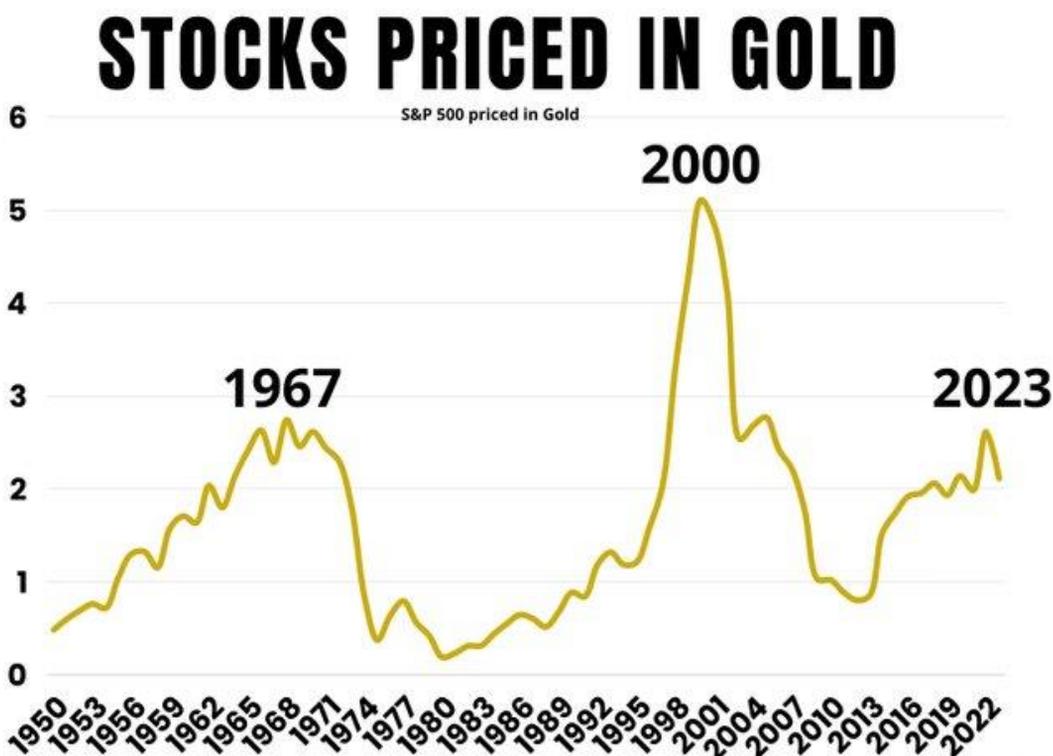




### Chart of the week

## Stocks priced in Gold are just average

Stock prices are at record highs in fiat currency. Measured against Gold (aka real money), stock returns are just average. The real growth peak was in 2000; since then, increases in stock values are more due to currency devaluation than actual growth...



SOURCE: MFHOZ



Source: HZ

### Global bonds/stocks market cap is up \$20T in '23

Global bond and stock markets added almost \$20 trillion in capitalization during 2023 and all of that gain came in the last two months of the year. For the last week of 2023, the major equity indices were mixed. The S&P 500 Index marked its ninth straight weekly gain—its longest stretch since 2004—and briefly moved within 0.5% of its all-time intraday high. The week closed out a strong year for all the major indexes, led by the Nasdaq Composite, which recorded its sixth-biggest annual gain since the index was launched in 1971. As was widely expected, trading volumes and market moves were muted through most of the week, with trading closed Monday and many investors out of the office. On Wednesday, reports emerged that The New York Times had filed suit against generative AI companies for copyright infringement, given that the media giant's content was being used to train ChatGPT and other large language models developed by these firms. U.S. Treasuries rallied early Wednesday as the Treasury's final auction of the year saw strong interest. The STOXX Europe 600 Index reached almost two-year highs, gaining 0.41% on growing optimism on interest rate cuts early next year. Japan's stock markets ended higher, with the Nikkei 225 Index up 0.89%. Chinese equities rose in the final week of trading for 2023 as the government announced new online game approvals and calmed fears about a potential clampdown on the gaming sector.

## #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

30 DECEMBER 2023

#markets

### #weekly #stats

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	37,690	0.8%	13.7%
S&P 500 Index	4,770	0.3%	24.2%
NASDAQ	15,011	0.1%	43.4%
MSCI EAFE*	2,241	1.4%	15.3%
10-yr Treasury Yield	3.88%	0.0%	0.0%
Oil (\$/bbl)	\$71.38	-3.0%	-11.1%
Bonds	\$99.26	0.4%	5.7%

Source: FactSet, 12/29/2023. Bonds represented by the iShares Core U.S. Aggregate Bond ETF. Past performance does not guarantee future results. \*4-day performance ending on Thursday.

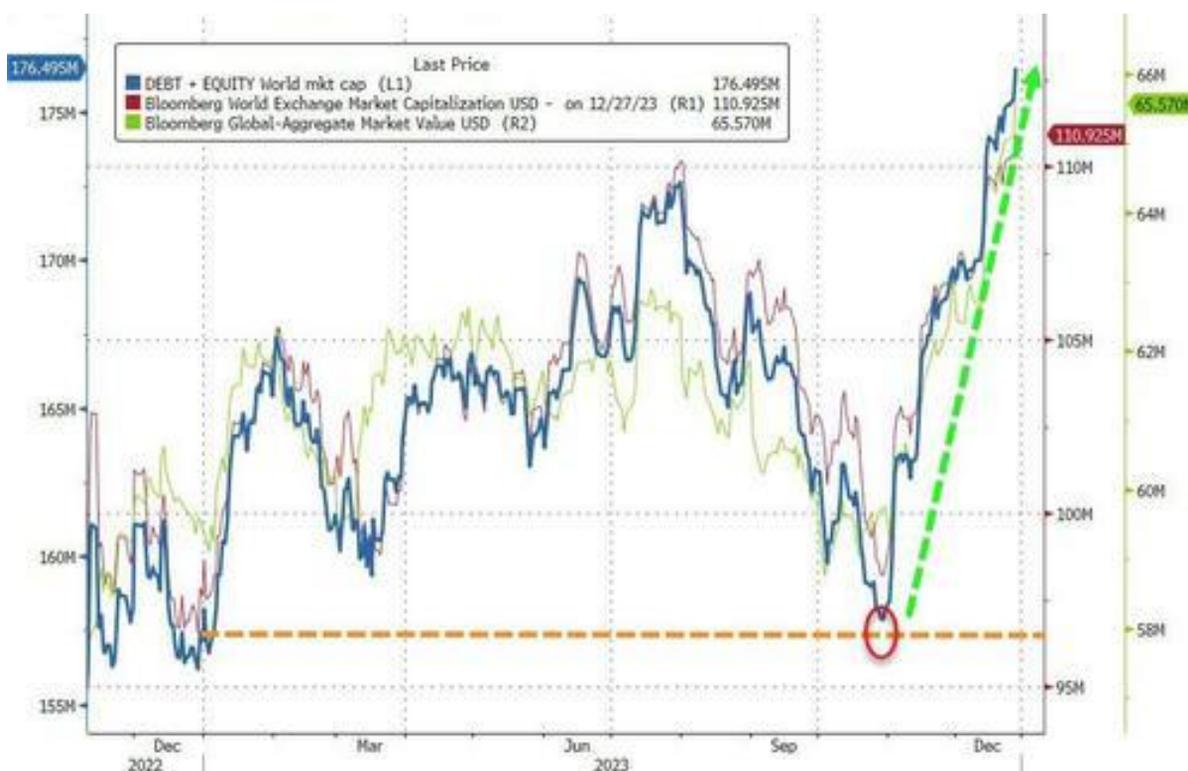
Source: Edward Jones





## #cross-assets #2023

Global bond and stock markets added almost \$20 trillion in capitalization during 2023 and all of that gain came in the last two months of the year after it had tested unchanged on October 28th! The gains were dominated by global stocks (which added \$13.3TN) while global bonds rose by \$6.1TN...



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

#markets

## #cross-assets #2023

2023 Total Returns...

Bitcoin **\$BTC**: +152%

Nasdaq 100 **\$QQQ**: +55%

S&P 500 **\$SPY**: +26%

Developed ex-US **\$VEA**: +18%

Small Caps **\$IWM**: +17%

Gold **\$GLD**: +13%

REITs **\$VNQ**: +12%

Emerging Markets **\$IEMG**: +12%

US Bonds **\$AGG**: +6%

Cash **\$BIL**: +5%

Commodities **\$DBC**: -6%

Volatility **\$VXX**: -72%

#markets

## #all-time-highs #drawdowns



**Lawrence McDonald**

@Convertbond

### Drawdowns

Gold ATH

Uranium ATH

S&P 500 -1%

Coal ARCH -2%

Berkshire BRKB -4%

Nasdaq -7%

Russell IWM -13%

Amazon AMZN -18%

Copper -21%

Netflix NFLX -30%

Tesla TSLA -35%

Bitcoin XBT -37%

Brent -43%

Silver -50%

Coinbase COIN -56%

ARK Innovation ARKK -65%

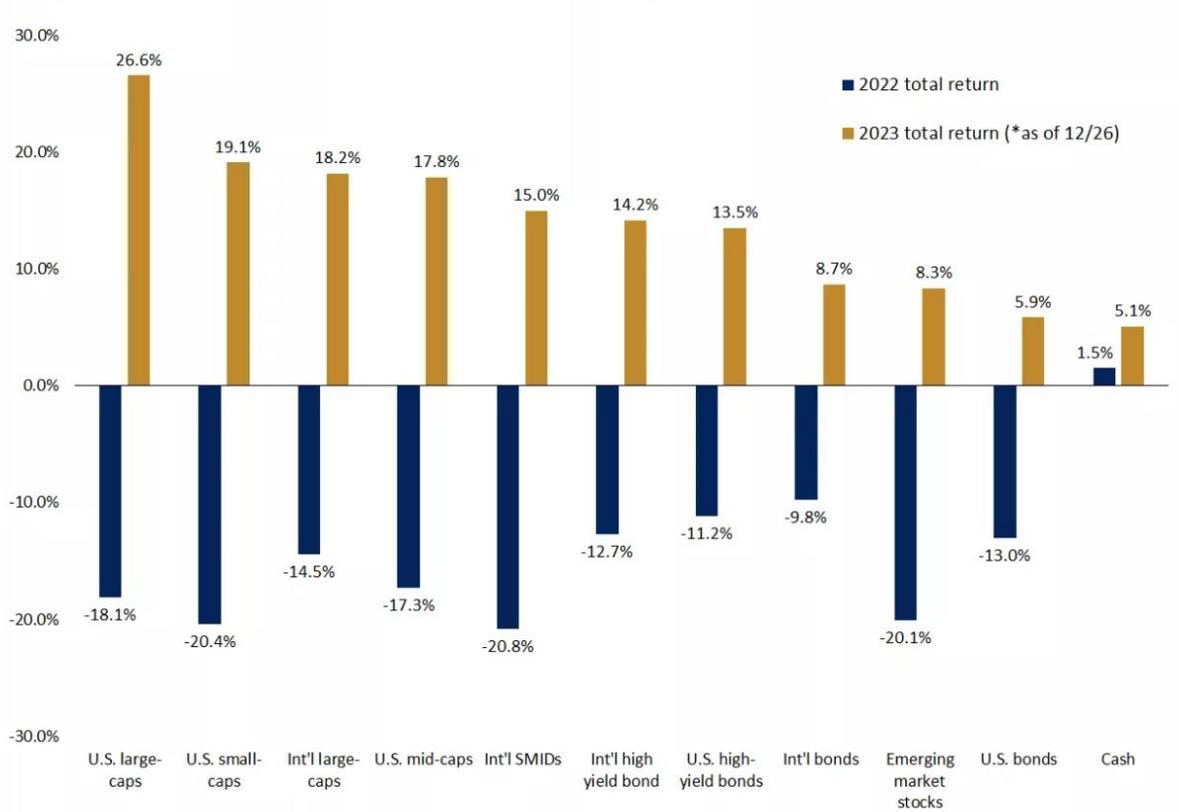
Bloomberg data



## #cross-asset-classes #2023 #2022

The graph shows total returns for various equity and fixed income asset classes for 2022 and 2023, with latter being a year of strong performance across most investments. Past performance does not guarantee future results.

2023 was a year of strong returns across the board with cash giving up its lead



Source: Morningstar Direct, Edward Jones.



Source: Edward Jones



## #sp500 #2023

The S&P 500 ends the year up over 26%, exceeding the expectations of just about everyone.

S&P 500: Total Returns (1928 - 2023)									
Year	Return	Year	Return	Year	Return	Year	Return	Year	Return
1928	43.8%	1948	5.7%	1968	10.8%	1988	16.6%	2008	-37.0%
1929	-8.3%	1949	18.3%	1969	-8.2%	1989	31.7%	2009	26.5%
1930	-25.1%	1950	30.8%	1970	3.6%	1990	-3.1%	2010	15.1%
1931	-43.8%	1951	23.7%	1971	14.2%	1991	30.5%	2011	2.1%
1932	-8.6%	1952	18.2%	1972	18.8%	1992	7.6%	2012	16.0%
1933	50.0%	1953	-1.2%	1973	-14.3%	1993	10.1%	2013	32.4%
1934	-1.2%	1954	52.6%	1974	-25.9%	1994	1.3%	2014	13.7%
1935	46.7%	1955	32.6%	1975	37.0%	1995	37.6%	2015	1.4%
1936	31.9%	1956	7.4%	1976	23.8%	1996	23.0%	2016	12.0%
1937	-35.3%	1957	-10.5%	1977	-7.0%	1997	33.4%	2017	21.8%
1938	29.3%	1958	43.7%	1978	6.5%	1998	28.6%	2018	-4.4%
1939	-1.1%	1959	12.1%	1979	18.5%	1999	21.0%	2019	31.5%
1940	-10.7%	1960	0.3%	1980	31.7%	2000	-9.1%	2020	18.4%
1941	-12.8%	1961	26.6%	1981	-4.7%	2001	-11.9%	2021	28.7%
1942	19.2%	1962	-8.8%	1982	20.4%	2002	-22.1%	2022	-18.1%
1943	25.1%	1963	22.6%	1983	22.3%	2003	28.7%	2023	26.3%
1944	19.0%	1964	16.4%	1984	6.1%	2004	10.9%		
1945	35.8%	1965	12.4%	1985	31.2%	2005	4.9%		
1946	-8.4%	1966	-10.0%	1986	18.5%	2006	15.8%		
1947	5.2%	1967	23.8%	1987	5.8%	2007	5.5%		
Time Period	Min Ret	Max Ret	% Positive	Decade	% Annualized				
1-Year	-44%	53%	73%	1930-39	-1%				
3-Year	-62%	126%	84%	1940-49	9%				
5-Year	-49%	251%	88%	1950-59	19%				
7-Year	-25%	352%	93%	1960-69	8%				
10-Year	-15%	525%	94%	1970-79	6%				
15-Year	-3%	1246%	99%	1980-89	17%				
20-Year	60%	2543%	100%	1990-99	18%				
25-Year	257%	5165%	100%	2000-09	-1%				
30-Year	898%	4596%	100%	2010-19	13%				
35-Year	1489%	6480%	100%	2020-23	12%				

CREATIVE PLANNING

@CharlieBilello



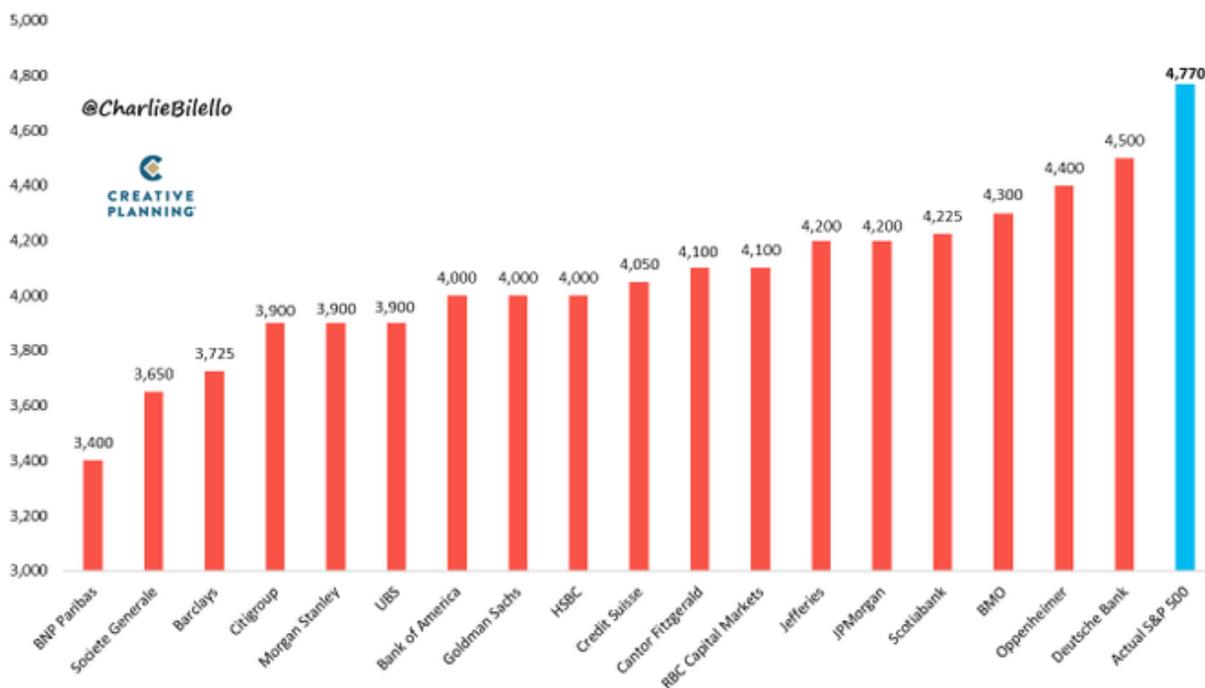
Source: Charlie Bilello



## #sp500 #2023

The S&P 500 ended the year at 4,770, besting every major Wall Street firm's price target by over 200 points. The S&P 500's actual price gain of 24% was over 18% higher than the average forecast.

S&P 500: Wall Street's 2023 Year-end Price Targets vs. Actual Year-end Level  
(Target Data via MarketWatch in Dec 2022)



Source: Charlie Bilello

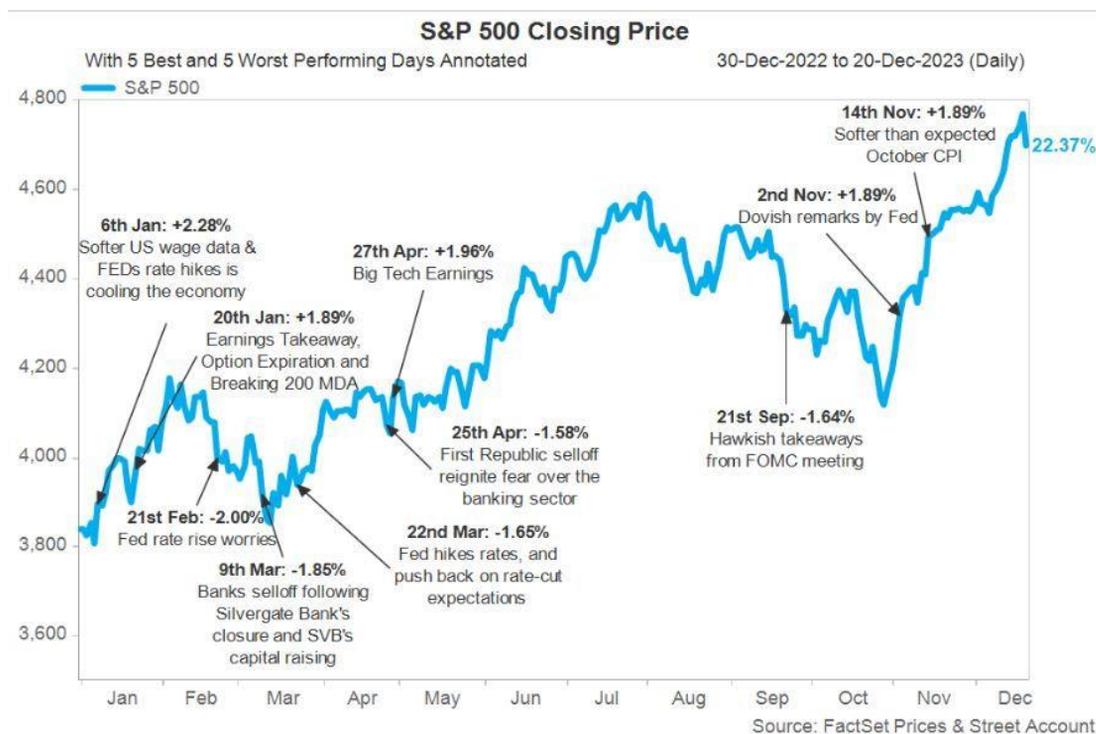




## #sp500 #2023

### The Days that Moved the US Market in 2023

Year to date, the index has been closing with 132 positive days and 113 negative. Key drivers for the large swing days have been mega cap tech stocks performance, banking turbulence, and the Fed's inflation battle. These factors shaped the trajectory of market returns, where the top 10 performing days contributed an aggregate increase of 18.35% to the index, in contrast to the bottom 10 days, which saw a collective decrease of 16.20%.



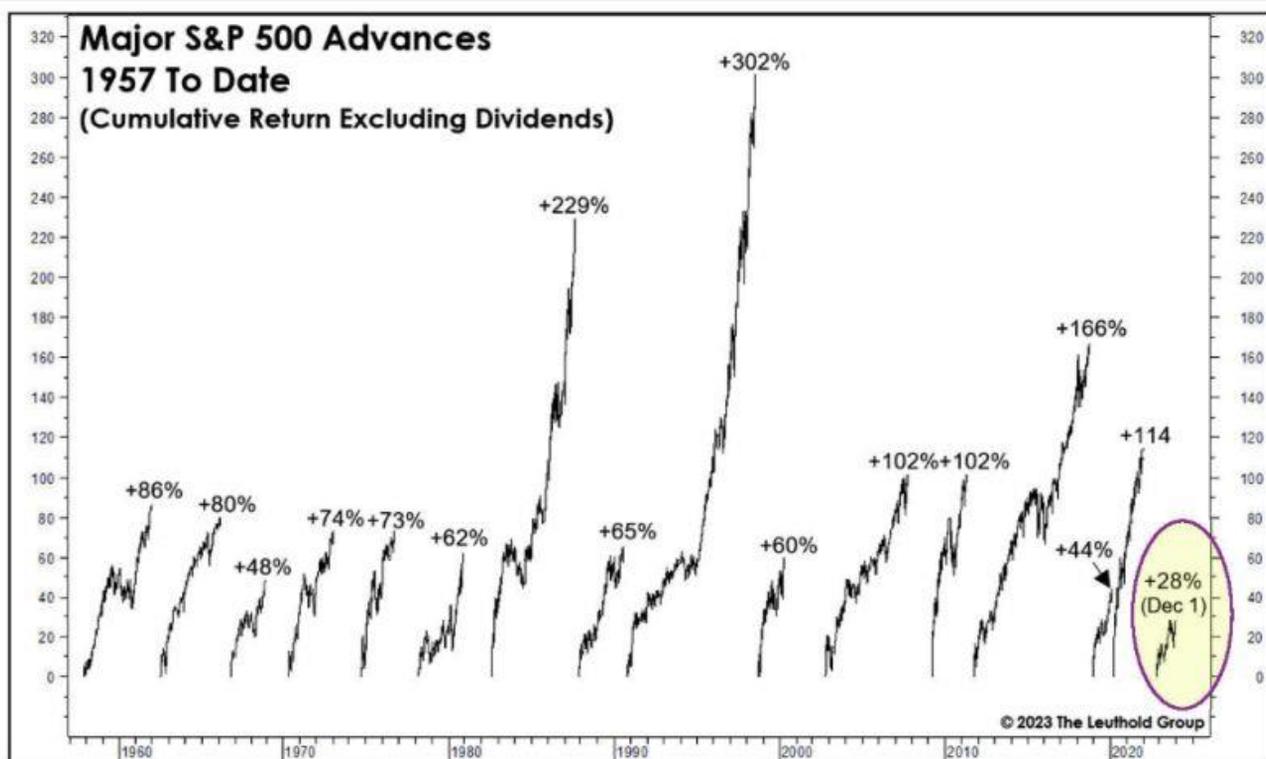
source : factset





## #sp500 #bull-markets #history

Current S&P 500 advance compared with major advances since 1957. The SPX gain looks nothing like the early stages of any past bull market shown on this chart.



source : factset

## #vix

While VIX was smashed to an 11 handle at its lows of the year (multi-year lows), it notably decoupled from stocks in the last few weeks.

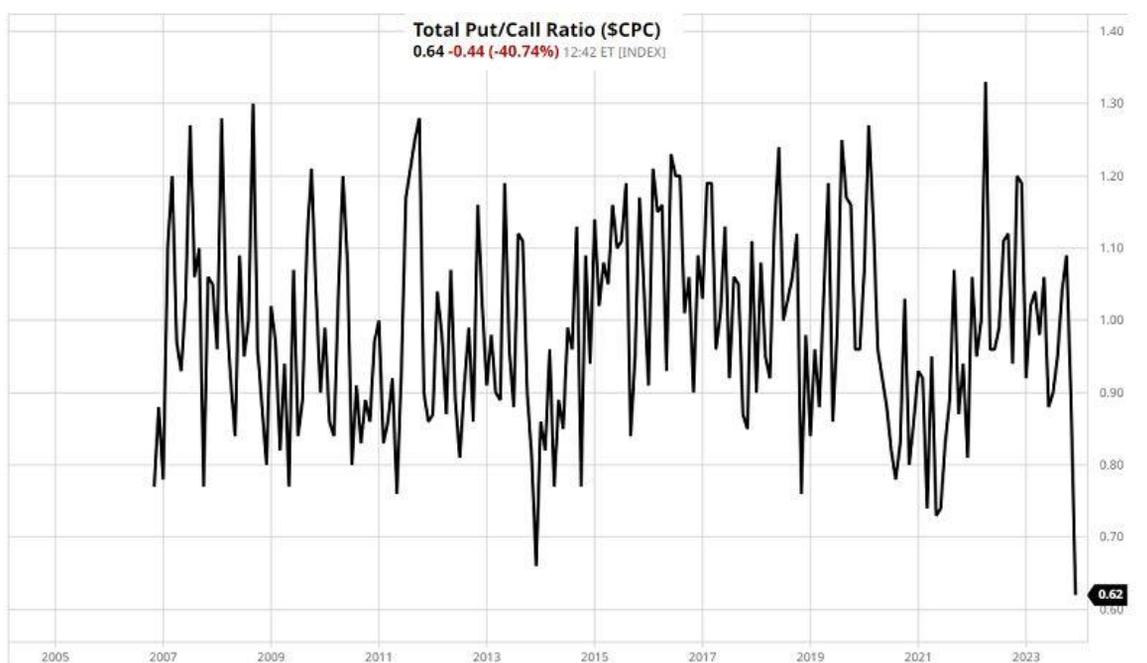


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #put-to-call-ratio

Total put/call ratio hit its lowest reading in the history of the Barchart database

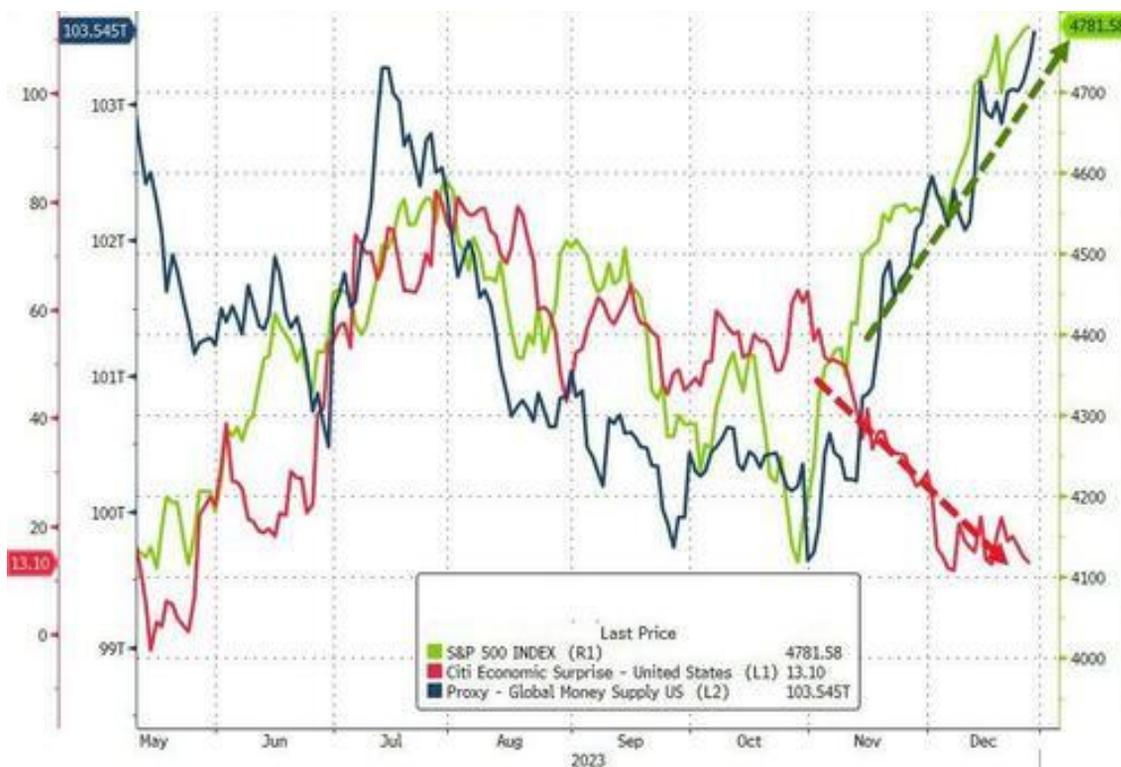


Source: Barchart



## #sp500 #2023 #liquidity

Stocks did what they do: follow the money. As macro data disappointed, stocks charged ahead on a re-emerging wave of global liquidity...



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



## #us #equities #sectors #2023

Tech and Consumer Discretionary dominated the performance this year with Staples and Utes the biggest losers (Energy was the other losing sector on the year)...



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





## #sp500 #2023 #best #worst #stocks

Nvidia, Meta Platforms, and Royal Caribbean were the best-performing S&P 500 stocks in 2023 while FMC Corp, Enphase Energy, and Dollar General were the biggest losers...

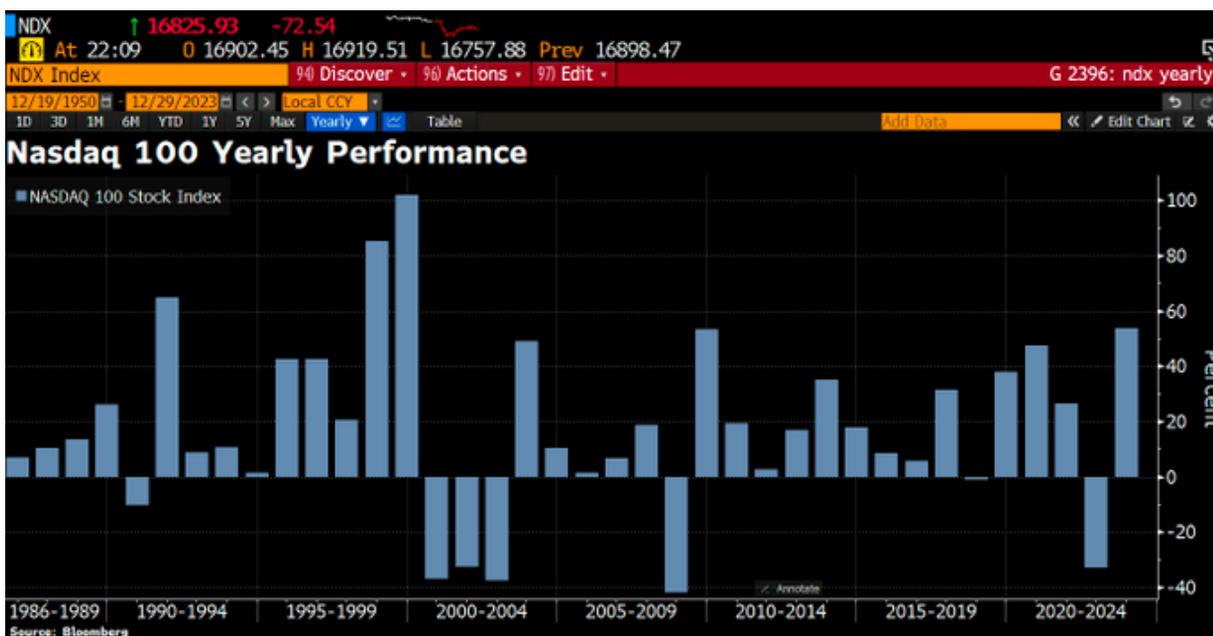


Source: Bloomberg



## #nasdaq100 #2023

Party like its 1999: Nasdaq 100 soars 53.8% in 2023 for best year since 1999



Source: HolgerZ, Bloomberg

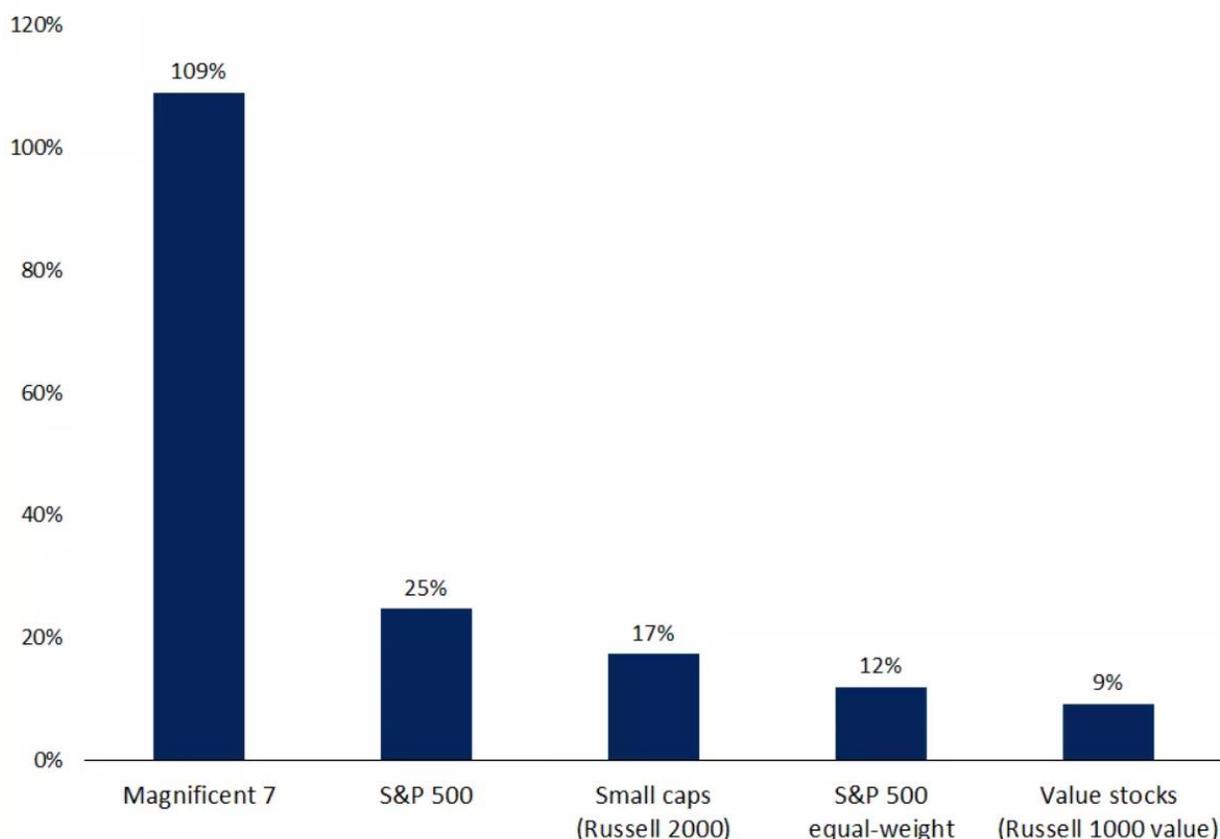


## #us #equities #2023 #narrow-leadership

Narrow market leadership was another major theme in 2023, as the mega-cap technology companies powered the broad market higher.

### Market laggards could play catch-up in 2024

Price returns in 2023



Source: Bloomberg, Edward Jones. Magnificent 7 represented by Amazon, Apple, Alphabet, Meta, Microsoft, Nvidia and Tesla.

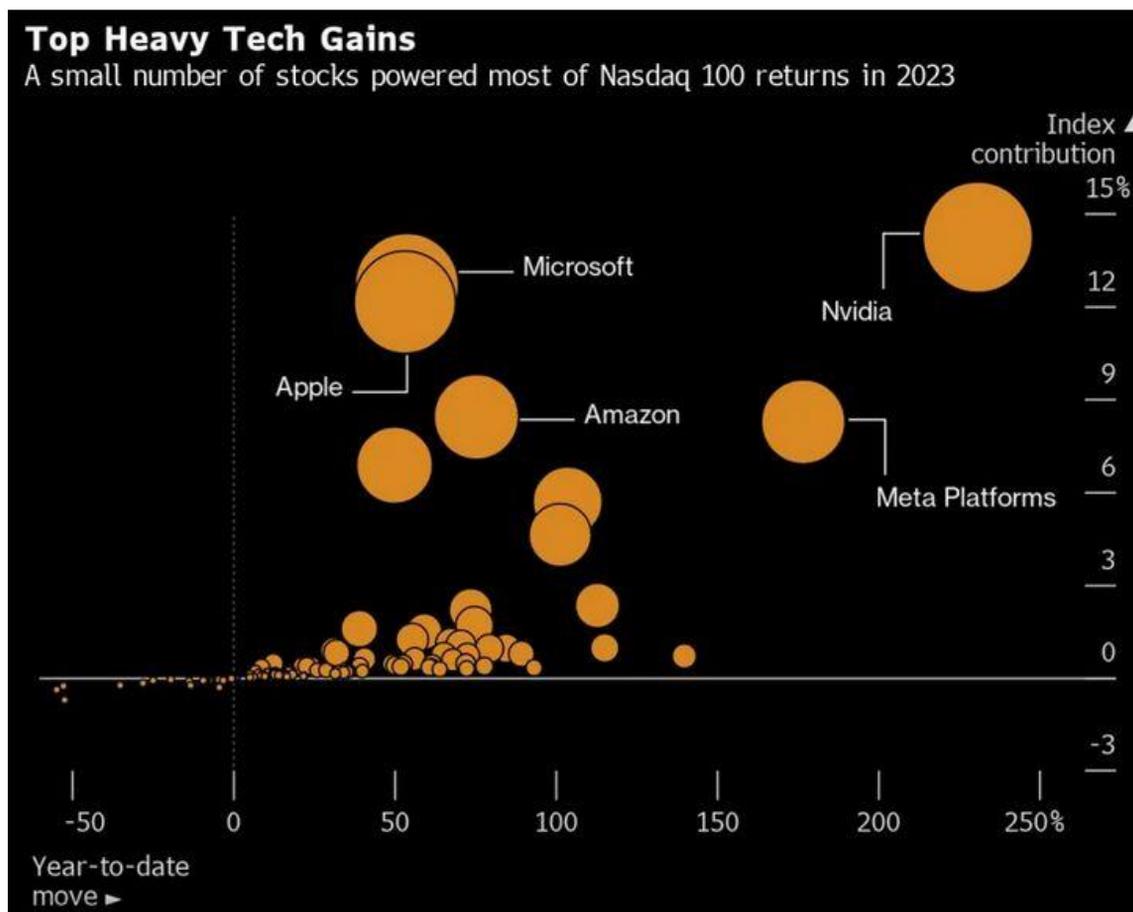


Source: Edward Jones



## #us #equities #2023 #narrow-leadership

An interesting look at how the Magnificent 7 have generated a majority of the Nasdaq 100's YTD returns.

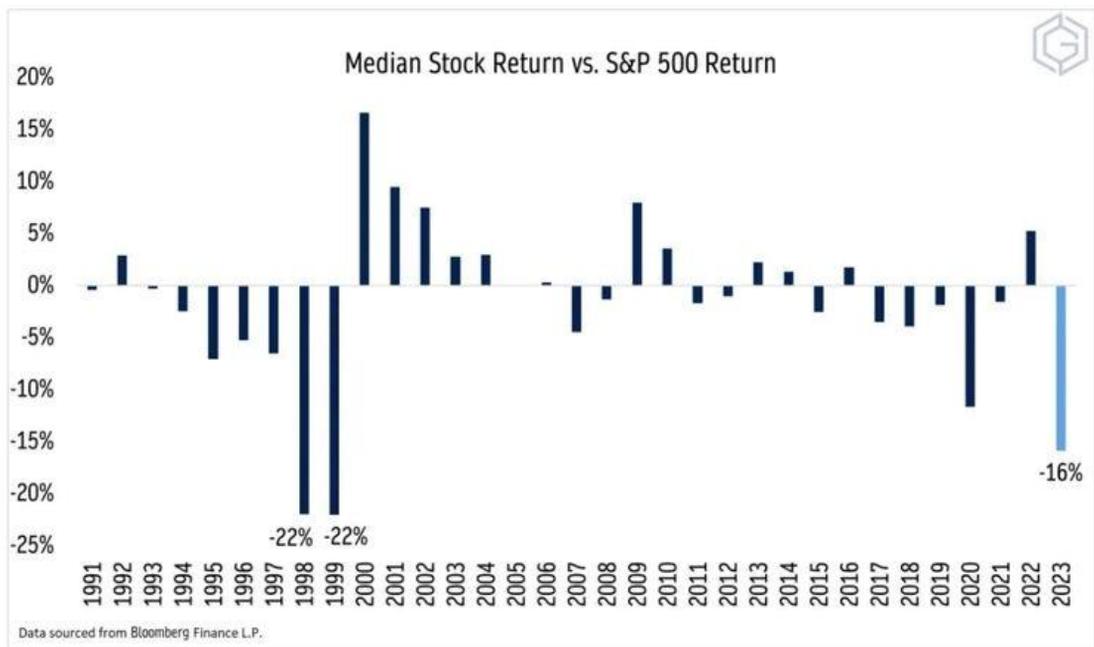


Source: Beth Kindig, Bloomberg



## #sp500 #median-stock

We are currently experiencing the largest disparity between the S&P 500 and the median stock return since the peak of the tech bubble. Is it sustainable?

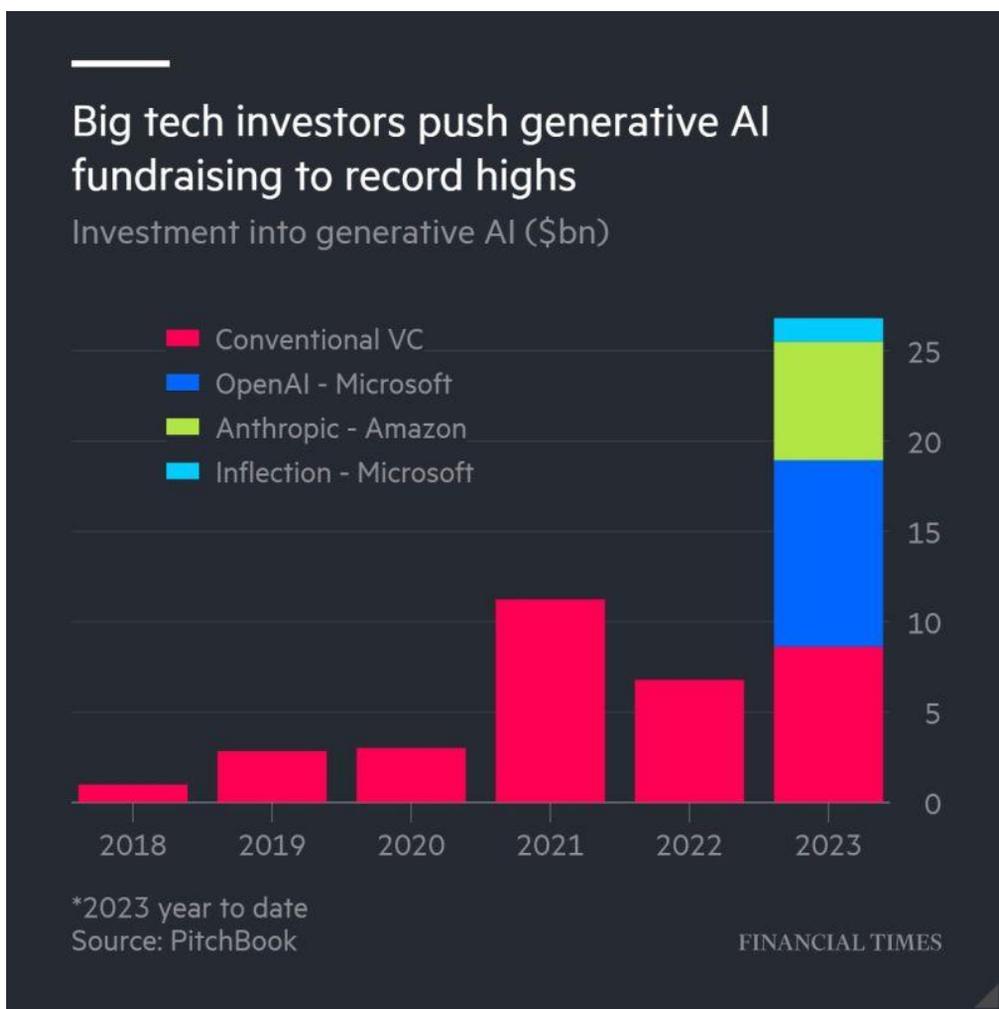


Source: Tavi Costa, Bloomberg



## #mag7 #darwinism

Microsoft, Google and Amazon vastly outspent venture capital groups to account for two-thirds of the \$27bn raised by generative AI start-ups in 2023





## #sp500 #2023 #performance #contribution

The 10 largest stocks in the SP500 contributed to 75% of the \$SPX weighted average return, the highest amount in the last decade.



Source: FactSet Prices

Source: Barchart, Facset





## #sp500 #breadth

75% of S&P 500 stocks are trading above their 200D moving average, the highest level of the year. 3rd time is the charm or will history repeat?



Source: Barchart





## #nasdaq #small-caps

Small Caps outperformed Nasdaq in the first few months of the year, then the AI boom struck and Nasdaq exploded higher relative to Small Caps (as the latter was hit harder by soaring rates). The last month has seen dramatic outperformance of Small Caps, dragging the NDX/RTY ratio lower...

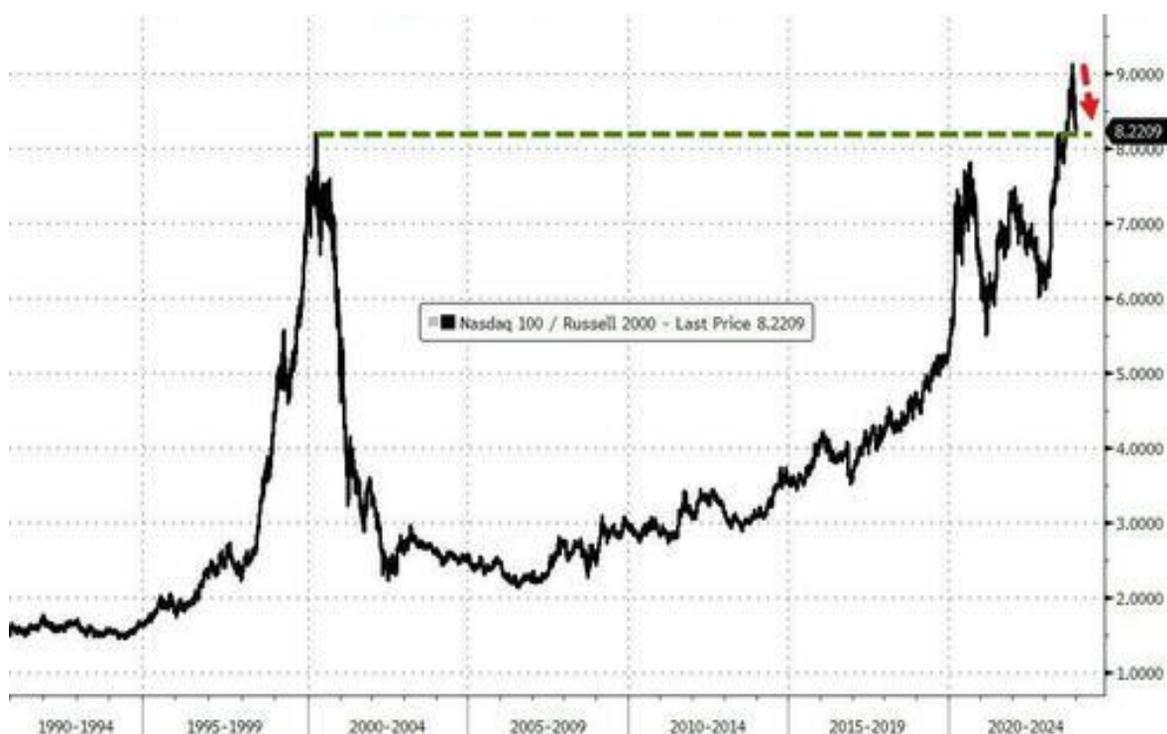


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg

#markets

## #nasdaq #small-caps

Overall, Nasdaq's dramatic outperformance this year lifted it to a new record high relative to Small Caps... and then fell back (as Small Caps outperformed) to the dotcom highs...



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



## #us #equities #russell-2000

If the month were to end today, this would be the Russell 2,000's third biggest 2-month gain (+24.3%) in its history. Still 2 trading days to go...

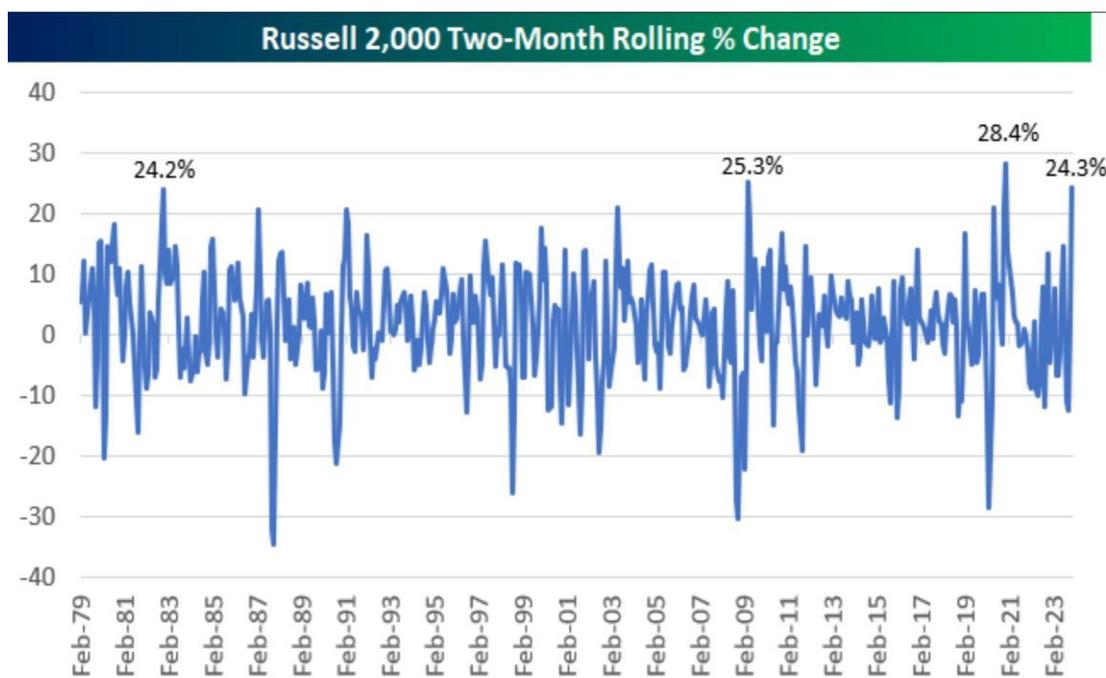
Biggest 2-month gains in the Russell's history:

Nov-Dec '20: +28.4%

Mar-Apr '09: +25.3%

Nov-Dec '23: +24.3%\*

Oct-Nov '82: +24.2%



source : bespoke





## #sp500 #underperformers

72% of the stocks in the sp500 have underperformed the index this year. This is the highest percentage of S&P 500 components underperforming the index since 1980.

Even at the peak of the Dot-com bubble, this metric did not break above 70%. This comes as the Magnificent 7 are up more than 20 TIMES as much as the S&P 493 in 2023. The top 10 stocks in the S&P 500 now account for 35% of the ENTIRE index. A few stocks are driving the entire market.

72% of stocks in the S&P 500 have underperformed the index this year



Source: The Kobeissi Letter



# #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

30 DECEMBER 2023



## #us #tech #stocks #2023

The Magnificent 7 stocks dominated the price action and outsized index gains in 2023. Investors preferred the 'safe haven' of these mega-cap tech names over longer-duration profit-less tech... until The Fed unleashed hell at the start of November and everything exploded higher...



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





## #mag7 #ai #lawsuit

This is one of the most intriguing news of the week-> The New York Times (NYT) filed a lawsuit against OpenAI and Microsoft, alleging that the companies used millions of copyrighted NYT articles to train their AI models. This could be huge 🤖



**Linas Beliūnas**   
@linas.beliunas

**The New York Times just sued OpenAI & Microsoft** alleging that generative AI is copyright infringement.

This lawsuit will be pivotal in deciding the direction of many Gen AI startups.

Welcome to **AI 2.0.**

60 ONE HUNDRED EXAMPLES OF GPT-4 MEMORIZING CONTENT FROM THE NEW YORK TIMES

EXAMPLE 48: POPE IN BREAK FROM DOCTRINE BACKS SAMESEX CIVIL UNIONS

<https://www.nytimes.com/2020/10/21/world/europe/pope-francis-same-sex-civil-unions.html>  
Copyright number: TX 8-926-133 Effective Date: 2020-12-14

**Prompt (taken from article):**  
ROME — Pope Francis expressed support for same-sex civil unions in remarks revealed in a

<p><b>Output from GPT-4:</b> documentary film that premiered on Wednesday, a significant break from his predecessors that staked out new ground for the church in its recognition of gay people. The remarks, coming from the leader of the Roman Catholic Church, had the potential to shift debates about the legal status of same-sex couples in nations around the globe and unsettle bishops worried that the unions threaten what the church considers traditional marriage — between one man and one woman. “What we have to create is a civil union law. That way they are legally covered,” Francis said in the documentary, “Francesco,” which premiered at the Rome Film Festival, reiterating his view that gay people are children of God. “I stood up for</p>	<p><b>Actual text from NYTimes:</b> documentary film that premiered on Wednesday, a significant break from his predecessors that staked out new ground for the church in its recognition of gay people. The remarks, coming from the leader of the Roman Catholic Church, had the potential to shift debates about the legal status of same-sex couples in nations around the globe and unsettle bishops worried that the unions threaten what the church considers traditional marriage — between one man and one woman. “What we have to create is a civil union law. That way they are legally covered,” Francis said in the documentary, “Francesco,” which debuted at the Rome Film Festival, reiterating his view that gay people are children of God. “I stood up for</p>
---	--





## #ark-invest #chart

Cathie about to get her revenge in 2024? 👁️ \$ARKK



Source: Trend Spider



## #ai #ai-at-risk #stocks #2023

The apparent benefits of AI know no bounds when it comes to investment as Goldman's basket of AI stocks soared over 90% this year (while businesses 'at risk' of AI's impact rose 17% - helped by the everything rally in the last two months)...



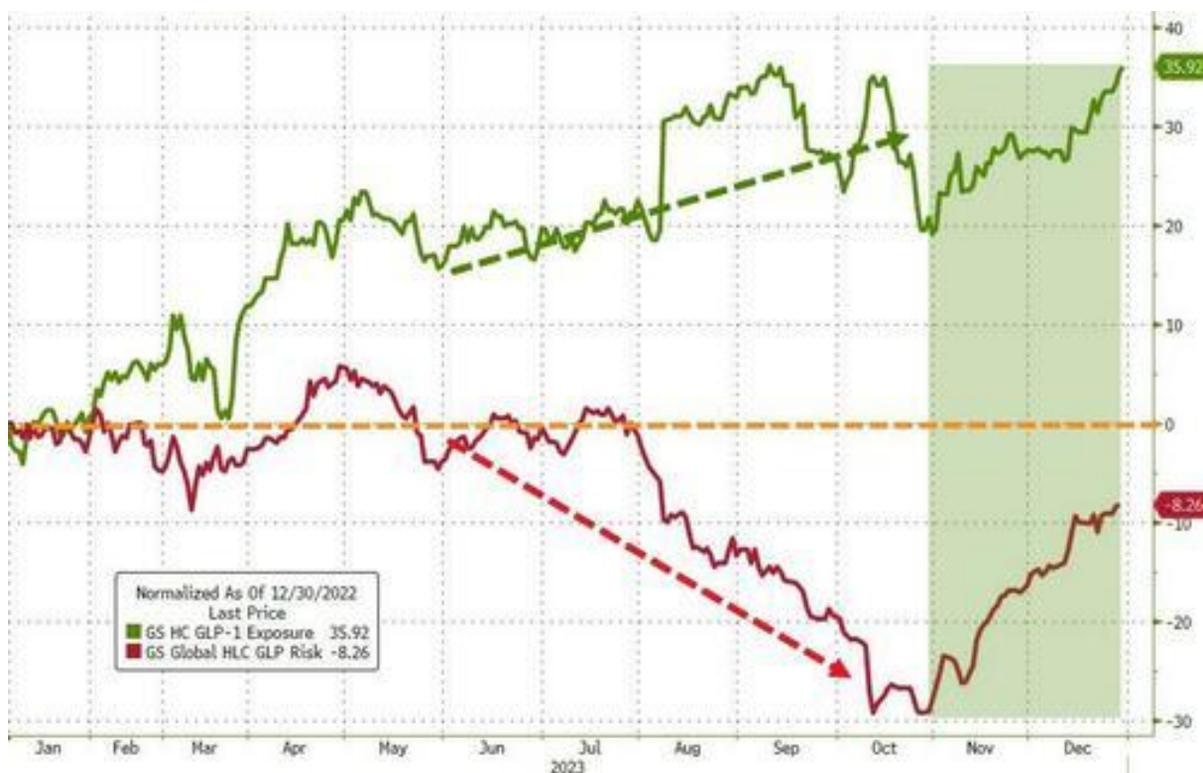
Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg





## #anti-obesity #drug #stocks #2023

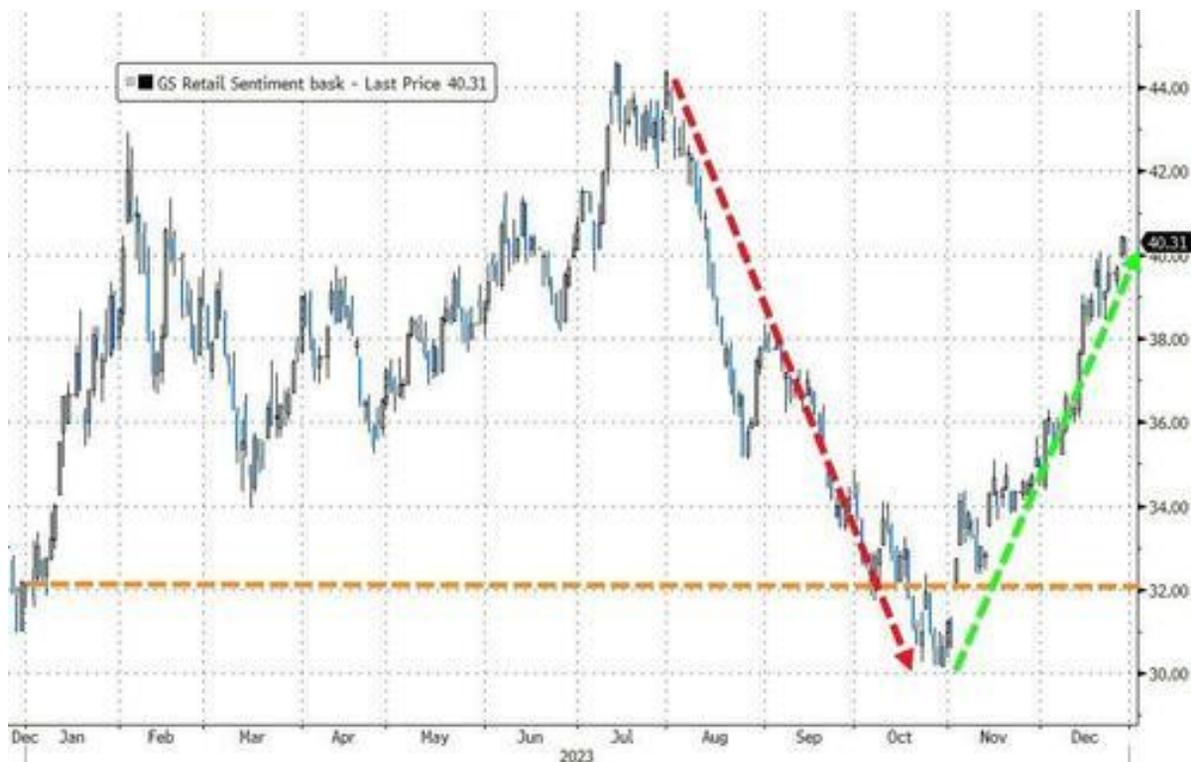
Losing weight the easy way appealed to investors in 2023 as the GLP-1 analogs sparked a surge in biotech/pharma (and hurt food/beer stocks)...



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

## #meme #stocks #2023

Retail favorites had a wild year but ended up 25% in 2023, the best year since 2020's chaos, thanks again to the last two months of panic-buying, dash-for-trash trading after The Fed folded...



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

#markets

## #spac #bankruptcies #companies

More than \$46b washed away...

### SPAC Bankruptcies Keep Piling Up

More than \$46 billion of SPAC equity laid to rest by bankruptcies this year

Company	Month of Bankruptcy Filing	Peak Market Cap
WeWork	November	\$9.4B
Lordstown Motors	June	5.1B
AppHarvest	July	3.7B
Proterra	August	3.7B
Virgin Orbit Holdings	April	3.5B
IronNet	October	3.5B
Cyxtera Technologies	June	2.6B
Bird Global	December	2.4B
Rockley Photonics	January	2.2B
Starry Group	February	1.8B
Pear Therapeutics	April	1.6B
Sunlight Financial Holdings	October	1.3B
AgileThought	August	1.2B
Boxed	April	1.0B
Shift Technologies	October	897.0M
Near Intelligence	December	779.0M
Gelesis Holdings	October	524.0M
QualTek Services	May	330.7M
Parts ID	December	304.1M
Kalera	April	185.1M
Nogin	December	167.1M

Source: Bloomberg

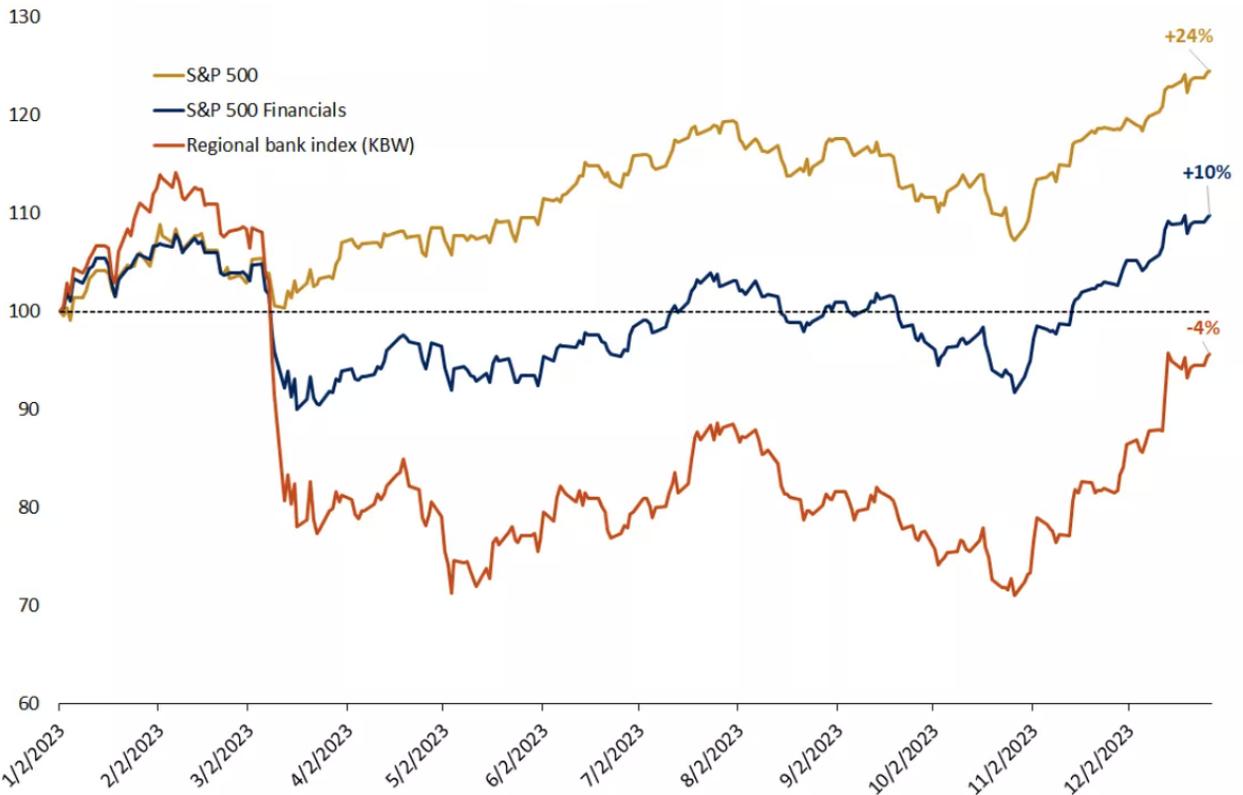
Source: Bloomberg



## #us #banks #2023

The graph shows this year's performance of regional banks against the broader financial sector and the S&P 500. After a tough year, regional banks are recovering but continue to lag. Past performance does not guarantee future results.

After a tough year, regional banks are recovering but continue to lag



Source: FactSet, Edward Jones.

Source: Edward Jones



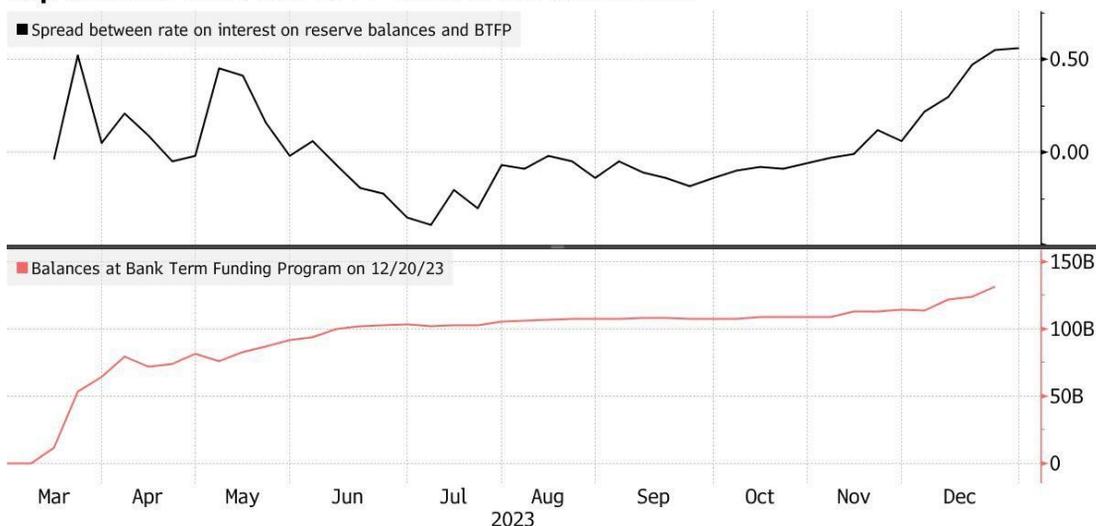


## #us #banks #interest-rates #fed

A free lunch for us banks ! As highlighted by HolgerZ, this chart shows why emerging loans from fed's BTFP keep increasing. The interest rate under the BTFP is 1y OIS rate plus 10bps. Banks are buying funding from the BTFP below 4.85% and selling Fed funds at 5.5%. Back in September, the BTFP was trading near 5.5%, but today the trade is worth more than three quarters of a point risk-free...

### Arbitrage Opportunity

Gap between IORB and BTFP rates is the widest ever



Source: Federal Reserve, Bloomberg

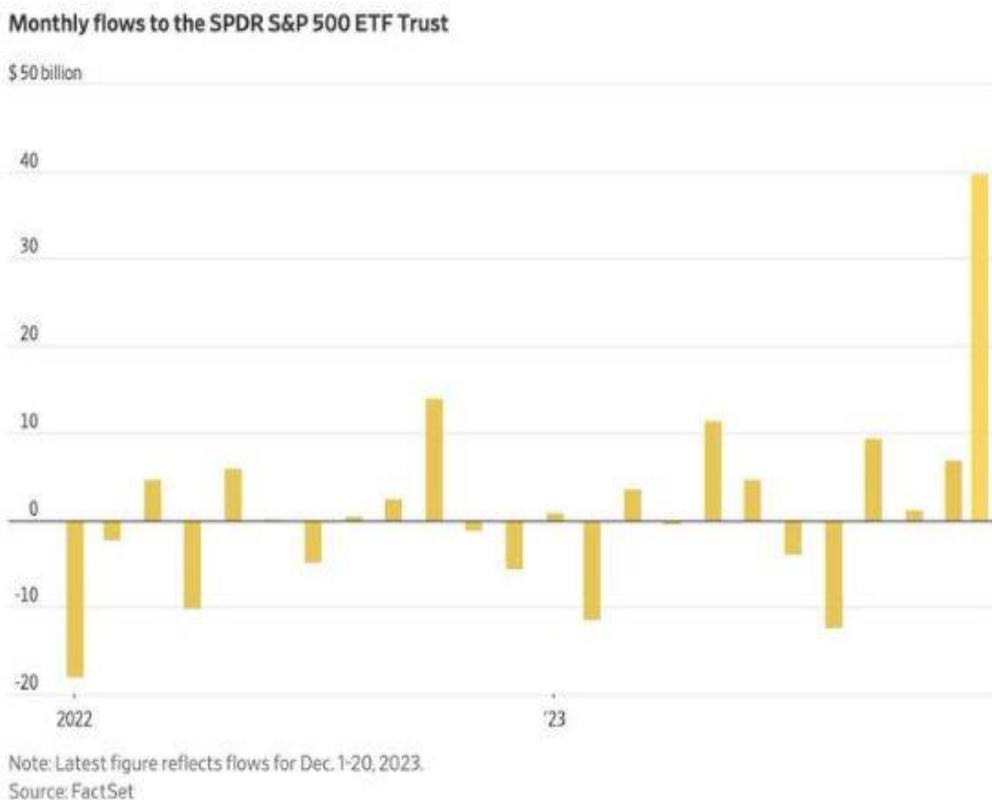


Source: Bloomberg



## #equities #sp500 #inflows

SPDR S&P 500 \$SPY sees monthly inflows of \$40 billion, the highest amount in history.

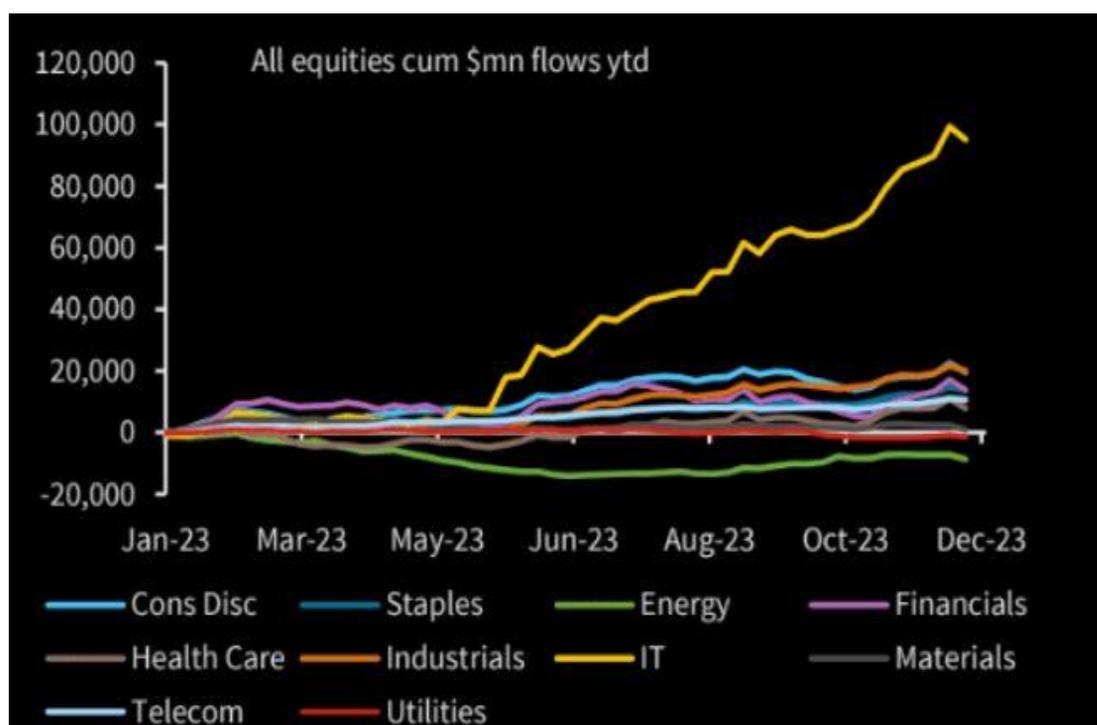


Source: Barchart, Factset



## #tech #equities #inflows

Tech Inflows are well ahead this year

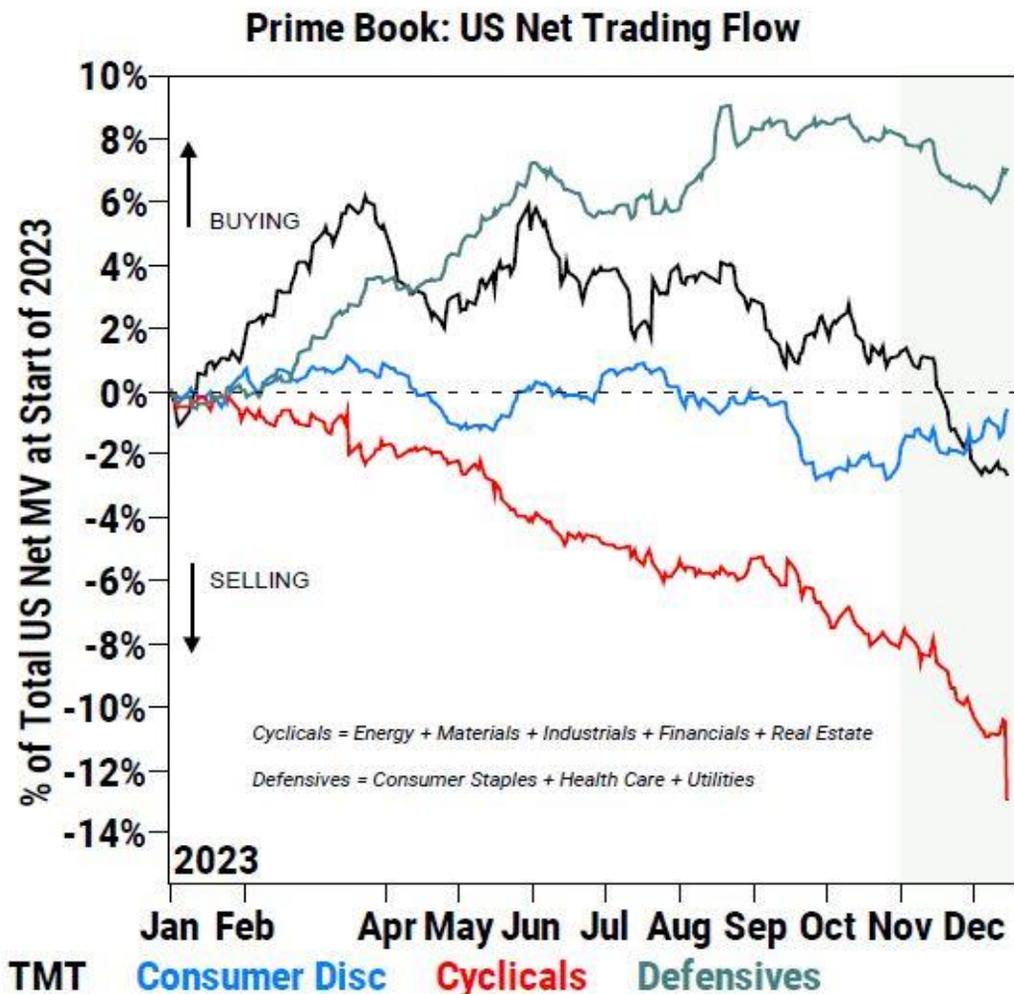


source : barclays, tme



## #sectors #flows

Flows in cyclicals (primarily energy) implies a hard landing instead of no-landing or soft-landing...



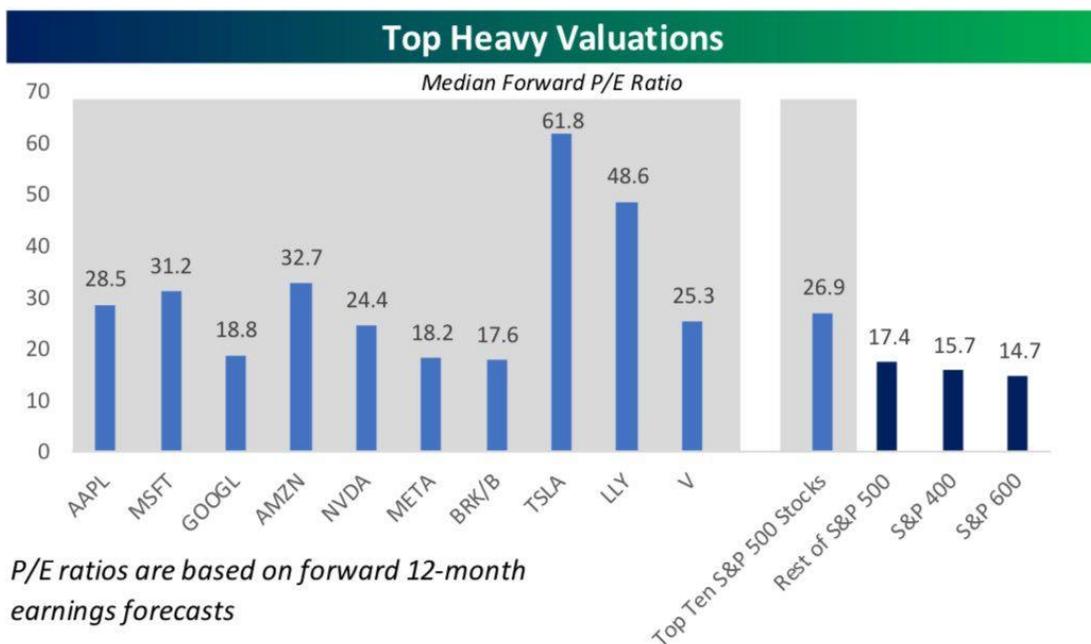
Source: [www.zerohedge.com](http://www.zerohedge.com)





## #us #equities #valuations

US equity valuations are interesting here: the 10 largest stocks have high multiples, but multiples drop the further away you get from them on the market cap scale.



Source: Bespoke

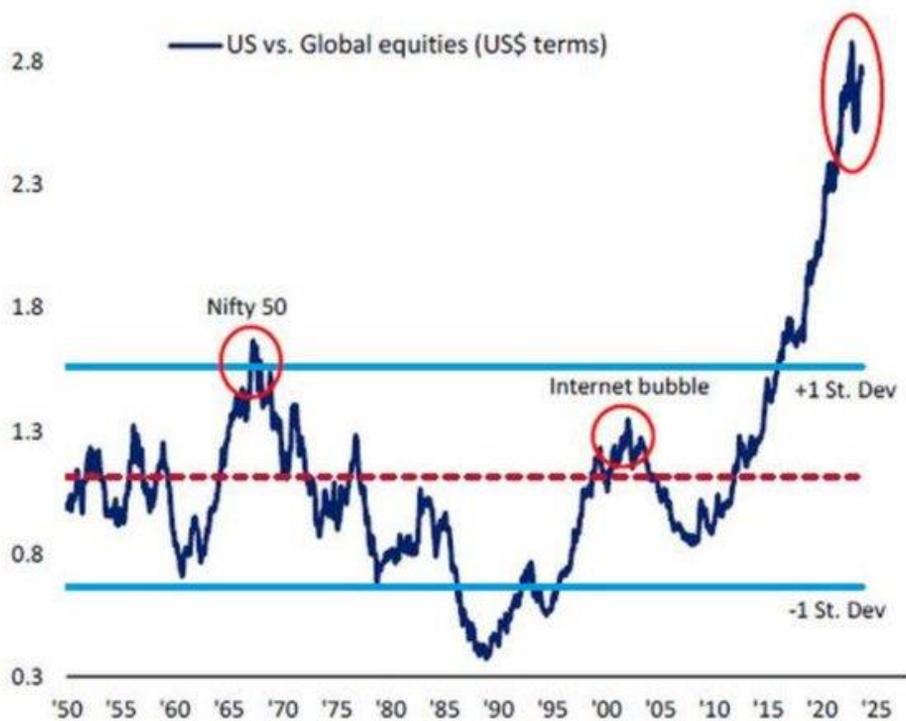


## #us #non-us #equities

The outperformance of US vs global equities is near an all-time high...

### Exhibit 32: US is near extreme peaks vs. global equities, well exceeding the 60s/70s Nifty-50 and 2000s tech bubbles

US vs. World ex-US equities (relative price performance, USD)



Source: BofA Global Investment Strategy, Global Financial Data

BofA GLOBAL RESEARCH



Source: BofA



## #german #stocks #dax #2023

To put things into perspective: Germany's benchmark index Dax has gained 2828.05 points or 20.3% this year to end at 16751.64, largest 1y percentage gain since 2019. Dax up 17 of the past 21yrs. Biggest Dax 2023 was Zalando w/-35.2%, biggest winner was Rheinmetall w/+54%.



Source: HolgerZ, Bloomberg



## #german #stocks

With a total market cap of \$2.4tn, German comps account for 2.2% of global mkt cap, roughly unchanged from beginning of the year. Nevertheless, w/SAP & Siemens, Germany currently has 2 comps in top 100 by mkt cap. Last year there were still ZERO. But in earlier times 7.



Source: HolgerZ, Bloomberg





## #developed #emerging-markets #equities

Developed markets equities (white line) vs. Emerging Markets equities (orange line)

The X



Source: Robin Brooks

Source: Bloomberg, TME





## #china #equities

China's stocks are down for three years in a row, and dramatically underperforming emerging markets ex-China. Xi has also been "cracking down" on tech, education, and gaming for three years, eroding investor confidence along the way.

### Chinese Stocks Disappoint Investors

EM stocks excluding China have performed better and shown resilience



Source: Bloomberg



Source: Markets & Mayhem, Bloomberg



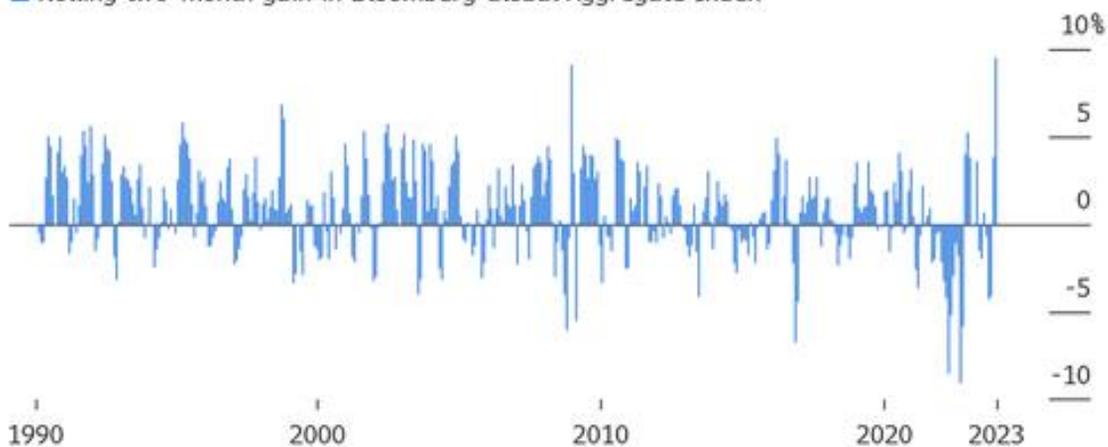


## #bonds #2023

Global bonds ended the year with the largest two-month gain in history...

### Global Bond Index Poised for Record Two-Month Gain

■ Rolling two-month gain in Bloomberg Global Aggregate Index



Source: Bloomberg

Bloomberg

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



## #us #treasuries #2023

The bond rally pulled the entire curve lower in yields on the year with the 5Y the biggest decliner, down 19bps on the year - after bloodbathing up around 100bps at its highs in October. Bear in mind that Fed Funds added 100bps this year and bond yields are all lower...



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





## #us #yield-curve #2023

After 2022's massive flattening/inversion of the yield curve, 2023 saw 2s30s actually end steeper (the first steepening year since 2020). The yield curve de-inverted a few times during the year but was unable to sustain it...



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



## #us #10y #real-yields

Real yields ended the year basically unchanged - after soaring to their highest since 2008 in October. Since then 10Y real yields have plummeted almost 100bps...



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

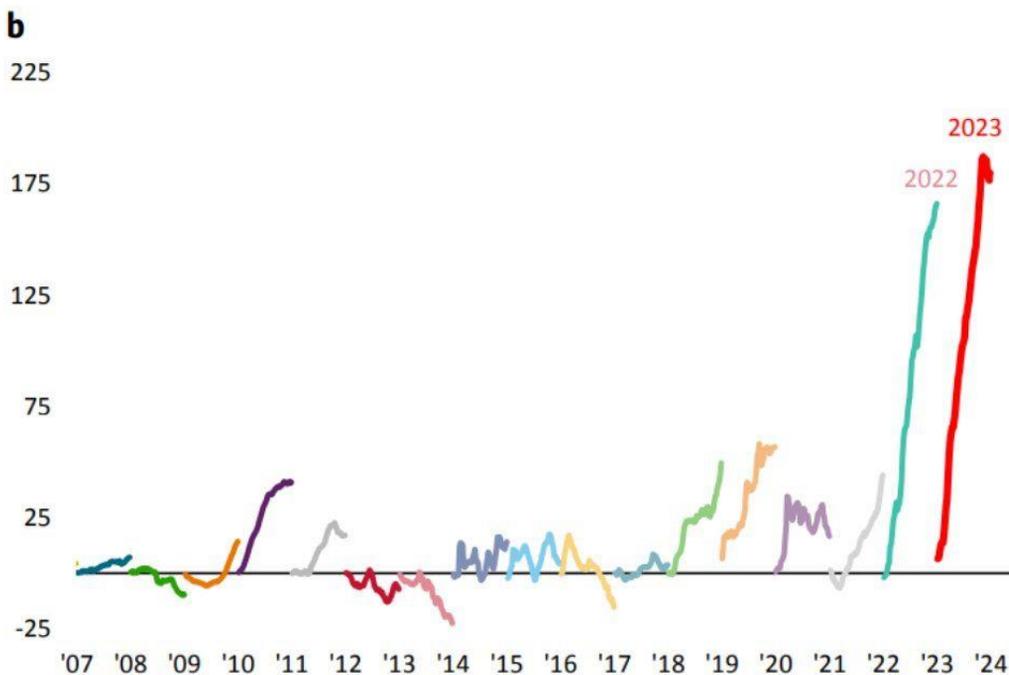


## #us #treasuries #2023 #inflows

U.S. Treasuries Record -> U.S. Treasuries have seen an inflow of \$177 billion this year, the highest amount in history. Back-to-back years of record inflows.

**Chart 5: Record annual inflow to Treasuries in 2023 (\$177bn)**

Cumulative inflows to Treasuries, by year (\$bn)



Source: BofA Global Investment Strategy, EPFR

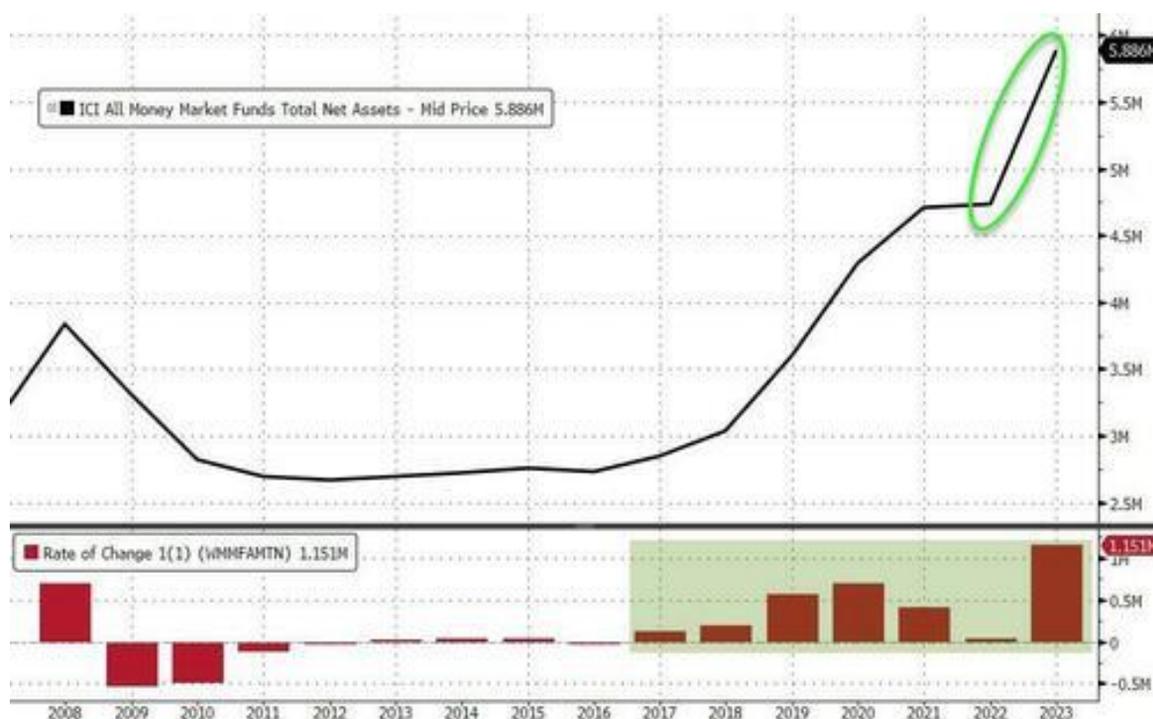
Source: Barchart, BofA





## #us #money-markets #2023 #inflows

In 2023, Money-market funds saw their largest annual inflows ever...



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



## #commodities #2023

The broad commodity landscape saw prices plunge in 2023 with Bloomberg's Commodity Index down over 12% - its worst year since 2015...

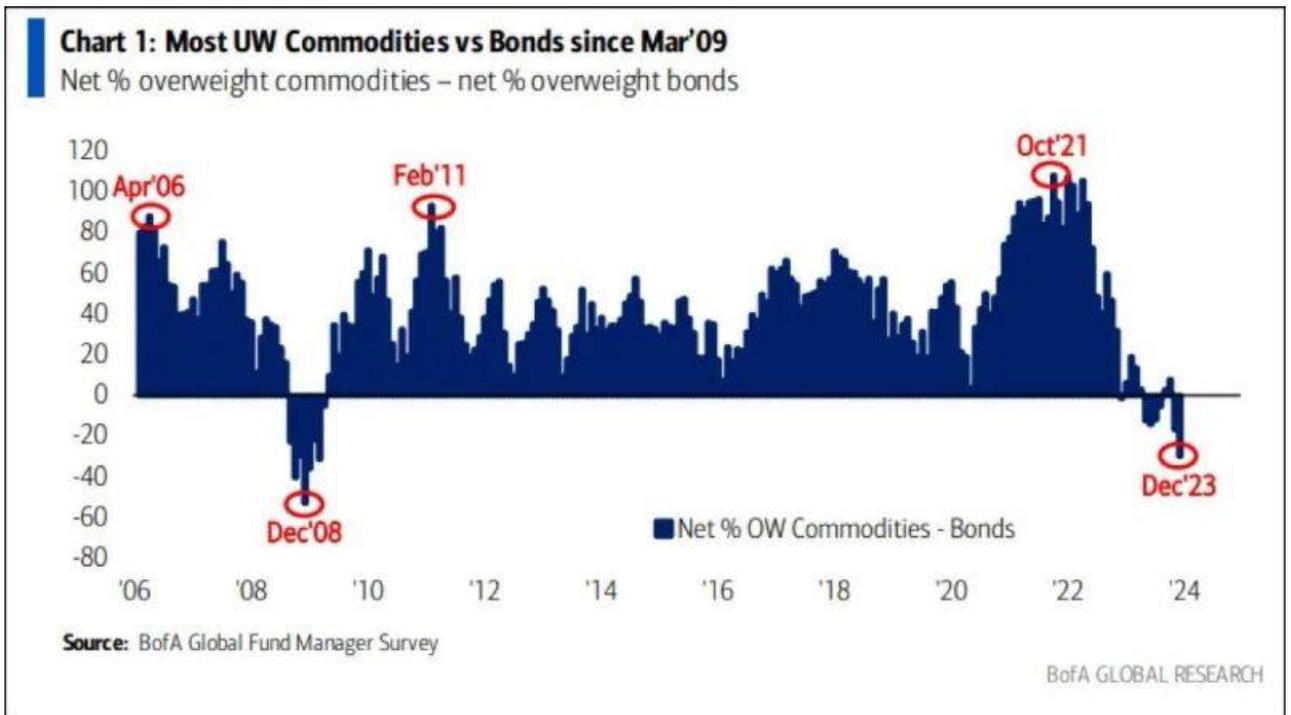


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #commodities #underweight

Commodities are the most underweight relative to bonds since March 2009.



Source: BofA





## #commodities #2023

Gold outperformed among the major commodities (best year since 2020 - after two unchanged years) while crude fell YoY for the first time since 2020. NatGas was clubbed like a baby seal to start the year and never recovered for its worst year since 2001...



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



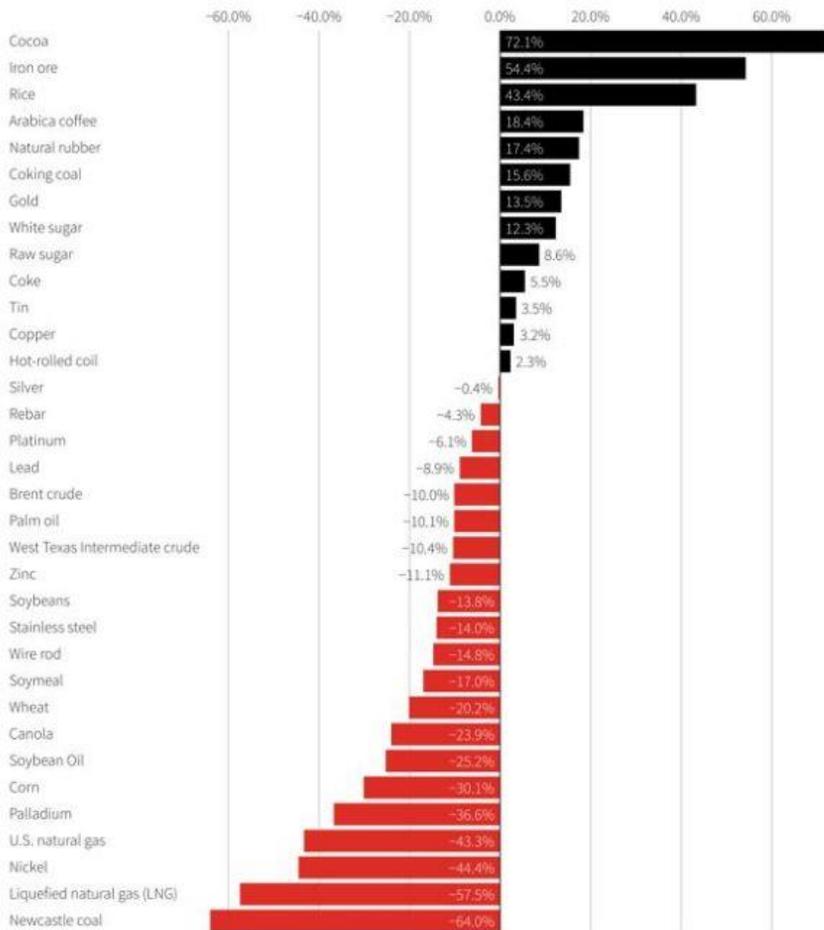


## #commodities #2023

### Strong Gains for Cocoa, Iron Ore in 2023

#### Global commodity price changes in 2023

Cocoa and iron ore are the best-performers in 2023 while coal and gas prices slump from record-highs.



Source: LSEG

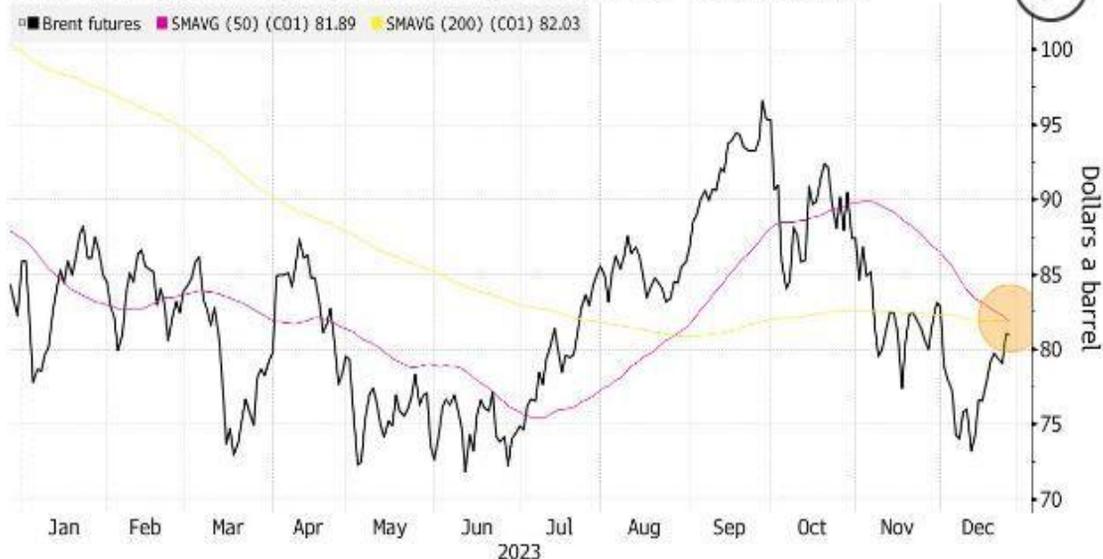


## #commodities #oil

Crude benchmarks are facing a so-called death cross, with the 50-day moving average below the 200-day counterpart. Some traders see that pattern as heralding further weakness.

### Oil's Death Cross

Brent 50-day moving average has fallen below 200-day threshold



Source: ICE, Bloomberg

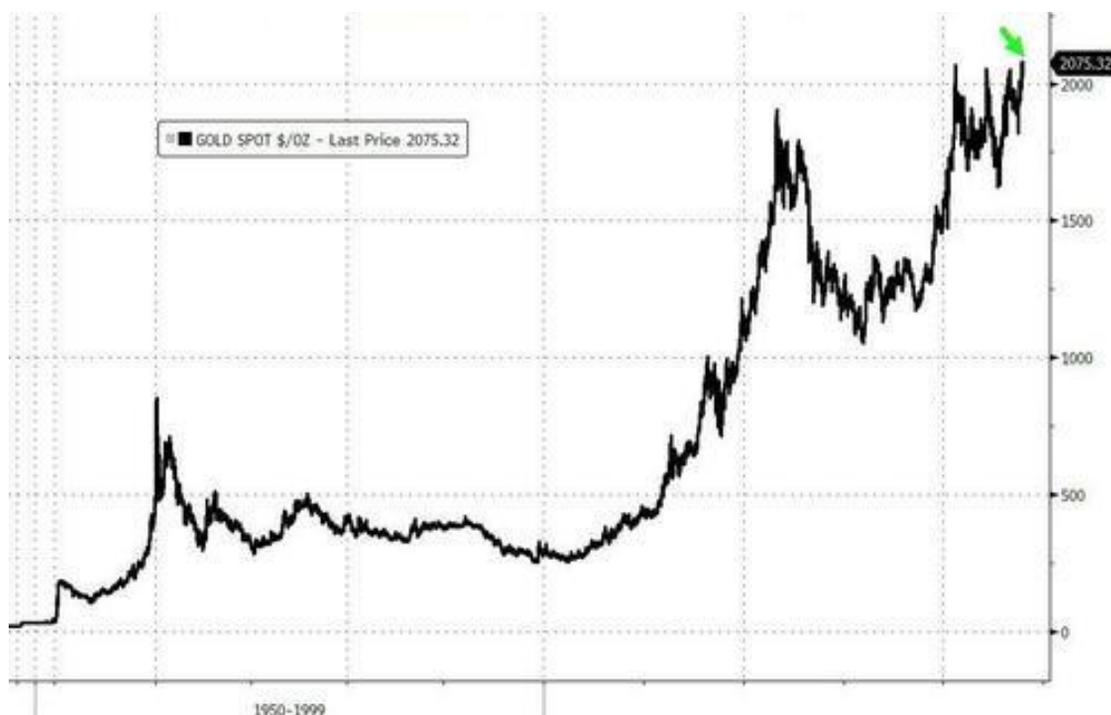
Bloomberg

source : bloomberg



## #commodities #gold #2023

A weaker dollar, signals of loosening from The Fed, and a world on fire means no one should be surprised by gold's great year, up almost 14% (best year since 2020) to a new all-time record high...



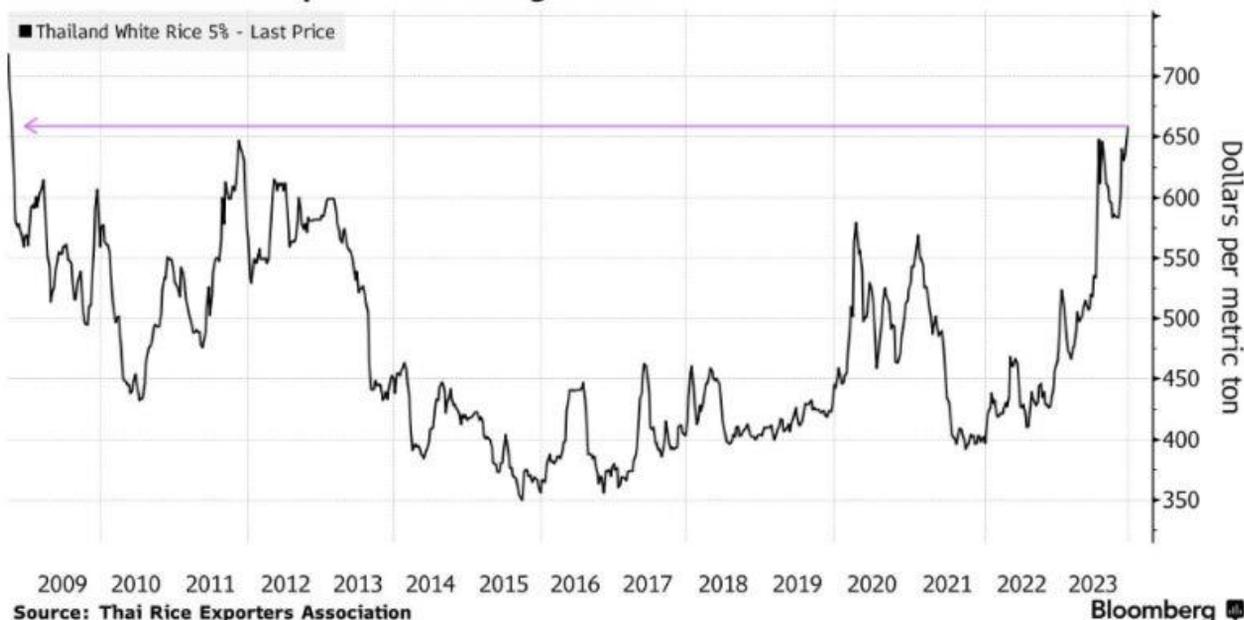
Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #commodities #rices

Rice prices have hit 15-year highs. There are a lot of moving parts behind this: climate, fertilizer access, export controls, supply hoarding, and the list goes on. While this is unlikely to have a huge impact in North America, rice is vital to the diets of billions in Asia and Africa. One to keep an eye on in 2024...

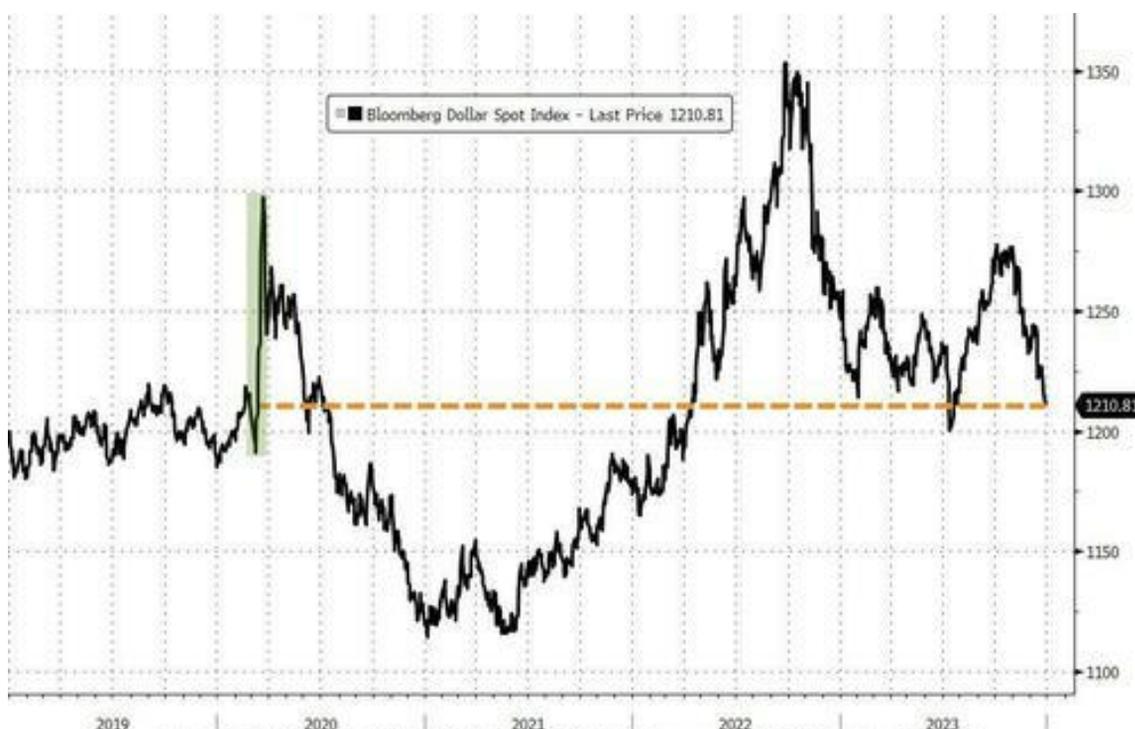
### Rice Prices Rise to Fresh 15-Year High Thai benchmark is up for third straight week



Source: Bloomberg, François Trahan

## #forex #dollar-index #2023

The dollar ended lower against its fiat peers in 2023 (BBDXY - 2.9%) - its biggest drop since 2020 back to pre-COVID-spike levels...

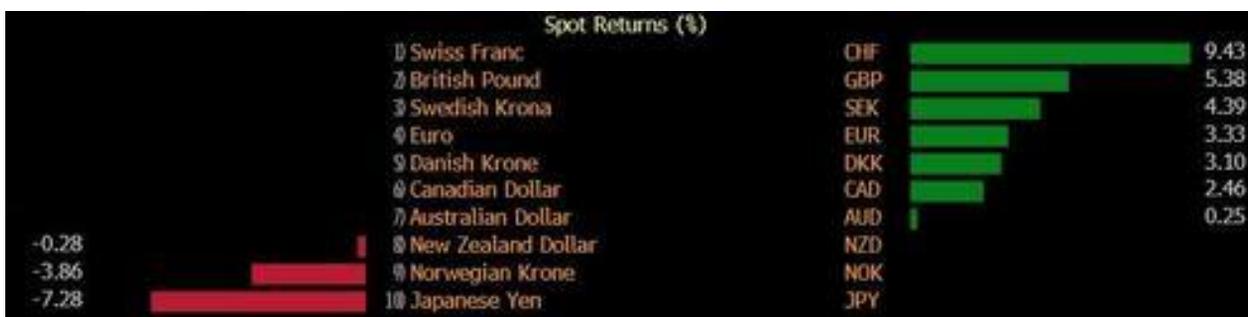


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #forex #swissy #2023

Swissy was the best performing currency (of the majors) against the dollar while Japan's yen was the weakest. The Swiss Franc soared to its best year since 2010 and its highest since 2011 (in the middle of the EU crisis)...

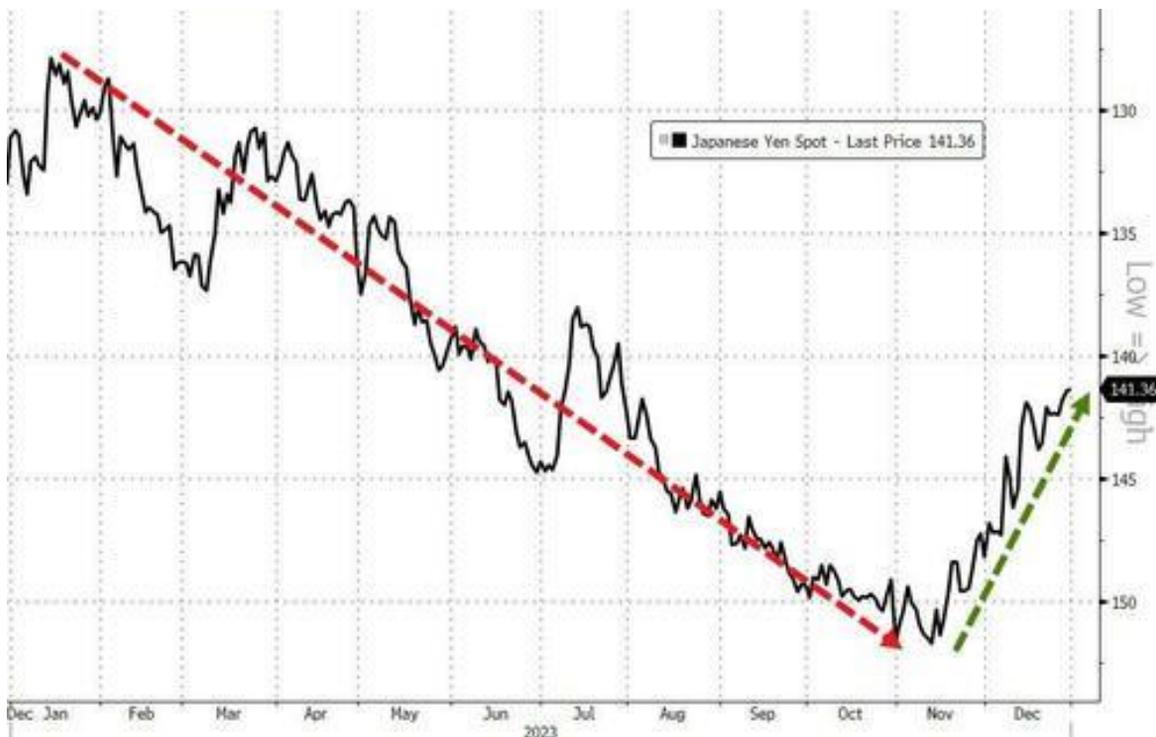


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #forex #yen #2023

The Japanese Yen spent the first 10 months of 2023 plunging to its weakest against the dollar since 1990. Then as The Fed's dovish pivot and BoJ's hawkish jawboning picked up, the yen surged higher (finding support at Oct 2022 lows)...



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

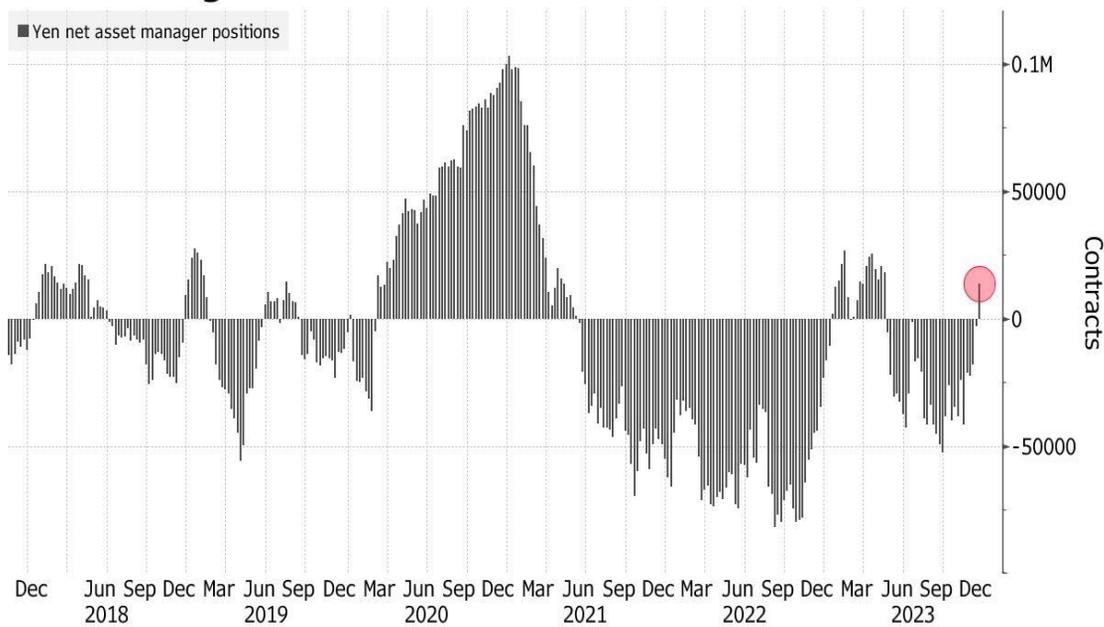




## #forex #japanese-yen #bullish

Asset Managers are now bullish on the Japanese Yen for the first time since May.

### Asset Managers Turn Bullish on Yen



Source: Bloomberg, CFTC



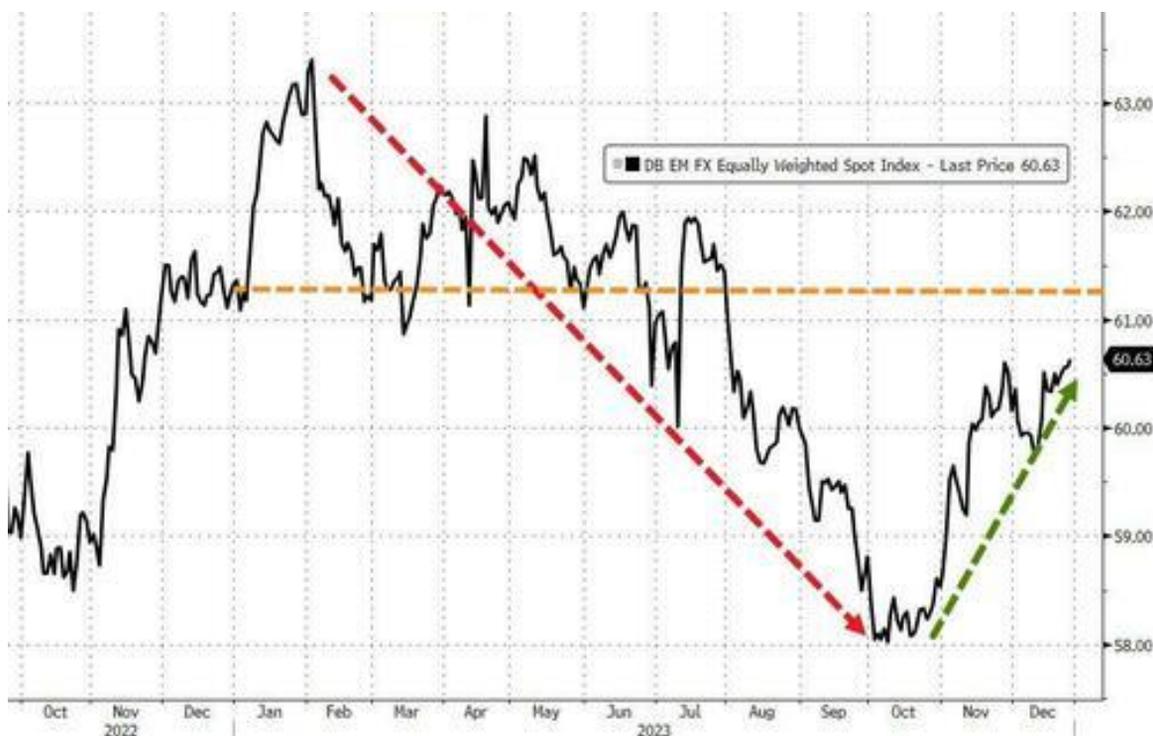
Source: Barchart, Bloomberg





## #forex #em-currencies #2023

Emerging Market currencies plummeted to their weakest ever (on an indexed level) against the US dollar at the start of October, but the last two months have seen EM FX recover notably as The Fed pivoted...



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

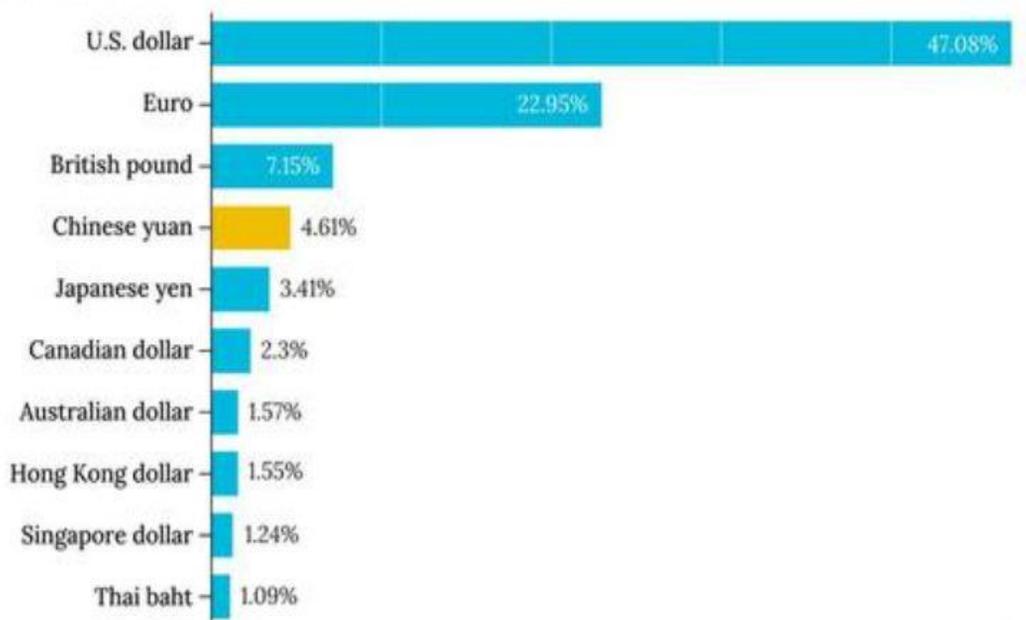


## #payments #yuan #china

China's yuan has overtaken the Japanese yen to become the fourth-most used currency by value in global payments for the first time in almost two years, according to a monthly tracker of the Chinese currency released by the Society for Worldwide Interbank Financial Telecommunication (SWIFT).

### Yuan's Share in Global Payments Ranks No. 4

November 2023



Source: SWIFT



source : zero hedge





## #us #no-recession

Expectations heading into 2023 was for a US recession - it never came to pass on the backs of exponentially rising govt debt throughout the year and Fed jawboning that lifted macro data in the last month.

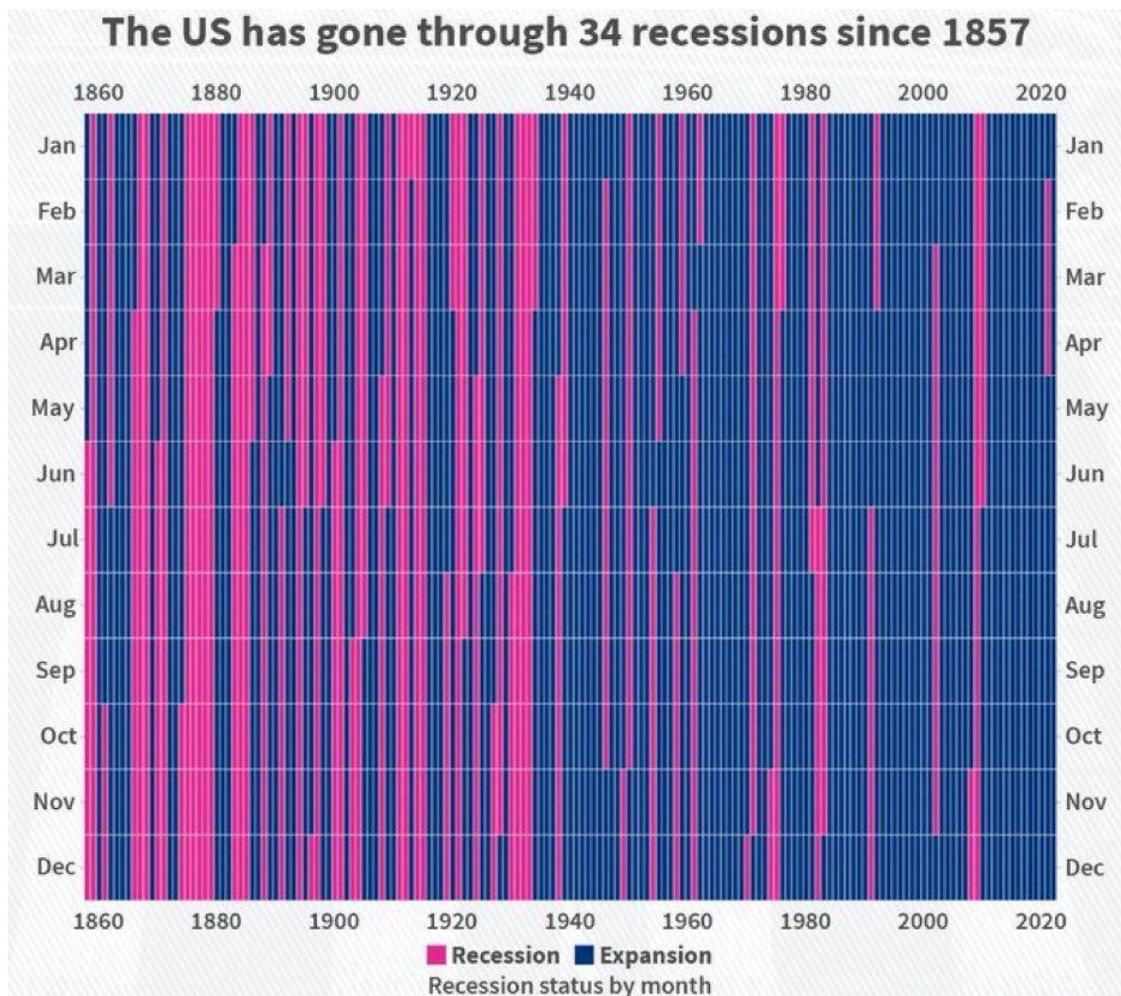


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #us #recessions

What has changed after the Great Depression in 1930s that us recessions became shorter and less common?

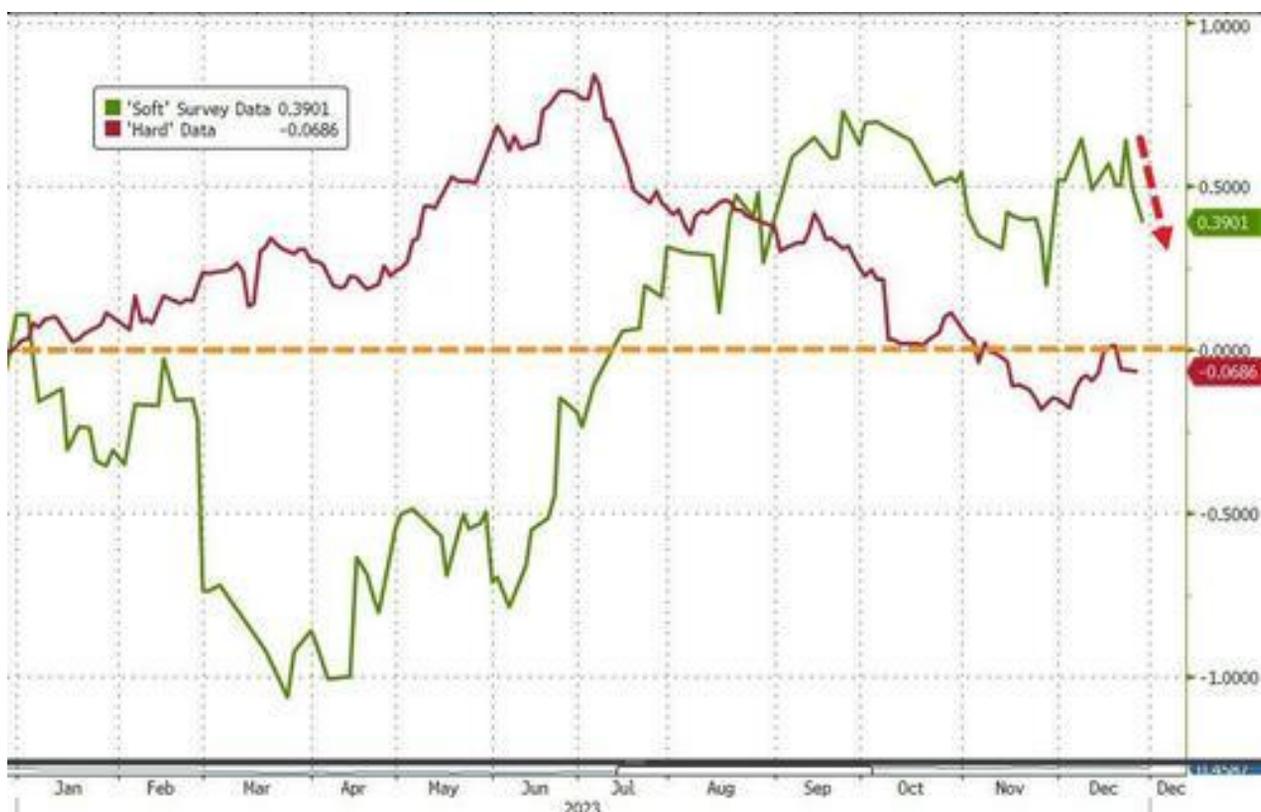


Source: Michael A. Arouet

#macro

## #us #hard-data #soft-data

US 'hard' economic data are unchanged in 2023 - no real economic progress - as only 'soft' data (hopes and dreams) provided support for 'goldilocks' narratives.



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

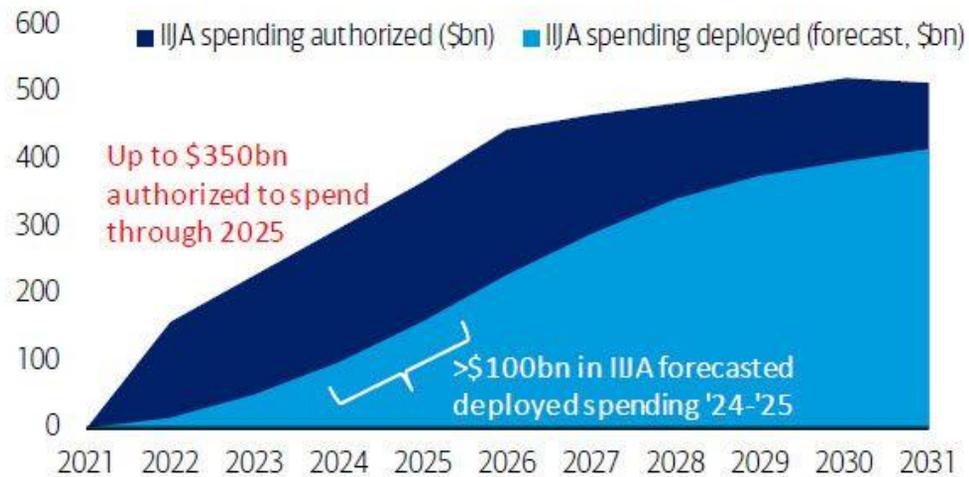
#macro

## #us #fiscal-spending

77% of federal funds authorized in legislation (like the \$2tn the CHIPS Act, IIJA, and ESSER) have NOT been spent yet. Actual spending is expected to rise over the next decade assuming no changes in legislation, with \$350BN in spending authorized through 2025.

### Exhibit 15: US government has a lot more to spend

Authorized spending in IIJA vs actual discretionary spending estimates (\$bn)



Source: BofA Research Investment Committee, CBO. Note: IIJA = Infrastructure, Investment, and Jobs Act

BofA GLOBAL RESEARCH

#macro

#us #national-debt

US national debt breaks all-time high of \$33.9 trillion.

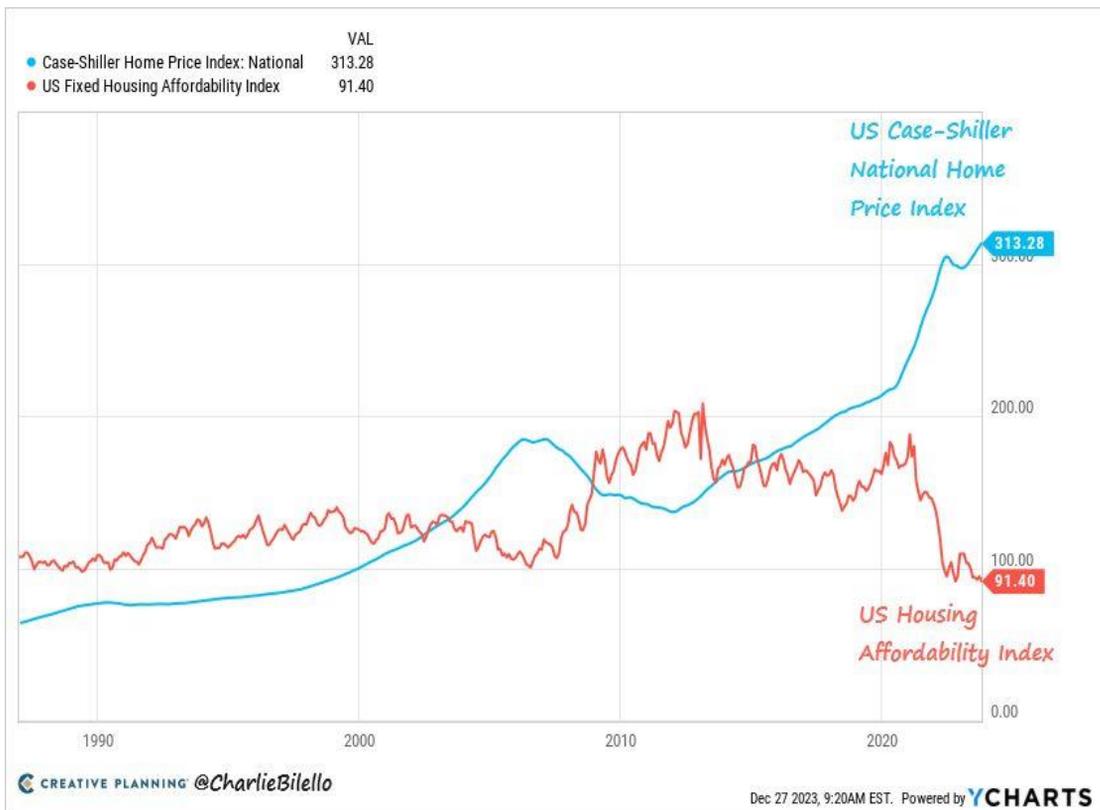


Source: Hedgeye



## #us #real-estate

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



Source: Charlie Bilello





## #us #commercial #real-estate

Commercial Real Estate (CRE) remains the weakest link of us real estate. Indeed, many properties are selling for roughly less than half of what they were worth just 5 years ago. A downtown Los Angeles office building that sold for \$92.5 million in 2018 just sold for \$44.7 million. 2 days ago, the Aon Center, Los Angeles' third largest building, sold for 45% less than its last purchase price in 2014. All as real estate giants like WeWork file bankruptcy and flood the market with supply.

### Bloomberg

Industries | Real Estate

#### LA Office Building Sells at 52% Less Than 2018 Price

- Buyers acquire the five-story property for \$44.7 million
- Harbor Associates says distress is starting to hit the market



Source: The Kobeissi Leter

#macro

### #germany #real-estate

Germany's Housing Bubble Just Popped: Prices for apartments and houses have recently declined at the fastest pace in over 20 years. The price drop in residential real estate has accelerated. Between July and September, prices fell by 10.2 percent compared to the same period last year. The price declines coincide with ECB tightening monetary policy.



Strongest minus since 2000

## Prices of residential real estate fall at a record pace

Status: 22.12.2023 10:23 am



## #suez-canal #middle-east

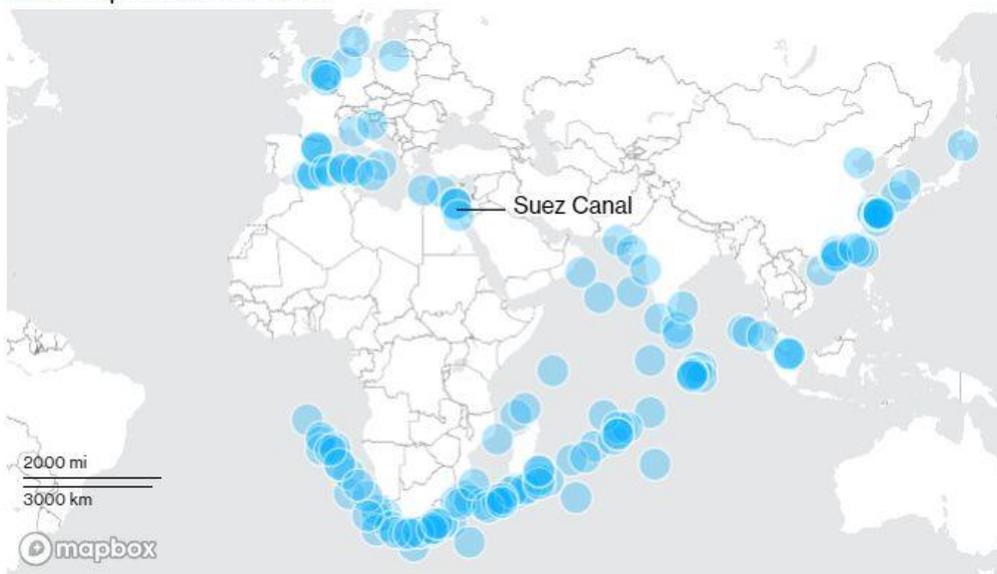
Half of Red Sea Container-Ship Fleet Avoids Route After Attacks - Bloomberg

\*Diversions around Africa take 25% longer than using Suez Canal

### Suez Disruptions

Vessels assigned to transit the Suez Canal are diverting to other routes

■ Vessel position as of Dec. 27



Source: Flexport

Note: Map shows last seen locations of vessels as of 1PM ET on Dec. 27 that have diverted, are currently diverting, and/or will divert as of 1PM ET on Dec. 26.

Source: Bloomberg, C. Barraud



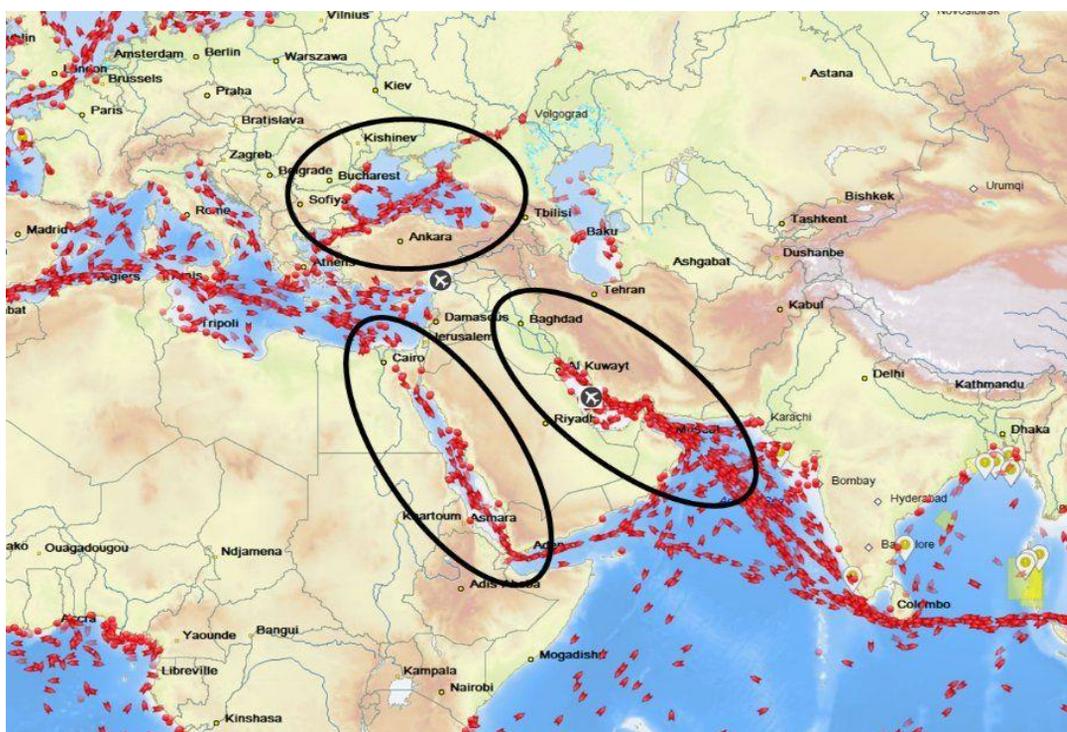
## #commodities #supply-disruption #risk

One key risk for 2024 and the coming years is supply disruptions of commodities flows which could arise due to blockades of key shipping routes - as the ones highlighted below by contrarian investors.

Being long:

- Gold (money disruption)
- Oil (energy disruption)
- Wheat (food disruption)

could be the best way to hedge this risk.

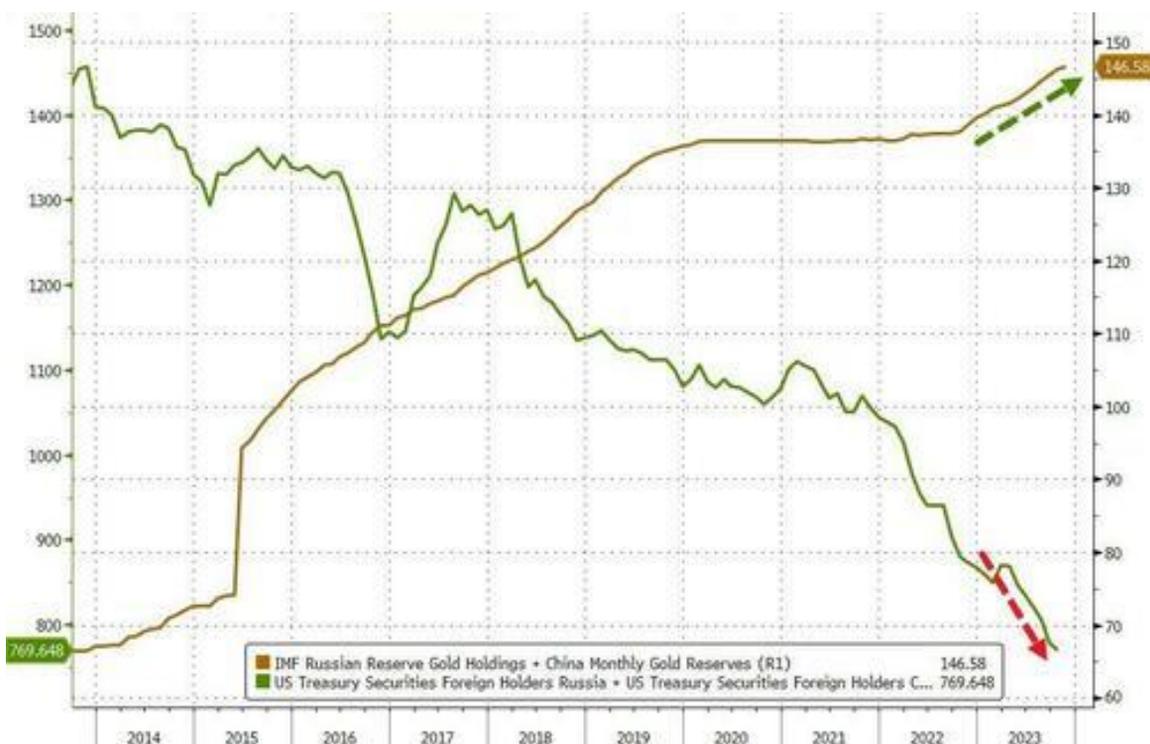


Source: Markets Mayhem

#geopolitics

#china #russia #gold #us-treasuries

This trend is not America's friend... China and Russia are dumping Bonds and buying Bullion.



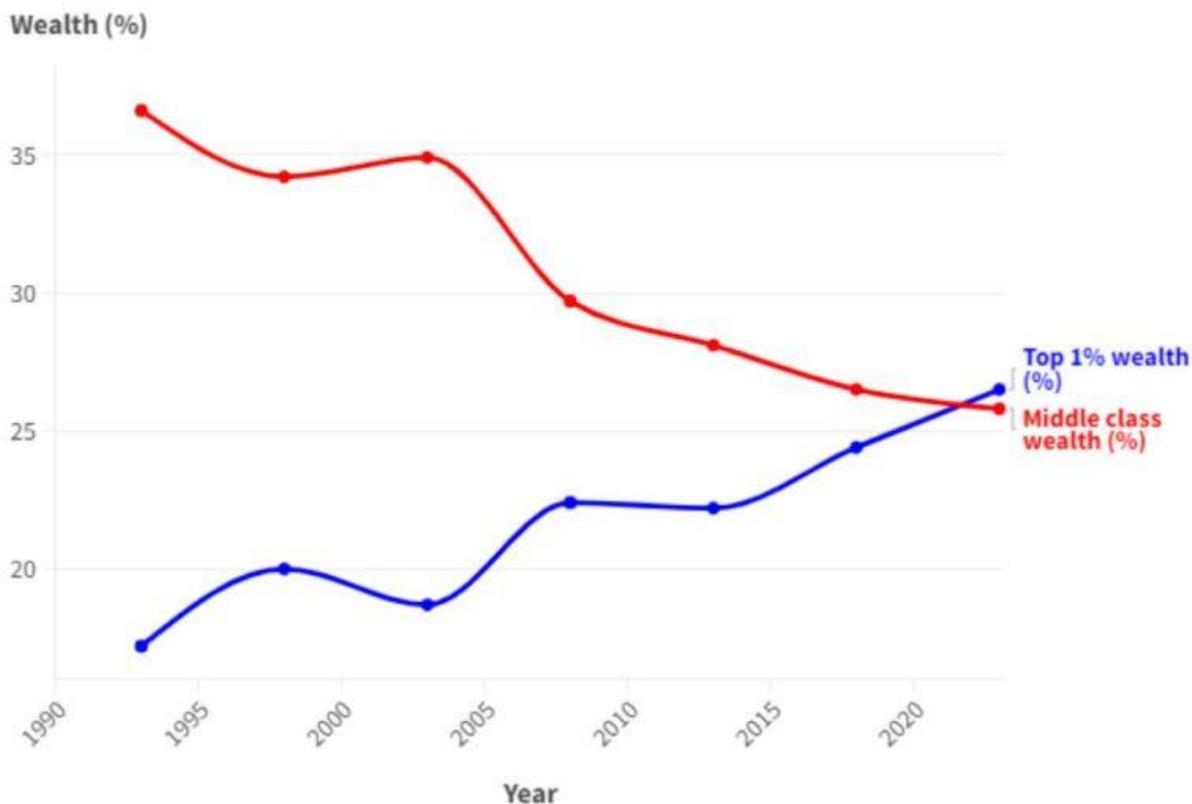
Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg

#geopolitics

#us #wealth #income #inequalities

### Top 1% of U.S. earners now have more wealth than the middle class

Share of all household wealth by year, Q2, 1993-2023



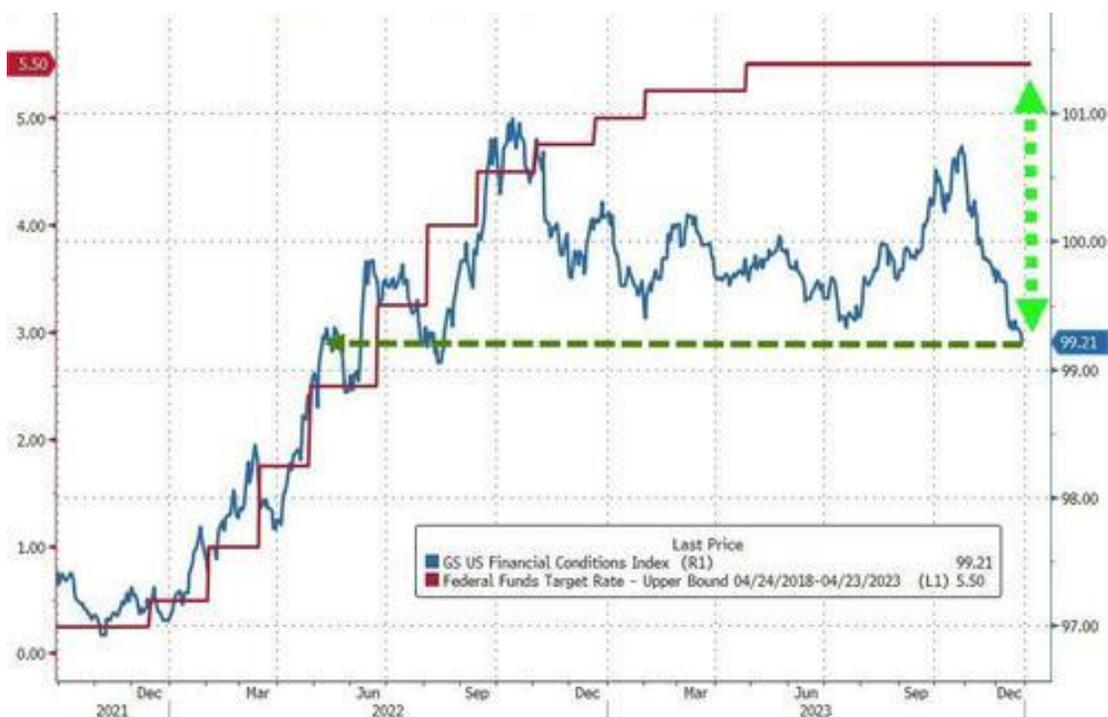
Source: Federal Reserve • Middle class is earners between the 20th and 80th percentile of income

Source: USA today

#centralbanks

#interest-rates #financial-easing

The rally in bonds, stocks, and credit - and collapse in the dollar - since The Fed signaled the end of hikes prompted the most aggressive easing of financial conditions ever. Financial conditions are now as easy as they were in May 2022 - when Fed Funds was 300bps below current levels...

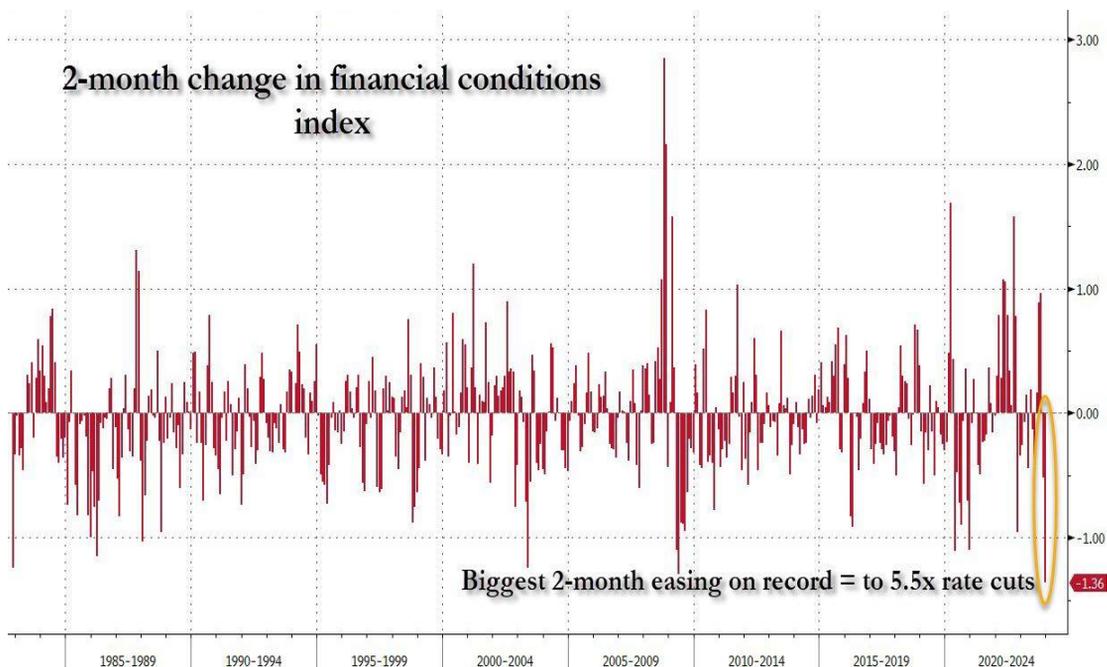


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg

#centralbanks

#interest-rates #financial-easing

This has been the biggest two-month easing in financial conditions in history, surpassing the announcements of QE1, 2, 3, and so on. The market has priced in 136bps, or 5.5x rate cuts since the start of November.

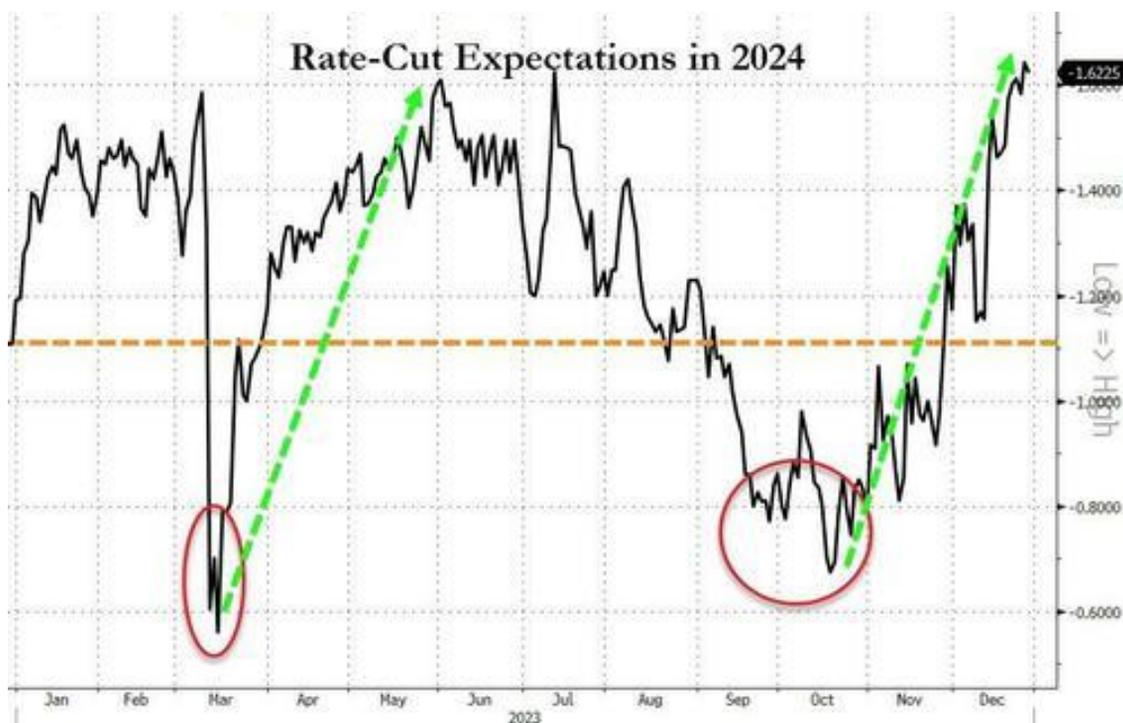


Source: zero hedge

#centralbanks

## #interest-rates #us #fed

It was a very volatile, flip-floppy year for The Fed and Fed-watchers as rate-cut expectations swung wildly from 160bps to less than 60bps to more than 160bps to just 70bps and now back to highs above 160bps (more than 6 cuts, when The Fed 'dots' are calling for 3)...

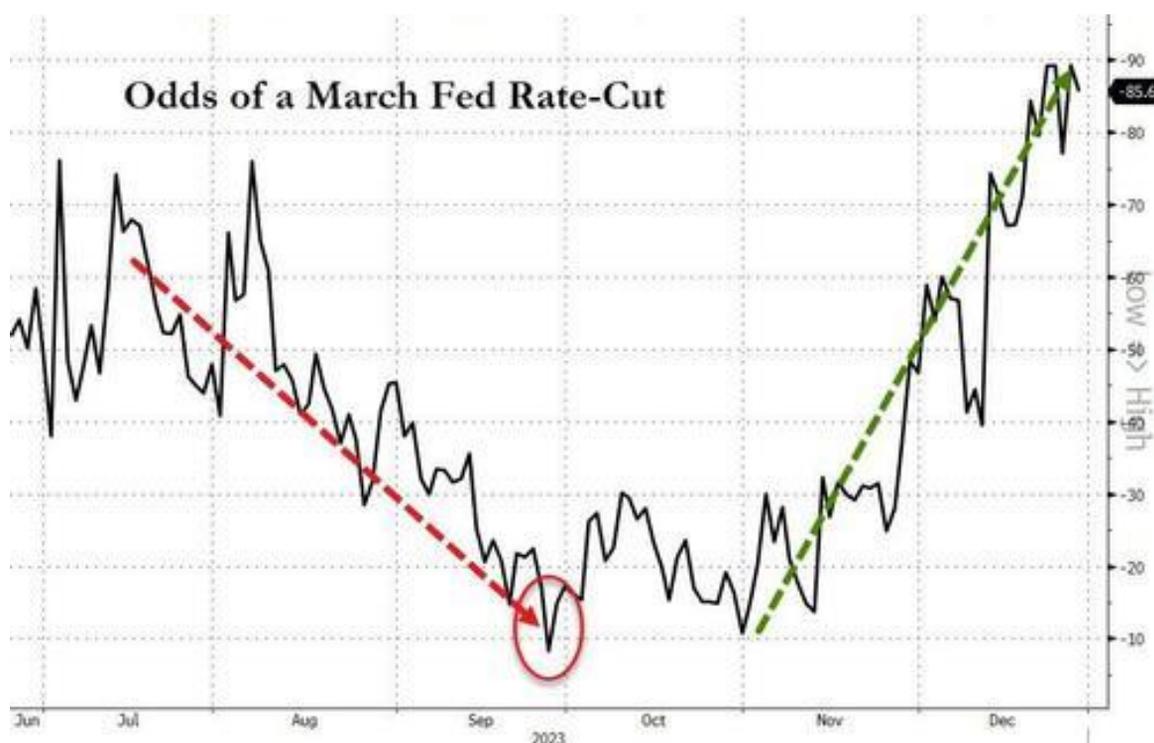


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg

#centralbanks

## #interest-rates #us #fed

Additionally, the odds of a rate-cut as soon as March are now near 90% (up from less than 10% in September)...



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



## #interest-rates #us #fed

The market is now pricing-in a base case of 7 interest rate cuts by the fed in 2024. There's even a 10% chance of 8 rate cuts into 2024 with a ~1% chance of 9 rate cuts. In other words, markets are saying there is a possibility of up to 3 TIMES as many rate cuts as the Fed is guiding.

Markets are expecting anywhere from 175 to 225 basis points of rate cuts next year.

MEETING DATE	300-325	325-350	350-375	375-400	400-425	425-450	450-475	475-500	500-525	525-550
1/31/2024					0.0%	0.0%	0.0%	0.0%	16.5%	83.5%
3/20/2024	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	14.2%	74.1%	11.7%
5/1/2024	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	13.5%	71.1%	14.8%	0.6%
6/12/2024	0.0%	0.0%	0.0%	0.0%	1.6%	20.4%	64.4%	13.1%	0.5%	0.0%
7/31/2024	0.0%	0.0%	0.0%	1.5%	18.7%	60.4%	17.7%	1.6%	0.0%	0.0%
9/18/2024	0.0%	0.0%	1.4%	17.7%	57.9%	20.3%	2.6%	0.1%	0.0%	0.0%
11/7/2024	0.0%	0.9%	11.6%	43.0%	34.2%	9.2%	1.1%	0.1%	0.0%	0.0%
12/18/2024	0.7%	9.7%	37.4%	35.8%	13.7%	2.5%	0.2%	0.0%	0.0%	0.0%

Source: The Kobeissi Letter



## #cryptos #2023

2023 was a huge comeback year after 2022's 'existential threat' moments from FTX to TerraUSD and so on. Of the larger coins, Solana massively outperformed - up around 1000% on the year - but bitcoin (+160%) and ethereum (+100%) also had big years..



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





## #crypto #2023 #grayscale

The big story of the year was the anticipation of a spot bitcoin ETF, and nowhere is that more clearly illustrated than in the collapse of the massive discount to NAV in GBTC...



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



## #crypto #2023 #bitcoin

Bitcoin's rally in 2023 erased all of the 'existential' crisis crash losses from 2022 (FTX/TerraUSD/3AC etc.), up to its highest level since April 2022...



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



#sec #etf #timewilltell

Navigating New SEC Requirements:

The latest ETF Cointucky Derby snapshot now includes a 'AP Agreement' column. The SEC mandates naming the Authorized Participant, who is also the underwriter, in our forthcoming S-1 update within the next 10 days. This crucial step, although challenging, is key to regulatory approval. It might be a hurdle for some.

Issuer	Ticker	Company	Creation Type	AP Agreements?	Recent Meeting	Total # of Meetings
Grayscale Bitcoin Trust (Re-file) <i>Conversion</i>	GBTC	Grayscale	In Kind Or Cash		12/21/23	9
ARK 21Shares Bitcoin ETF (Re-filing)	ARKB	21Shares & ARK	Cash		12/21/23	2
iShares Bitcoin Trust	IBIT	BlackRock	Cash		12/21/23	6
Bitwise Bitcoin ETP Trust (Re-filing)	BITB	Bitwise	Cash		11/21/23	2
VanEck Bitcoin Trust (Re-filing)	HODL	VanEck	In Kind Or Cash		12/21/23	2
Wisdomtree Bitcoin Trust (Re-filing)	BTCW	Wisdomtree	In Kind Or Cash		--	0
Invesco Galaxy Bitcoin ETF (Re-filing)	BTCO	Invesco & Galaxy	Cash		11/28/23	2
Wise Origin Bitcoin Trust (Re-filing)	FBTC	Fidelity	In Kind Or Cash		12/21/23	3
Valkyrie Bitcoin Fund (Re-filing)	BRRR	Valkyrie	Cash		12/21/23	1
Global X Bitcoin Trust (Re-filing)	N/A	Global X	In Kind Or Cash		--	0
Hashdex Bitcoin ETF <i>Strategy Change</i>	DEFI	Hashdex	Cash		12/14/23	3
Franklin Bitcoin ETF	N/A	Franklin	In Kind Or Cash		12/21/23	2
Pando Bitcoin ETF	PBC	Pando	In Kind Or Cash		--	0
7RCC Spot Bitcoin and Carbon Credit Futures ETF	BTCK	7RCC	Cash		--	0
<b>Total</b>		Bloomberg				<b>32</b>

source : ericbalchunas





#bitcoin #etf #ark

Yesterday ARK Invest sold its entire remaining Grayscale Bitcoin Trust \$GBTC position (it was ARKW's biggest holding only a month ago) and used half the money (roughly \$100m) to buy \$BITO (Proshares Bitcoin Strategy ETF which owns BTC futures), likely as liquidity transition tool to keep beta to bitcoin while getting ready for potential launch of \$ARKB (ARK 21SHARES BITCOIN ETF). The discount to NAV of \$GBTC widened slightly to -6.89% but nothing significant.

ARKW US Equity			
Security	Ticker	Position	% Net
1) Coinbase Global Inc Class A	COIN US	1,153,218	11.67
2) Block Inc Class A	SQ US	1,967,270	8.55
3) Roku Inc Class A	ROKU US	1,555,833	8.01
4) Zoom Video Communications Inc Class A	ZM US	1,360,312	5.48
5) UiPath Inc Class A Common Stock	PATH US	3,804,709	5.30
6) Tesla Inc	TSIA US	348,895	4.98
7) ProShares Bitcoin Strategy ETF Class USD INC	BITO US	4,320,928	5.03
8) Robinhood Markets Inc Class A	HOOD US	6,725,351	4.87
9) Unity Software Inc	U US	2,027,648	4.73
10) ROBLOX Corp Class A	RBLX US	1,722,050	4.41
11) Twilio Inc Class A	TWLO US	900,475	3.81

Source: Eric Balchunas, Bloomberg





## #bitcoin #christmas-day

Merry Christmas Bitcoin \$BTC



10:02 AM · Dec 25, 2023 · 17.5K Views



Source: CoinGecko



## #crypto #2023 #ethereum

Ethereum did have a good year but only made it back to May 2022 highs...

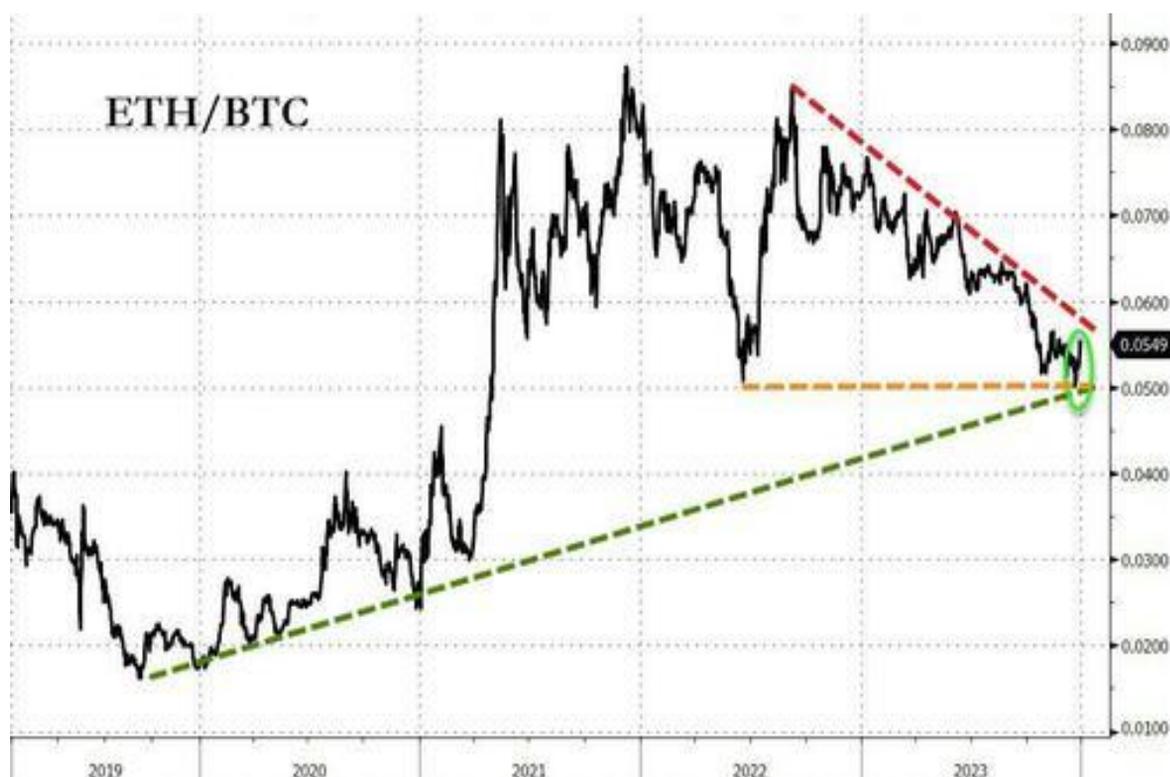


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #crypto #2023 #eth/btc

ETH underperformed BTC all year until the last week or so that saw ETH/BTC bounce significantly off June 2022 support...



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

#food-for-thought

#equities #performance #100-baggers

Here’s a list of the 27 public companies that have returned 100x or (a lot) more over the last 15 years.

# 100-Baggers

The 27\* companies that have returned 100x or more over the last 15 years

 XPEL 	+58,375%	585x	 Boyd Group Services 	+16,291%	164x
 NVIDIA Corporation 	+27,271%	274x	 Exact Sciences 	+15,995%	161x
 Patrick Industries 	+25,552%	256x	 Nemetschek 	+15,415%	155x
 BE Semiconductor 	+23,640%	237x	 Netflix 	+14,578%	147x
 Nexstar Media Group 	+23,330%	234x	 Builders FirstSource 	+14,314%	144x
 Avis Budget Group 	+23,105%	232x	 MGP Ingredients 	+14,155%	142x
 Dexcom 	+22,490%	226x	 Mitek Systems 	+13,925%	140x
 Celsius Holdings 	+22,217%	223x	 Lithia Motors 	+12,468%	126x
 Sartorius 	+18,862%	190x	 Dillard's 	+11,749%	118x
 Sagax 	+17,734%	178x	 ASM International 	+11,563%	117x
 Ashtead Group 	+17,675%	178x	 Domino's Pizza 	+11,482%	116x
 Constellation Software 	+17,035%	171x	 Games Workshop 	+10,786%	109x
 Vitec Software Group 	+16,495%	166x	 Altium Limited 	+10,531%	106x
 Judges Scientific 	+16,324%	164x			

\*Criteria: Total Shareholder Return >9,900% over the last 15 years (December 2023), Europe & North America, Market Cap >\$100M

Follow @Quatr\_App on X and Threads to get infographics like this in your feed every day 🍌

#food-for-thought

#us #elections #sp500

The sp500 has finished in the green in 13 of the last 15 U.S. Presidential Election years with an average gain of 10%. The only 2 times the \$SPX finished in the red were the Global Financial Crisis and the Dot Com Bubble. Exclude those events and the average yearly gain is 15%.

Historical U.S. Presidential Election Results		
Election Year	President Elected	S&P 500 Index Total Returns
2016	Trump	12.0%
2012	Obama	16.0%
2008	Obama	-37.0%
2004	Bush W.	10.9%
2000	Bush W.	-9.1%
1996	Clinton	23.1%
1992	Clinton	7.7%
1988	Bush H.W.	16.8%
1984	Reagan	6.3%
1980	Reagan	32.4%
1976	Carter	23.8%
1972	Nixon	19.0%
1968	Nixon	11.1%
1964	Johnson	16.5%
1960	Kennedy	0.5%

Via Morgan Stanley

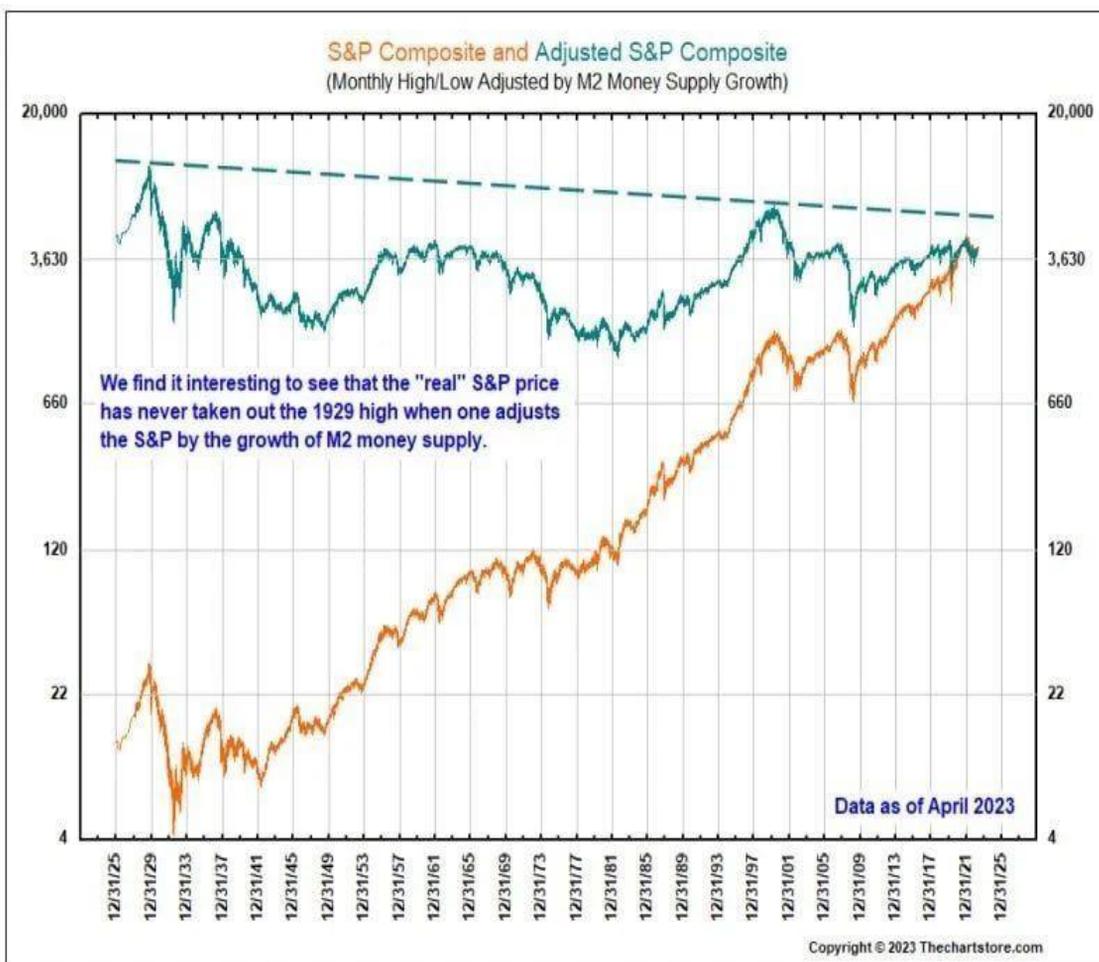


Source: Barchart, Morgan Stanley

#food-for-thought

#equities #sp500

Do stocks "really" go up? S&P 500 adjusted by M2 has never taken out the 1929 high...



Source: Win Smart, CFA

#food-for-thought

## #equities #sp500 #outlooks

### Recap of Wall Street's 2024 Price Predictions for the S&P 500

#### Strategists' S&P 500 Outlooks

Equity market soothsayers are struggling to imagine much upside

Firm	Target
Bank of America	5,000
Barclays	4,800
BMO	5,100
Cantor Fitzgerald	4,400
Citigroup	5,100
Deutsche Bank	5,100
Evercore ISI	4,750
Fundstrat	5,200
Goldman Sachs	5,100
JPMorgan	4,200
Morgan Stanley	4,500
Ned Davis Research	4,900
Oppenheimer	5,200
RBC Capital Markets	5,000
Scotiabank	4,600
Societe Generale	4,750
Stifel Nicolaus	4,650
UBS	4,850
Wells Fargo	4,625
Yardeni Research	5,400
<b>Avg.</b>	<b>4,861</b>
<b>Median</b>	<b>4,875</b>
<b>Max</b>	<b>5,400</b>
<b>Min</b>	<b>4,200</b>

Source: Bloomberg's ANR data, news stories

\*Note: Data aggregated as of 12/19 and targets are generally for year-end 2024

#food-for-thought

### #nvda #call #nancy-pelosi #timewilltell

Nancy Pelosi purchases \$5m worth of NVIDIA Call Options With Nvidia shares up over 227% this year, Nancy Pelosi is back in on the stock, buying 50 call options with a strike price of \$120. The expiration date for the call options is December 20, 2024



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

#food-for-thought

## #wealth #nassim-taleb

True wealth, according to Nassim Taleb through Brian Feroldi

### Nassim Taleb on 'True Wealth'

Vishal Khandelwal, safalniveshak.com

Nassim Taleb is one of my favourite authors, and his Antifragile is one of my favourite books. One of this book's chapters that interests me particularly is titled 'Via Negativa'. Here, Taleb argues that the solution to many problems in life is by removing things, not adding things.

For example, here is a list of things Taleb counts as constituents of true wealth that are all about subtracting things (via negativa) from life than adding -

1. Woriless sleeping
2. Clear conscience
3. Reciprocal gratitude
4. Absence of envy
5. Good appetite
6. Muscle strength
7. Physical energy
8. Frequent laughs
9. No meals alone
10. No gym classes
11. Some physical labor
12. Good bowel movements
13. No meeting rooms
14. Periodic surprises

I could check twelve from this list (let the ones I didn't check remain a secret).

What about you? What in the list remains getting checked for you?

@safalniveshak

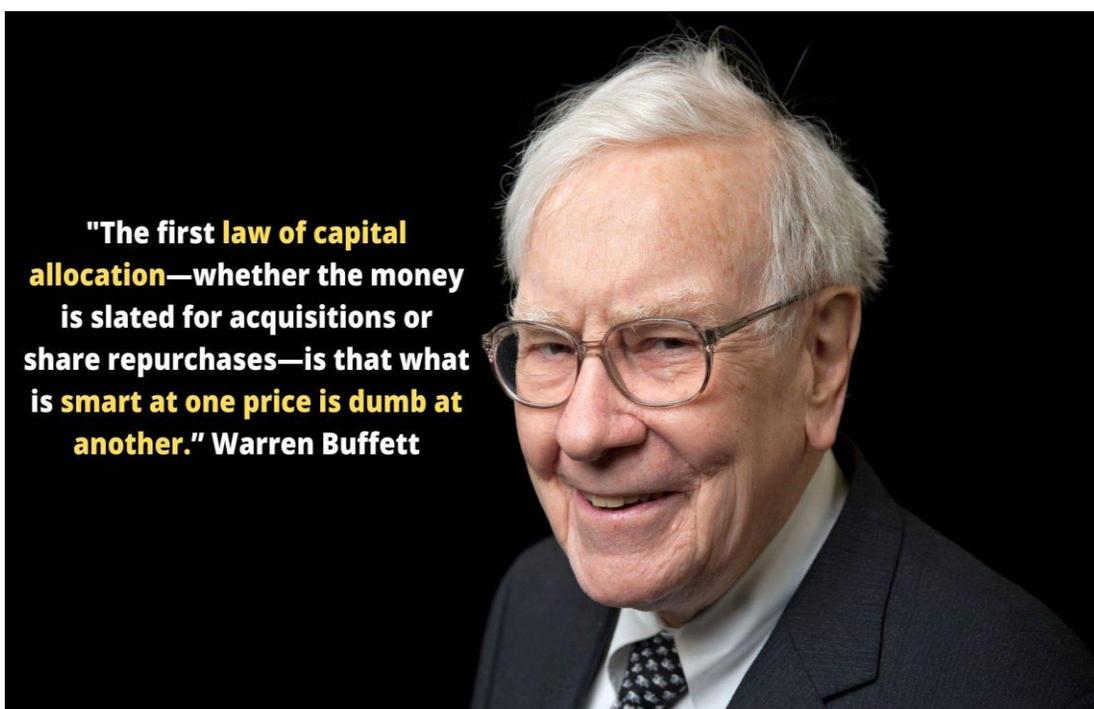
Source: Brian Feroldi

#food-for-thought

#warren\_buffet #investing

Warren Buffett on capital allocation

Invest In Assets | Stock Market Investing 



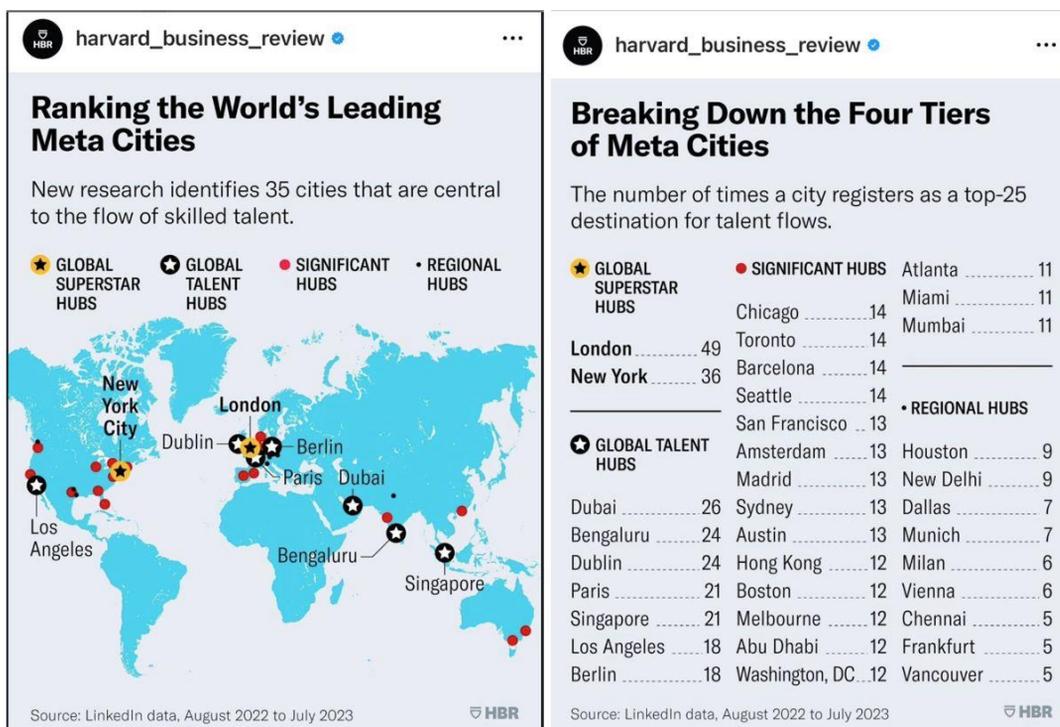
**"The first law of capital allocation—whether the money is slated for acquisitions or share repurchases—is that what is smart at one price is dumb at another." Warren Buffett**

Source: Warren Buffet

#food-for-thought

#world #talents #employment

A report by the "Harvard Business Review" on the attractiveness of cities for the best global talent shows dubai is coming in third place after London and New York.



Source: HBR

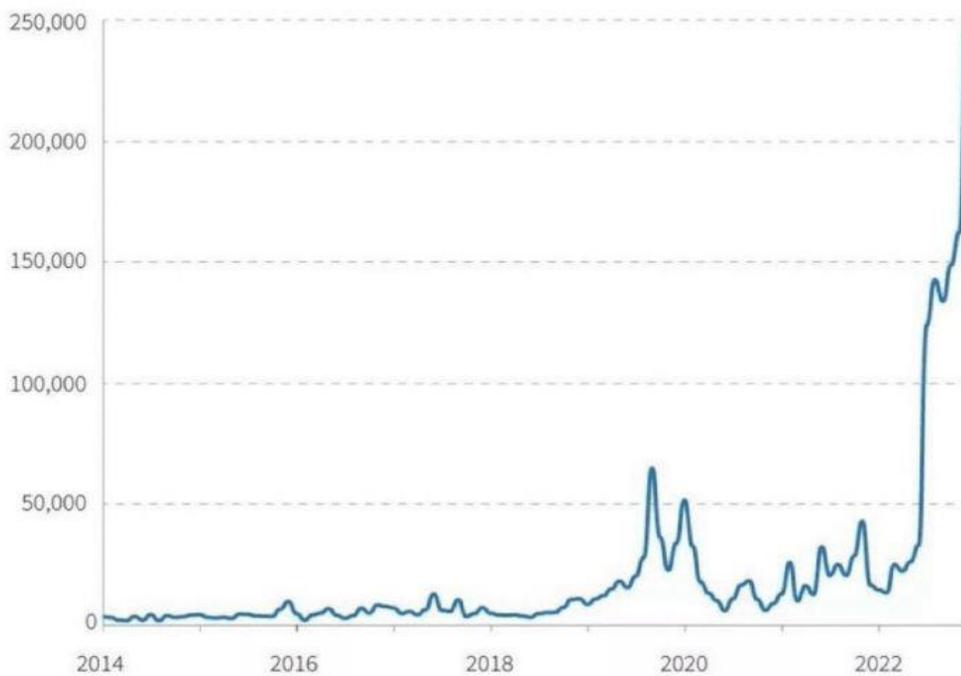
#food-for-thought

#climate-change #twitter #X

Climate-sceptic tweets hit record high in 2023

### Climate-sceptic tweets

Monthly number of tweets containing terms associated with strong forms of climate scepticism\*



\* Data exclude tweets related to India farm protests in 2021

Source : Max Falkenberg and Andrea Balonchelli, City, University of London



14:31 · 25/12/2023 from Earth · 6.8K Views

Source: AFP



#food-for-thought

#phone #history #people

Remembering the mobile phones used during Christmas in 2005?



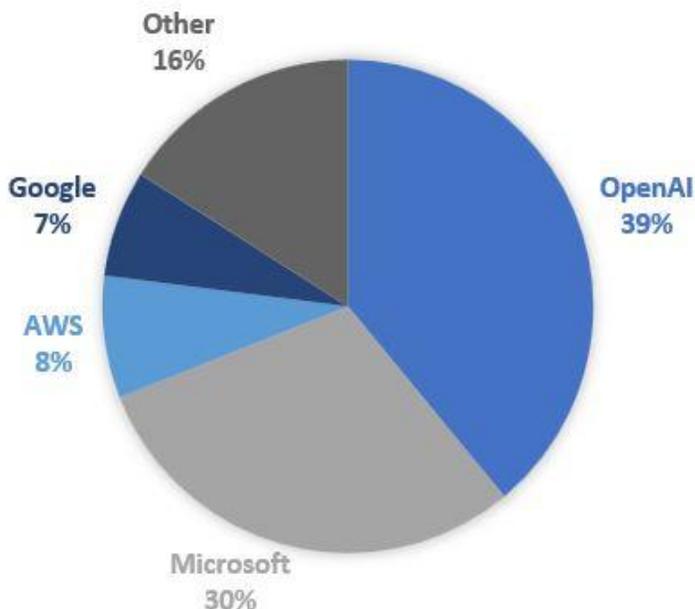
Source: Instagram

#food-for-thought

#ai #msft #openai

OpenAI and Microsoft \$MSFT are estimated to hold a combined 69% share of the generative AI model and platform market, followed by AWS \$AMZN at 8% and Google \$GOOG at 7%. \$BABA \$BIDU \$ORCL

GENERATIVE AI MODEL/PLATFORM MARKET SHARE



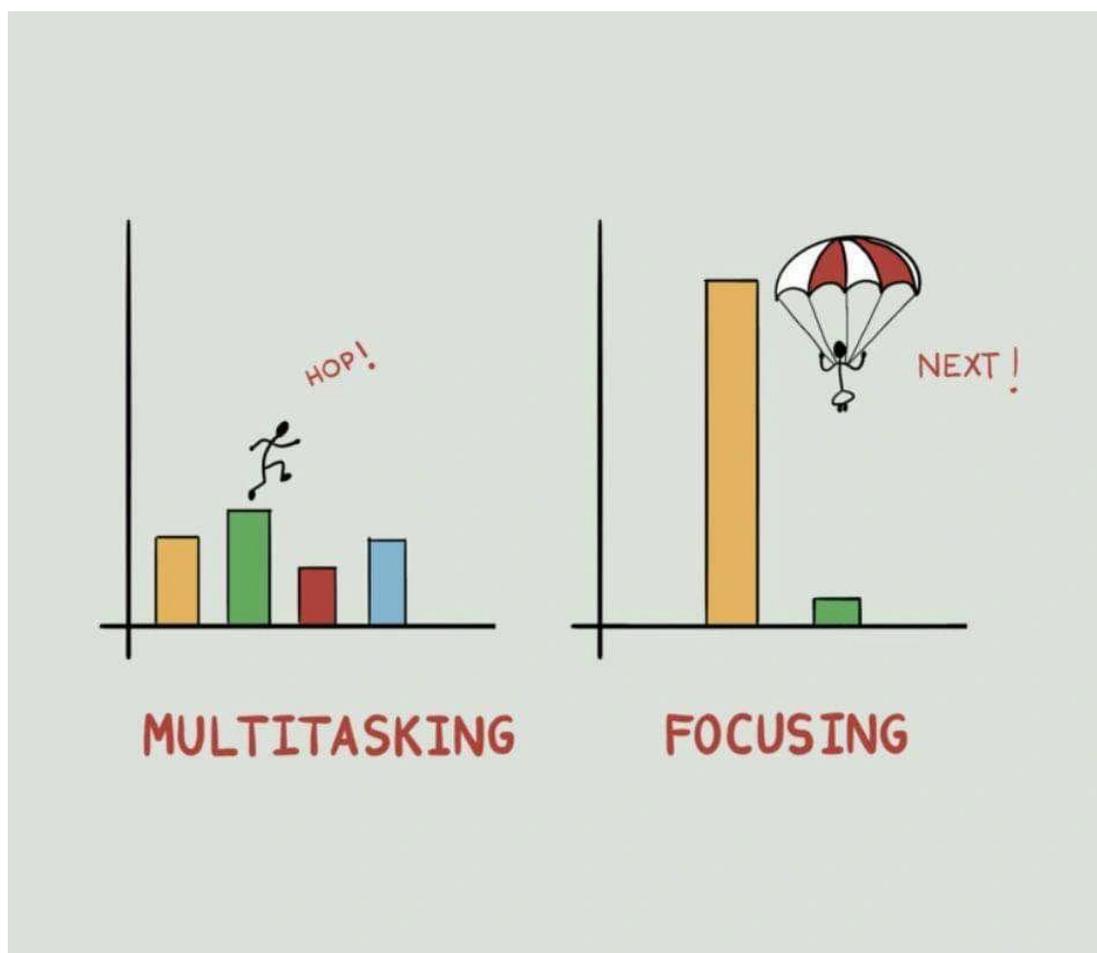
Source: IoT Analytics

Source: Beth Kindig

#food-for-thought

#productivity #work

Multitasking vs. focusing



Source: Yasin Arafeh

#food-for-thought

#help-yourself



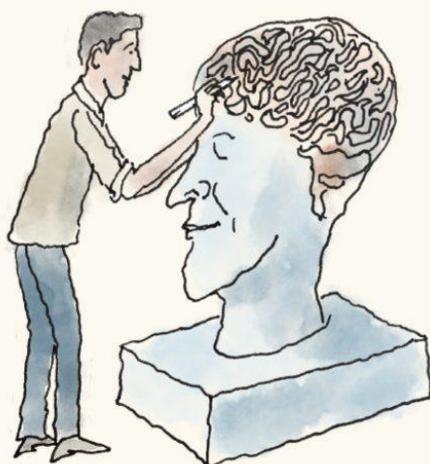
Source: Markets & Mayhem

#food-for-thought

#writing-wisdom #creative-mindset

Writing is a concentrated form of thinking

Writing...



... is a concentrated form of thinking.

Don deLilo

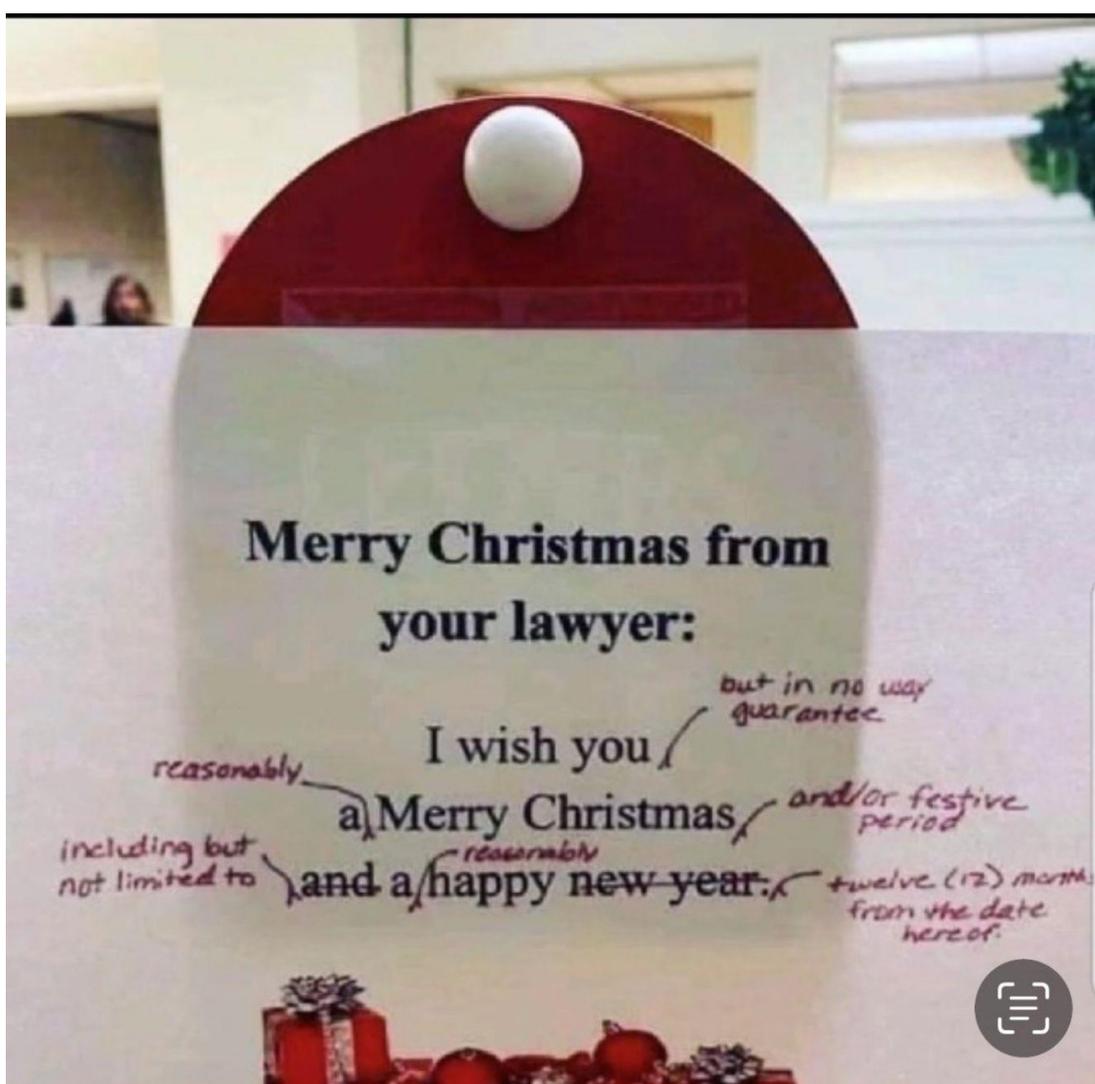
Source: Investment Books (Dhaval)

#food-for-thought

#christmas-wish #lawyer

"Merry Christmas from your lawyer"

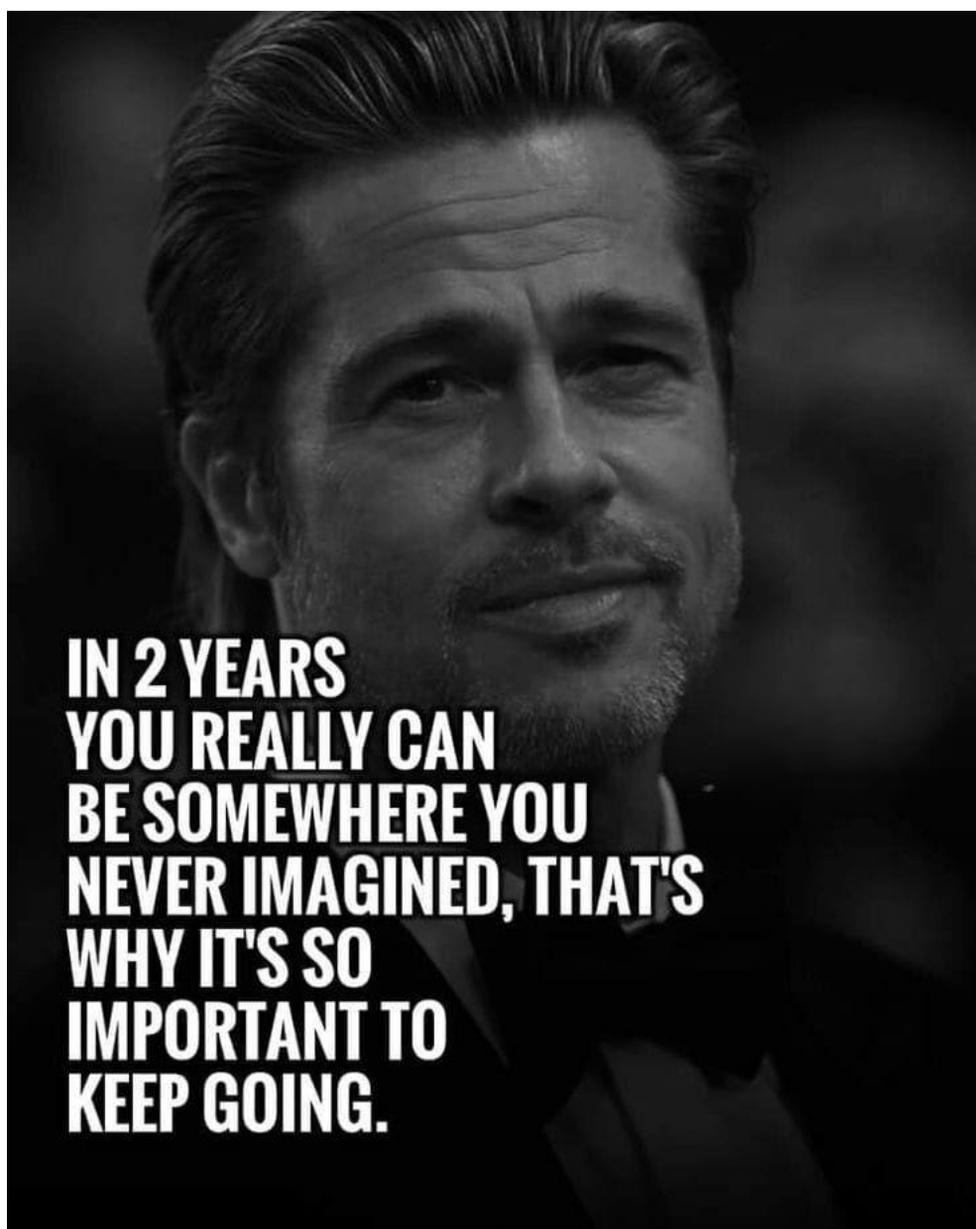
Nice one by Peter Mallouk



Source: Peter Mallouk

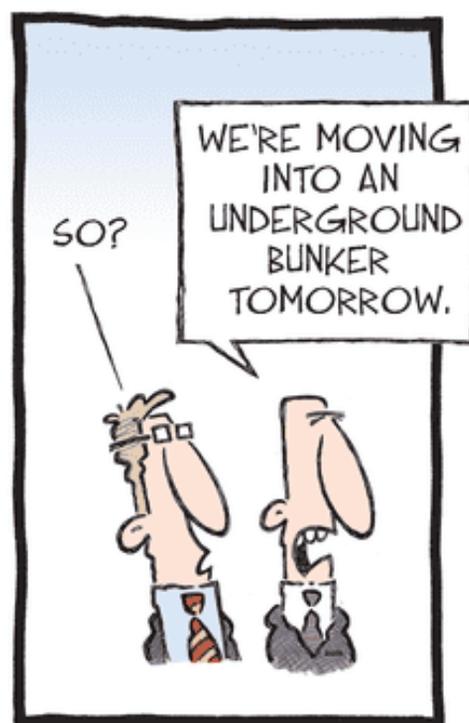
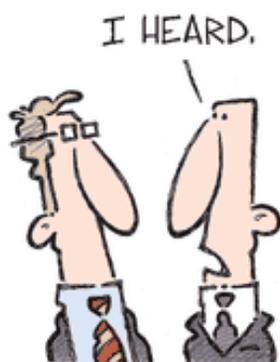
#food-for-thought

#keep-going



#food-for-thought

#happy-new-year

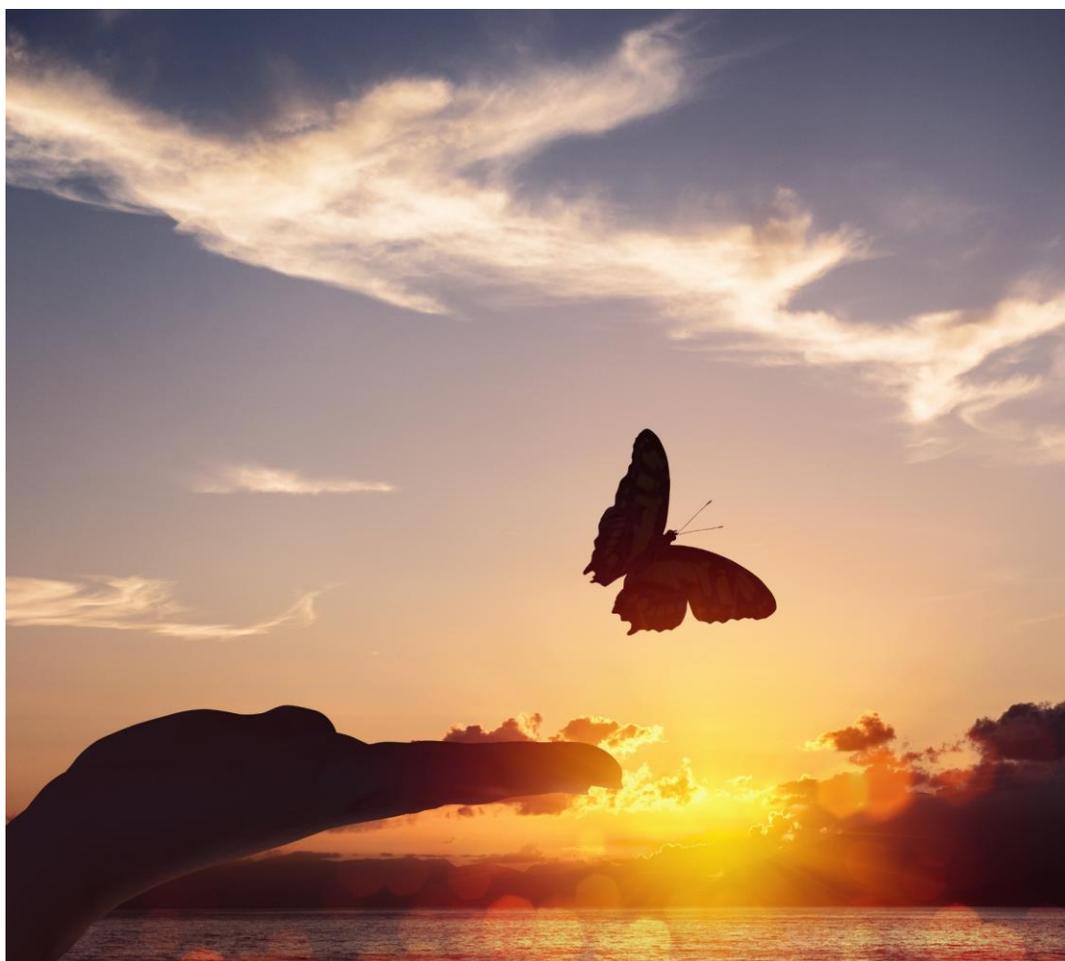


Source: Hedgeye

---

# Subscribe to the newsletter

[syzgroup.com/newsletter](https://syzgroup.com/newsletter)



This marketing communication has been issued by the Syz Group. It is not intended for distribution to, publication, provision or use by individuals or legal entities that are citizens of or reside in a state, country or jurisdiction in which applicable laws and regulations prohibit its distribution, publication, provision or use. It is not directed to any person or entity to whom it would be illegal to send such marketing material. This document is intended for informational purposes only and should not be construed as an offer or solicitation for the subscription, purchase, sale or keeping of any security or financial instrument, or as a contractual document. The information contained herein does not constitute any legal, tax or accounting advice and may not be suitable for all investors. The market valuations, terms and calculations contained herein are estimates only and may change without notice. The information provided comes from sources deemed reliable, but the Syz Group does not guarantee its completeness or accuracy. Past performance gives no indication of future results.

**For the future...**