borrowing A Massive \$1 Trillion Last Quarter During the October – December 2023 quarter, Treasury expects to borrow \$776 billion in privately-held net marketable debt, assuming an end-of-December cash balance of \$750 billion. The borrowing estimate is \$76 billion lower than announced in July 2023, largely due to projections of higher receipts somewhat offset by higher outlays. During the January – March 2024 quarter, Treasury expects to borrow \$816 billion in privately-held net marketable debt, assuming an end-of-March cash balance of \$750 billion.

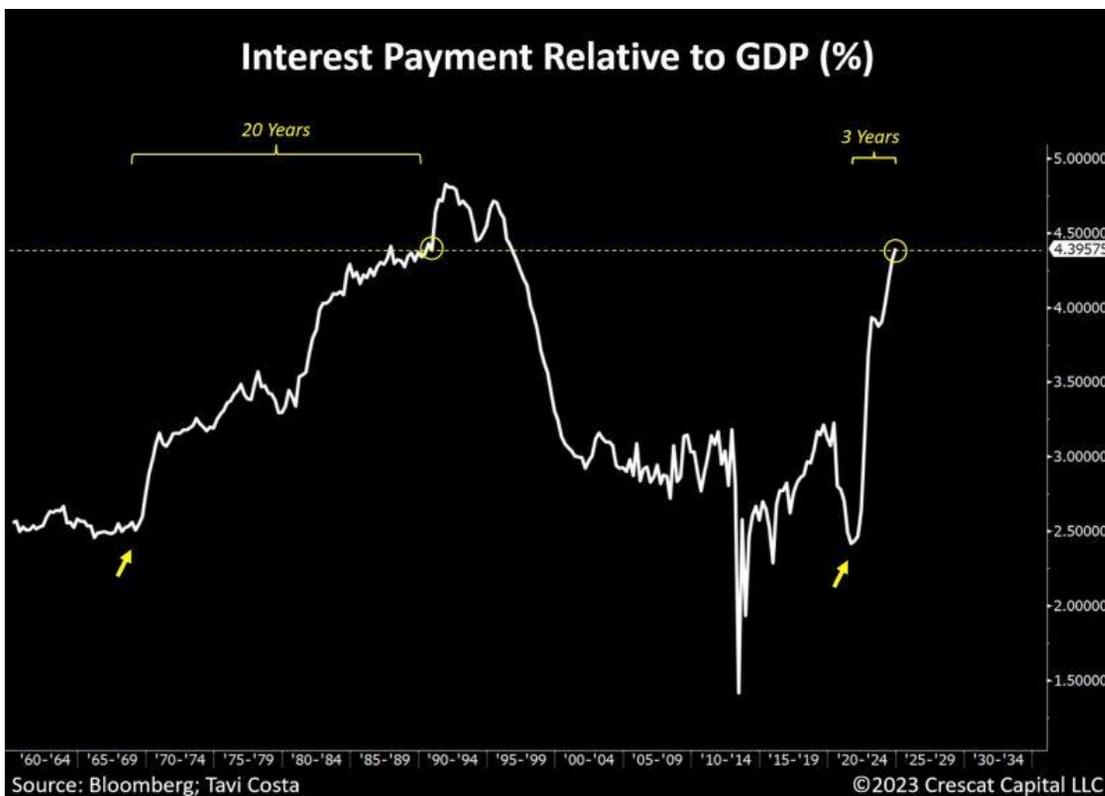
Sources and Uses Reconciliation Table								
Quarter	Announcement Date	Financing Need	Financing			Change in Cash Balance	End-Of-Quarter Cash Balance	Memo SOMA Redemptions
			Marketable Borrowing	All Other Sources	Total			
		(1)	(2)	(3)	(4) = (2) + (3)	(5) = (4) - (1)	(6)	(7)
Oct - Dec 2018	Actual	291	426	(117)	309	17	402	(91)

Apr - Jun 2023	Actual	181	657	(251)	406	225	402	(180)
Jul - Sep 2023	July 31, 2023	521	1007	(238)	769	248	650	(158)
	Actual	520	1010	(235)	775	254	657	(158)
	Forecast Revisions	(1)	3	3	6	7	7	0
Oct - Dec 2023	July 31, 2023	487	852	(265)	587	100	750	(171)
	October 30, 2023	407	776	(276)	500	93	750	(171)
	Forecast Revisions	(80)	(76)	(11)	(87)	(7)	0	0
Jan - Mar 2024	October 30, 2023	548	816	(268)	548	0	750	(172)



#us #debt #interests

It took 20 years for US interest payments to reach 4.5% of GDP in the 1970s and 80s. Today, achieving the same level will take less than 3 years. This starkly highlights the speed of the rise in Treasury yields and the magnitude of the debt problem.

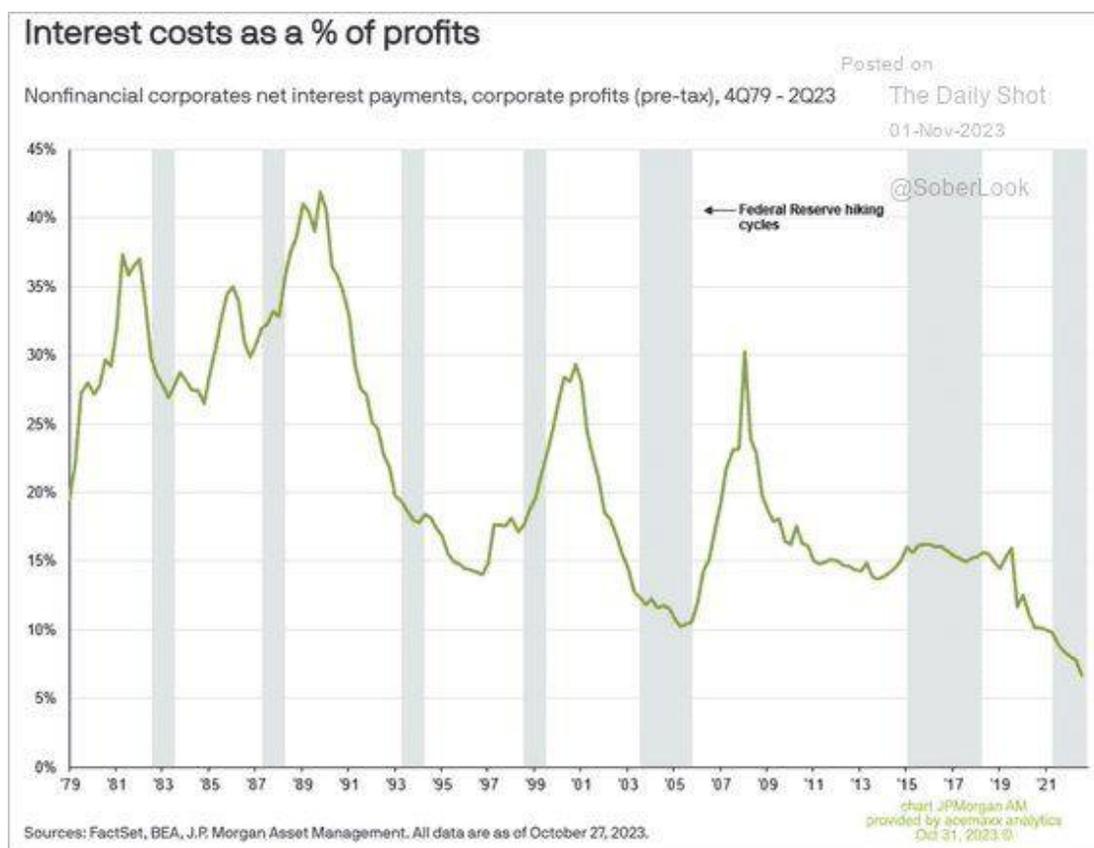


Source: Tavi Costa, Bloomberg



#us #interest #rates

Interest costs as a share of US corporate profits are near the lowest levels in 40 years. This is partly because many companies have locked in long-term financing at low rates. This has kept profit margins elevated. Maybe companies are better to manage their debt schedule than the US Treasury...

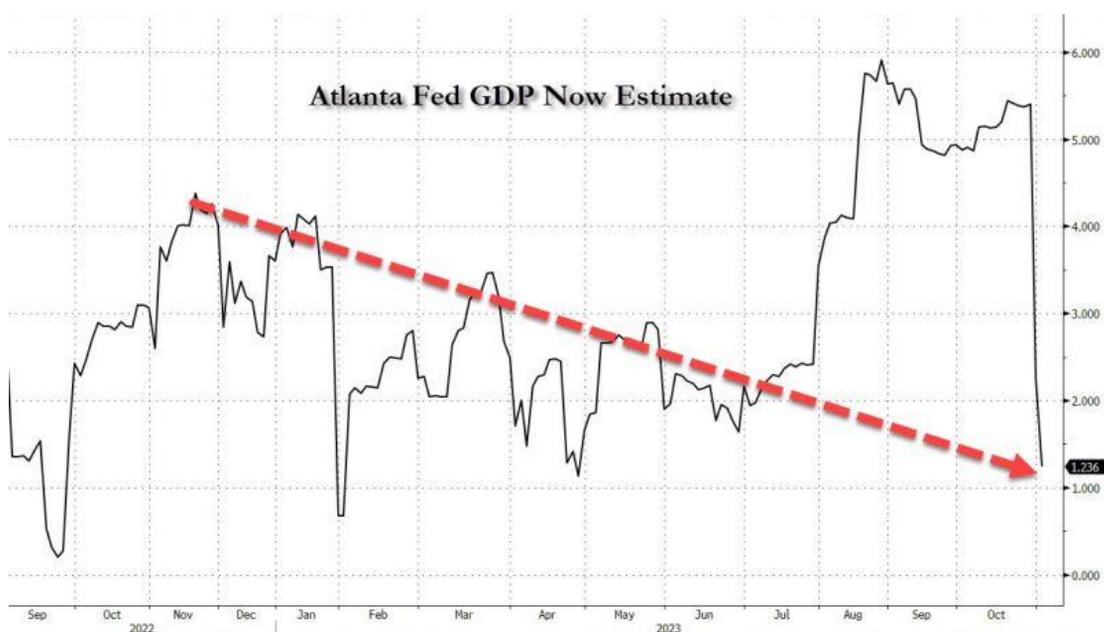


Source: The daily shot, Lance Roberts

#macro

#bidenomics #gdp #q4 #estimates

And we're back to Bidenomics trendline





#us #economy #jobs

The U.S. economy saw job creation decelerate in October, confirming persistent expectations for a slowdown. Nonfarm payrolls increased by 150,000 for the month, the Labor Department reported Friday, against the Dow Jones consensus forecast for an increase of 170,000. The unemployment rate rose to 3.9%, against expectations that it would hold steady at 3.8%. Employment as measured in the household survey, which is used to compute the unemployment rate, showed a decline of 348,000 workers, while the rolls of the unemployed rose by 146,000. A more encompassing jobless rate that includes discouraged workers and those holding part-time positions for economic reasons rose to 7.2%, an increase of 0.2 percentage point. Meanwhile, Household Survey showed a huge 348k loss in jobs during October.

United States		Browse	13:31:58	11/03/23	11/10/23					
Economic Releases		All Economic Releases	View Agenda Weekly							
Date	Time	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
21)	11/03 13:30				Two-Month Payroll Net Revision	Oct	--	-101k	--	--
22)	11/03 13:30				Change in Nonfarm Payrolls	Oct	180k	150k	336k	297k
23)	11/03 13:30				Change in Private Payrolls	Oct	145k	99k	263k	246k
24)	11/03 13:30				Change in Manufact. Payrolls	Oct	-10k	-35k	17k	14k
25)	11/03 13:30				Unemployment Rate	Oct	3.8%	3.9%	3.8%	--
26)	11/03 13:30				Average Hourly Earnings MoM	Oct	0.3%	0.2%	0.2%	0.3%
27)	11/03 13:30				Average Hourly Earnings YoY	Oct	4.0%	4.1%	4.2%	4.3%
28)	11/03 13:30				Average Weekly Hours All Employees	Oct	34.4	34.3	34.4	--
29)	11/03 13:30				Labor Force Participation Rate	Oct	62.8%	62.7%	62.8%	--
30)	11/03 13:30				Underemployment Rate	Oct	--	7.2%	7.0%	--

Source: CNBC, Bloomberg

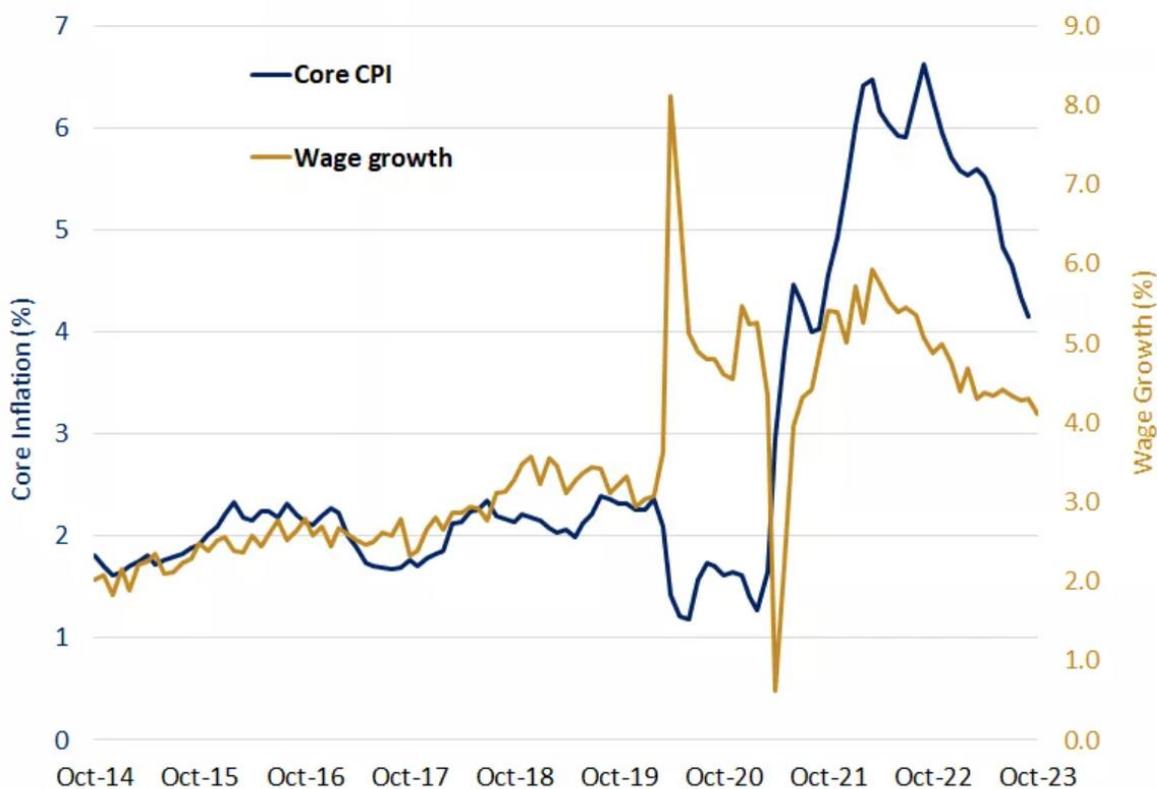




#us #wage-growth

This chart shows that both wage growth and Core CPI inflation have moderated over the past several months.

Wage Growth vs. Inflation



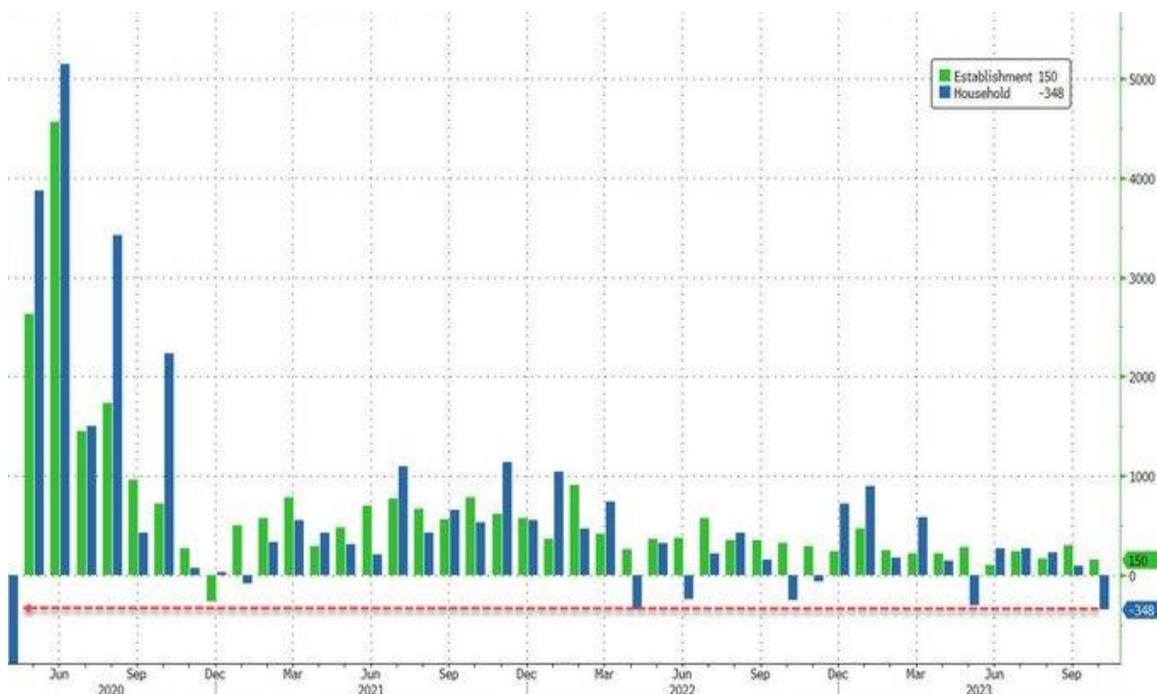
Source: FactSet. U.S. Core CPI and wage growth.

Source: Edward Jones



#us #jobs #household-survey

The much more accurate and less manipulated Household survey shows employment collapsed by 348K, the biggest drop since the Covid shutdown.

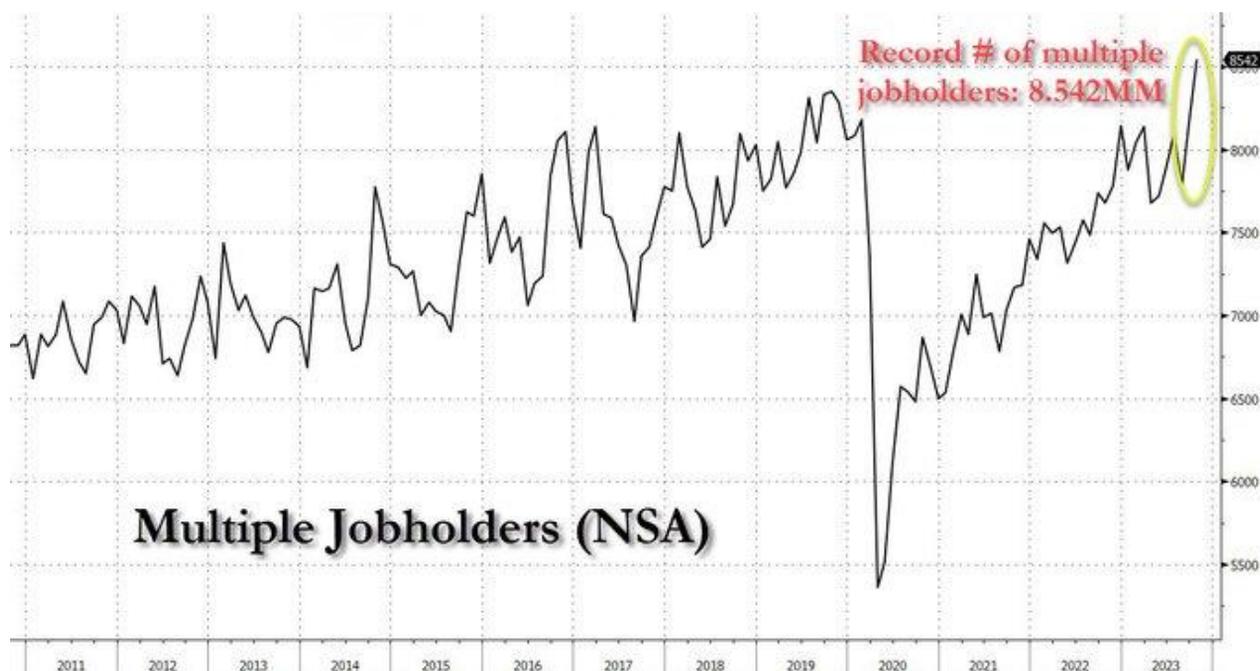


Source: www.zerohedge.com

#macro

#us #jobs #multiple-jobholders

The number of multiple jobholders just hit a record high

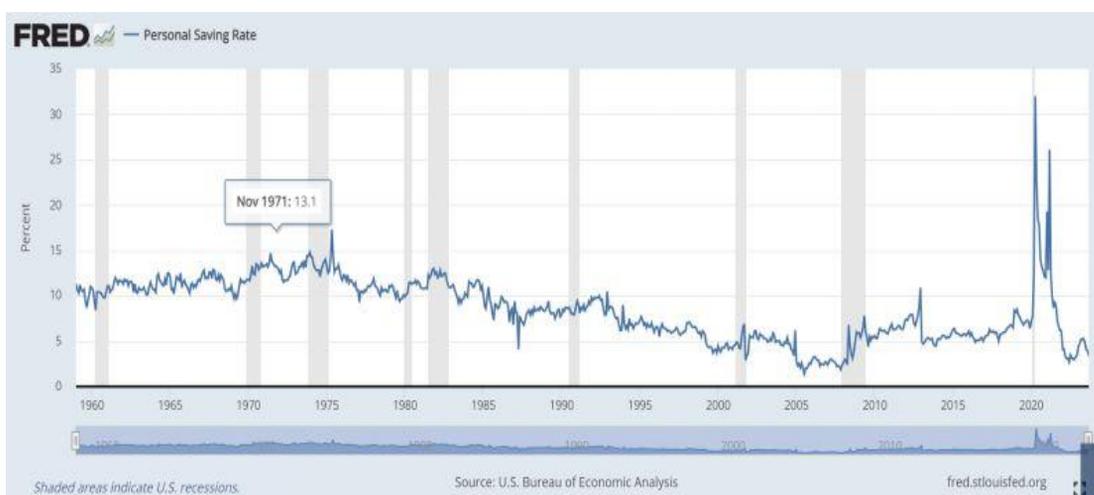


Source: www.zerohedge.com

#macro

#us #personal #savings

In September, the personal savings rate dropped to 3.4%, remaining near some of the lowest levels observed in the last six decades.





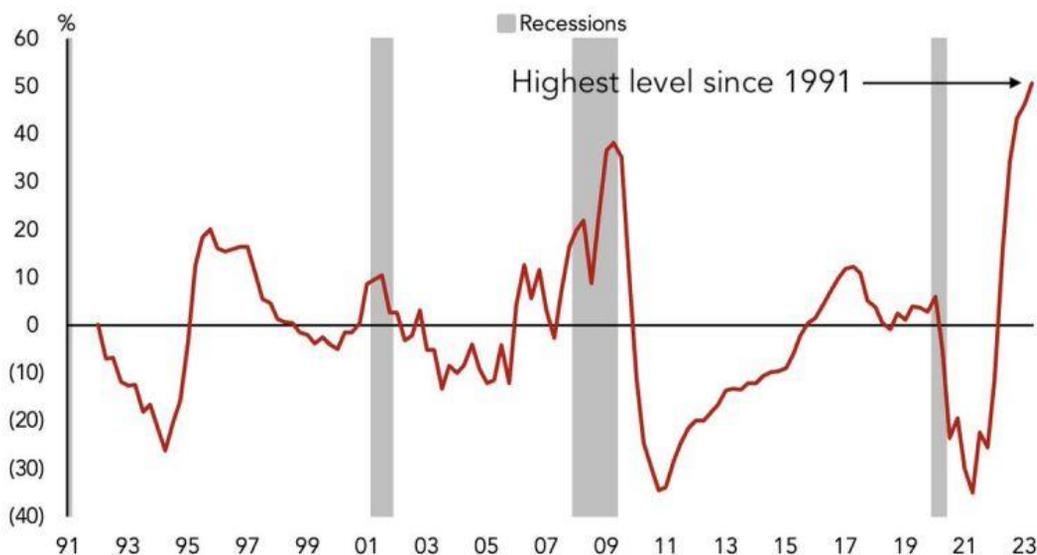
#us #credit-card #delinquency

This is WORSE than the 2008 Financial Crisis. Credit card defaults are rising at levels NEVER seen in 3 decades.

Credit Card Delinquencies are Rising Fast



Year-Over-Year Change in Credit Card Delinquency Rate as Reported by All Commercial Banks



Dates: 1991 Through Q2 2023.
Source: Federal Reserve Board, National Bureau of Economic Research, Game of Trades.

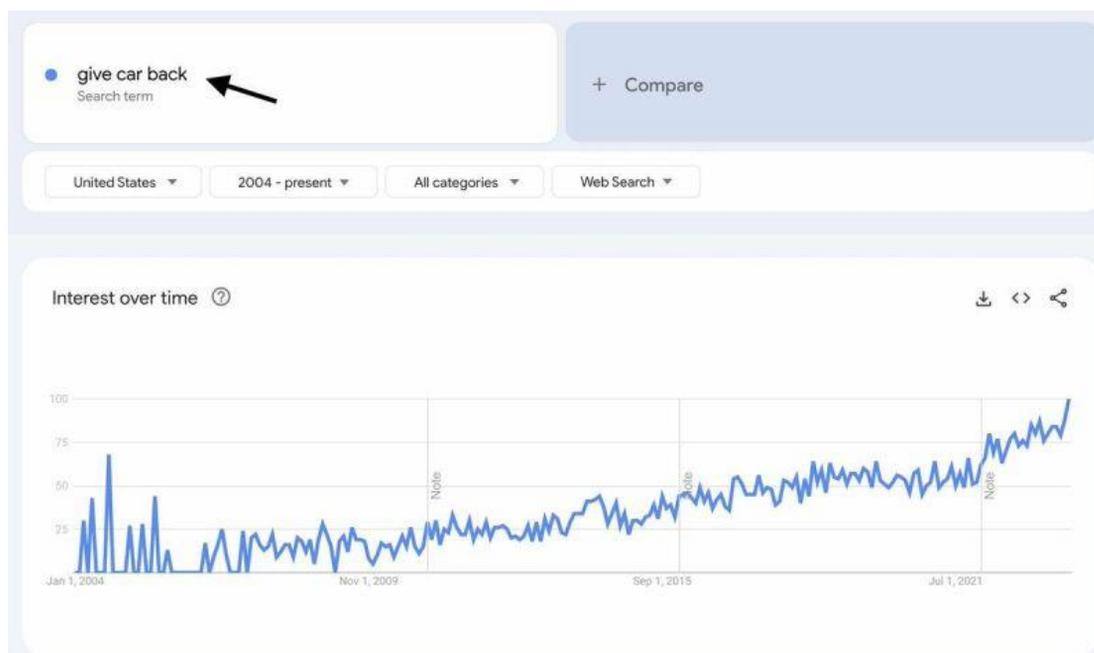
Source: Game of Trades





#us #auto-loans #delinquency

Americans Panic Search "Give Car Back" As Subprime Auto Loan Delinquency Erupts. Recent data from Edmunds reveals that an unprecedented 17% of American car purchasers now have monthly car payments of \$1,000, a significant increase from just 7% three years ago. This trend highlights the extent to which consumers, despite being financially stretched, are willing to take on massive auto debt in these uncertain economic times as macroeconomic headwinds pile up. New Google data, first revealed by X user CarDealershipGuy, shows Americans are searching "give car back" on the internet has soared to a record high.



Source: Google search





#us #real-estate

US Home Prices hit a new all-time high in August while affordability has plummeted to record lows...please explain...



CREATIVE PLANNING @CharlieBilello

Oct 31 2023, 9:33AM EDT. Powered by YCHARTS

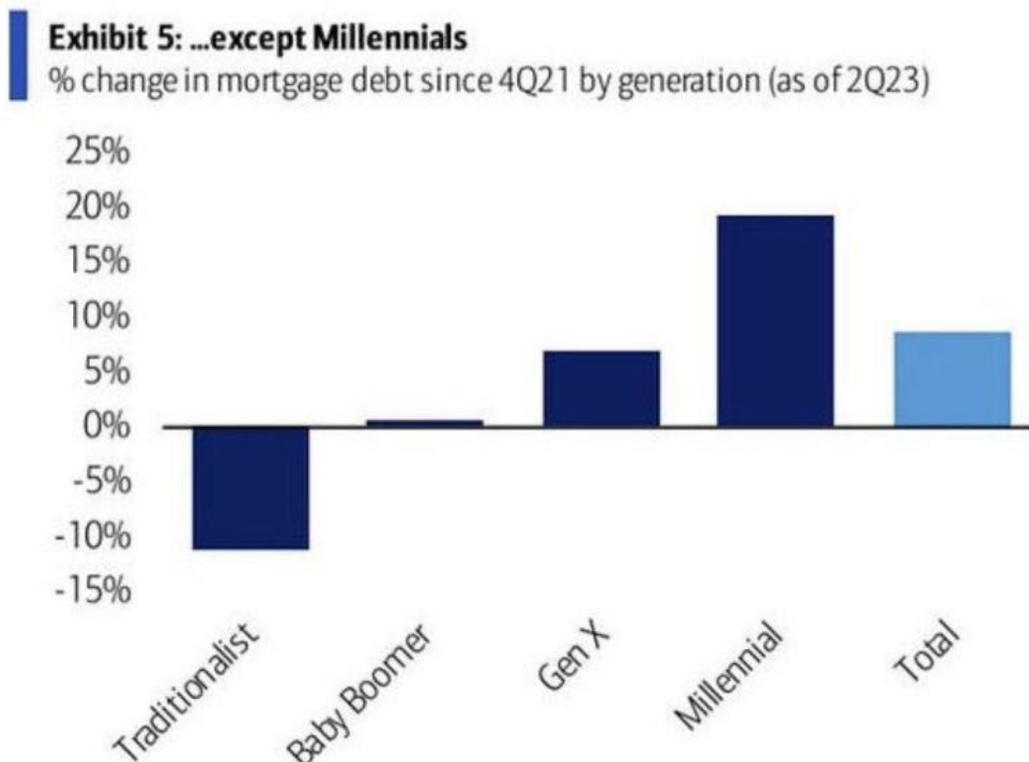


Source: Charlie Bilello



#millenials #mortgage #housing

Who's buying houses with record high prices and 8% mortgage rates. The answer? Millennials are piling in to new mortgages even with the spike in rates. Since Q4 2021, Millennials have seen a ~20% increase in mortgage debt. This is the same group of people who just had student loan payments return at an average of \$500/month. It's a tough time to be a Millennial...



Source: Haver Analytics, BofA US Equity & Quant Strategy

BofA GLOBAL RESEARCH

Source: The Kobeissi Letter, BofA



#macro

#switzerland #real-estate

SNB's Jordan Warns That House Prices in Switzerland May Drop. Swiss National Bank President Thomas Jordan warned of a possible drop in house prices as the market sees real estate in the country as overvalued. "It will be very important to see what happens with rents," he said during a panel discussion on Thursday in Zurich. "We would not be completely surprised if we see some reactions of prices." Jordan added that even though monetary tightening has driven up mortgage costs in Switzerland, the country still sees big demand for houses. His comments echo earlier concerns of too high real estate prices flagged by the SNB.





#europe #inflation

Eurozone inflation sinks to 2y low as Eurozone economy shrinks: CPI slowed to 2.9% in Oct, down from 4.3% and better than expected 3.1%. But Core CPI – that excluding food & energy is retreating less rapidly. It moderated to 4.2% in October from 4.5% the previous month. Our take: disinflationary trend is firmly in place in the EZ although wage inf'still stickiness and more difficult comps in H2 prevent core inflation to decline more meaningfully. We believe there is enough progress for the ECB to stay put (i.e rates hike cycle is over) and potentially cut rates next year if EZ economy slows down meaningfully

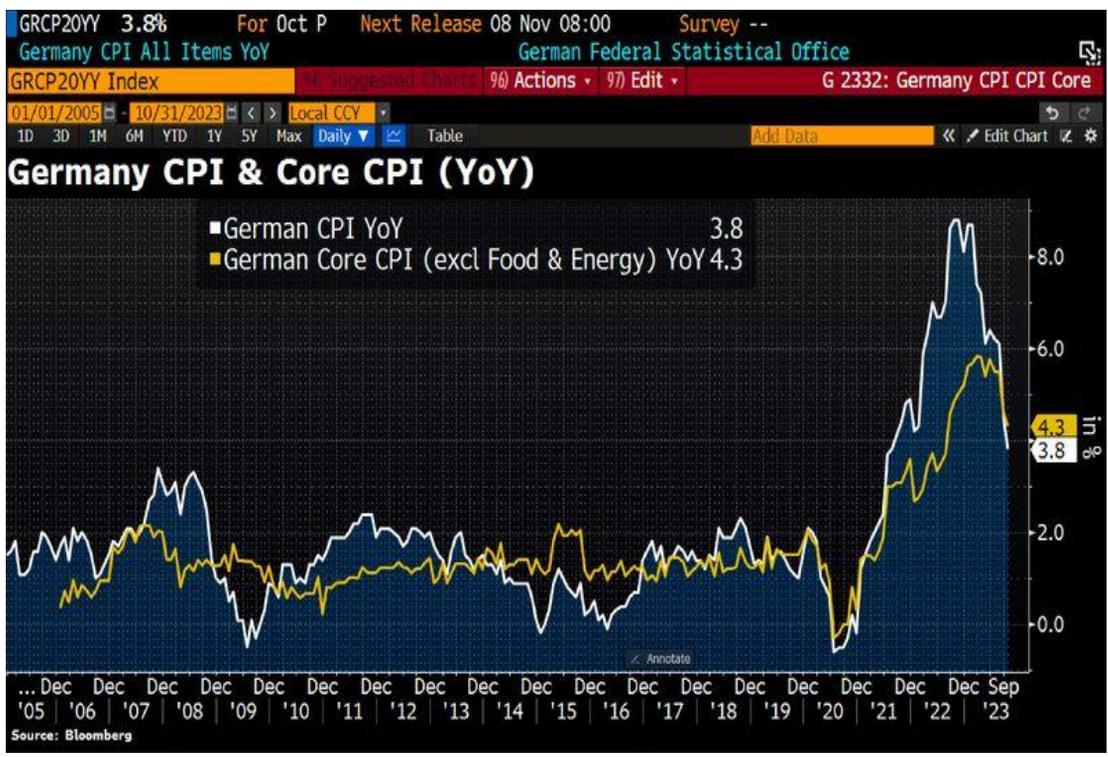


Source: HolgerZ, Bloomberg



#germany #inflation #cpi

Germany's inflation slowed to 3.8% YoY in Oct from 4.5% in Sep vs 4% expected and lowest since Aug 2021 as energy prices dropped 3.2% YoY and food inflation slowed to 6.1% YoY. German October Core CPI dropped to 3.8% from 4.6% in September.



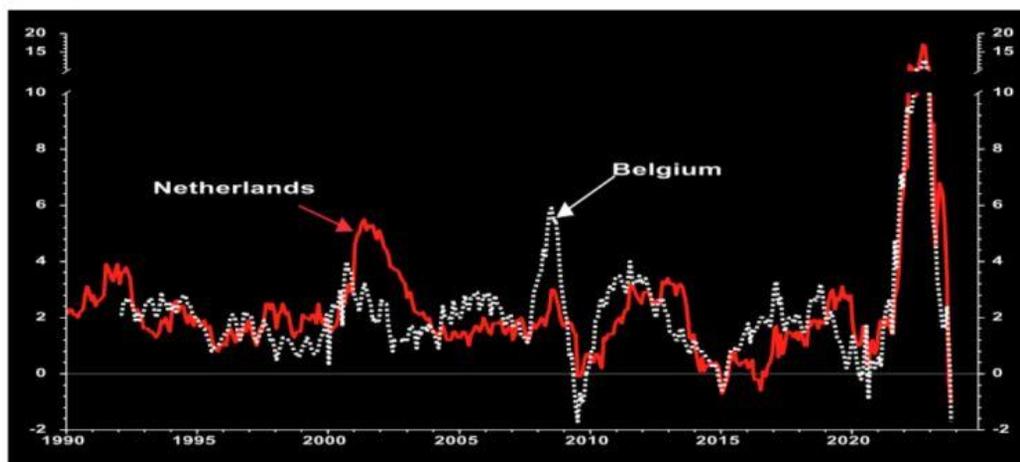
Source: HolgerZ, Bloomberg

#macro

#belgium #netherlands #deflation

Belgium and Netherlands are now in deflation.

Deflation

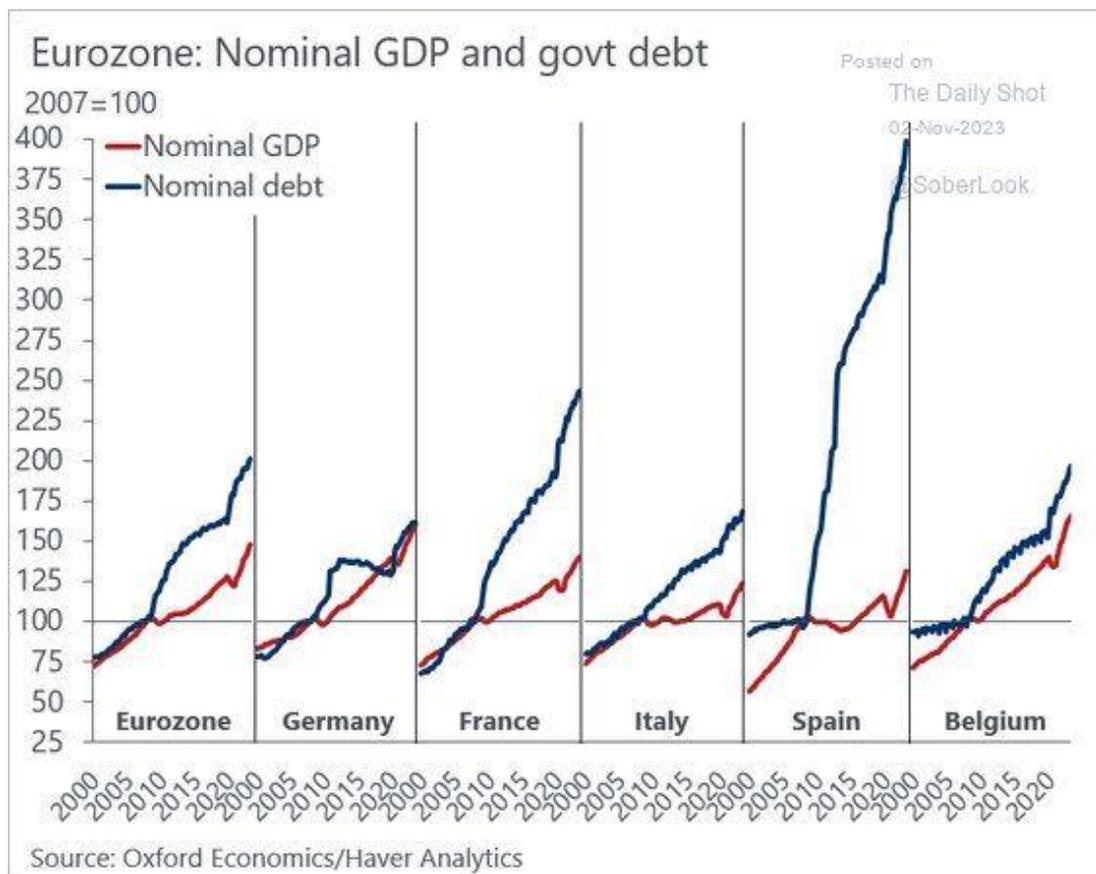


Source: Soc Gen



#eurozone #debt-gdp

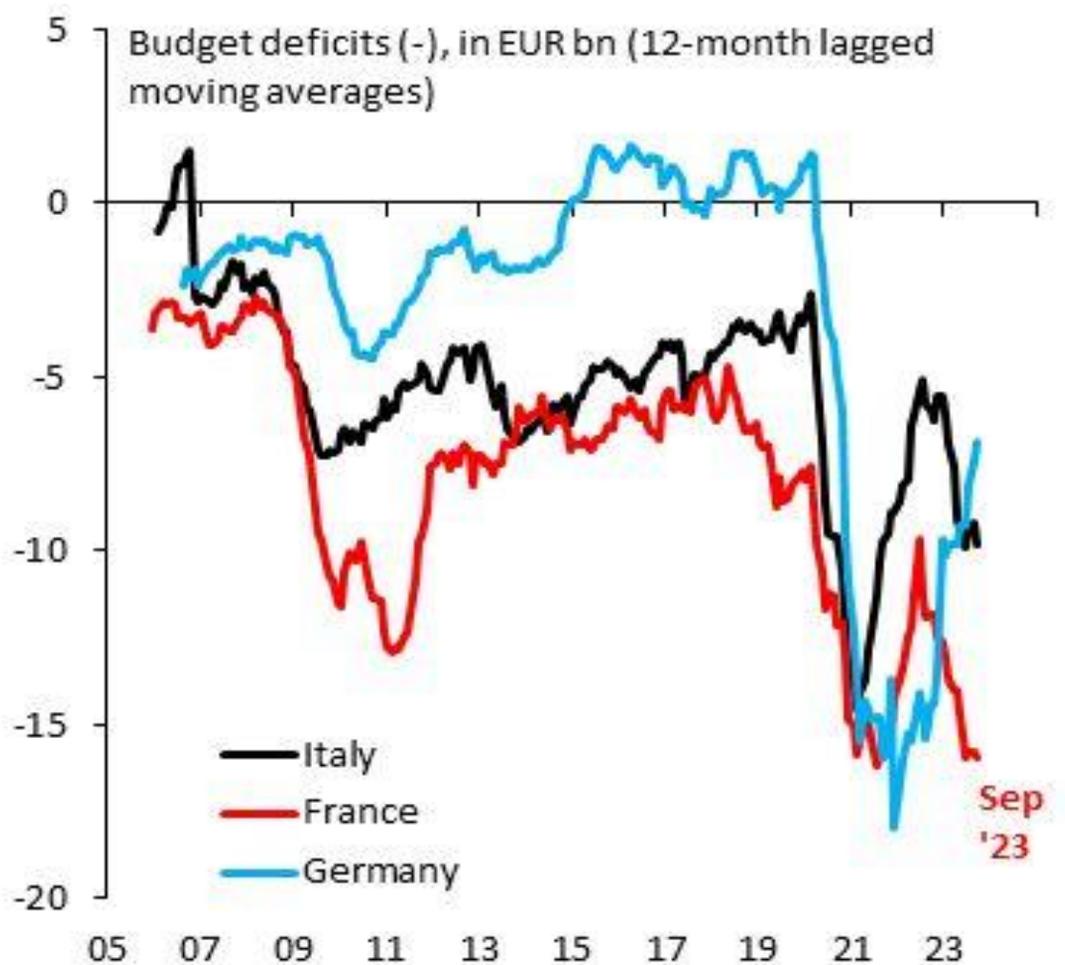
EUROZONE DEBT & GDP





#france #budget-deficit

France's budget deficit in the year to Sep '23 is as wide as when COVID first hit (red). The underlying issue is that ECB intervention has held down bond yields of highly indebted sovereigns. As a result, there's little incentive to shrink deficits, even when times are good...



Source: Robin Brooks

#geopolitics

#egypt #pm

"Millions of my people will die, but that's a sacrifice I'm willing to make" - Egypt's Prime Minister



WSJ

● LIVE COVERAGE

Egyptian Prime Minister Says Country Ready to Sacrifice Millions of Lives to Defend Territory

Egypt's prime minister says his country will defend its territory as Israel intensifies ground operations and airstrikes.

Amid rising pressure on Egypt to admit Palestinian refugees, the country's prime minister, Mostafa Madbouly, said it remained committed to protecting its land and sovereignty regardless of the cost.

"We are prepared to sacrifice millions of lives to ensure that no one encroaches upon our territory," Madbouly told a gathering in Sinai of military leaders, local tribal leaders, members of parliament and other politicians. The prime minister said Egypt would never allow any imposed situation or the settlement of regional issues at its expense.

Source: WSJ, Wall Street Silver

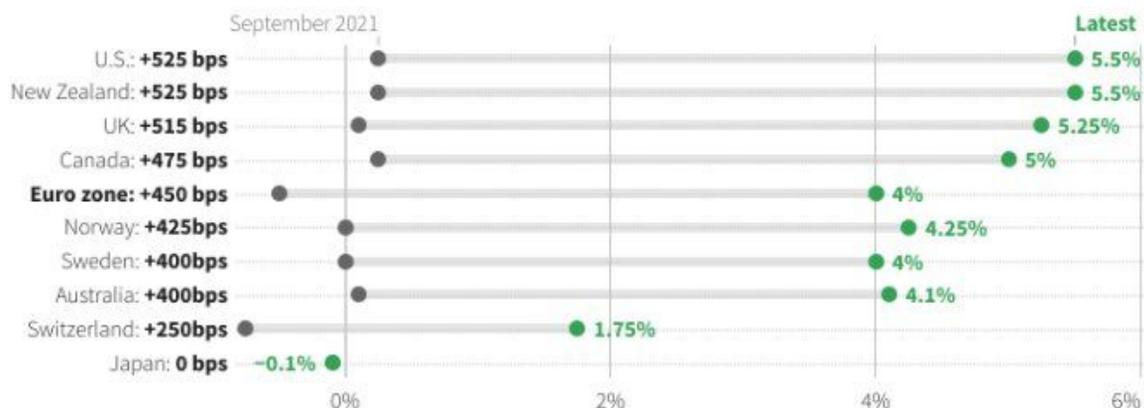
#centralbanks

#rates #race

The race to raise rates summarized in one chart

The race to raise rates

Change in policy rates by central banks overseeing the 10 most traded currencies



Note: As of October 26, 2023.

Source: LSEG Datastream | Reuters, Oct. 26, 2023 | By Sumanta Sen

Source: LSEG Datastream, Reuters

#centralbanks

#federal-reserve #rates #no-change

No change as expected. Nothing really new except that they acknowledge strong growth and strong wage gains versus September, effectively upgrading their economic assessment. This is the 3rd time they upgrade their view on growth. Our view is unchanged: we are due for a long pause. High rates is the new normal.



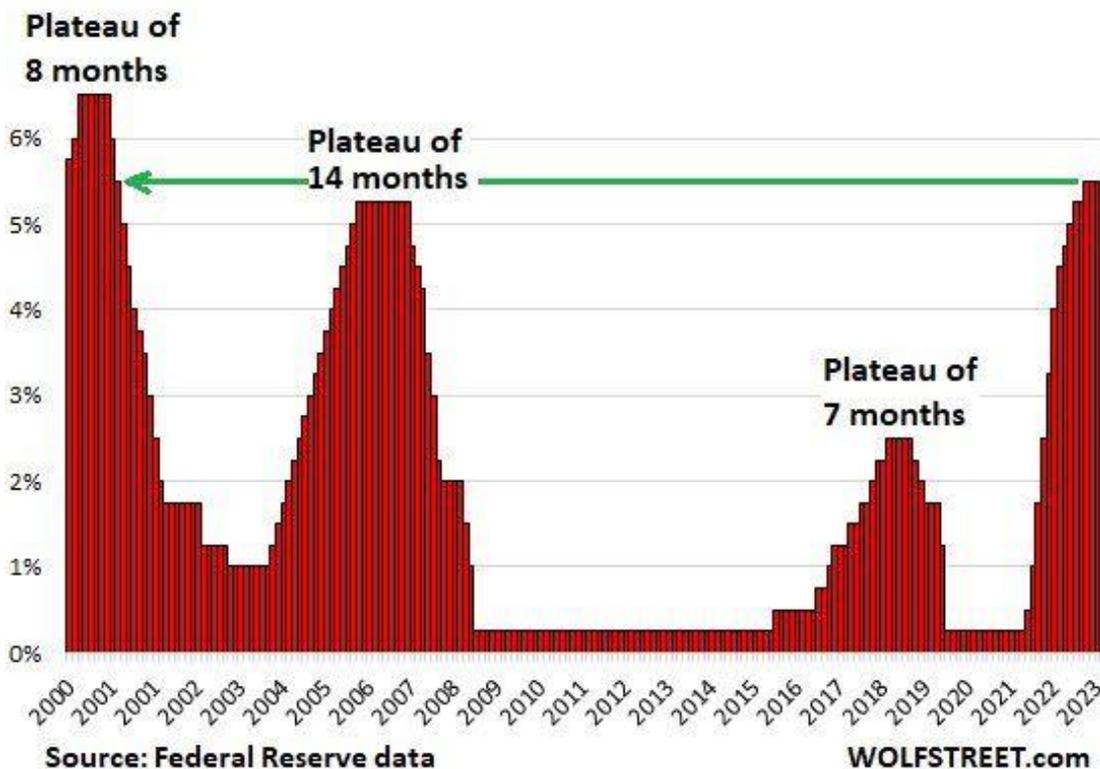
Source: cnbc

#centralbanks

#federal-reserve #rates #pause

The end of the rate hikes is typically followed by plateaus before rate cuts begin. The end of the rate hikes may not be here yet, and the Fed has already said a many times for months that the plateau is going to be “higher for longer”. How long will the plateau be this time?

Federal Reserve, Upper Limit of Policy Rates



Source: Wolfstreet

#centralbanks

#fed #rates #expectations

A less-hawkish-than-expected Powell helped and weaker-than-expected macro data (bad news is good news) helped propel expectations for 2024 Fed rate-cuts dramatically higher, from 67bps of cuts to 110bps now priced in next year...



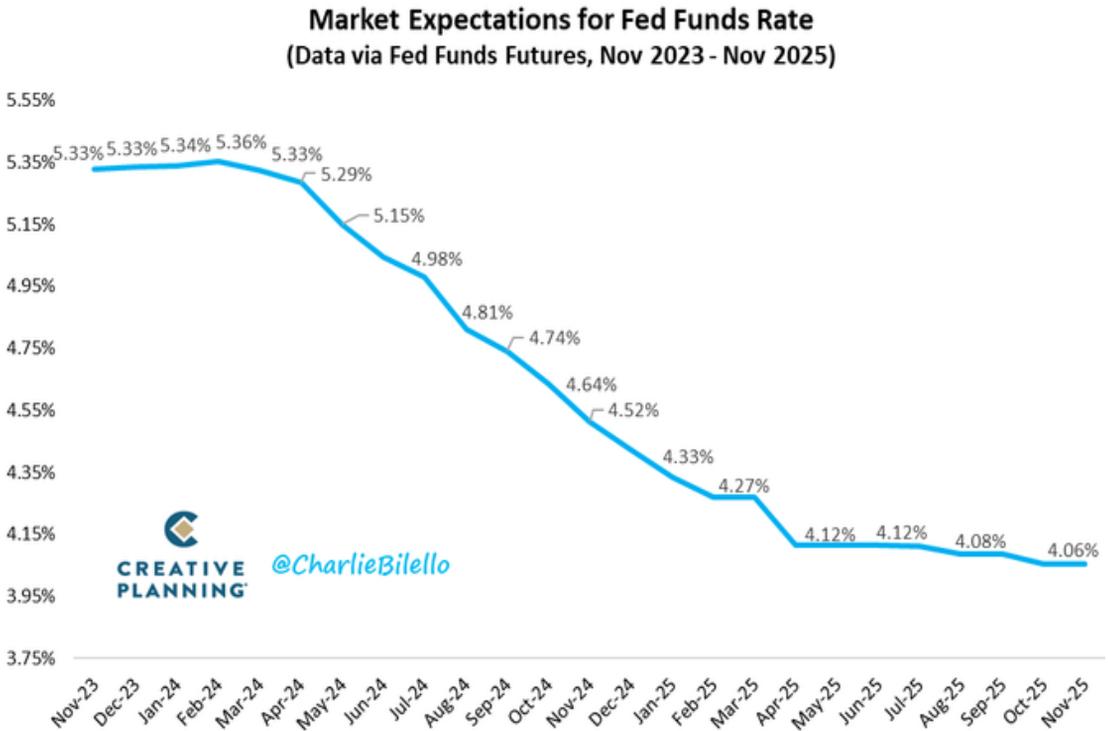
Source: www.zerohedge.com, Bloomberg



#fed #rates #expectations

Current market expectations for path of the Fed Funds Rate...

- Dec 13, 2023: Pause
- Jan 31, 2024: Pause
- Mar 20, 2024: Pause
- May 1, 2024: 25 bps cut to 5.00-5.25%
- Additional cuts to 4.06% by Nov 2025



Source: Charlie Bilello



#centralbanks

#jamie-dimon #federal-reserve

JPMorgan CEO Jamie Dimon says he suspects the Fed isn't done with interest-rate hikes, just hours after Powell hit pause again. "I think they're right to pause here and see what happens," Dimon told Yahoo Finance Live just hours after the central bank's decision. But "I suspect that they may not be done," he added. JPMorgan Chase CEO said it remains possible the Federal Reserve could raise interest rates an additional 75 basis points due to "stickier" inflation, warning businesses should be prepared for such a worst-case scenario. Regarding the magnitude of future rate hikes from the Fed, Dimon said, "Maybe 25, 50, to 75 [basis points] more." "And I'm not predicting that," Dimon said, "I just think there's a higher chance than probably other people think."



Source: yahoo!finance

#centralbanks

#federal-reserve #balance-sheet

The Fed's balance sheet hit its lowest level since May 2021 this week, down \$1.1 trillion from the peak in April 2022. Annual changes in the Fed's balance sheet since 2002.

US Federal Reserve - Total Assets			
Year End	Assets (in Billions)	\$ Increase (in Billions)	% Change
2002	732		
2003	772	39	5.4%
2004	811	39	5.1%
2005	848	37	4.5%
2006	870	22	2.6%
2007	891	21	2.4%
2008	2,239	1,349	151.4%
2009	2,234	-5	-0.2%
2010	2,421	187	8.3%
2011	2,926	506	20.9%
2012	2,907	-19	-0.6%
2013	4,033	1,125	38.7%
2014	4,498	465	11.5%
2015	4,487	-11	-0.2%
2016	4,451	-35	-0.8%
2017	4,449	-3	-0.1%
2018	4,076	-373	-8.4%
2019	4,166	90	2.2%
2020	7,363	3,197	76.7%
2021	8,757	1,394	18.9%
2022	8,551	-206	-2.4%
2023 YTD	7,867	-685	-8.0%
	Period	\$ Increase (in Billions)	% Change
	2002-23	7,135	975%

CREATIVE PLANNING

@CharlieBilello Data as of 11/1/23

Source: Charlie Bilello



#centralbanks

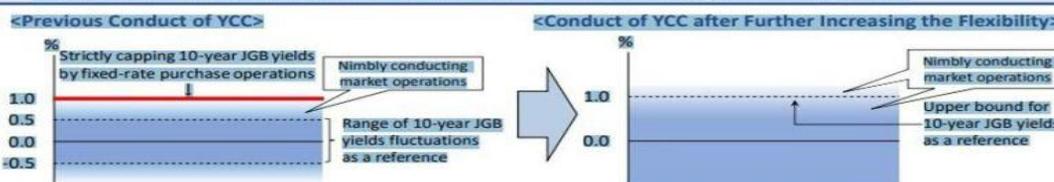
#japan #yen #boj

The Bank of Japan made only modest tweaks to its yield control program, defying market expectations.

Our take -> The last time the Bank of Japan allowed an expanded range for the 10 year JGB yield tolerance band the Bank explained this was to make ultra-easy policy more sustainable. Today the BOJ set the 1% cap more firmly in place but refrained to allow the 10-year yield to increase much higher. It looks like loose monetary policy is likely to stay in place for some time to come. With debt to GDP at 260%, they are now in a corner and can not afford to allow long-term bond yields to rise much further. This leads to an even weaker currency, leading to increased inflation risk and money debasement.

Further Increasing the Flexibility in the Conduct of Yield Curve Control (YCC)

- The Bank will patiently continue with monetary easing under Yield Curve Control (the short-term policy interest rate: -0.1%, the long-term interest rate: around 0%), aiming to support Japan's economic activity and thereby facilitate a favorable environment for wage increases.
 - Toward the end of the projection period, the Bank expects that underlying CPI inflation will increase gradually toward achieving the price stability target of 2 percent, while this increase needs to be accompanied by an intensified virtuous cycle between wages and prices.
- With extremely high uncertainties surrounding economies and financial markets at home and abroad, the Bank judges that it is appropriate to increase the flexibility in the conduct of yield curve control, so that long-term interest rates will be formed smoothly in financial markets in response to future developments.



<Outlook for Prices>

	Fiscal 2023		Fiscal 2024		Fiscal 2025	
		Forecasts made in July		Forecasts made in July		Forecasts made in July
CPI (all items less fresh food)	+2.8	+2.5	+2.8	+1.9	+1.7	+1.6
(Reference) CPI (all items less fresh food and energy)	+3.8	+3.2	+1.9	+1.7	+1.9	+1.8

Note: Figures indicate the medians of the Policy Board members' forecasts (point estimates).

Source: CNBC, Bloomberg, forexlive

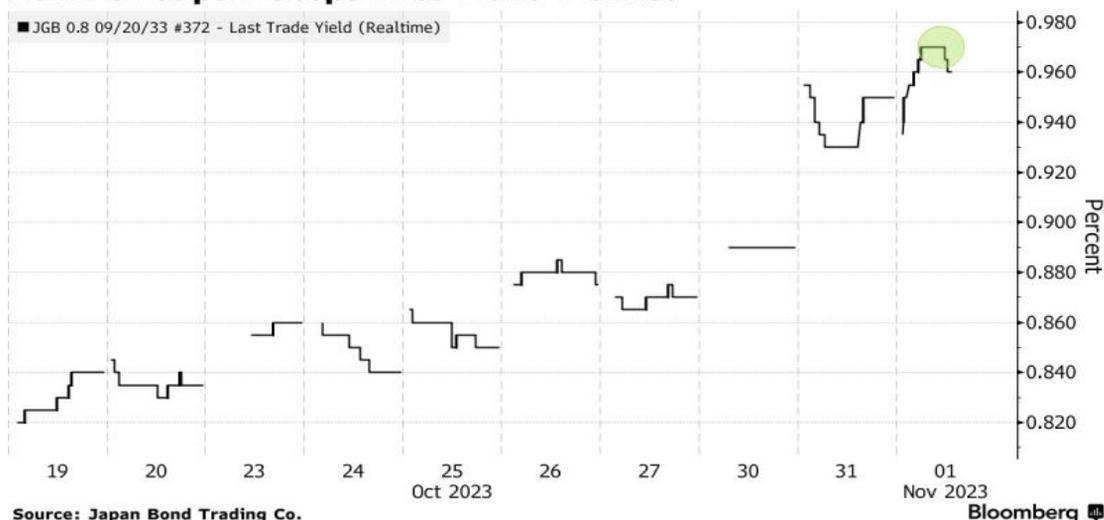


#centralbanks

#boj #bonds #japan

. The Bank of Japan stepped into the bond market unexpectedly Wednesday to curb the pace of gains in sovereign yields, just a day after announcing it was loosening its grip on debt prices. The central bank’s unscheduled purchase operation statement came as the benchmark 10-year bond yield touched 0.97% — a fresh decade-high but still below the 1% cap it removed in favor of a more flexible policy setting. There was very little immediate market reaction to the move, with traders trimming one basis point off the 10-year yield before it recovered half of that. Bond futures pared losses and the yen, which is sensitive to shifts in interest rates, shed a fraction of its advance versus the dollar.

Bank of Japan Steps Into Bond Market



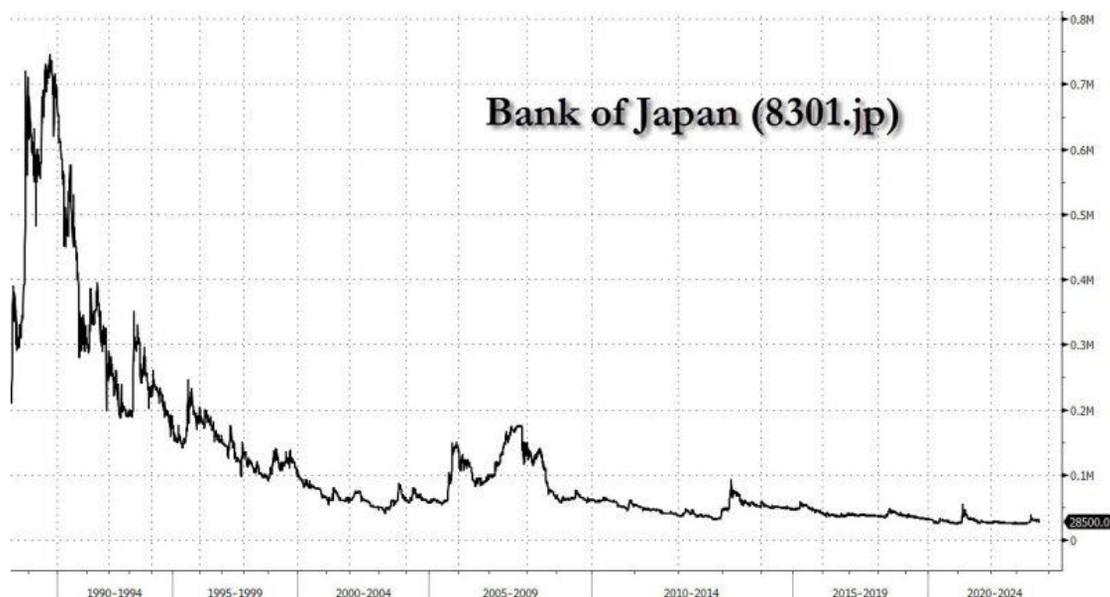
Source: Bloomberg



#centralbanks

#boj #equity

As a remainder, Bank of Japan ([8301.JP](#)) is a tradeable stock so you can buy some if you wish. Note that the chart does not look pretty... Maybe the market doesn't give much credibility to the management?

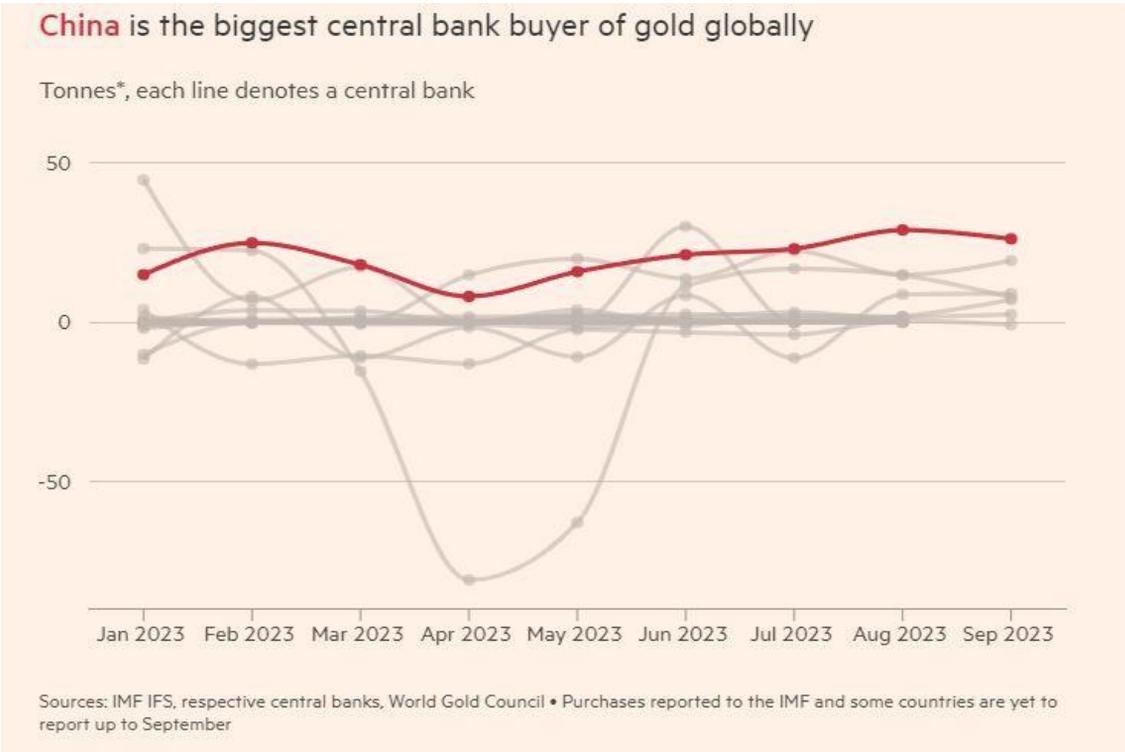


Source: www.zerohedge.com

#centralbanks

#china #gold #pbo

China leads record central bank gold buying in first nine months of year. Central banks have bought 800 tonnes in the first nine months of the year, up 14 per cent year-on-year, according to a report by the World Gold Council, an industry group. China has stood out as the largest purchaser of gold this year as part of a 11-month buying streak. The People’s Bank of China has reported snapping up 181 tonnes this year, taking gold holdings to 4% of its reserves.

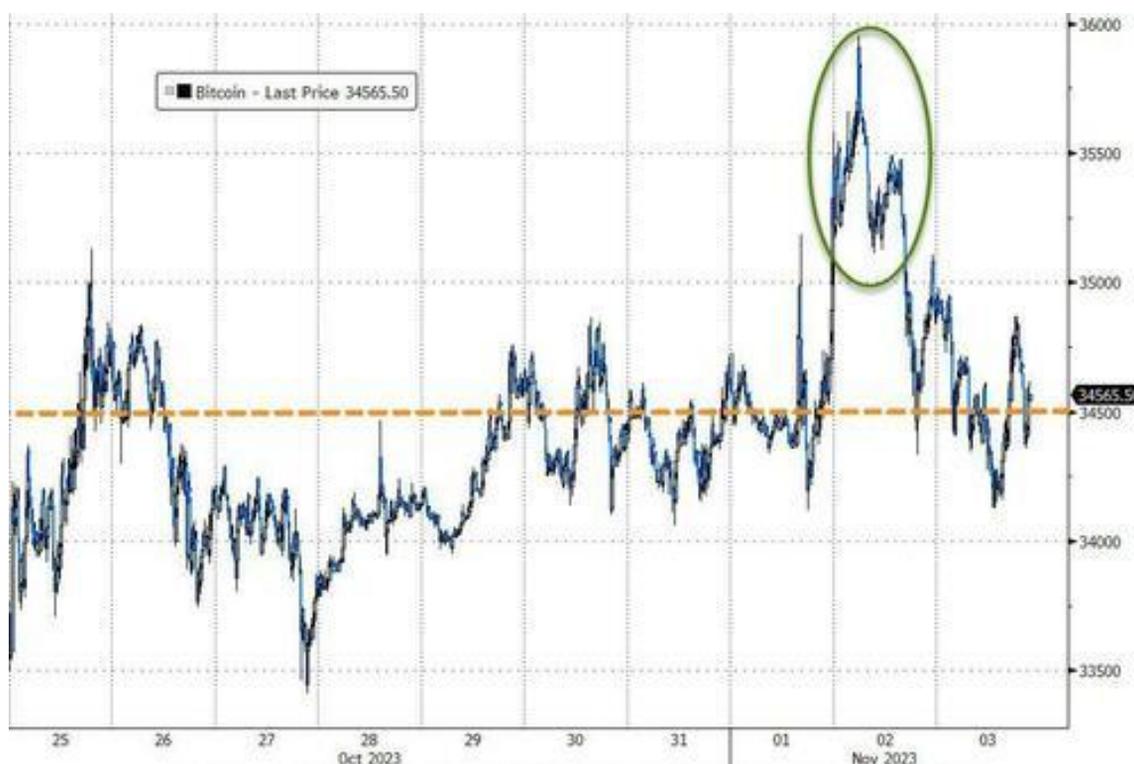


Source: ft



#cryptos #weekly

After a couple of exciting weeks, crypto was relatively calm this week (despite a midweek surge up to \$36,000 after The Fed), but hovered around \$34,500...



Source: www.zerohedge.com, Bloomberg

#cryptos

#bitcoin #birthday

Bitcoin Turns 15. Tuesday was Bitcoin's 15th birthday. Some lucky people have reason to celebrate. Since it first started trading on an exchange, the token is up 3,449,989,839%. The token got its start in a white paper published by a pseudonymous developer, "Satoshi Nakamoto," on Oct. 31, 2008. The vision was for a "peer-to-peer version of electronic cash" that would allow for payments without going through a bank or other financial institution. The network running the system would be dispersed among independent computer operators who would collectively verify and record transactions in blocks (hence the idea of a "blockchain."). In return for their work, called "mining," the miners would receive Bitcoin doled out at a pre-set rate. Developers launched the Bitcoin network in January 2009. The first recorded transaction on an exchange came in October 2009, when someone sent 5,050 Bitcoins to a new site called New Liberty Standard, receiving \$5.02 in return.



Source: barrons



#bitcoin #tech #equities

Interesting development which has been taking place recently with bitcoin rising despite Tech stocks losing ground



Optima

Source: J-C Parets



#cryptos

#bitcoin #pain

12 years ago...



Nick Allen
@NickAllen



Bitcoin down to \$2.70 a pop. So glad i didn't buy in on that mess.

1:27 PM · Oct 25, 2011



#bitcoin #trading

Notable: \$BITO traded \$1.7b last week, 2nd biggest week since its wild WEEK ONE. \$GBTC did \$800m. That's \$2.5b (top 1% among ETFs) into two less desirable methods (vs spot) for exposure. There's clearly an audience for bitcoin spot etfs.

The screenshot shows the ProShares Bitcoin Strategy ETF data table. The table has columns for Date, Last Price, and Value Traded. The row for 10/27/23 is highlighted with a yellow box, showing a value traded of 1,713,403,300.

	Date	Last Price	Value Traded
Fr	10/27/23	17.11	1,713,403,300
Fr	10/20/23	15.09	812,026,500
Fr	10/13/23	13.62	327,695,810
Fr	10/06/23	14.29	445,865,950
Fr	09/29/23	13.81	346,920,400
Fr	09/22/23	13.62	367,674,540
Fr	09/15/23	13.57	496,499,860

Source: Eric Balchunas, Bloomberg

#cryptos

#bitcoin #futures #cme

CME Is Now the Second-largest Bitcoin Futures Exchange After Binance. The regulated Chicago Mercantile Exchange (CME) has climbed to become the second-largest Bitcoin futures exchange, with a notional open interest of \$3.54 billion. This rise in rank is attributed to an increase in CME's share in the BTC futures market and the surge in Bitcoin's price due to a short squeeze. Some believe that CME's ascent is driven by institutional investors, while others suggest it is a result of unwinding bearish bets on offshore exchanges.



Source: decrypt



#bitcoin #performance

Another Uptober for Bitcoin. Largest cryptocurrency gained 28% in Oct, most since Jan2023.



Source: Bloomberg, HolgerZ

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

04 NOVEMBER 2023



#bitcoin #sec #etfs

SEC Chairman is reviewing up to 12 spot Bitcoin ETFs for approval. Here's the full report: <https://lnkd.in/eMfBXxsY>

Issuer (Ticker)	Company	Status	Exchange	Custodian	Index/Pricing Provider	Coinbase SSA Language	SEC Next Deadline	SEC Final Deadline
Grayscale Bitcoin Trust (Re-file) Conversion (GBTC)	Grayscale	Lawsuit	NYSE	Coinbase	Nasdaq	NO	10/13/23	Unknown
ARK 21Shares Bitcoin ETF (Re-filing) (ARKB)	21Shares & ARK	Unknown	CBOE	Coinbase	S&P Dow Jones	Yes	1/10/24	1/10/24
iShares Bitcoin Trust	BlackRock	Unknown	Nasdaq	Coinbase	CF Benchmarks	Yes	1/15/24	3/15/24
Bitwise Bitcoin ETP Trust (Re-filing)	Bitwise	Unknown	NYSE	N/A	CF Benchmarks	NO	1/14/24	3/14/24
VanEck Bitcoin Trust (Re-filing)	VanEck	Unknown	CBOE	N/A	MVIS	Yes	1/15/24	3/15/24
Wisdomtree Bitcoin Trust (Re-filing) (BTCW)	Wisdomtree	Unknown	CBOE	Wisdomtree	CF Benchmarks	Yes	1/15/24	3/15/24
Invesco Galaxy Bitcoin ETF (Re-filing)	Invesco & Galaxy	Unknown	CBOE	N/A	Bloomberg	Yes	1/15/24	3/15/24
Wise Origin Bitcoin Trust (Re-filing)	Fidelity	Unknown	CBOE	Fidelity	Fidelity/CoinMetrics	Yes	1/15/24	3/15/24
Valkyrie Bitcoin Fund (Re-filing) (BRRR)	Valkyrie	Unknown	Nasdaq	N/A	CF Benchmarks	Yes	1/17/24	3/19/24
Global X Bitcoin Trust (Re-filing)	Global X	Unknown	CBOE	N/A	N/A	Yes	11/21/23	4/19/24
Hashdex Bitcoin ETF Strategy Change (DEFI)	Hashdex	Unknown	NYSE	N/A	CF Benchmarks	NO	11/17/23	5/30/24
Franklin Bitcoin ETF	Franklin	Unknown	CBOE	Coinbase	CF Benchmarks	Yes	11/17/23	5/30/24

Note: Dates are estimates and deadlines, so they may come earlier. * Denotes deadline for SEC to request en banc hearing
Source: Bloomberg Intelligence, SEC.gov

Source: Bloomberg Intelligence, Bitcoin Archive



#food-for-thought

#cross-asset-class #returns

JP Morgan Asset class and style returns by year + October returns. Despite a pullback in October, Growth stocks continue to lead in 2023 by a big margin.

Exhibit 1: Asset class and style returns

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD	Oct '23
Global REITS 23.0%	Small cap 32.9%	Global REITS 22.9%	Growth 3.5%	Small cap 13.3%	MSCI EM 37.8%	Global Agg -1.2%	Growth 34.1%	Growth 34.2%	Global REITs 32.6%	Cmdty 16.1%	Growth 18.2%	Cmdty 0.3%
MSCI EM 18.6%	Value 27.5%	Growth 6.5%	Global REITS 0.6%	Value 13.2%	Growth 28.5%	Global REITS -4.9%	DM Equities 28.4%	MSCI EM 18.7%	Cmdty 27.1%	Value -5.8%	DM Equities 8.3%	Global Agg -1.2%
Small cap 18.1%	DM Equities 27.4%	DM Equities 5.5%	Small cap 0.1%	Cmdty 11.8%	Small cap 23.2%	Growth -6.4%	Small cap 26.8%	DM Equities 16.5%	Value 22.8%	Global Agg -16.2%	Value -0.8%	Growth -2.4%
Growth 16.6%	Growth 27.2%	Value 4.4%	DM Equities -0.3%	MSCI EM 11.6%	DM Equities 23.1%	DM Equities -8.2%	Global REITS 24.4%	Small cap 16.5%	DM Equities 22.3%	DM Equities -17.7%	MSCI EM -1.8%	DM Equities -2.9%
DM Equities 16.5%	Global REITS 2.3%	Small cap 2.3%	Global Agg -3.2%	DM Equities 8.2%	Value 18.0%	Value -10.1%	Value 22.7%	Global Agg 9.2%	Growth 21.4%	Small cap -18.4%	Small cap -3.0%	Value -3.4%
Value 16.4%	MSCI EM -2.3%	Global Agg 0.6%	Value -4.1%	Global REITS 6.5%	Global REITS 8.0%	Cmdty -11.2%	MSCI EM 18.9%	Value -0.4%	Small cap 16.2%	MSCI EM -19.7%	Cmdty -3.2%	MSCI EM -3.9%
Global Agg 4.3%	Global Agg -2.6%	MSCI EM -1.8%	MSCI EM -14.6%	Growth 3.2%	Global Agg 7.4%	Small cap -13.5%	Cmdty 7.7%	Cmdty -3.1%	MSCI EM -2.2%	Global REITs -23.7%	Global Agg -3.4%	Global REITs -4.7%
Cmdty -1.1%	Cmdty -9.5%	Cmdty -17.0%	Cmdty -24.7%	Global Agg 2.1%	Cmdty 1.7%	MSCI EM -14.2%	Global Agg 6.8%	Global REITs -10.4%	Global Agg -4.7%	Growth -29.1%	Global REITs -8.6%	Small cap -6.1%

Source: Bloomberg Barclays, FTSE, LSEG Datastream, MSCI, J.P. Morgan Asset Management. DM Equities: MSCI World; REITs: FTSE NAREIT Global Real Estate Investment Trusts; Cmdty: Bloomberg Commodity Index; Global Agg: Bloomberg Global Aggregate; Growth: MSCI World Growth; Value: MSCI World Value; Small cap: MSCI World Small Cap. All indices are total return in US dollars. Past performance is not a reliable indicator of current and future results. Data as of 31 October 2023.

#GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

04 NOVEMBER 2023

#food-for-thought

#etfs #returns

The table below is a quick and easy way to see how various asset classes (ETFs) have been performing YoY, YTD and Oct.

Asset Class Performance YoY, YTD, and Oct - Total Return (%)									
US Related					Global				
ETF	Description	YoY	YTD	Oct	ETF	Description	YoY	YTD	Oct
SPY	S&P 500	10.01	10.58	-2.17	EWA	Australia	3.89	-4.94	-3.58
DIA	Dow 30	2.96	1.31	-1.28	EWZ	Brazil	0.48	9.05	-2.93
QQQ	Nasdaq 100	27.09	32.34	-2.07	EWG	Canada	-1.52	-2.04	-5.14
IJH	S&P Midcap 400	-1.13	-1.30	-5.35	ASHR	China	3.95	-11.13	-4.27
IJR	S&P Smallcap 600	-7.74	-4.94	-5.77	EWQ	France	19.05	6.34	-3.20
IWB	Russell 1000	9.33	10.11	-2.38	EWG	Germany	18.61	4.62	-3.89
IWM	Russell 2000	-8.84	-4.59	-6.91	EWJ	Hong Kong	7.29	-18.85	-2.16
IWV	Russell 3000	8.20	9.28	-2.62	PIN	India	6.83	7.80	-2.68
IVW	S&P 500 Growth	11.72	15.11	-2.41	EWI	Italy	29.13	13.71	-1.71
IJK	Midcap 400 Growth	0.86	1.55	-4.83	EWJ	Japan	19.04	9.07	-2.21
IJT	Smallcap 600 Growth	-5.71	-2.83	-5.12	EWV	Mexico	11.40	11.64	-5.89
IVE	S&P 500 Value	7.44	5.56	-1.82	EWP	Spain	25.54	12.09	-2.69
IJJ	Midcap 400 Value	-3.54	-4.53	-5.95	EIS	Israel	-22.15	-15.89	-13.71
IUS	Smallcap 600 Value	-9.95	-7.23	-6.36	EWU	UK	12.55	1.41	-3.60
DVY	DJ Dividend	-7.99	-10.62	-2.79	EFA	EAFE	15.37	3.84	-2.90
RSP	S&P 500 Equalweight	-0.93	-2.51	-4.14	EEM	Emerging Mkts	9.82	-2.40	-3.29
FXB	British Pound	8.65	2.96	-0.13	IOO	Global 100	15.20	13.82	-1.49
FXE	Euro	8.44	0.12	0.29	BKF	BRIC	12.34	-4.63	-3.29
FXV	Yen	-2.44	-13.81	-1.46	CWI	All World ex US	13.20	1.97	-3.01
GBTC	Bitcoin Trust	123.00	222.80	39.45	DBC	Commodities	-1.84	-0.57	-1.80
ETHE	Ethereum Trust	30.75	191.18	25.32	DBA	Agric. Commod.	11.54	9.23	2.80
XLY	Cons Disc	6.62	18.57	-5.52	USO	Oil	4.88	7.00	-7.22
XLP	Cons Stap	-4.27	-7.26	-1.38	UNG	Nat. Gas	-63.20	-46.81	9.81
XLE	Energy	-1.81	0.00	-5.75	GLD	Gold	21.18	8.52	7.37
XLF	Financials	-2.83	-4.06	-2.44	SLV	Silver	19.07	-4.72	3.15
XLV	Health Care	-4.65	-7.21	-3.26	SHY	1-3 Yr Treasuries	2.78	1.96	0.33
XLI	Industrials	6.03	1.37	-2.98	IEF	7-10 Yr Treasuries	-2.49	-4.47	-1.93
XLB	Materials	4.81	-0.70	-3.17	TLT	20+ Yr Treasuries	-10.24	-13.96	-5.46
XLK	Technology	29.47	32.65	0.05	AGG	Aggregate Bond	0.25	-2.58	-1.57
XLC	Comm Services	35.51	35.79	-1.30	BND	Total Bond Market	0.36	-2.40	-1.52
XLU	Utilities	-7.74	-13.32	1.29	TIP	T.I.P.S.	-0.91	-1.39	-0.72

Past performance is no guarantee of future results.

Source: Bespoke

#food-for-thought

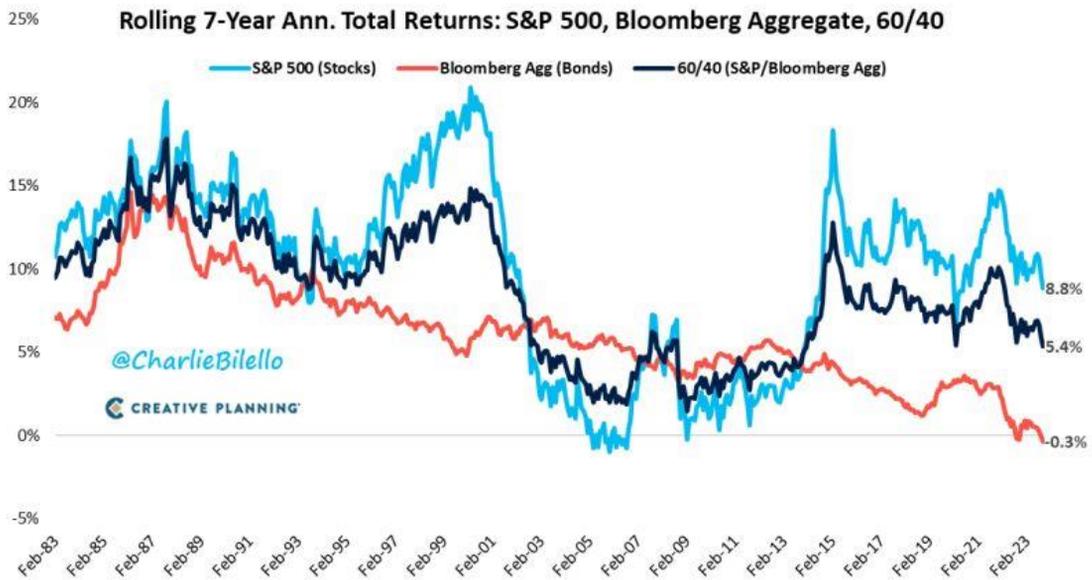
#us #60-40 #returns

Annualized Total Returns over the last 7 years...

US Stocks: +8.8%

US Bonds: -0.3%

US 60/40: +5.4%



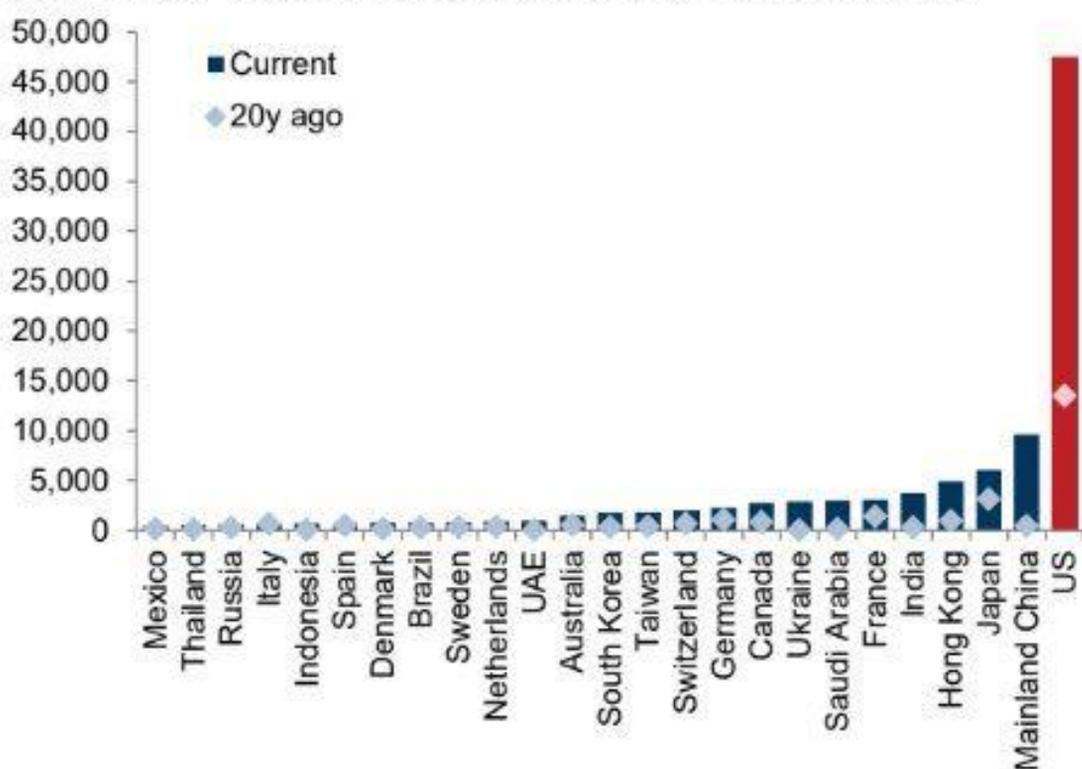
Source: Charlie Bilello

#food-for-thought

#us #equity #marketcap

The US equity market ultra-dominance in one chart.

Total equity market capitalization per economy, \$bn



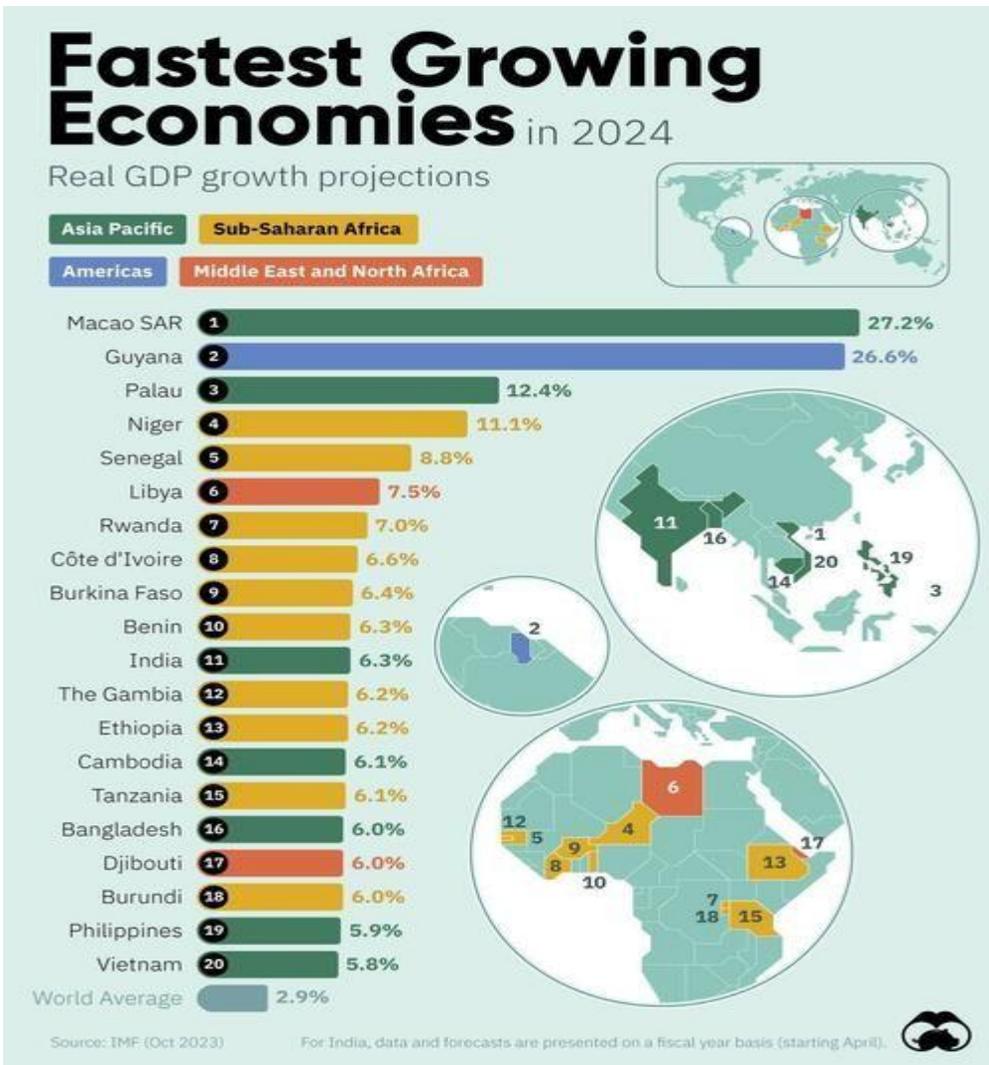
Source: Bloomberg, Goldman Sachs GIR.

Source: Michel A.Arouet, Bloomberg, Goldman Sachs

#food-for-thought

#economies #growth

Unsurprisingly, many of the fastest growing countries are located in Asia and Sub-Saharan Africa—two of the world’s fastest growing regions.



#food-for-thought

#quotes #investing

Perfect quote of the week



“Be fearful when others are greedy and be greedy when others are fearful”

Warren Buffett

Source: barchart

#food-for-thought

#warren-buffet #tenets

The 12 tenets of Warren Buffet

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: [Compounding Quality](#)

#food-for-thought

#blacktuesday #investing #history

90 Years Ago... On October 29, 1929, "Black Tuesday" hit Wall Street as investors traded some 16 million shares on the New York Stock Exchange in a single day. Around \$14 billion of stock value was lost, wiping out thousands of investors. The stock market crash of 1929 began on "Black Monday, Oct. 28, 1929, when the Dow Jones Industrial Average plunged nearly 13% in heavy trading. While panic selling occurred in the first week, the greatest decline occurred in the following two years as the Great Depression emerged. The DJIA hit its lowest point on July 8, 1932, 89% below its September 1929 peak, defining the most significant bear market in Wall Street's history. The market would not return to its 1929 high until 1954

Wall Street Crash



Source: investopedia

#food-for-thought

#1929 #history

On this week in 1929...

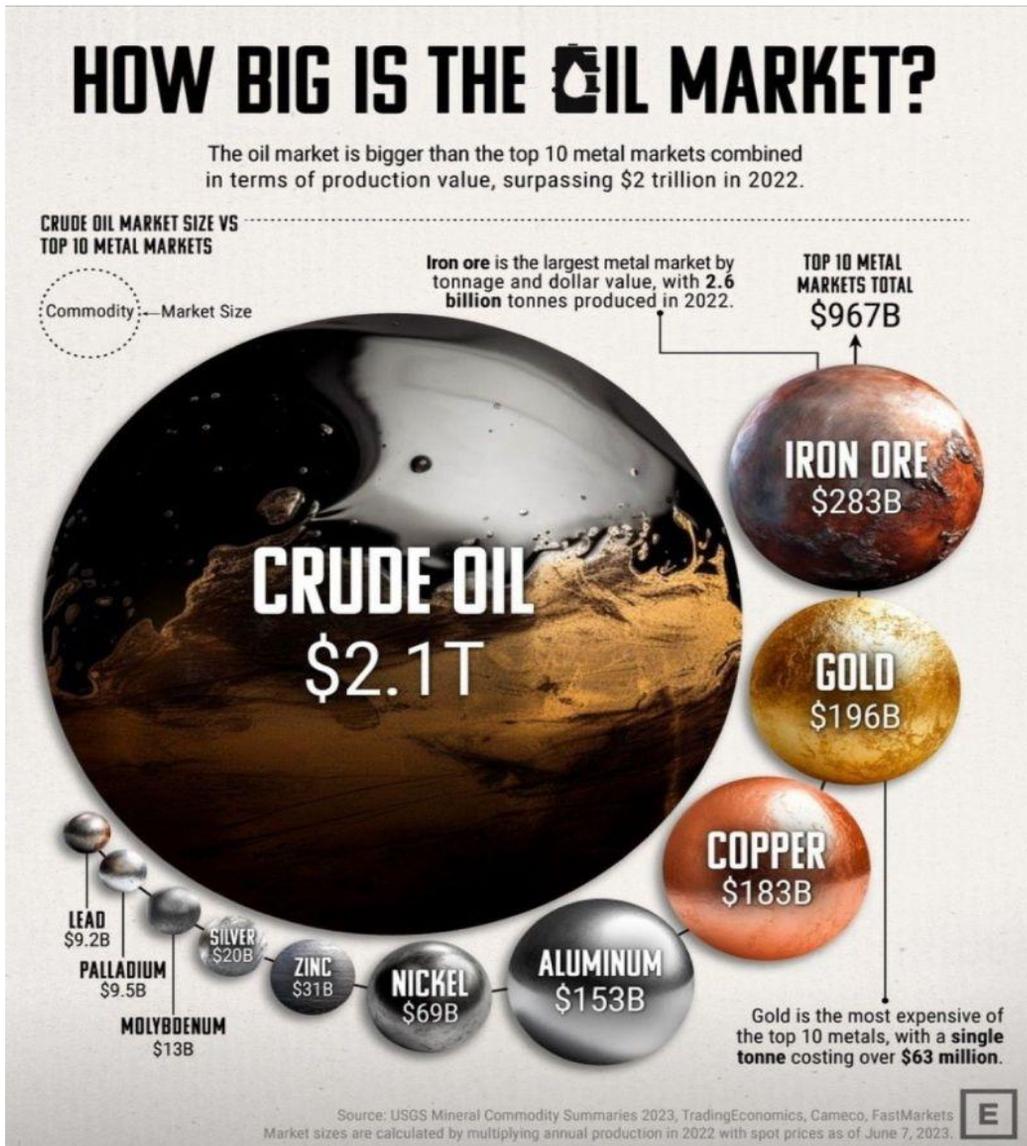


Source: Evan

#food-for-thought

#oil #commodities

How big is the Oil Market ?

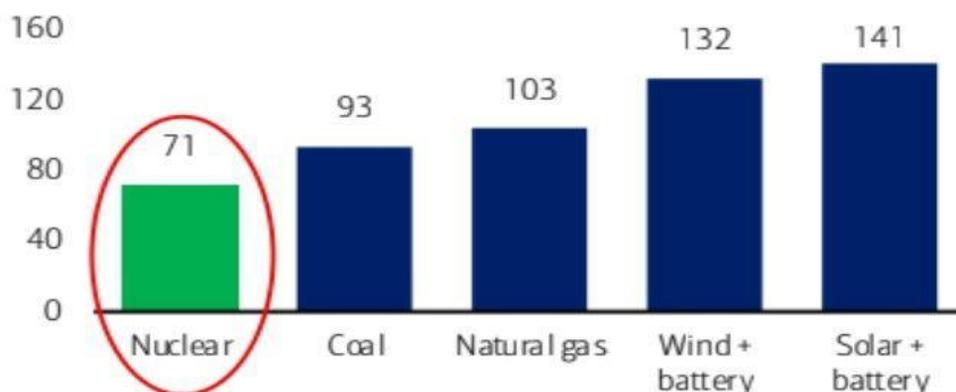


#food-for-thought

#nuclear #energy

Bank of America research: "Industry research suggests that, after accounting for efficiency, storage needs, the cost of transmission, and other broad system costs, nuclear power plants are one of the least expensive sources of energy."

Exhibit 20: Nuclear is cost-effective...
Cost of generation, different sources (\$/MWh)



Source: BofA Research Investment Committee, Lazard, Entler, et al. (2018). Note: nuclear, coal, and natural gas price estimates from Entler, et al. Wind and solar cost estimates are from Lazard's 2023 Levelized Cost of Energy+ report. Wind + battery and solar + battery use estimates from California's Independent System Operator (CAISO) and assume a 4-hour lithium-ion battery storage system to account for firming costs. All cost estimates show unsubsidized costs.

BofA GLOBAL RESEARCH

Source: BofA Global Research, Gustavo Philippsen Fuhr

#food-for-thought

#ftx #sbf #sentence

The 7 Charges Against Sam Bankman-Fried and the Maximum Sentence Associated with Each. SBF was found guilty of 7 counts of fraud and conspiracy after jurors in Manhattan deliberated for less than five hours Thursday. He faces as much as 20 years in prison on each of the most serious charge was found guilty of 7 counts of fraud and conspiracy after jurors in Manhattan deliberated for less than five hours Thursday.

The Seven Charges Against Sam Bankman-Fried



Source: US Department of Justice

Bloomberg Opinion

Source: bloomberg

#food-for-thought

#chatgpt #ai

Some updates on Chatgpt by Linas Beliūnas -> OpenAI just released two biggest updates to ChatGPT ever 🤖



Linas Beliūnas

@linas.beliunas

OpenAI just released the **two biggest updates** to **ChatGPT** ever.

1. **GPT-4** is finally & truly **multimodal** (browse the web, create images, analyze data, etc.)
2. **GPT-4** now supports **any file type** (PDF, png, csv, etc.).

OpenAI finally has one AI model to rule them all.

Your GPT-4 has been updated

- Upload many types of documents**
Work with PDFs, data files, or any document you want to analyze. Just upload and start asking questions.
- Use Tools without switching**
Access to Browsing, Advanced Data Analysis, and DALL-E is now automatic. (if preferred, manual selection is still available under GPT-4.)

#food-for-thought

#iphone #apple

The Anatomy of the iPhone: a fascinating graphic showing key suppliers for Apple's latest smartphone 📱



Source: Quatr through Linas Beliūnas

#food-for-thought

#linkedin #users #ai

LinkedIn passes 1 billion members and launches new AI chatbot to help you get a job. LinkedIn said it surpassed 1 billion members and debuted an AI chatbot billed as a “job seeker coach” and other generative AI tools for Premium members. For months, the Microsoft -owned company has been bolstering its focus on tools like automated recruiter messages, job descriptions and AI-powered profile writing suggestions. The new AI chatbot, which aims in part to help users gauge whether a job application is worth their time, is powered by OpenAI’s GPT-4 and began rolling out to some Premium users Wednesday. Microsoft has invested billions of dollars into OpenAI.



Source: cnbc

#food-for-thought

#halloween #humor

The holiday behind that tradition actually traces its origins back more than 2,000 years, to the ancient Celtic festival of Samhain, in what is now Ireland, as Celts marked the night of October 31 as the boundary between the end of harvest and the beginning of the dark winter. But, these days no country loves Halloween quite like the USA. Indeed, this year a whopping 73% of Americans will be celebrating the hair-raising holiday in some capacity, up 4% from 2022 and some 15% from 2020.

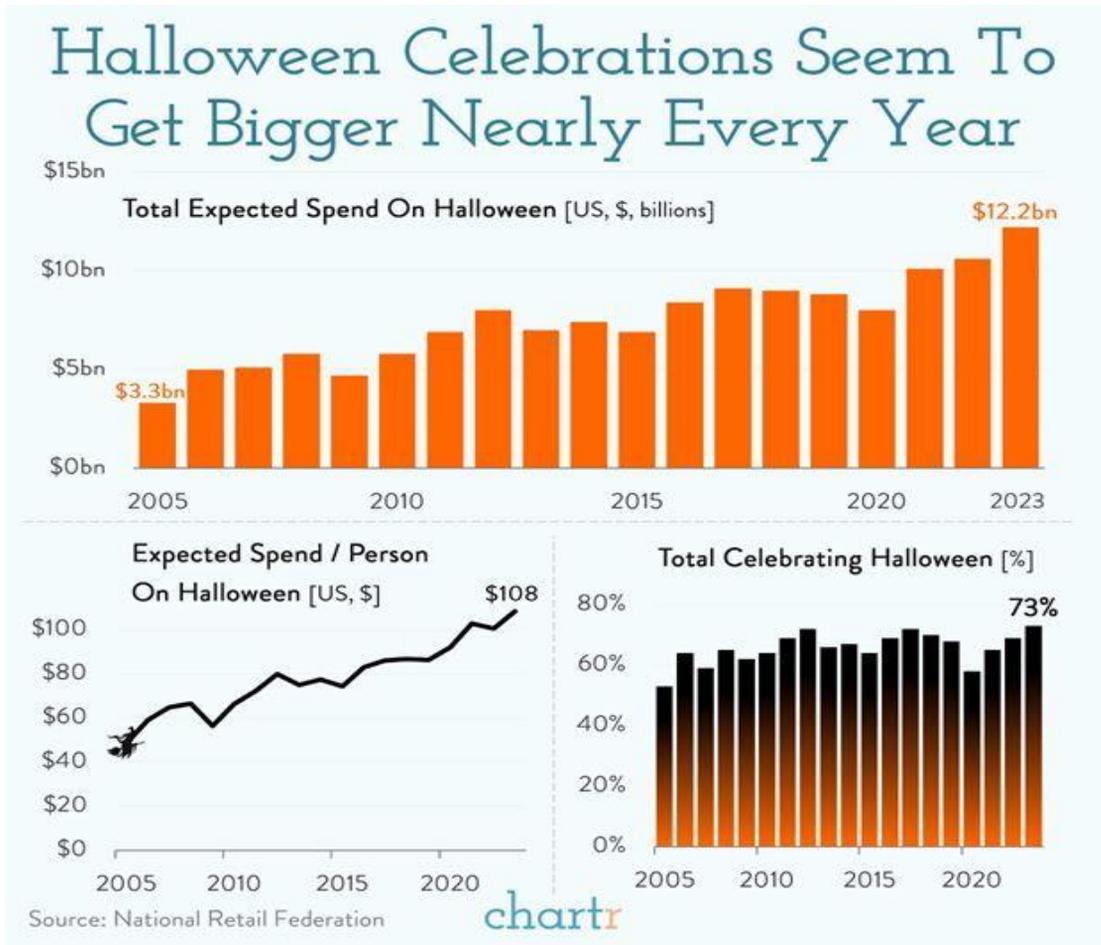


Source: chart, hedgeye

#food-for-thought

#halloween #celebration

All Hallows' Eve. The National Retail Federation, which has been running surveys of Halloween spending and participation for decades, estimates that total Halloween spending in the US will reach a record \$12.2 billion in 2023 — only slightly less than the entire GDP of Namibia — surpassing last year's \$10.6 billion.

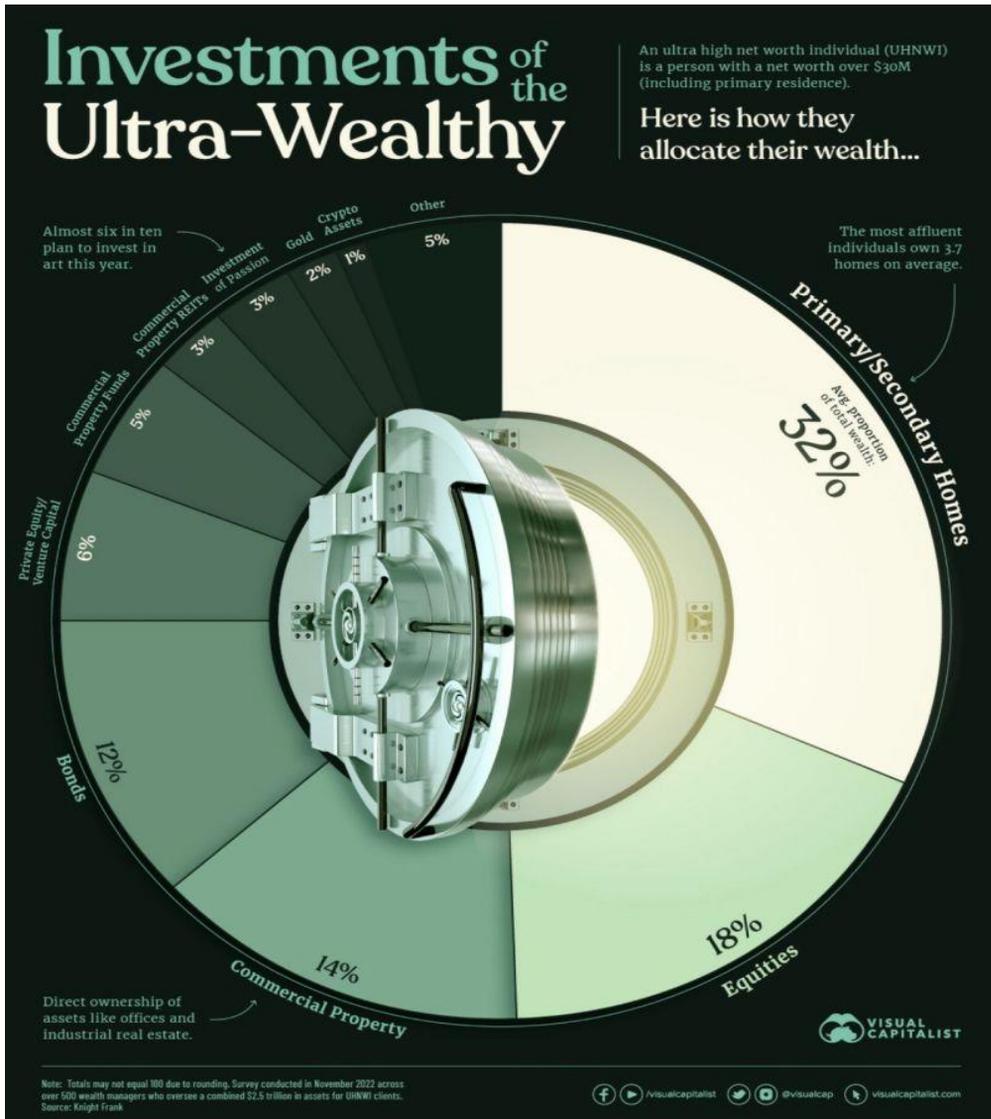


Source: chartr

#food-for-thought

#ultra-wealthy #investments

Visualizing the Investments of the Ultra-Wealthy



Source: Visual Capitalist

#food-for-thought

#cpi #mcdonalds

Feed a family of 5 (hamburger, fries, shake) for \$2.25 in June 1961. BLS CPI calculator says that's same as \$23.24 today...
Inflation calculator ->



Source: Rudy Havenstein

#food-for-thought

#leadership #quotes

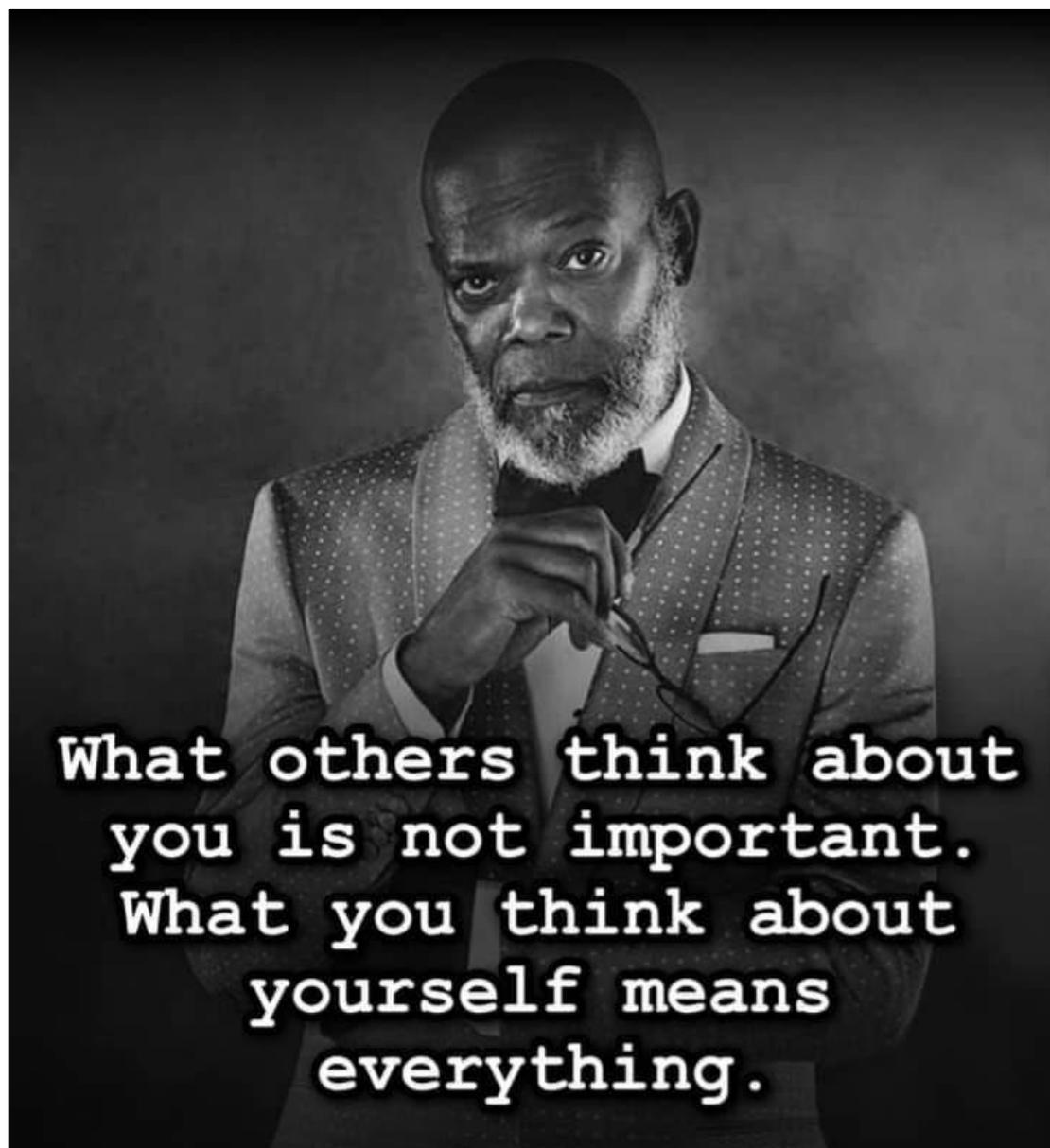
“Insecure leaders surround themselves with “yes people.” Effective leaders surround themselves with people who challenge them.”

- Patrick Bet-David

Source: [Strati Georgopoulos](#)

#food-for-thought

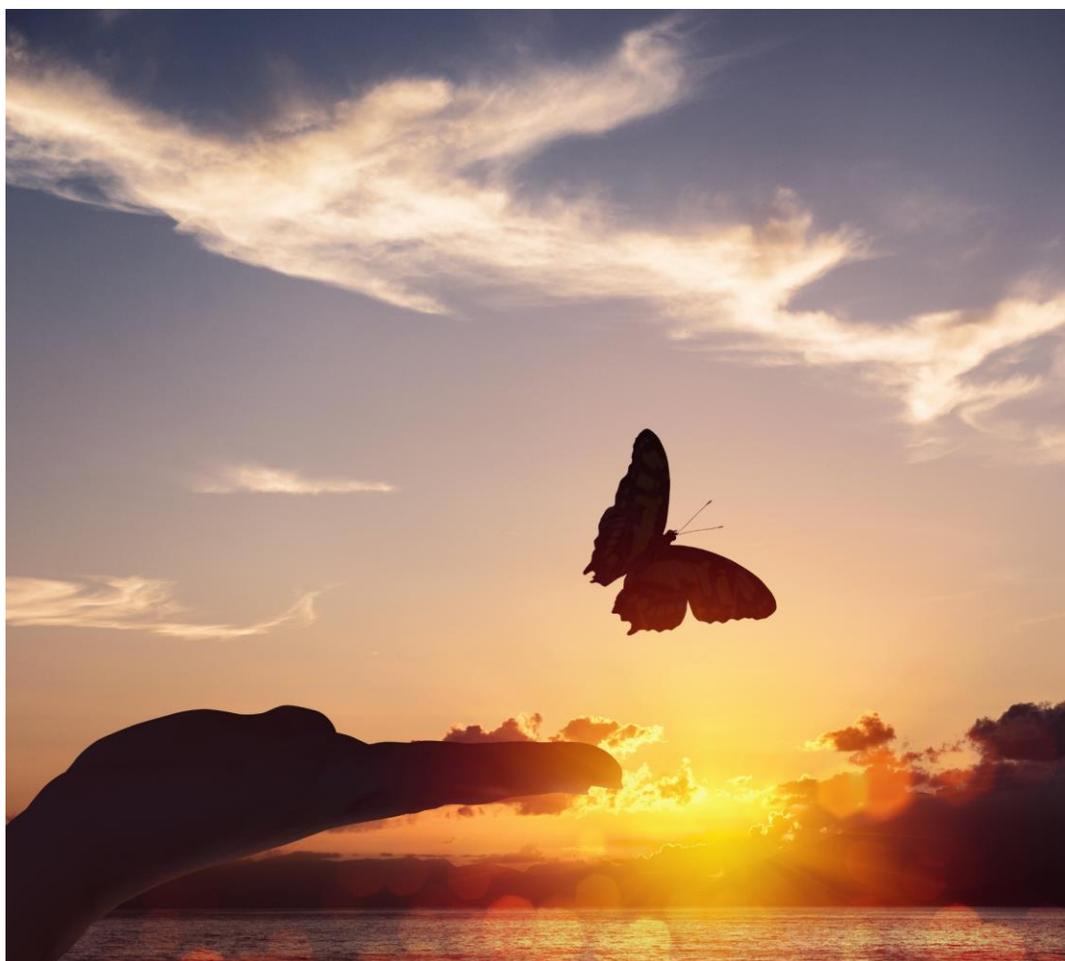
#leadership #quotes



Source: European leadership

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For the future...