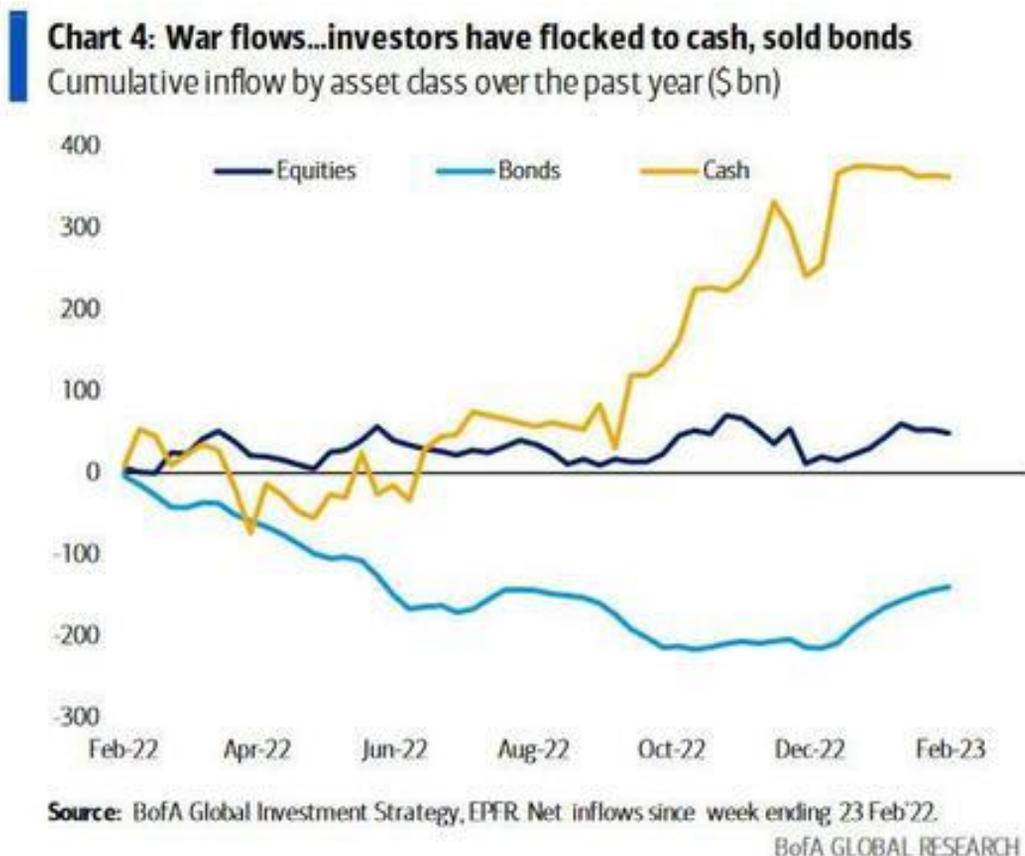


## Chart of the week

### War flows

“War = inflationary de-globalization theme = higher rates”

Since the invasion of Ukraine by Russia a year ago, cash has been the biggest beneficiary in terms of asset flows: \$354bn has moved to cash, \$40bn to equities, -\$135bn from bonds.



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

---

### Stocks & bonds battered by rates repricing

Several upside inflation and growth surprises in the US pushed the S&P 500 Index to its worst weekly loss since early December. At its close on Friday, the index had surrendered roughly 35% of the rally that began in October, but it remained up 3.4% year to date. The Dow Jones Industrial Average is now in negative territory for the year, however. Growth stocks fell only modestly more than value shares. The VIX jumped but remained a bit below its mid-December levels. Stocks fell sharply following worrisome signs that US inflation might have reversed course and accelerated again as the year began. The core (less food and energy) personal consumption expenditures (PCE) price index jumped 0.6% in January (vs. +0.4% expected). Additional data (consumer expectations, new home sales) suggested that both consumers and employers were yet to be deterred by rising interest rates. Meanwhile, a few major retailers (e.g Home Depot) reported disappointing earnings. The week's data had a large impact on expectations for the timing and extent of future Fed rate hikes. They also sparked a jump in bond yields with the 10-year U.S. Treasury note nearing 4.00% for the first time since mid-November. Shares in Europe fell as better-than-expected economic data and corporate earnings raised the prospect that central banks might persist with interest rate increases. Chinese stocks advanced after three weeks of losses. Gold and Bitcoin dumped while the dollar rose.

## #GLOBALMARKETS WEEKLY WRAP-UP

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### #weekly #returns

INDEX	CLOSE	WEEK	YTD
Dow Jones Industrial Average	32,817	-3.0%	-1.0%
S&P 500 Index	3,970	-2.7%	3.4%
NASDAQ	11,395	-3.3%	8.9%
MSCI EAFE*	2,061	-1.2%	7.4%
10-yr Treasury Yield	3.95%	0.1%	0.0%
Oil (\$/bbl)	\$76.60	0.1%	-4.6%
Bonds	\$97.17	-0.9%	1.0%

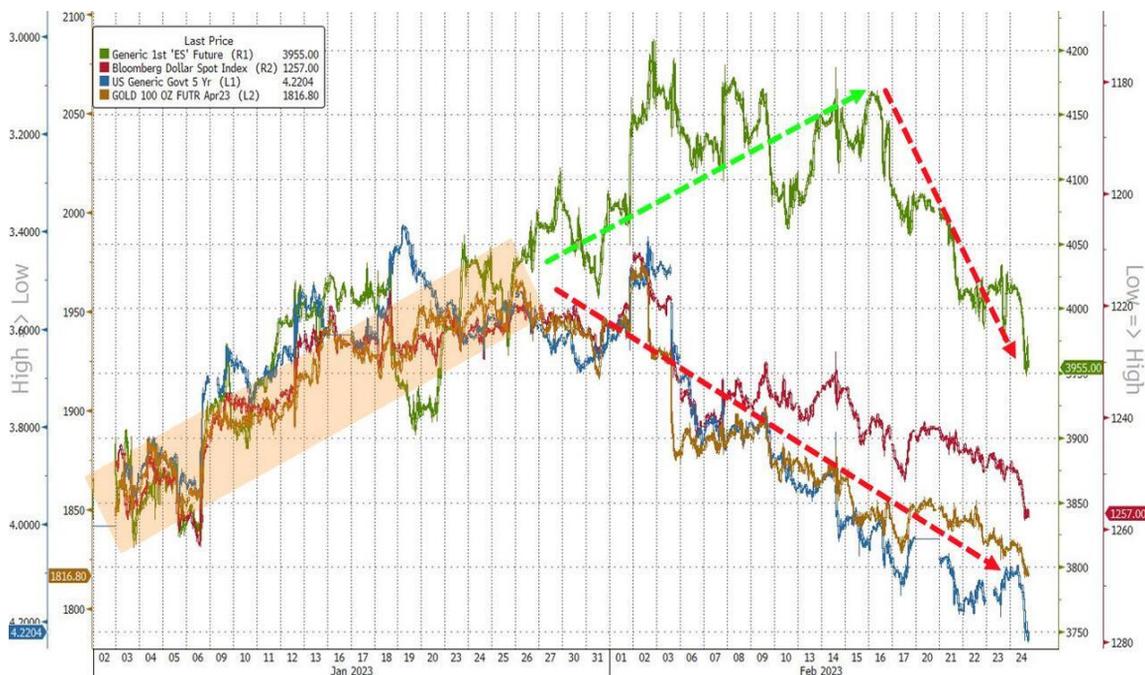
Source: Factset 02/24/2023. Bonds represented by the iShares Core U.S. Aggregate Bond ETF. Past performance does not guarantee future results. \* Source: 4-day performance ending on Thursday.

Source: Edward Jones



## #cross-assets #performance

Correlations remain in place: S&P 500 (in green) and Gold (brown) are moving down while the dollar and 5-year US Treasury yield are moving up (the chart shows inverted price for the last 2)..

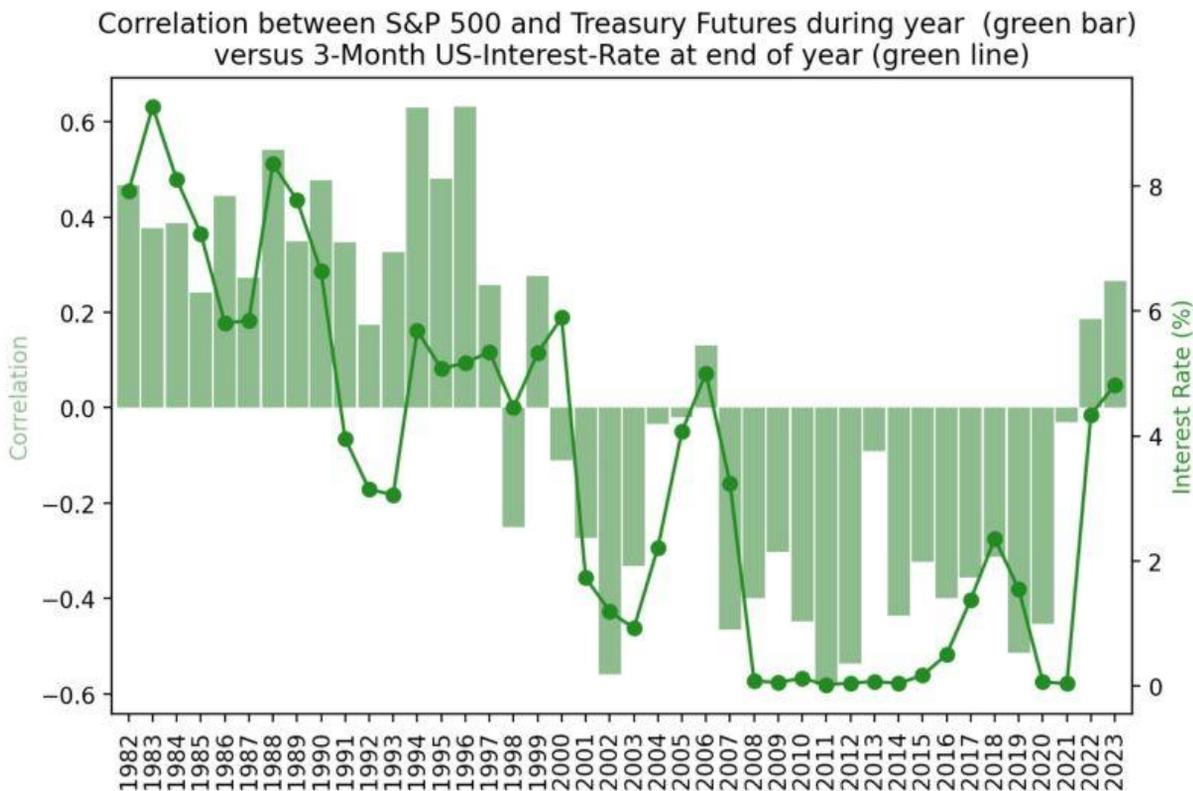


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #equities #bonds #correlation

The positive correlation between S&P 500 index returns and treasury bond returns remains a headache for asset allocators and risk managers since the inflation risk factor has awakened. Year to date stock-bond-correlations have remained elevated. This might continue for as long as the FED stays in tightening mode. The below chart is based on daily returns of S&P 500 and treasury futures from 1982 to Feb 22, 2023.



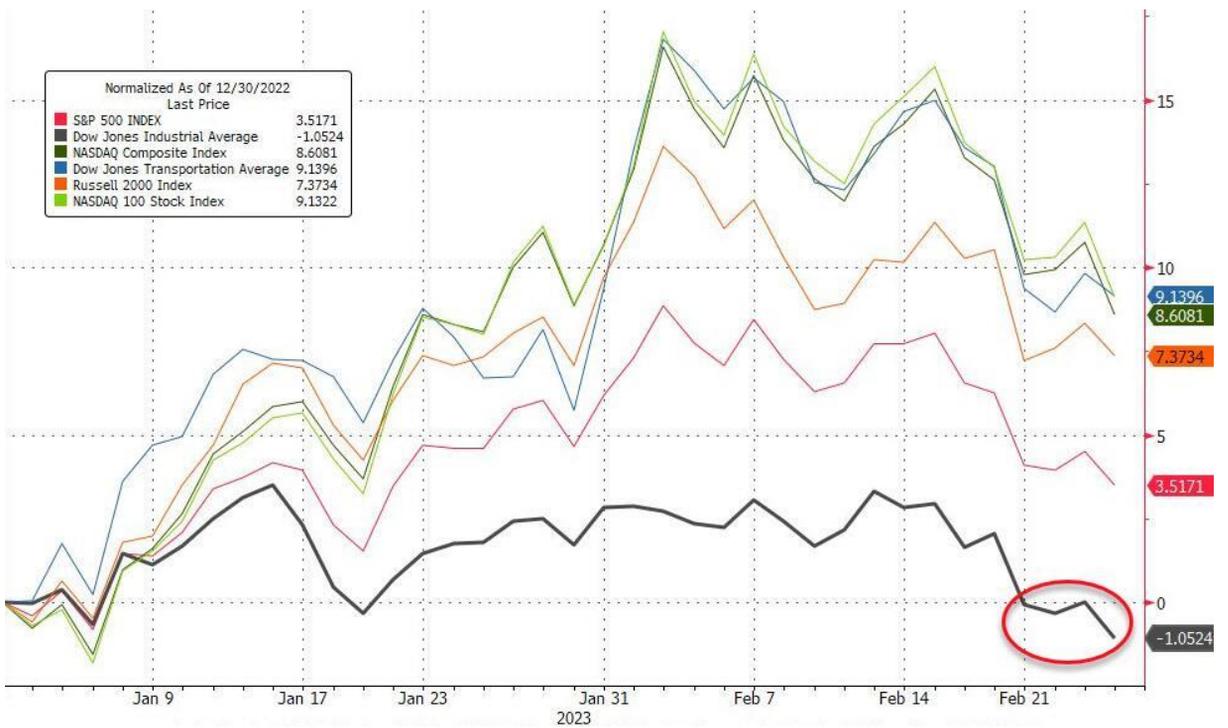
Source: Dr Michael Stamos





## #us #equities #2023

The Dow ended the week in the red for 2023...The Nasdaq 100 is still up 9.1% year-to-date.



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

#markets

## #sp500 #technicals

The S&P 500 closed below its 50DMA, trapped in a range just above its 200DMA.



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



## #nasdaq #technicals

The Nasdaq 100 found support at its 200DMA for the last two days.



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

## #GLOBALMARKETS WEEKLY WRAP-UP

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### #us #equities #sectors #weekly

Consumer Discretionary and Real Estate sectors were the biggest losers for the week and Energy stocks were the best, eking out a tiny gain for the week...



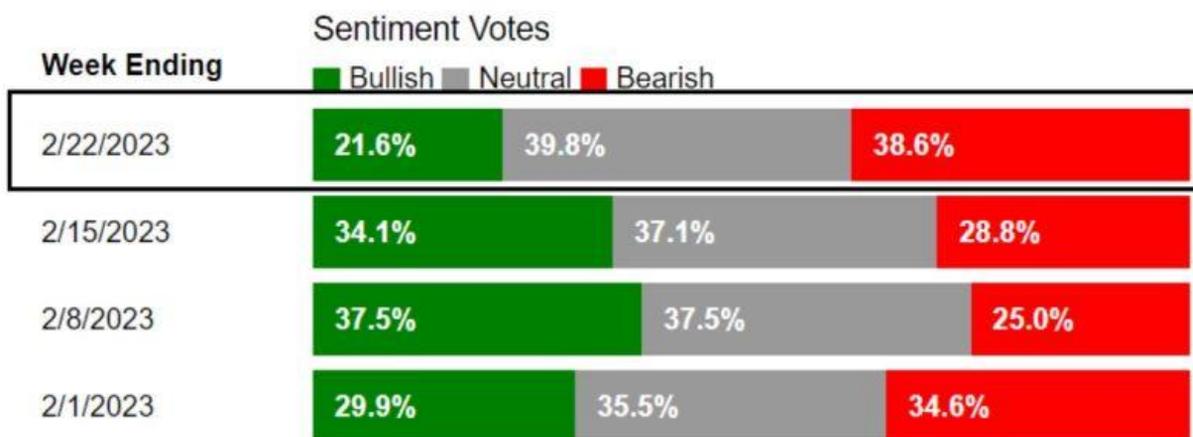
Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #us #equities #sentiment

After a 5% S&P 500 pullback, Bears outnumber Bulls again in the AAll sentiment poll.

"What do AAll members think about the direction of the market in the next 6 months?"



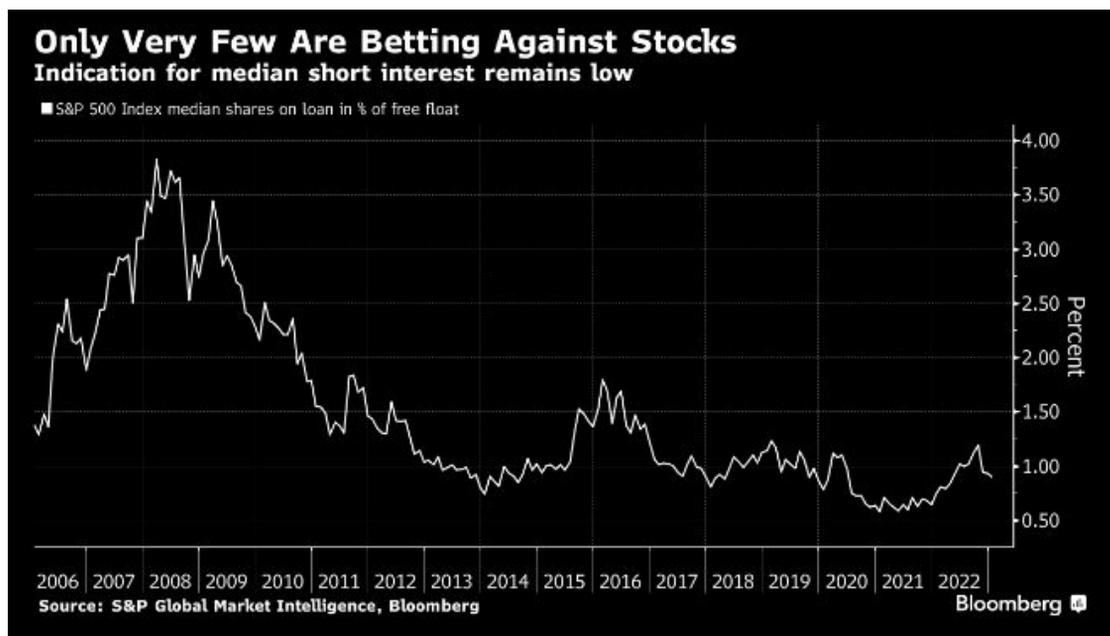
Source: Charlie Bilello, AAll



## #us #stocks #short-interest

The median short interest for members of the SPX suggests that not many market participants are betting against the current rally - Bloomberg

\*Shares out on loan stands just <1% of the benchmark's median free float as of Jan. 31, according to S&P Global Market Intelligence.



Source: Bloomberg

#markets

## #sp500 #earnings

Breakdown of members that have reported and how they did:

### S&P 500 Earnings Dashboard

Breakdown of members that have reported and how they did

	Reported	Beat	Hit	Miss
<b>S&amp;P 500</b>	<b>81%</b>	<b>69%</b>	<b>6%</b>	<b>25%</b>
Energy	60.9%	57%	0%	43%
Materials	89.7%	69%	4%	27%
Industrials	87.1%	67%	7%	26%
Discretionary	64.3%	72%	0%	28%
Staples	72.7%	67%	8%	25%
Health Care	84.1%	79%	2%	19%
Financials	98.5%	64%	9%	27%
Technology	85.5%	78%	5%	17%
Communications	86.4%	42%	16%	42%
Utilities	56.7%	65%	6%	29%
Real Estate	74.2%	61%	13%	26%
<b>ex-Energy</b>	<b>80.8%</b>	<b>69%</b>	<b>6%</b>	<b>25%</b>
<b>ex-Technology</b>	<b>80.0%</b>	<b>67%</b>	<b>6%</b>	<b>27%</b>
<b>Ex-Financial</b>	<b>78.1%</b>	<b>70%</b>	<b>5%</b>	<b>25%</b>

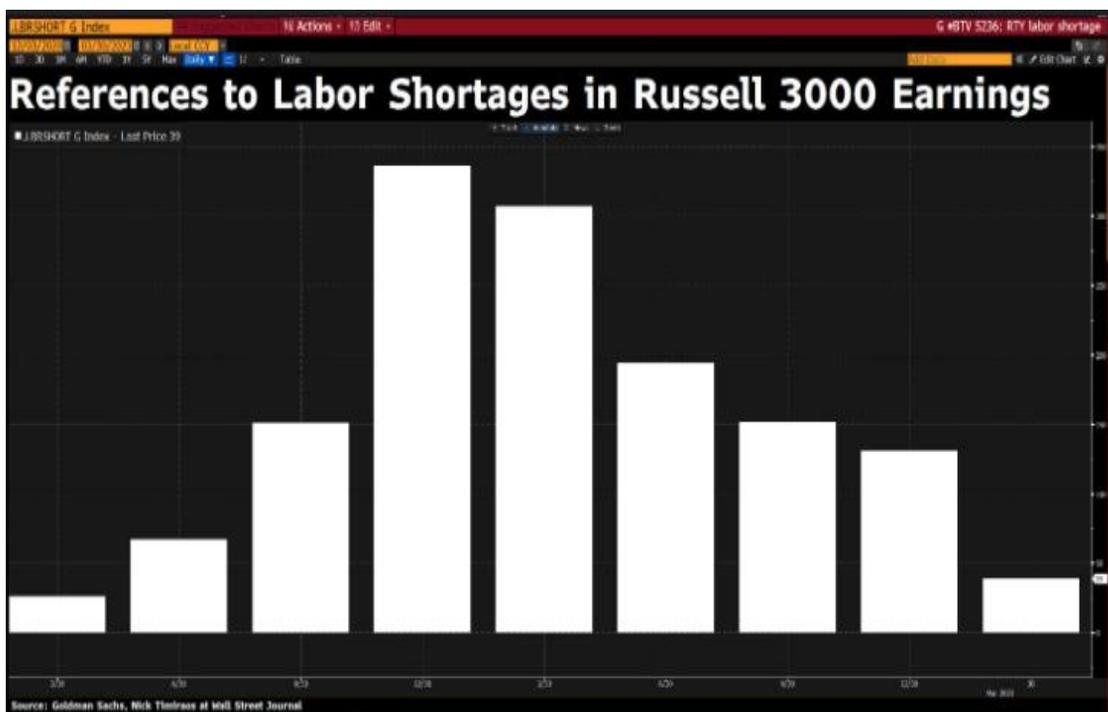
Source: Bloomberg Intelligence, Bloomberg

Source: Bloomberg



## #russell3000 #earnings

References to Labor Shortages in Russell 3000 Earnings. Goldman Sachs analysts of Q4 earnings calls: “References to labor shortages in Russell 3000 earnings calls fell to the lowest level of the pandemic recovery, at 4.9% of Q4 earnings calls compared to 16.5% for 3Q21.”



Source: GS, WSJ

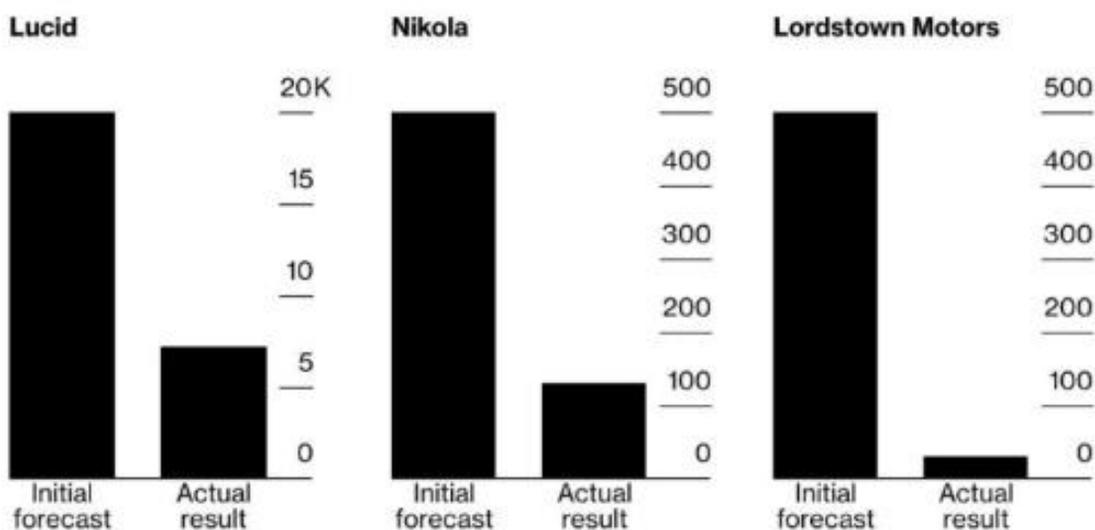


## #ev #spac

SPAC forecasts vs actual results during 2022 for Lucid, Nikola and Lordstown Motors.

### EV Startups Miss the Mark

Lucid, Nikola and Lordstown Motors miss forecasts



Source: Company statements

Note: Lucid and Lordstown Motors figures are production, and Nikola figures are deliveries.

Source: Bloomberg

#markets

## #nikola



**Charlie Bilello**  @charliebilello · Feb 23

Nikola Net Income

Q4 22: -\$222 mil.

Q3 22: -\$236m

Q2 22: -\$173m

Q1 22: -\$153m

Q4 21: -\$159m

Q3 21: -\$268m

Q2 21: -\$143m

Q1 21: -\$120m

Q4 20: -\$142m

Q3 20: -\$80m

Q2 20: -\$116m

Q1 20: -\$33m

Q4 19: -\$26m

Q3 19: -\$16m

Peak market cap: \$34 billion

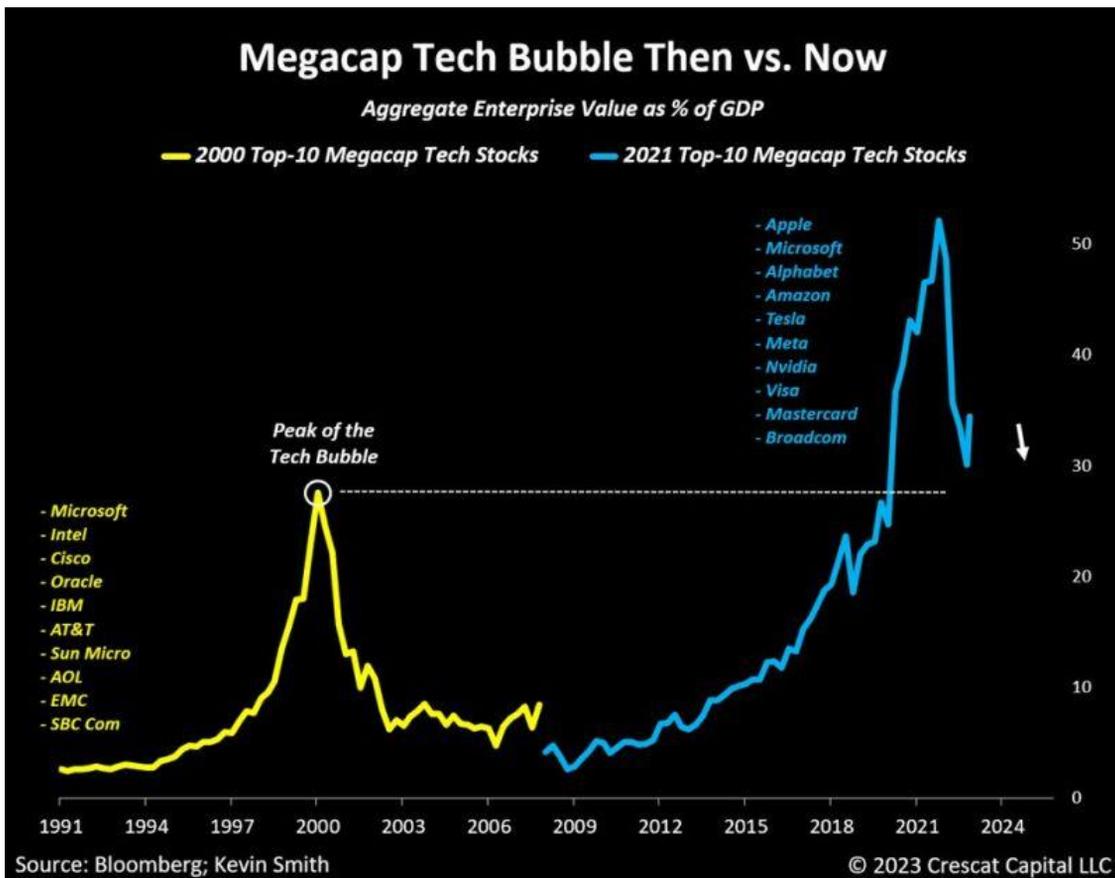
Market cap today: \$988 mil.

[\\$NKLA](#)



## #tech #stocks #valuations

Valuations for the top-ten mega-cap tech stocks are still higher than they were for their comps at the peak of the tech bubble.



Source: Tavi Costa

#markets

## #google

Still, Google now has a lower P/E ratio than many leading consumer staples companies. A “safety” bubble?

**Charlie Bilello**  @charliebilello · Feb 15

Price to Earnings Ratios...

Estee Lauder **\$SEL**: 61

Walmart **\$WMT**: 45

Clorox **\$CLX**: 44

Kraft Heinz **\$KHC**: 41

Colgate-Palmolive **\$CL**: 34

Mondelez **\$MDLZ**: 33

Hershey **\$HSY**: 30

Sysco **\$SY**: 28

PepsiCo **\$PEP**: 27

Coca-Cola **\$KO**: 26

Conagra **\$CAG**: 26

Procter & Gamble **\$PG**: 24

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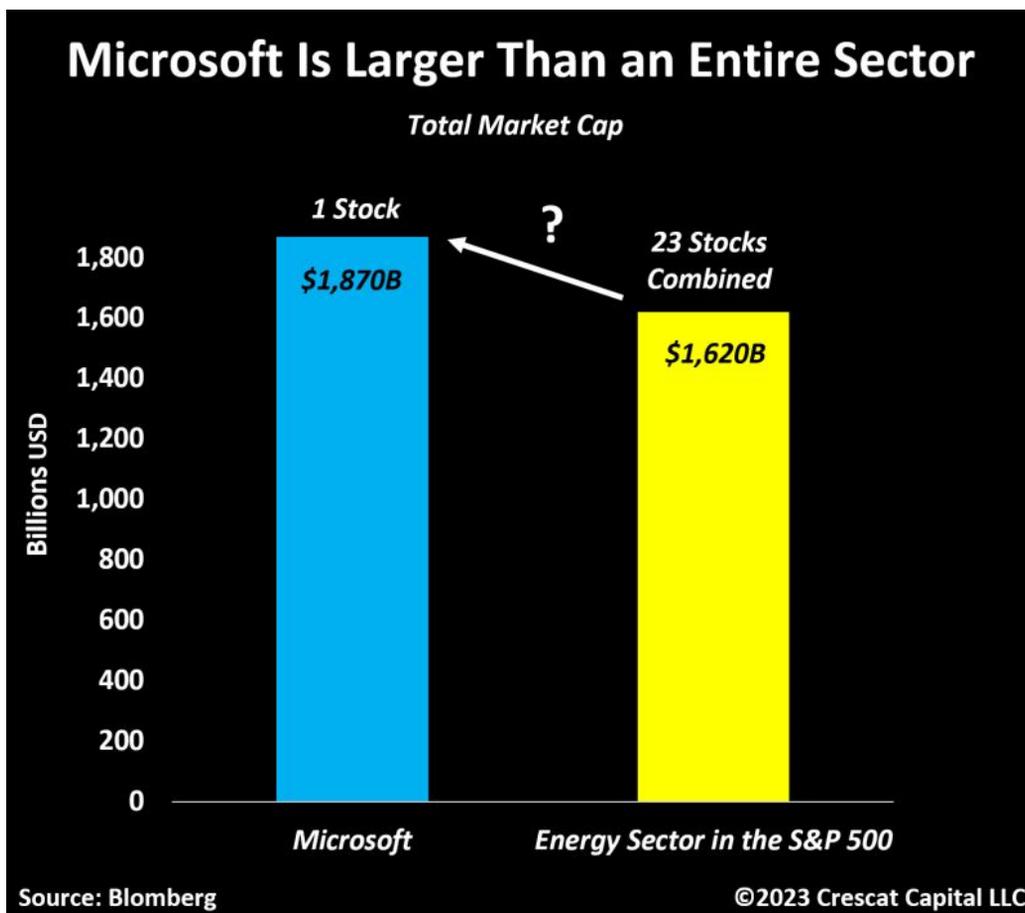
**Google** **\$GOOGL**: 21



## #tech #energy #stocks #valuations

Microsoft still has a higher market cap than the entire Energy sector in the S&P 500 today. Despite the fact that:

- Exxon Mobil (\$XOM) \*alone\* produces just as much annual free cash flow as \$MSFT today.
- All the energy companies in the S&P 500 are profitable on a free-cash-flow basis today.



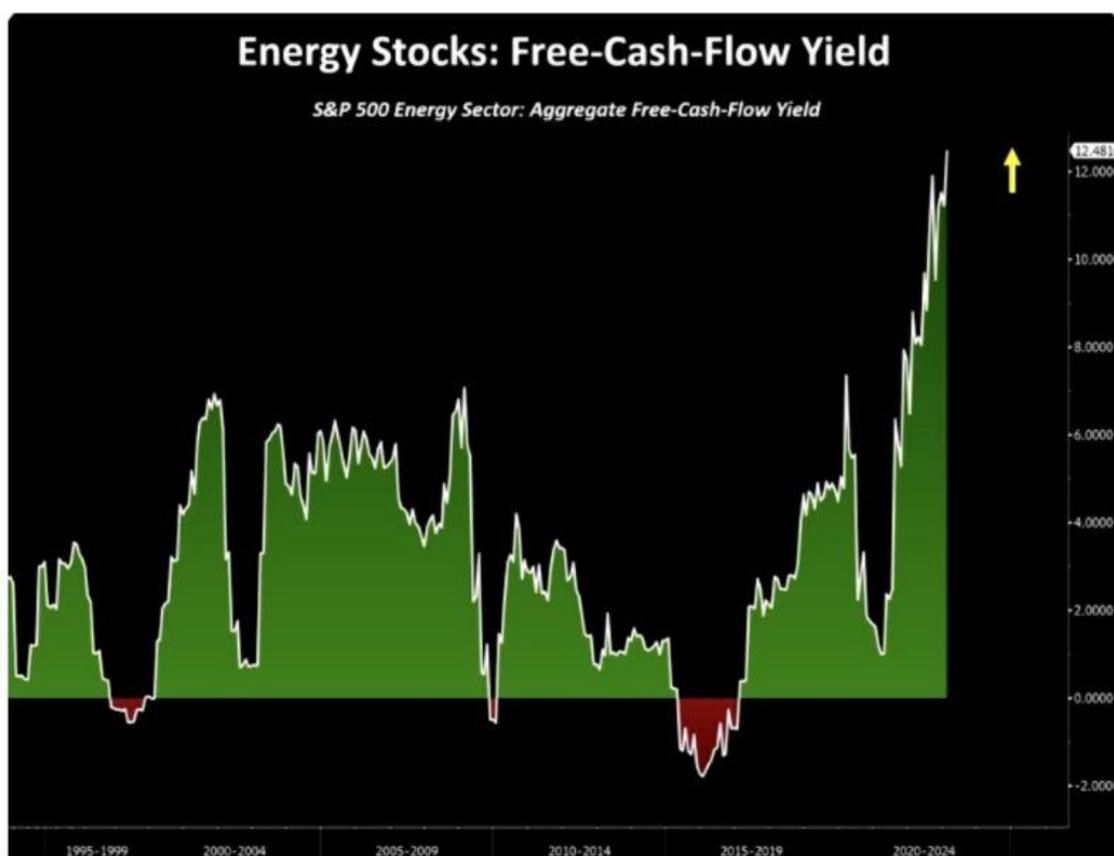
Source: Tavi Costa





## #energy #stocks #valuations

Energy stocks are again trading at their cheapest level in history on a free-cash-flow yield basis.

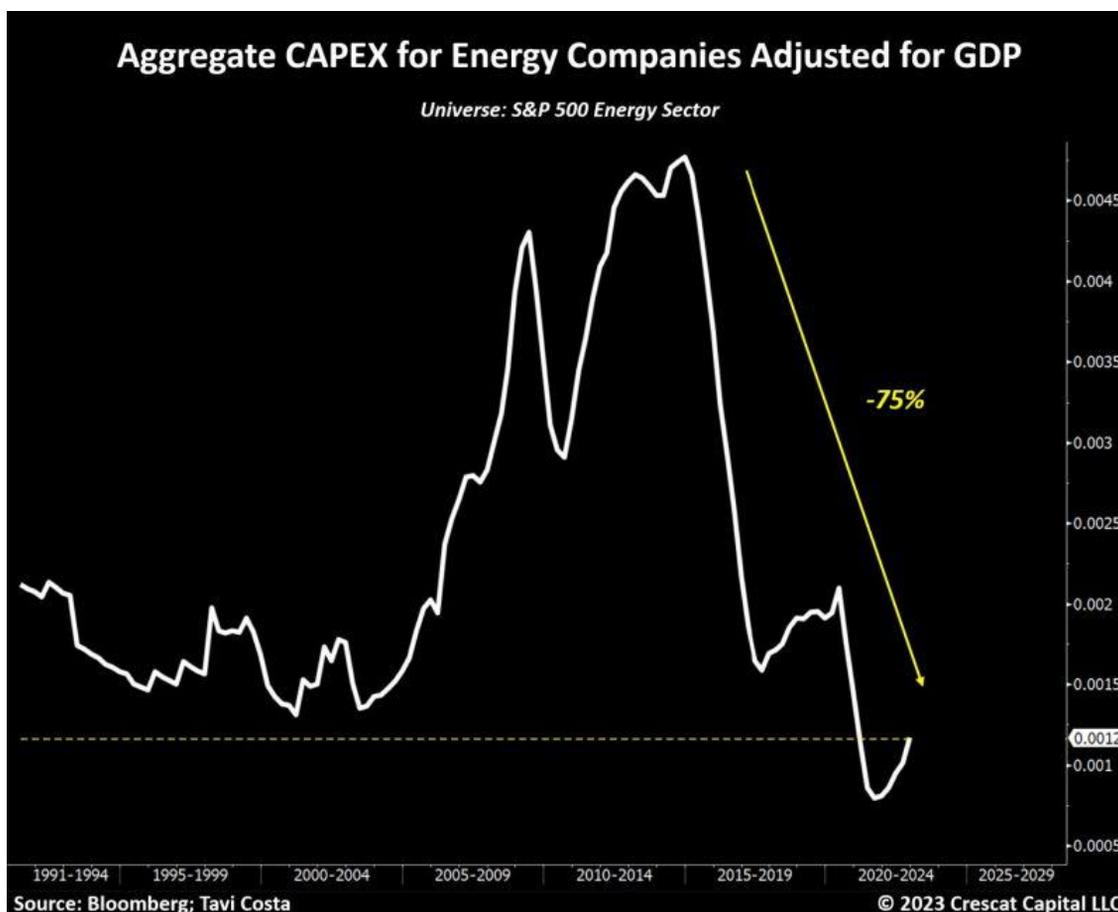


Source: Crescat Capital, Bloomberg



## #energy #capex

Aggregate CAPEX for energy companies adjusted for GDP levels still below every other depressed level in the last 30+ years. This could be one of the reasons for energy stocks to remain in a secular uptrend.

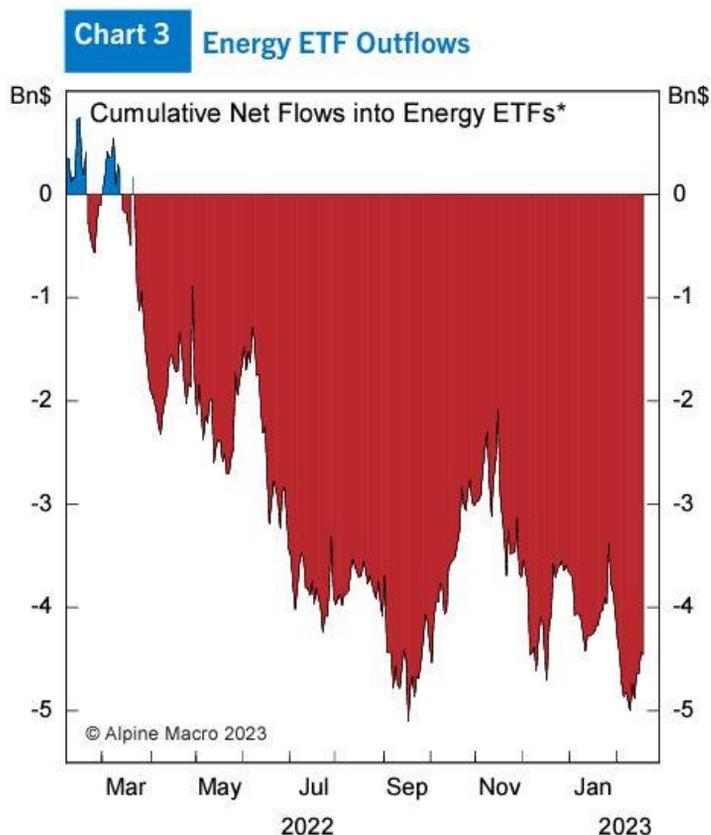


Source: Tavi Costa, Bloomberg



## #energy #etfs #flows

Despite nearly three years of tight oil markets and two years of strong equity performance, investors still refuse to allocate capital to the space. Since 2021, energy has outperformed every other sector on the S&P 500. Yet, this sector still represents less than 5% of the index market capitalization. Could a China boom be the catalyst for a change in investor attitudes? Will US shale production continue to disappoint?



\*Includes XLE and XOP; source: Bloomberg Finance L.P., Goehring & Rozencwajg Associates



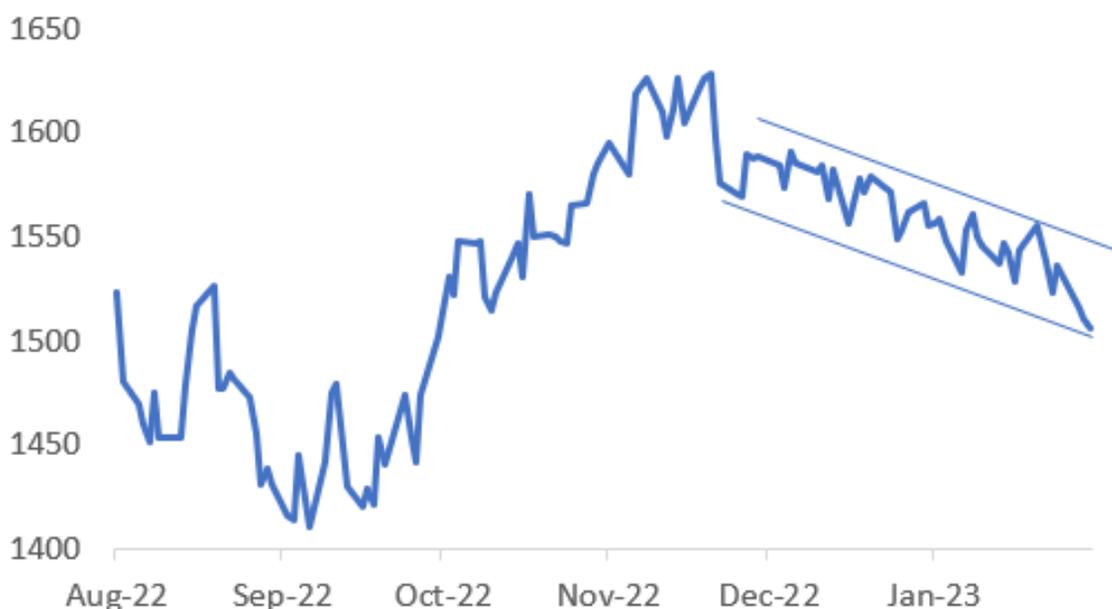
Source: Alpine Macro



## #us #healthcare #stocks

The Health Care sector is in one of the tightest downtrend channels you'll find. Just a steady bleed since mid-December. Now down over the last 6 months.

**S&P 500 Health Care Sector: Last Six Months**



Source: Bespoke

### #apple #watch #diabetes

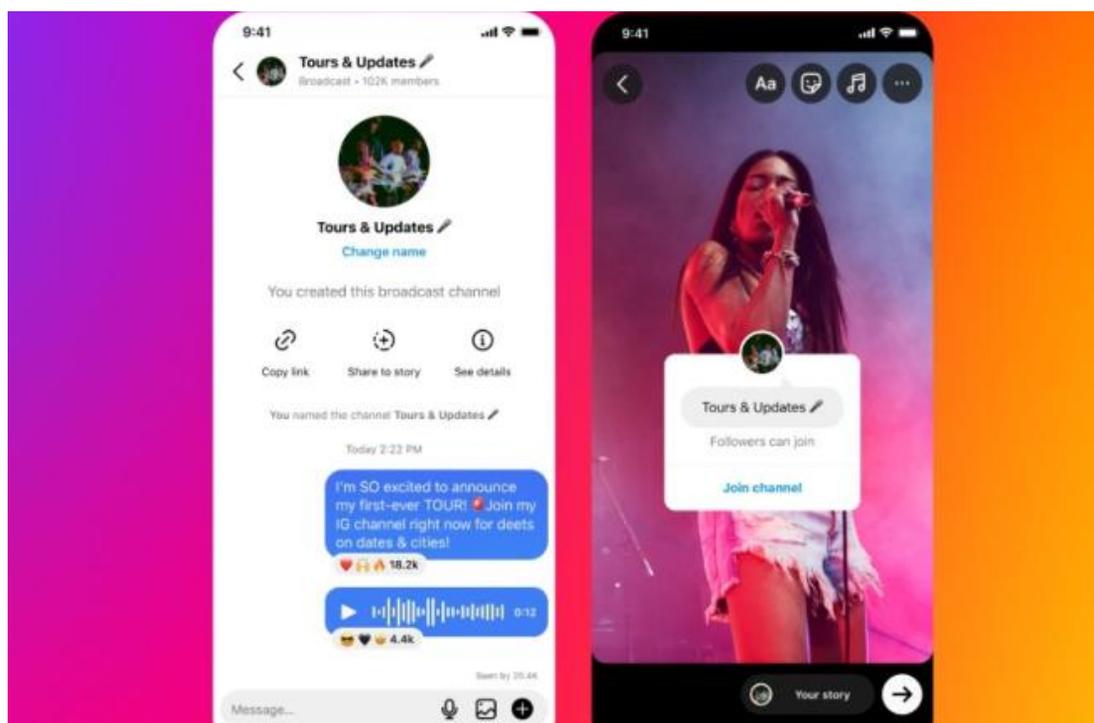
Apple has made notable progress on noninvasive blood glucose monitoring technology, according to a new report from Bloomberg's Mark Gurman. Planned as a future Apple Watch feature, Apple wants to use the function to allow #diabetics and others to test their blood glucose levels without needing to prick the skin for blood testing.



Source: MacRumors

## #meta

Meta CEO Mark Zuckerberg announced that the company is launching a new broadcast chat feature on Instagram called “Channels.” The feature lets creators share public, one-to-many messages to directly engage with their followers. Channels support text, images, polls, reactions and more. Zuckerberg announced the feature by starting his own broadcast channel, where he plans to share Meta updates going forward.



Source: techcrunch

#markets

### #meta

\$META announced a new paid verification subscription service called Meta Verified, CEO Mark Zuckerberg said Sunday. For \$11.99 a month on the web and \$14.99 a month on iOS, users on Instagram and Facebook will be able to submit their government ID and get a blue verification badge.



**Wall Street Silver** @WallStreetSilv · 7h

Facebook will charge \$12 a month to keep verified status.

Credit: u/sam19809





## #hang-seng #tech #stocks

Hang Seng Tech plunges >3% on Friday following Alibaba, NetEase earnings which fail to Impress investors.

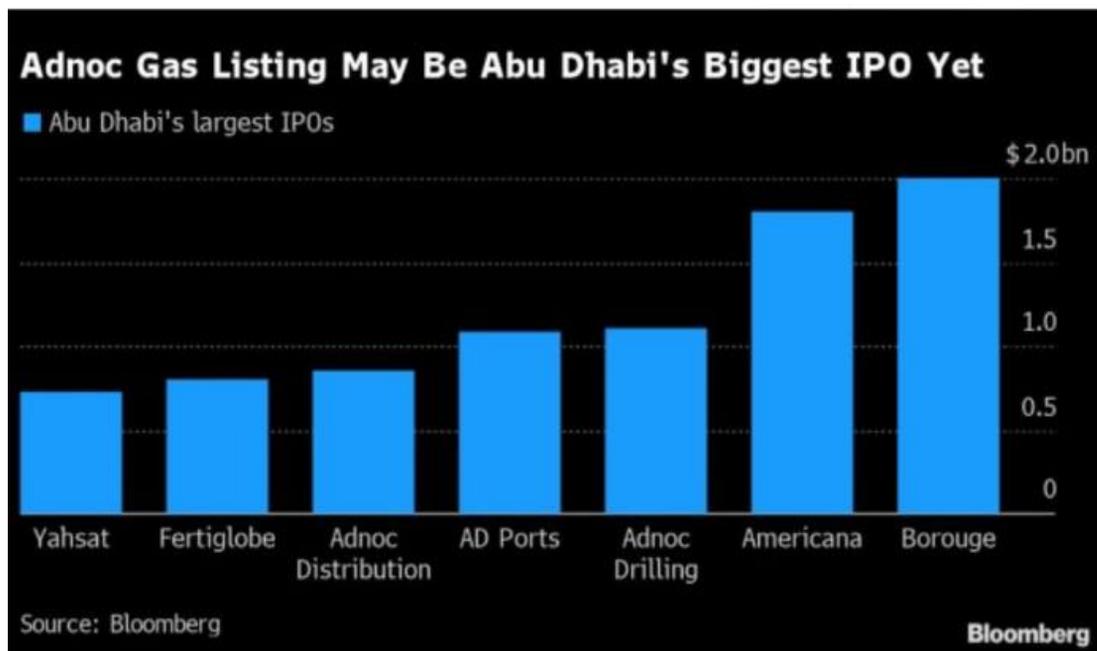


Source: Bloomberg, Holgerz



## #ipo #uae

The United Arab Emirates' national oil company plans to raise \$2 billion or more by listing its natural gas business, marking the largest initial public offering of the year. It will offer a 4% stake in Adnoc Gas, which was formed through a merger of liquefied natural gas and gas processing. The IPO process will take place over the next three weeks, with trading beginning on March 13th. If it proceeds as expected, it should give Adnoc Gas a valuation of at least \$50 billion, making it one of the world's biggest listed gas firms.



Source: Bloomberg



## #adani

The combined market value of Adani Group's shares has just fallen <\$100bn as the embattled conglomerate struggles to reassure investors following a scathing short seller report. The ports-to-power group has now lost >\$136bn in mkt cap since Jan24.



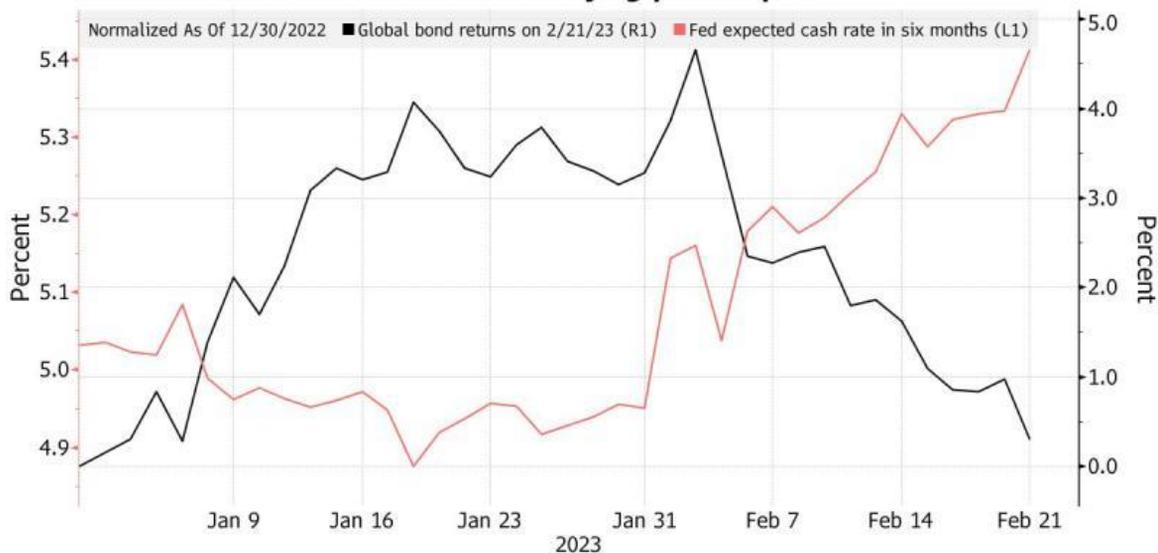
Source: Bloomberg



## #global #bonds

Global bonds are set to erase 2023 gains as pivot hopes wither.

### Global Bonds on Verge of Erasing Record Opening Rally Fed's hawkish tack leads central banks defying pivot hopes



Source: Bloomberg

## #GLOBALMARKETS WEEKLY WRAP-UP

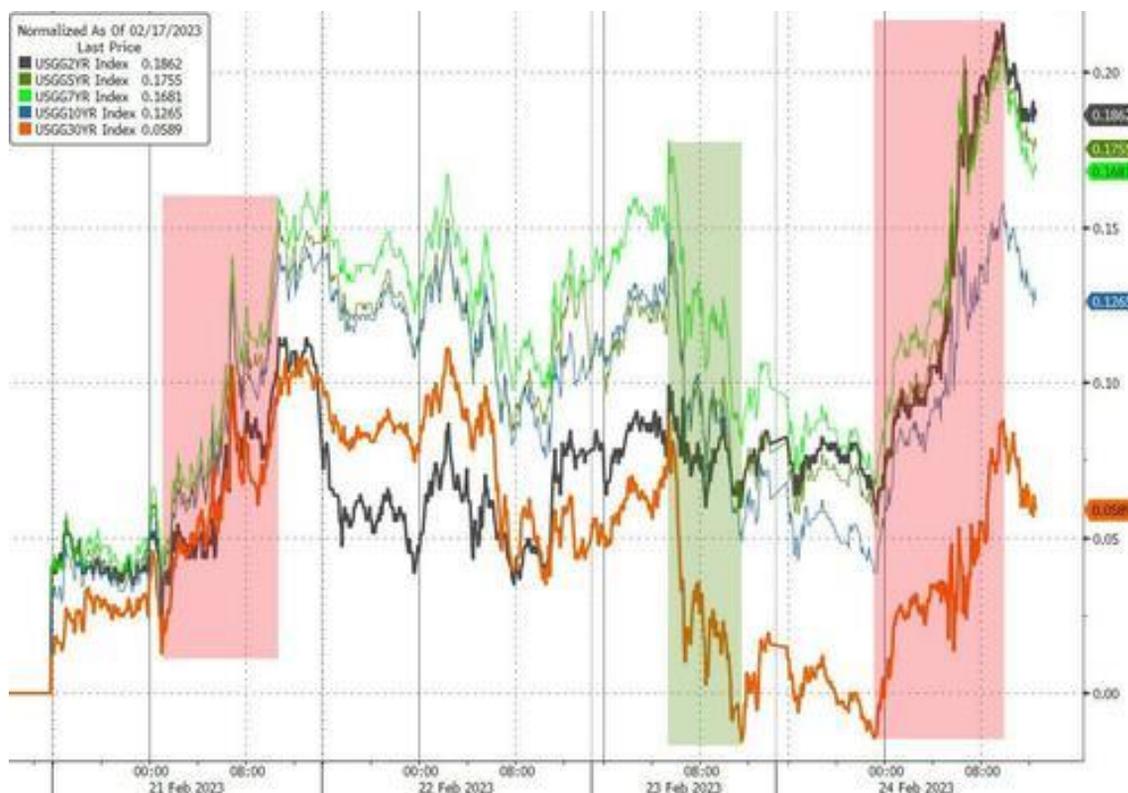
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### #us #treasuries #weekly

Treasury yields were higher across the curve this week with the short-end underperforming. 30Y yields actually dipped lower on the week at one point but Friday's carnage following the hot PCE print dragged everything higher (in yield).

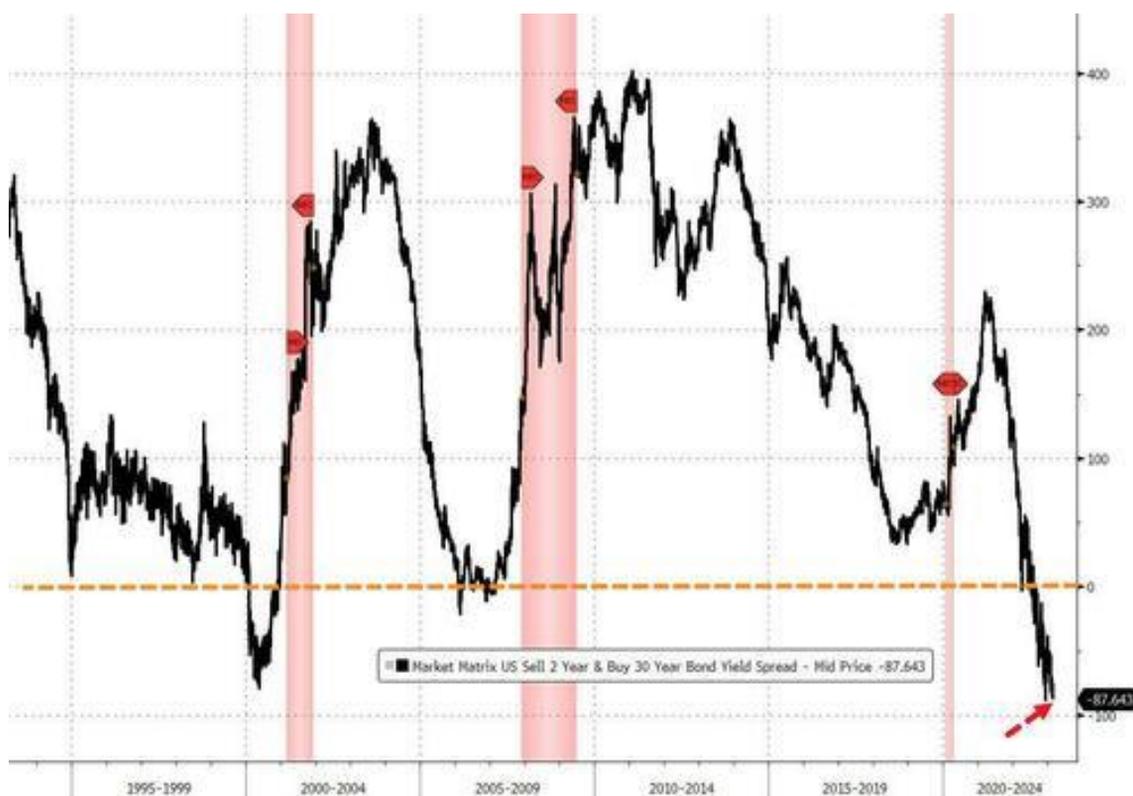


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



#us #treasuries #yield-curve

The yield curve (2s30s) hit fresh cycle lows...

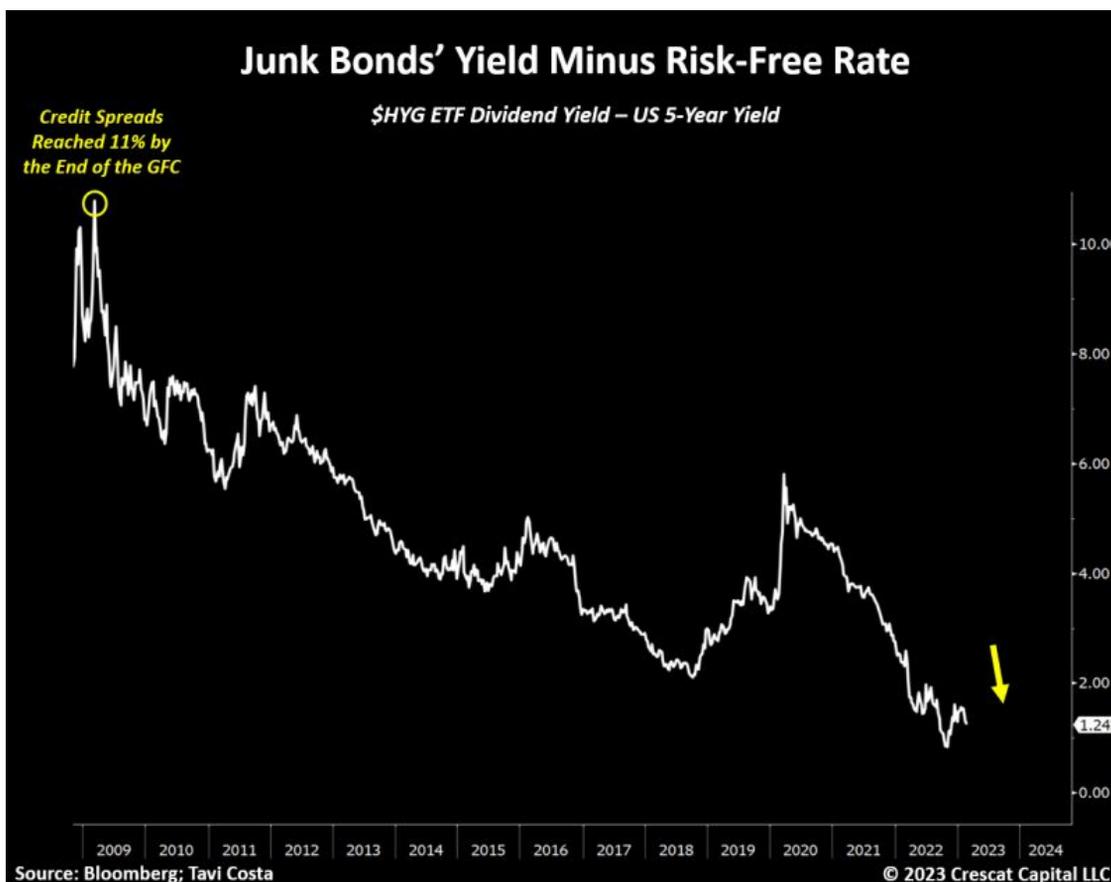


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #us #junk #bonds

This ETF of junk bonds is currently yielding only 1.2% more than risk-free rates. Note that credit spreads reached 11% by the end of the Global Financial Crisis.

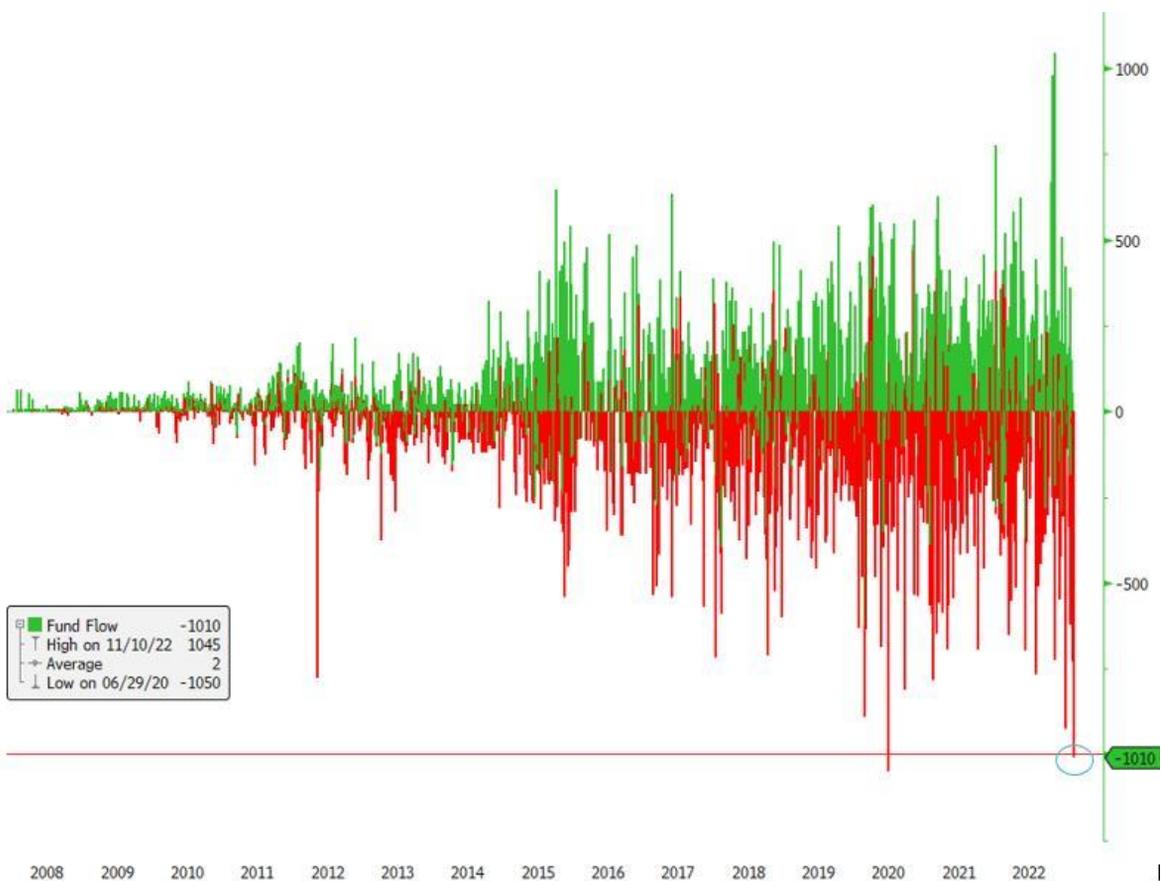


Source: Tavi Costa



## #us #high-yield #etfs #flows

One of the largest U.S. high-yield bond ETFs had a daily outflow of \$1 billion (over 10% of assets under management) yesterday. The only time we've seen it was in June 2020. Capitulation?





## #german #2y

The yield on German 2-year bonds reached 3% for the first time since 2008! While Thursday's Eurozone core CPI reached a new record of 5.3%, the German 2-year bond yield reached 3% for the first time since 2008! The ECB still has a lot of work (more than currently expected?) to do in tightening monetary policy to curb inflation, especially considering the minor impact (for now) of the Fed's monetary policy tightening on US inflation and the economy.



## #GLOBALMARKETS WEEKLY WRAP-UP

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### #gold

Gold was down for the 5th straight week, but held above \$1800 for now...



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



## #natural-gas

After falling for 9 of the 10 weeks, US NatGas prices soared higher this week (after first hitting a \$1 handle) - the biggest weekly rise for Henry Hub since Thanksgiving...



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

## #GLOBALMARKETS WEEKLY WRAP-UP

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### #oil

Oil prices ended the week unchanged.

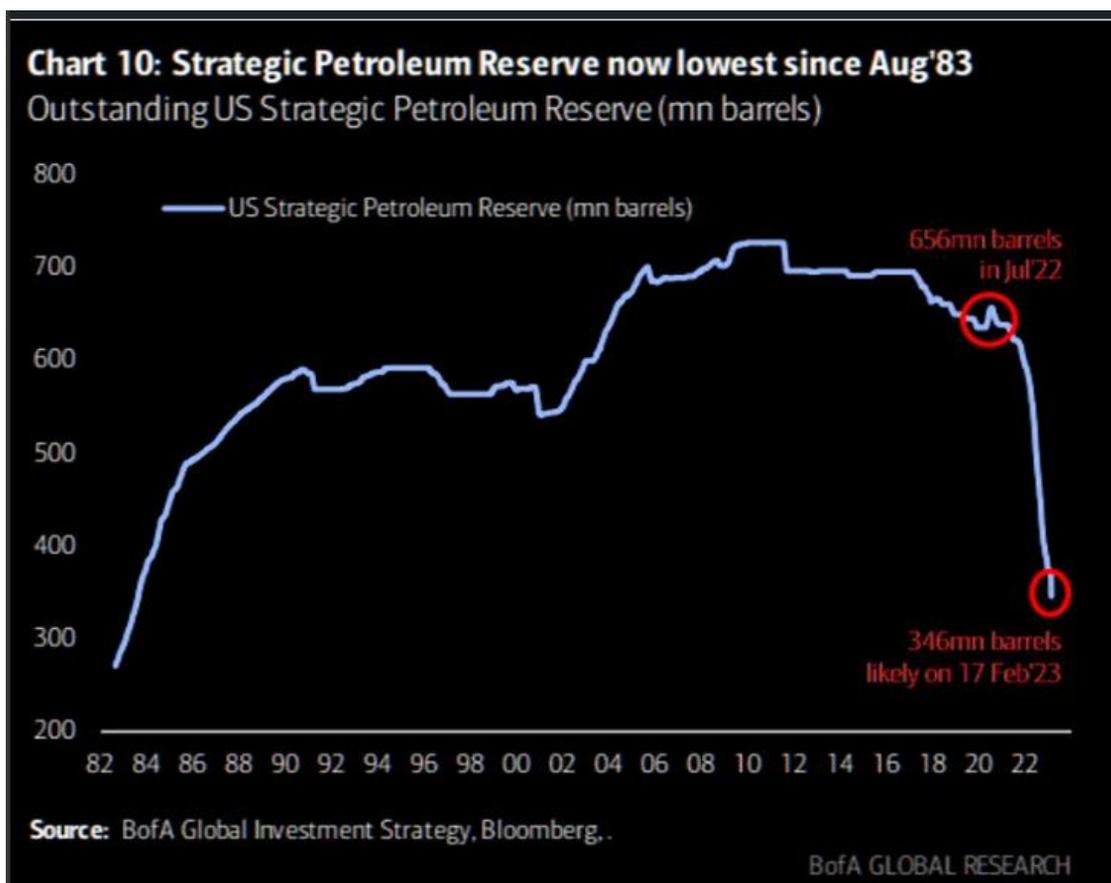


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #oil #reserve

Outstanding US Strategic Petroleum Reserve at August 1983 levels...

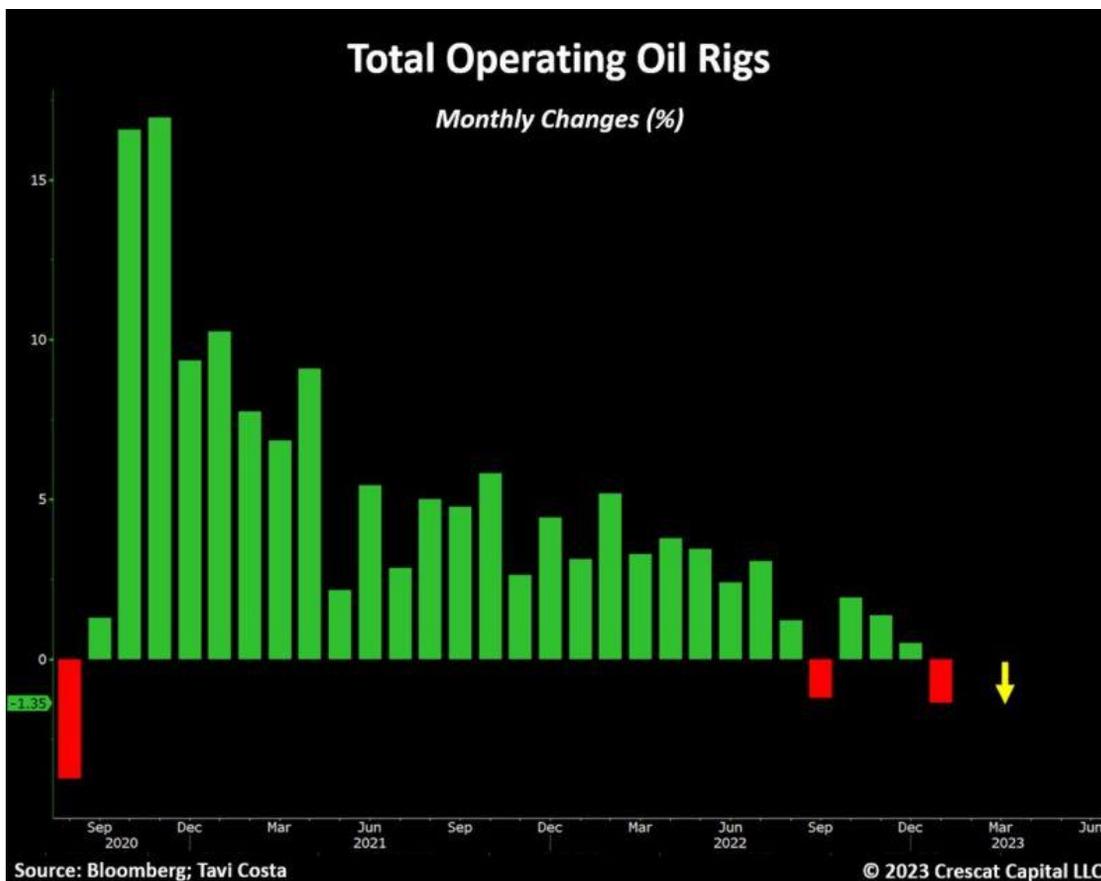


Source: BofA, TME



## #oil #supply

Oil supply woes continue. We just saw the largest monthly decline in operating oil rigs in over 2 years. Energy companies are in no rush to ramp up production and supply is likely to remain tight for longer.



Source: Tavi Costa





## #eu #carbon #prices

EU Carbon Price hits record €100, boosted by an improving economic outlook and expectations of a rebound in industrial output. Benchmark prices in the EU's Emissions Trading System climbed as high as €100.70/ton, taking their gain to 20% since the start of the year.

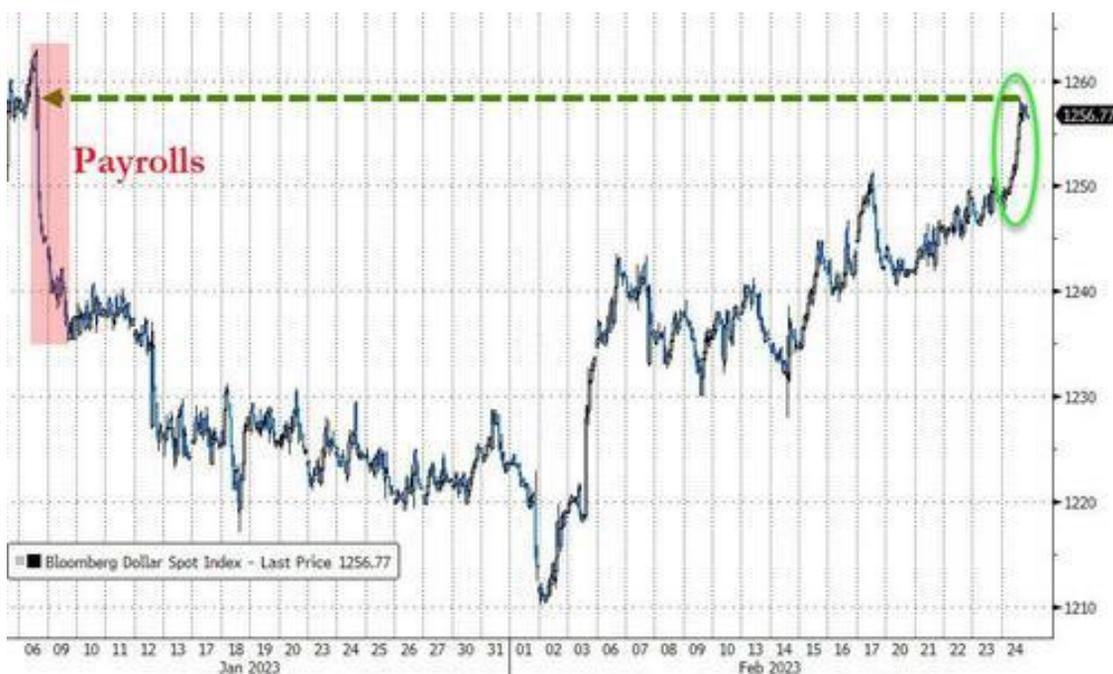


Source: HolgerZ, Bloomberg



## #us-dollar

The dollar ripped higher this week, erasing all the losses since the January payrolls plunge...

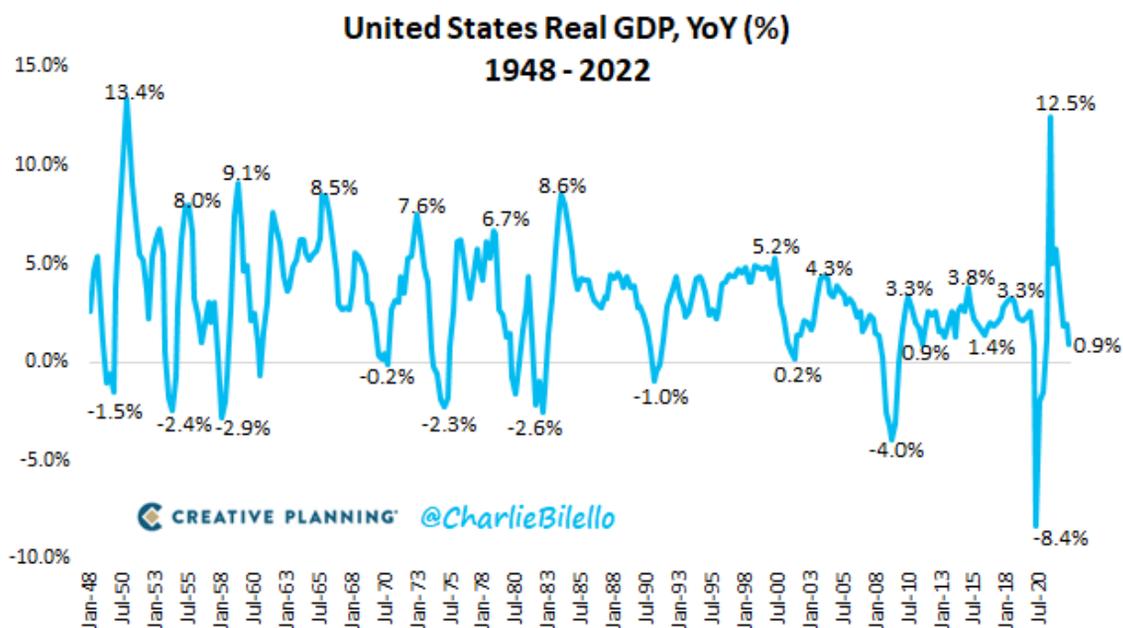


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #us #gdp #2022

US Real GDP increased 0.9% over the last year, the slowest YoY growth rate since Q4 2020.

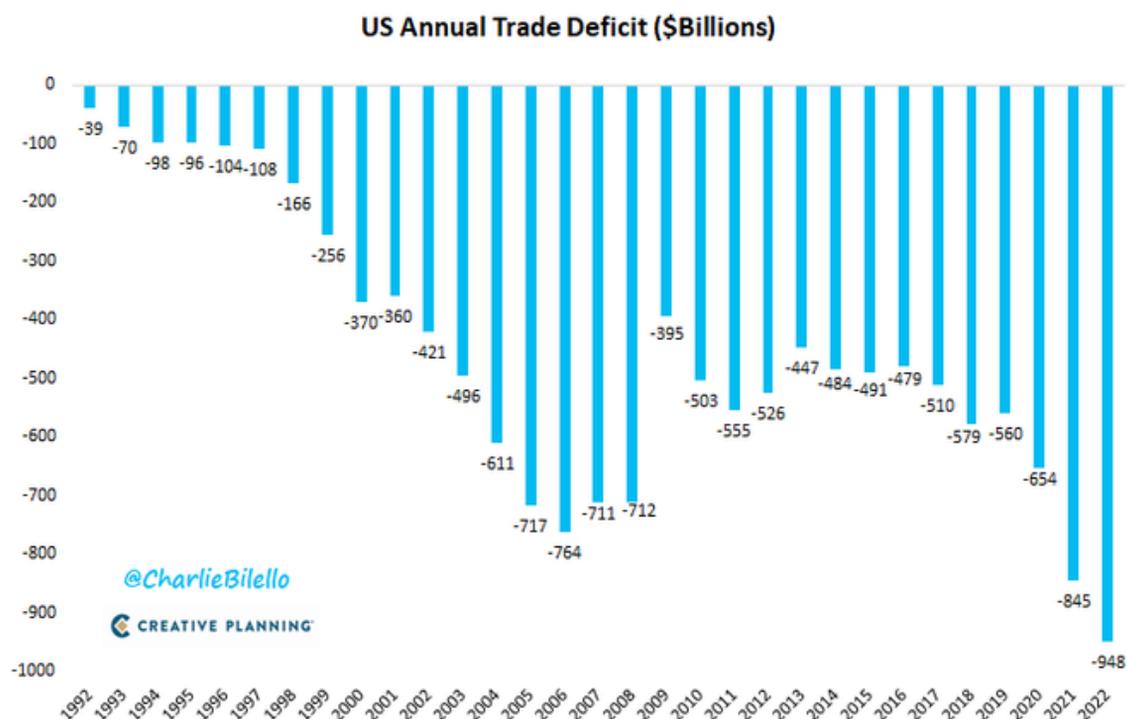


Source: Charlie Bilello



## #us #trade #deficit #2022

The US Trade Deficit totaled \$948 billion in 2022, the largest annual deficit on record...



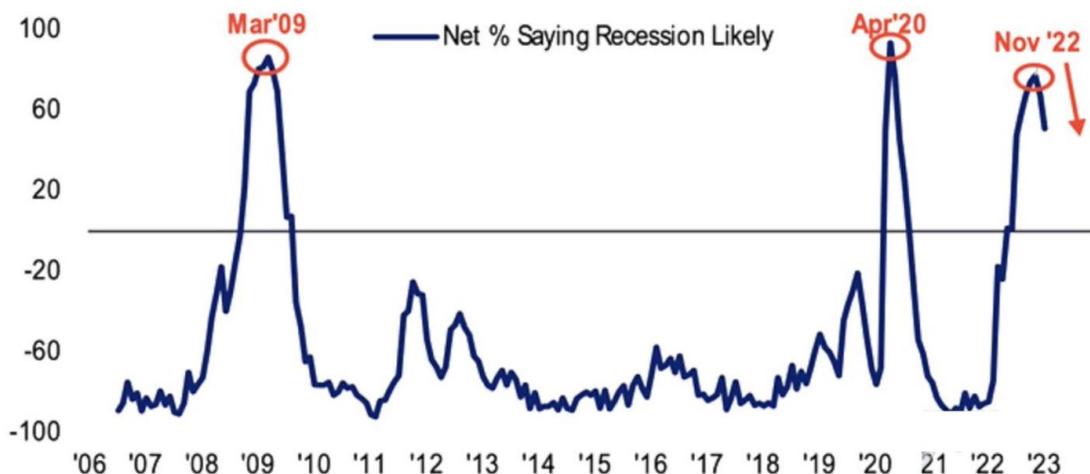
Source: Charlie Bilello

#macro

#us #economy #recession-fears

Are recession fears really behind us?

Recession fears have peaked



Source: BofA Global Fund Manager Survey

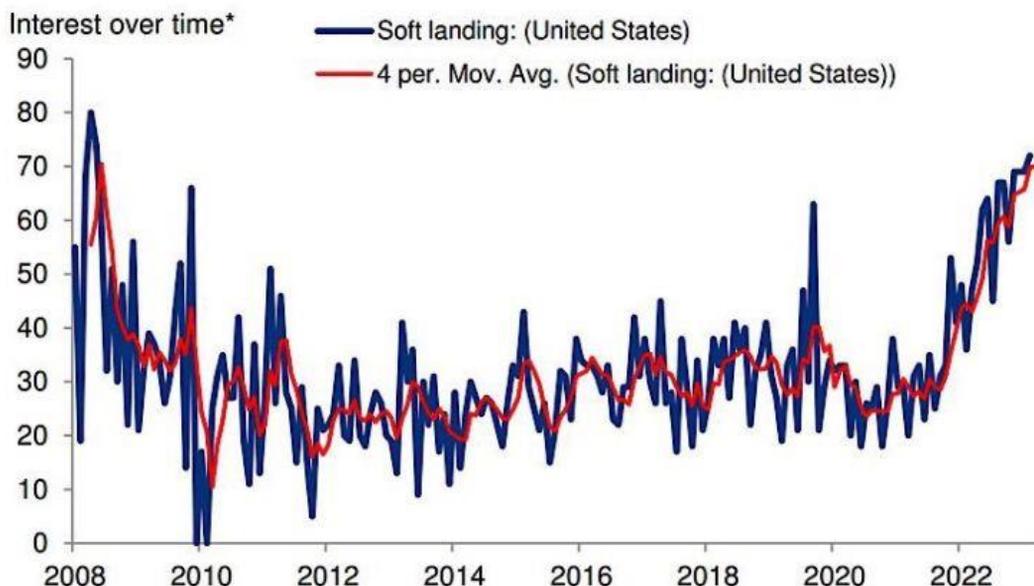
Source: BofA



## #us #economy #soft-landing

Americans do really search on google the term "soft landing". That was also the case in 2008...

Figure 1: Google Trends: Interest over time: search term "Soft landing"



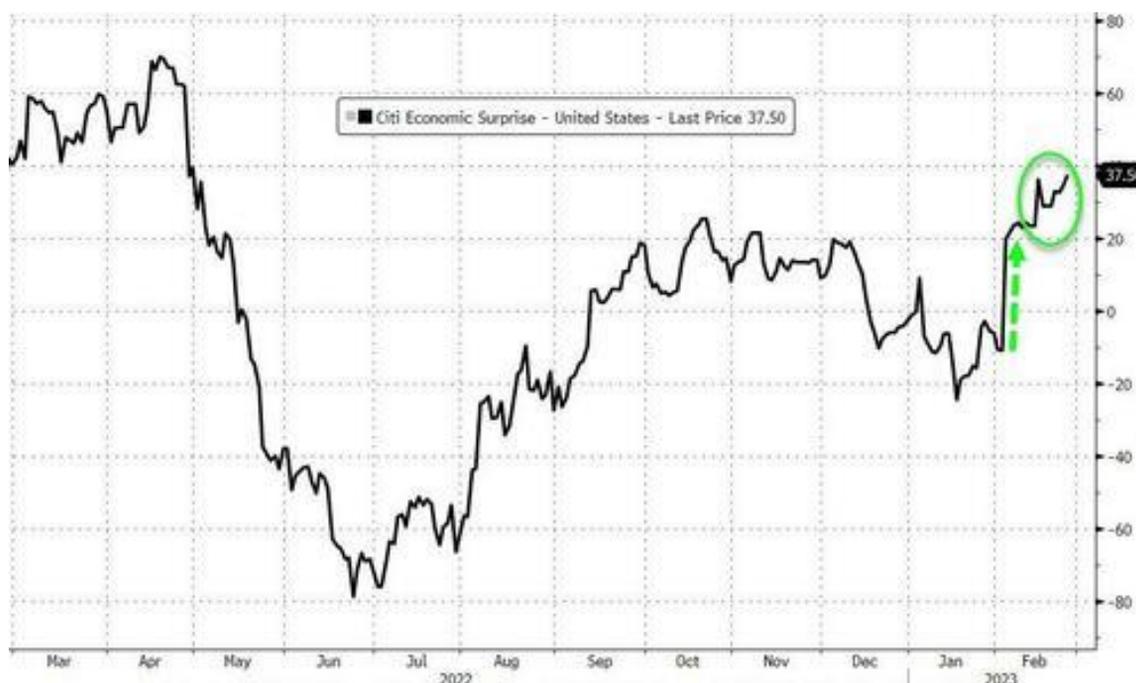
\*Numbers represent search interest relative to the highest point on the chart for the given region and time. A value of 100 is the peak popularity for the term. A value of 50 means that the term is half as popular. A score of 0 means there was not enough data for this term.  
Source : Google Trends, Deutsche Bank

Source: DB

#macro

## #us #economic #surprises

It was a week of hotter than expected data (especially in stickier-than-expected inflation-related data).

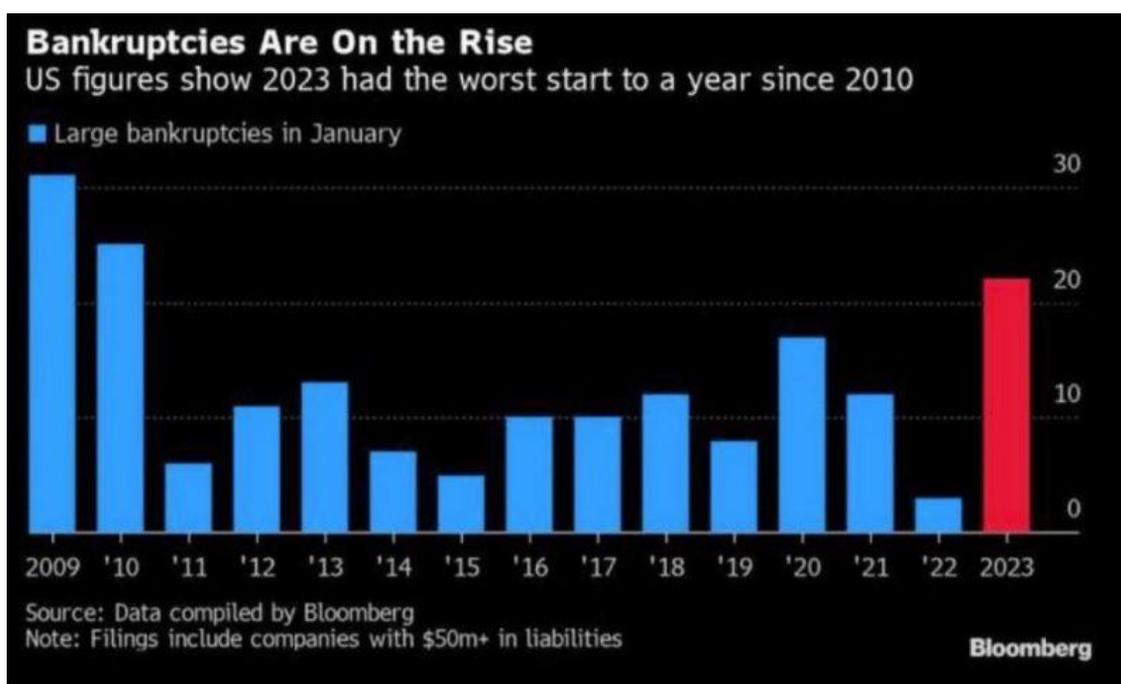


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg

#macro

## #us #bankruptcies

US Large bankruptcies in January touched the highest since 2010.



Source: Bloomberg



## #german #gdp

German economy fared worse than expected in Q4 2022. GDP shrank 0.4% vs previous reading of -0.2%. Private consumption plunges 1% QoQ, cap investment crashed 2.5% QoQ. Public spending rose 0.6% QoQ. Economists predict another negative quarter, would tip Germany into recession.

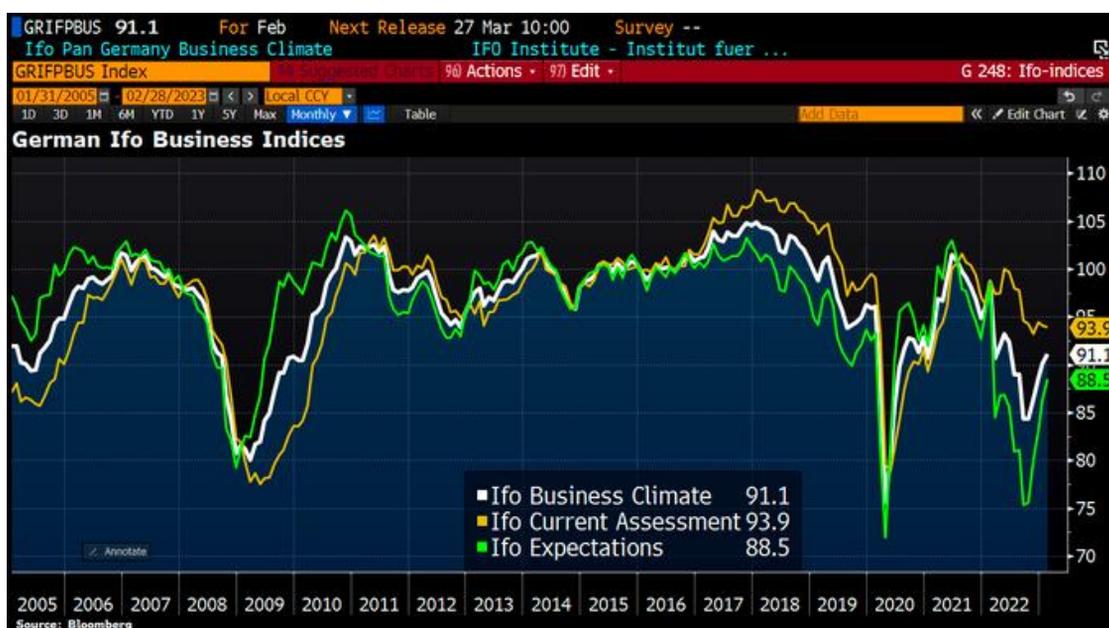


Source: HolgerZ, Bloomberg



## #german #soft #data

Sentiment among German businesses rose for a 5th consecutive month on a brighter outlook BUT less than expected. Ifo Business morale rose to 91.1 in Feb from 90.1 in Jan. Ifo Expectations Index rose to 88.5 vs 88.4 exp. But Ifo Current Assessment Index dropped to 93.5 vs 95 exp.



Source: HolgerZ, Bloomberg



## #german #growth #inflation #forecasts

Better growth, lower inflation... the magic formula so far in 2023...The Bundesbank sees German economy to shrink slightly in 2023 as comps & households started the year on weak footing. Forecast below consensus, which now no longer expects recession & more pessimistic than EU which predicted Germany to eke out 0.2% growth in '23



Source: Bloomberg, HolgerZ

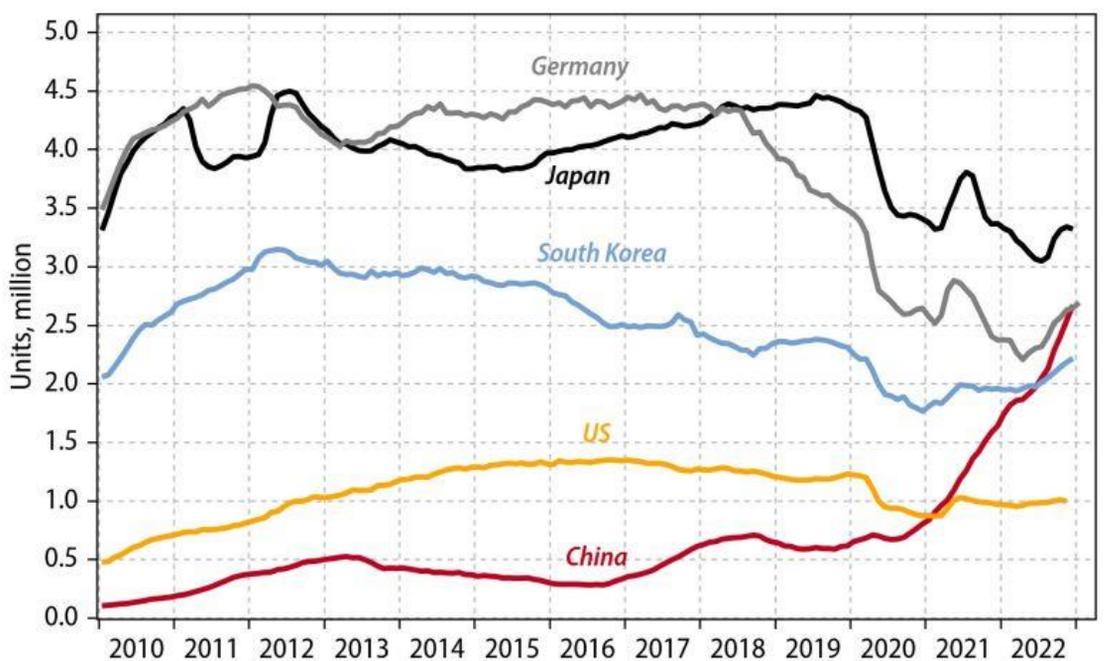


## #germany #china #auto #exports

Probably one of the scariest charts for German economy   
Sources: Gavekal, Michel Arouet

### China has emerged from the pandemic as an auto export powerhouse

Exports of passenger cars; rolling 12m sum



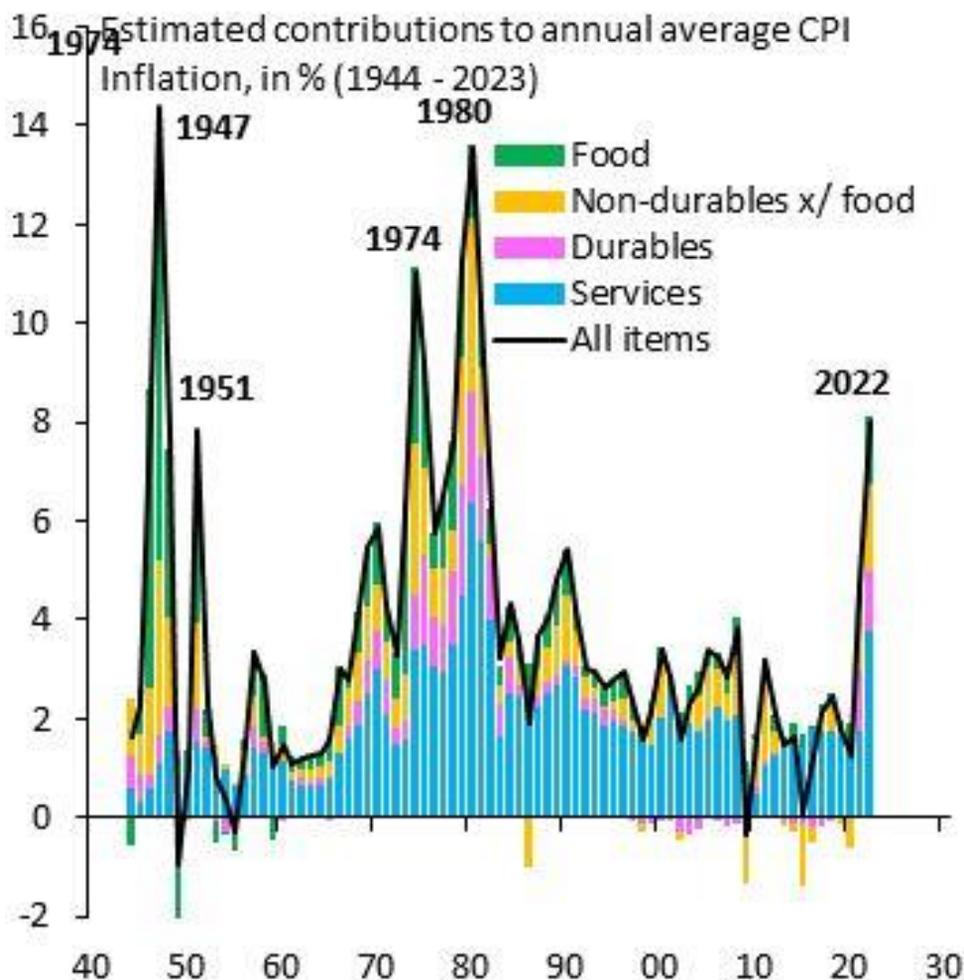
Gavekal Research/Macrobond

Source: Gavekal

#macro

## #global #inflation

Which inflation shock in the US past is most like shock in 2022? Many pick 1947 or 1951. But CPI has shifted to services since then. Contribution of services in 2022 is 46%, just like the 1980 oil shock.





## #us #inflation

US January PCE inflation is too hot to handle for markets. Headline PCE came in +5.3% YoY vs +5% expected. Core wasn't any better, coming in at +4.7% YoY vs +4.3%.

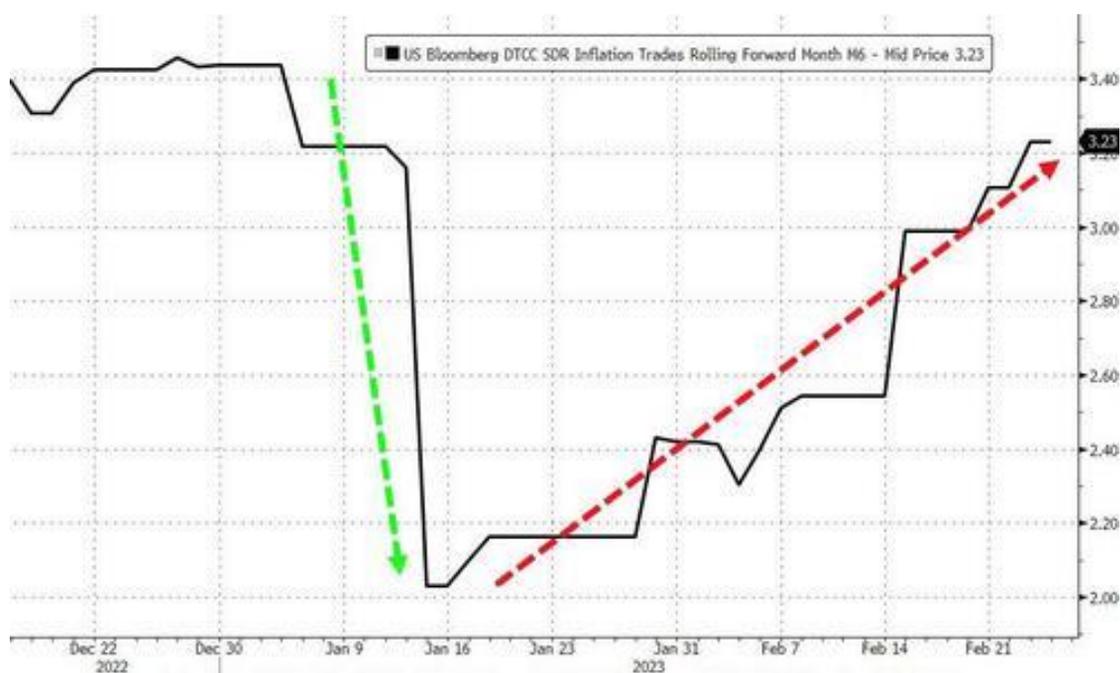


Source: HolgerZ, Bloomberg



## #us #inflation #expectations

US inflation expectations are roaring back to cycle highs as the 'Fed Pivot' narrative receded.

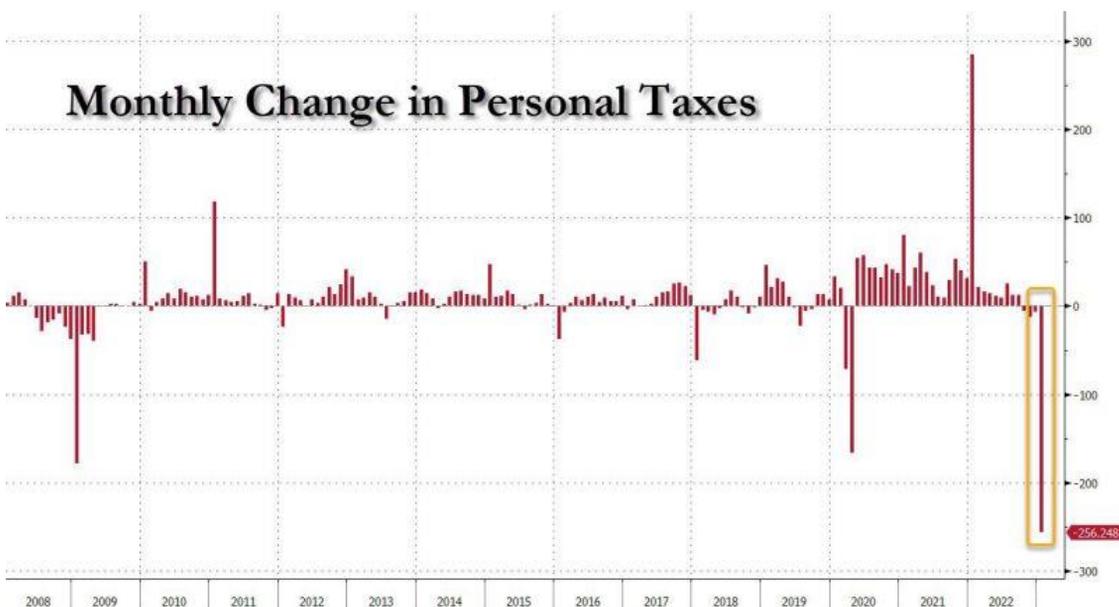


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg



## #us #income #taxes

Is this chart the most important of the week? The biggest US tax drop in history could be the main reason behind the surge in January spending and #inflation. The \$256BN tax drop in January was the biggest in history, surpassing the plunge from the March 2020 covid crash and the January 2009 Global Financial Crisis crash! According to JP Morgan, underlying data no longer makes any sense, so Friday's personal income/spending data should be taken with a giant grain of salt.



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

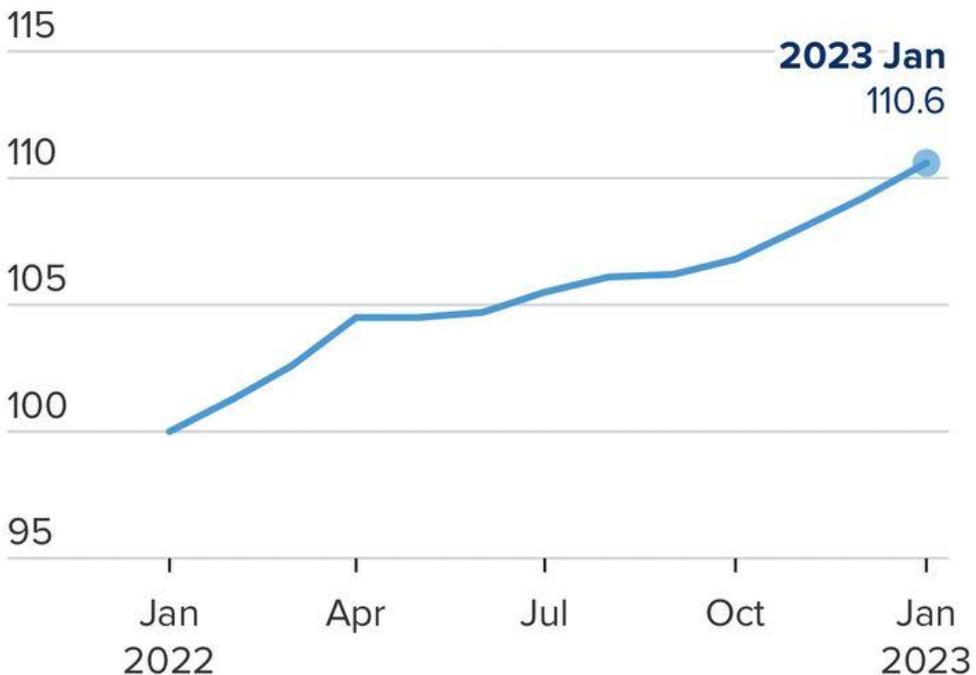
#macro

## #storage #costs

We've gone from a supply-chain crisis (not enough goods or shipping containers) to a new supply-chain problem: too MANY goods, not enough warehouses.

### U.S. storage prices are up more than 10% from a year ago

WarehouseQuote's Warehouse Pricing Index



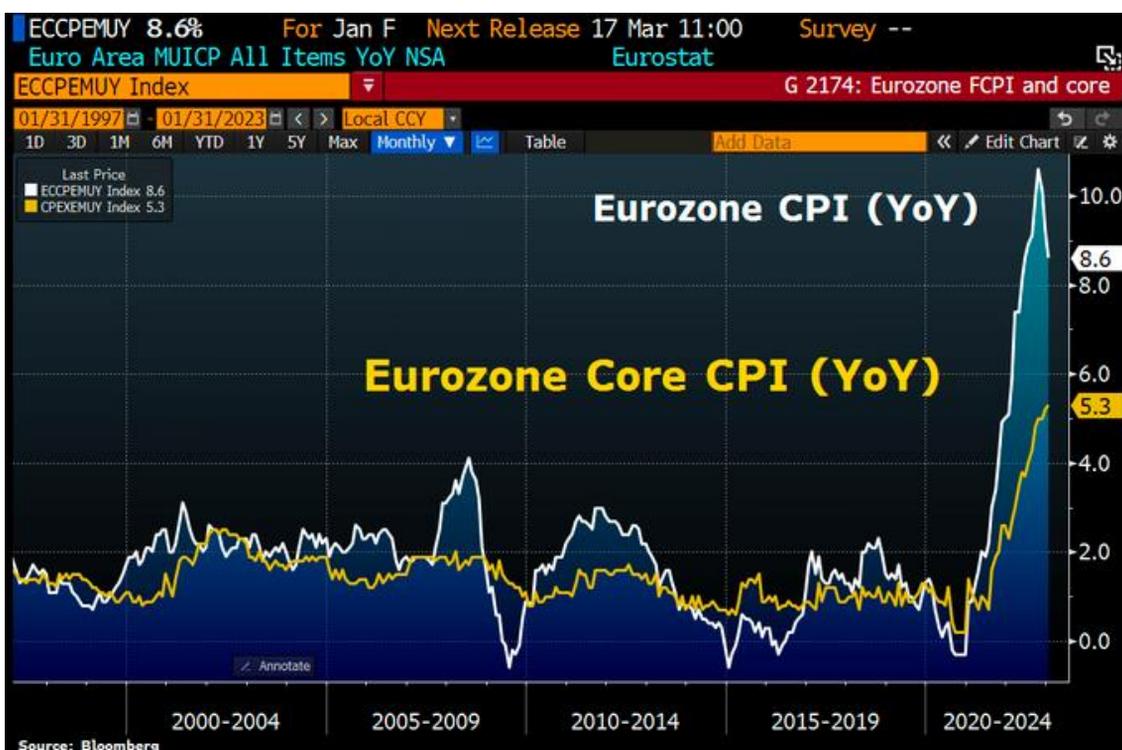
Note: January 2022 = 100

Source: CNBC

#macro

## #eurozone #inflation

Eurozone inflation for January tops earlier estimate. CPI rose 8.6% in Jan YoY, up from 8.5% increase previously estimated. Core CPI, which strips out volatile categories, was 5.3%, up from preliminary estimate of 5.2% and fresh ATH. Core gives ECB hawks new fuel for more hikes.



Source: Bloomberg, HolgerZ



## #german #food #inflation

Germany supermarket inflation remains elevated. German Food CPI jumped 20.2% YoY in Jan. Following the rebalancing of the basket of goods by German Statistics Office, food now has a higher weight in inflation rate. Share rose by 2ppts from 8.5% to 10.5%.



Source: HolgerZ, Bloomberg

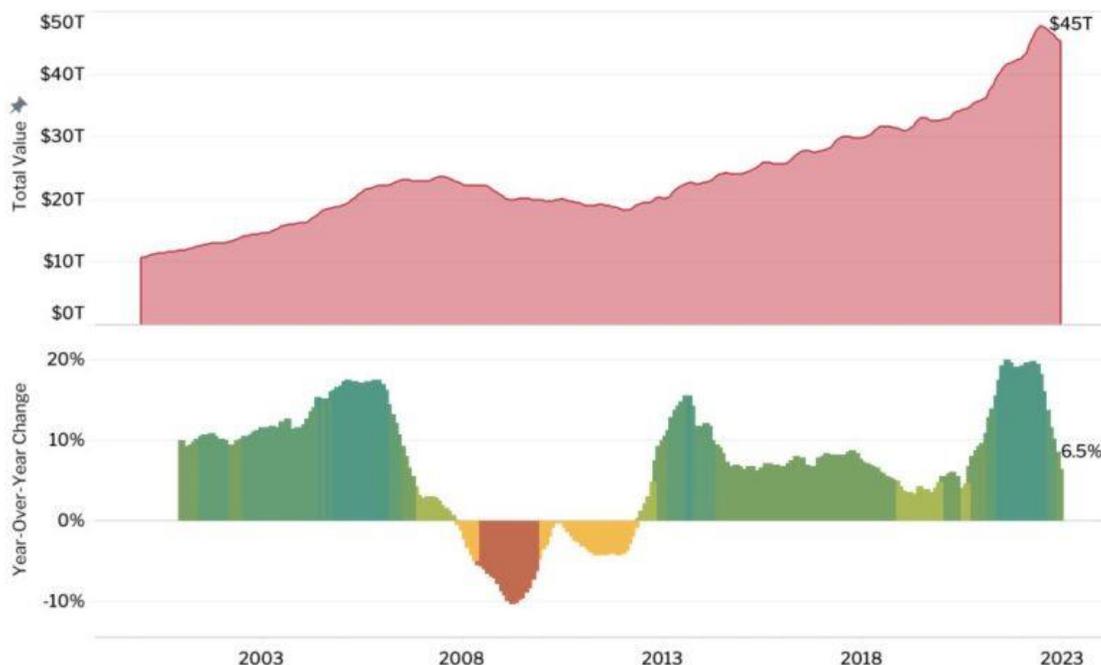


## #us #housing

The US housing market is already down \$2.3 Trillion in Value since its record high in June 2022... Total value of U.S. homes was \$45.3 trillion at end of 2022, down 4.9% (\$2.3 trillion) from record high of \$47.7 trillion in June ... largest June-December drop since 2008 ... y/y change in value as of December was +6.5% (smallest since August 2020)

### U.S. Housing Market Loses \$2.3 Trillion in Value

Total value of U.S. residential real estate and year-over-year change



Source: Redfin Home Value Estimates across more than 99 million properties; most recent value represents December 2022



Source: RedFin, Liz Ann Sonders





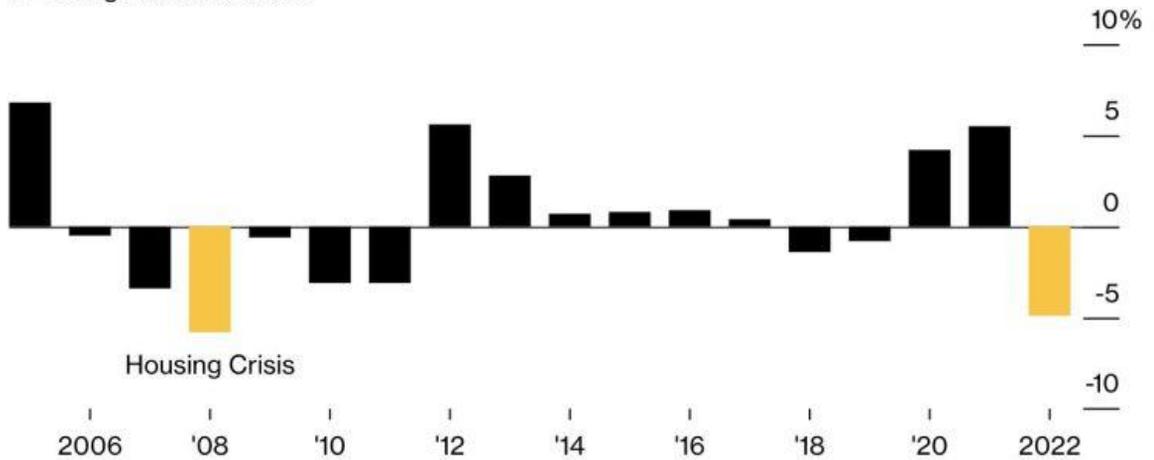
## #us #housing

The value of the US housing market shrunk by the most since 2008.

### US Housing Market Hit with Biggest Six-Month Wipeout Since 2008

The total value of US homes declined by \$2.3 trillion in 2022

■ Change in Home Value



Source: Redfin

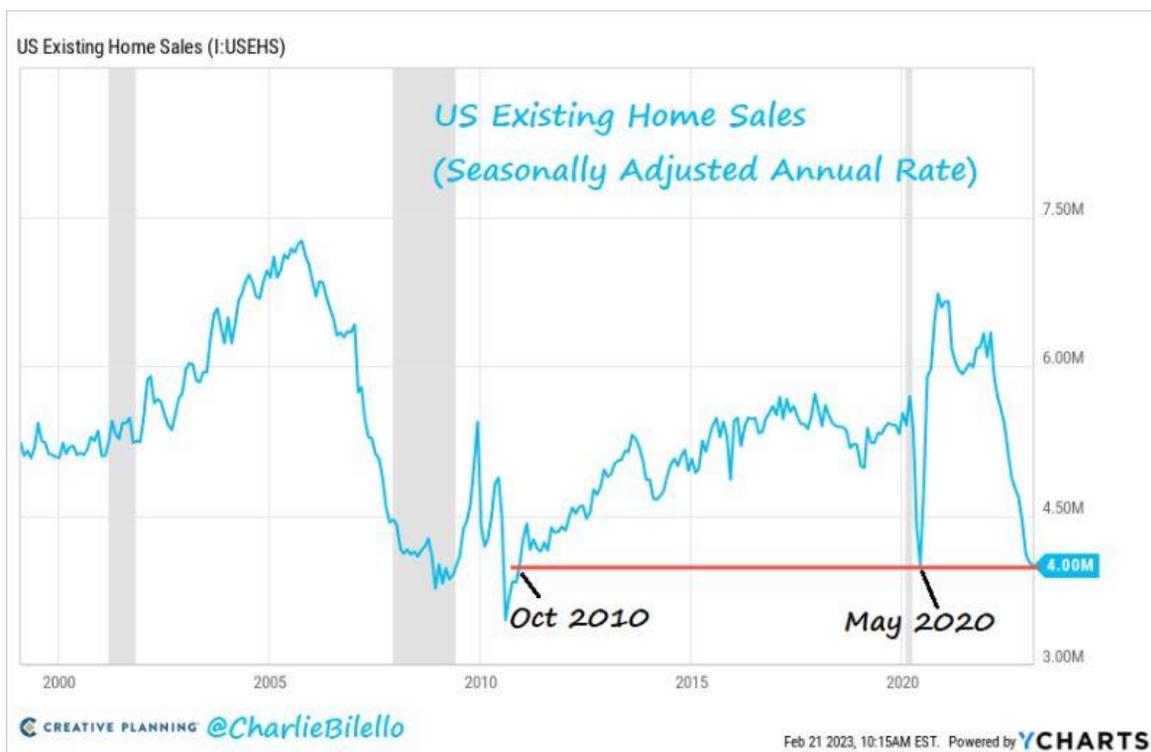
Note: Data includes percentage change in home value from June to December

Source: Bloomberg



## #us #housing

US Existing Home Sales fell for the 12th consecutive month to their lowest level since October 2010 . The 37% year-over-year decline was the largest on record.

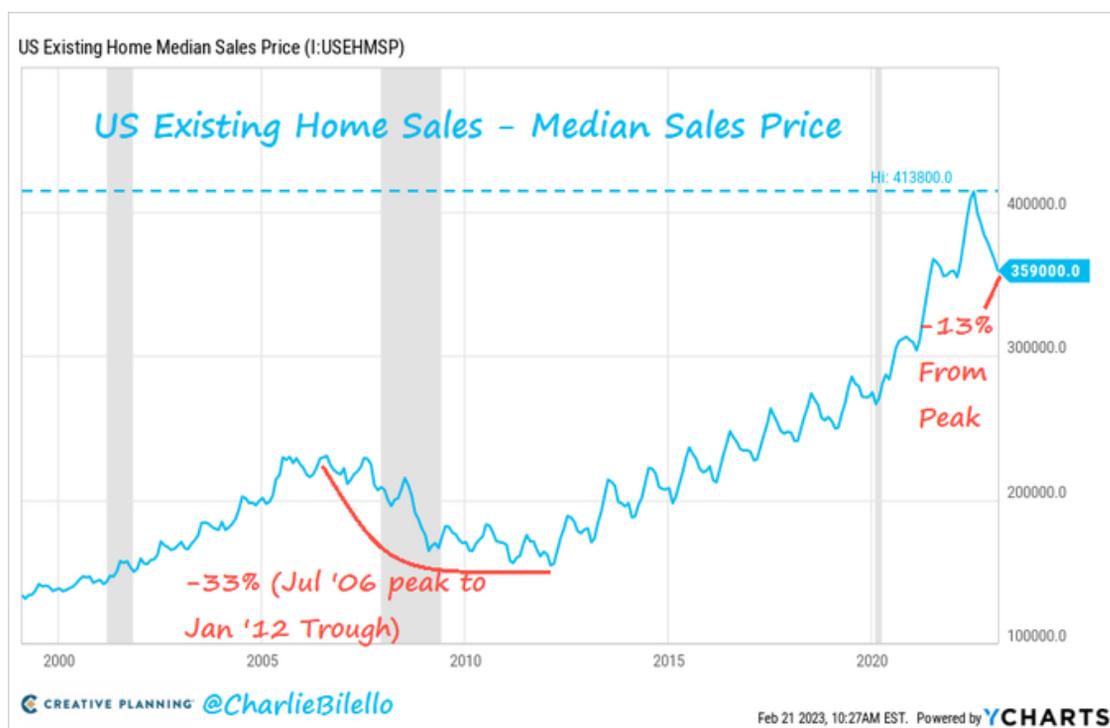


Source: Charlie Bilello



## #us #housing

The median existing home sale price is down 13% from its peak. After the last housing bubble top, prices fell 33%. The same decline today would only bring prices back to Feb '20 levels, a reflection of the mania in the last phase of the current bubble: a 40% increase in 2 years.



Source: Charlie Biello

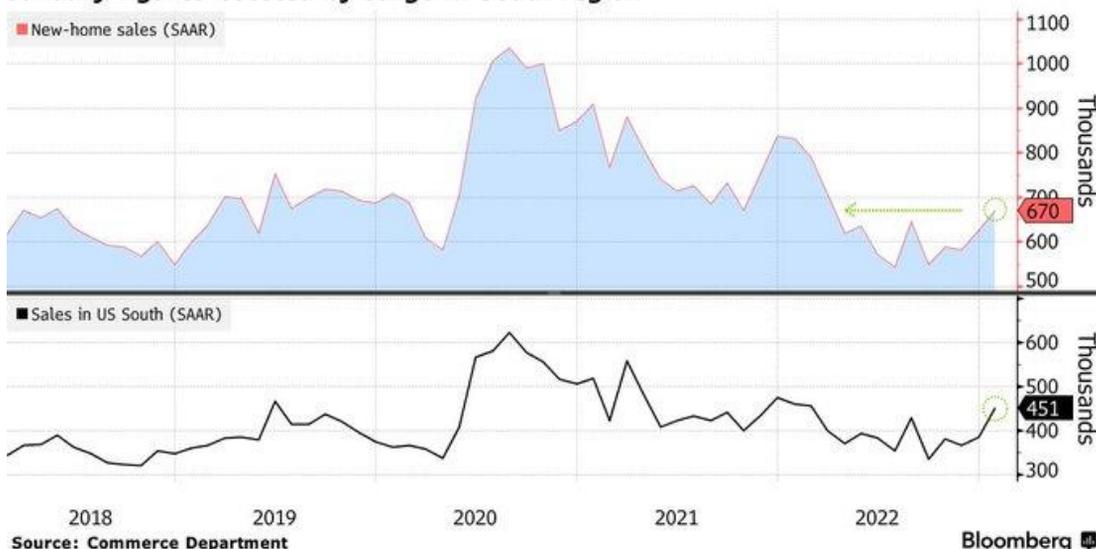




## #us #housing

US New-Home sales climb to highest level in almost a year.

### US New-Home Sales Rise to Nearly One-Year High January figures boosted by surge in South region



Source: Bloomberg



## #german #housing

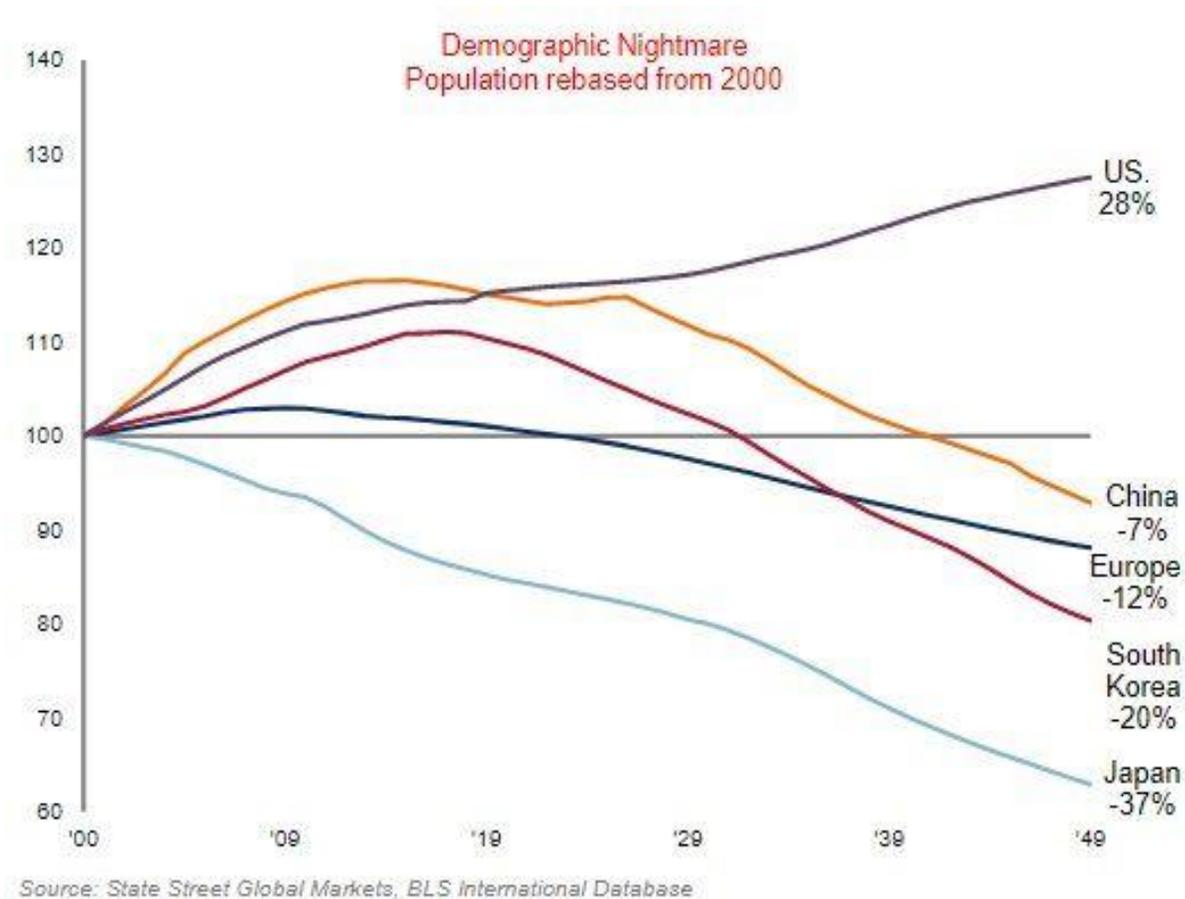
The ECB has unleashed gravitational forces on German housing market. Europace House Price Index (Existing Homes) falls in tandem with ECB balance sheet. House prices dropped 12% from top. Only the prices of new buildings can still escape gravitational forces.



Source: HolgerZ, Bloomberg

#macro

## #global #demographics



Source: Source: Michel Arouet



## #global #debt

The value of global debt has declined by \$4tn to <\$300tn in 2022, helped by stronger #growth & inflation. Debt in mature markets declined for 1st time since 2015, notably in Europe & Japan. US bucking trend as debt rose amidst rebound in corporate borrowing. Global debt/GDP fell again in 2022.

**Chart 1: Global debt-to-GDP dropped for the second year in a row, mainly in mature markets**



Source: IIF; \*dashed line shows the trendline implied by the pre-COVID period



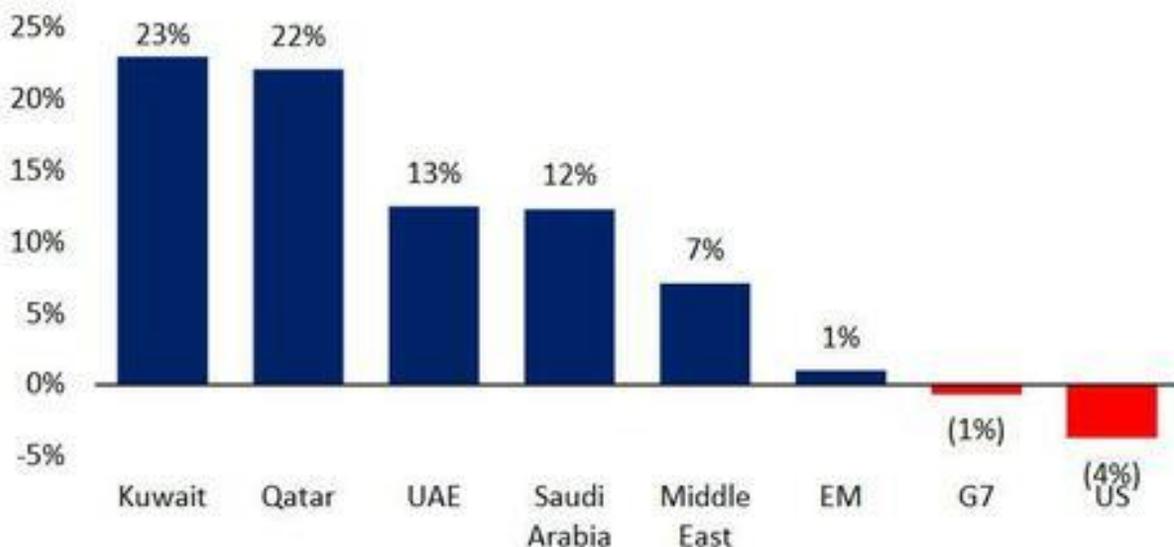
Source: Bloomberg, HolgerZ



## #oil #exporters #current-accounts

The best government balance sheets in world are now those belonging to oil-exporting Gulf economies which according to the BofA strategist are the "biggest winners from war, transition to net zero, energy crisis; current account surplus of Gulf Cooperation Council (GCC) is 15% GDP today vs 4% for US and -1% for G7. Hence launch of 1st Middle East US\$ Bond ETF (ticker TGCC, yielding 5.4%)."

**Chart 2: Oil-exporting economies big winners from energy crisis**  
Current account balance as % of GDP



Source: BofA Global Investment Strategy, Bloomberg, IMF, Latest available data. As of Q3-22 for US and G7 economies.

BoFA GLOBAL RESEARCH

Source: BofA



#centralbanks

## #global #rates

Global Central Bank Update: New Zealand hikes rates for the 10th time, 50 bps increase to 4.75%, signals more hikes ahead.

Global Central Bank Policy Rates						
Country	Rate	Central Bank Rate (Today)	CPI YoY	Real Central Bank Rate	Last Move	Last Move Month
Japan	Policy Rate Bal	-0.10%	4.0%	-4.1%	Cut	Jan-16
Switzerland	Target Rate	1.00%	3.3%	-2.3%	Hike	Dec-22
Thailand	Policy Rate	1.50%	5.0%	-3.5%	Hike	Jan-23
Taiwan	Discount Rate	1.75%	3.0%	-1.3%	Hike	Dec-22
Denmark	Deposit Rate	2.10%	7.7%	-5.6%	Hike	Feb-23
Eurozone	Deposit Rate	2.50%	8.5%	-6.0%	Hike	Feb-23
Norway	Deposit Rate	2.75%	7.0%	-4.3%	Hike	Dec-22
Malaysia	Policy Rate	2.75%	3.8%	-1.1%	Hike	Nov-22
Sweden	Repo Rate	3.00%	11.7%	-8.7%	Hike	Feb-23
Australia	Cash Rate	3.35%	8.4%	-5.1%	Hike	Feb-23
South Korea	Repo Rate	3.50%	5.2%	-1.7%	Hike	Jan-23
China	Loan Prime Rate	3.65%	2.1%	1.6%	Cut	Aug-22
UK	Bank Rate	4.00%	10.1%	-6.1%	Hike	Feb-23
Canada	Overnight	4.50%	5.9%	-1.4%	Hike	Jan-23
US	Fed Funds	4.63%	6.4%	-1.8%	Hike	Feb-23
<b>New Zealand</b>	<b>Cash Rate</b>	<b>4.75%</b>	<b>7.2%</b>	<b>-2.5%</b>	<b>Hike</b>	<b>Feb-23</b>
Hong Kong	Base Rate	5.00%	2.0%	3.0%	Hike	Feb-23
Saudi Arabia	Repo Rate	5.25%	3.4%	1.9%	Hike	Feb-23
Indonesia	Repo Rate	5.75%	5.3%	0.5%	Hike	Jan-23
Philippines	Key Policy Rate	6.00%	8.7%	-2.7%	Hike	Feb-23
India	Repo Rate	6.50%	6.5%	0.0%	Hike	Feb-23
Poland	Repo Rate	6.75%	17.2%	-10.5%	Hike	Sep-22
Czech Republic	Repo Rate	7.00%	17.5%	-10.5%	Hike	Jun-22
South Africa	Repo Rate	7.25%	6.9%	0.3%	Hike	Jan-23
Russia	Key Policy Rate	7.50%	11.8%	-4.3%	Cut	Sep-22
Peru	Policy Rate	7.75%	8.7%	-0.9%	Hike	Jan-23
Turkey	Repo Rate	9.00%	57.7%	-48.7%	Cut	Nov-22
Mexico	Overnight Rate	11.00%	7.9%	3.1%	Hike	Feb-23
Chile	Base Rate	11.25%	12.3%	-1.1%	Hike	Oct-22
Colombia	Repo Rate	12.75%	13.3%	-0.5%	Hike	Jan-23
Brazil	Target Rate	13.75%	5.8%	8.0%	Hike	Aug-22
Argentina	Benchmark Rate	75.00%	98.8%	-23.8%	Hike	Sep-22

CREATIVE PLANNING

@CharlieBilello

Data as of 2/22/23

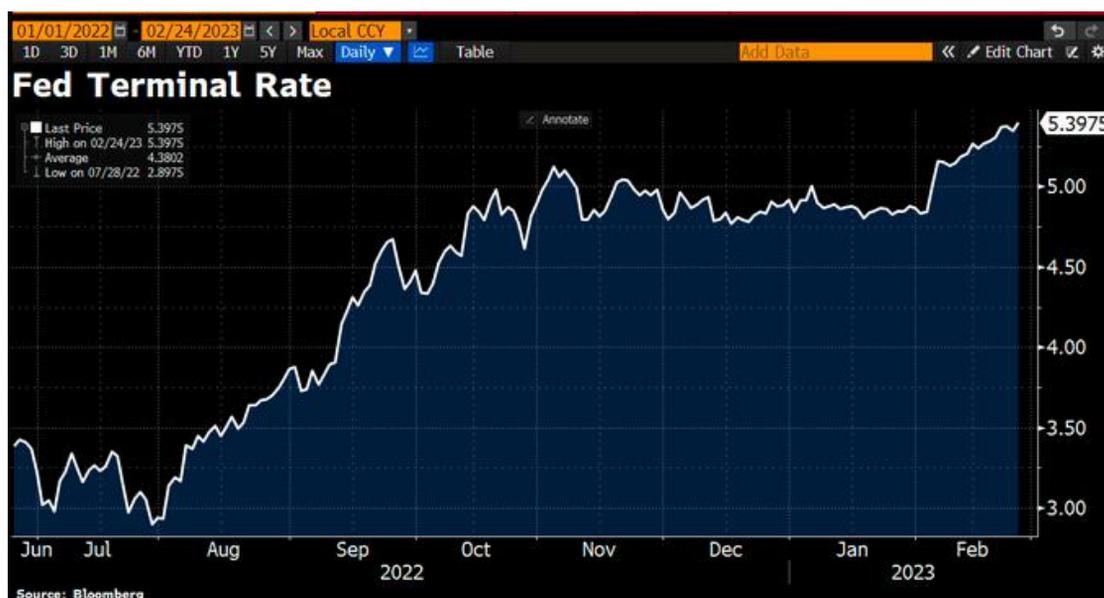


Source: Charlie Bilello

#centralbanks

## #fed #terminal-rate #expectations

This is the chart that is rattling the markets: Fed Terminal Rate has climbed 50bps year-to-date and keeps rising!

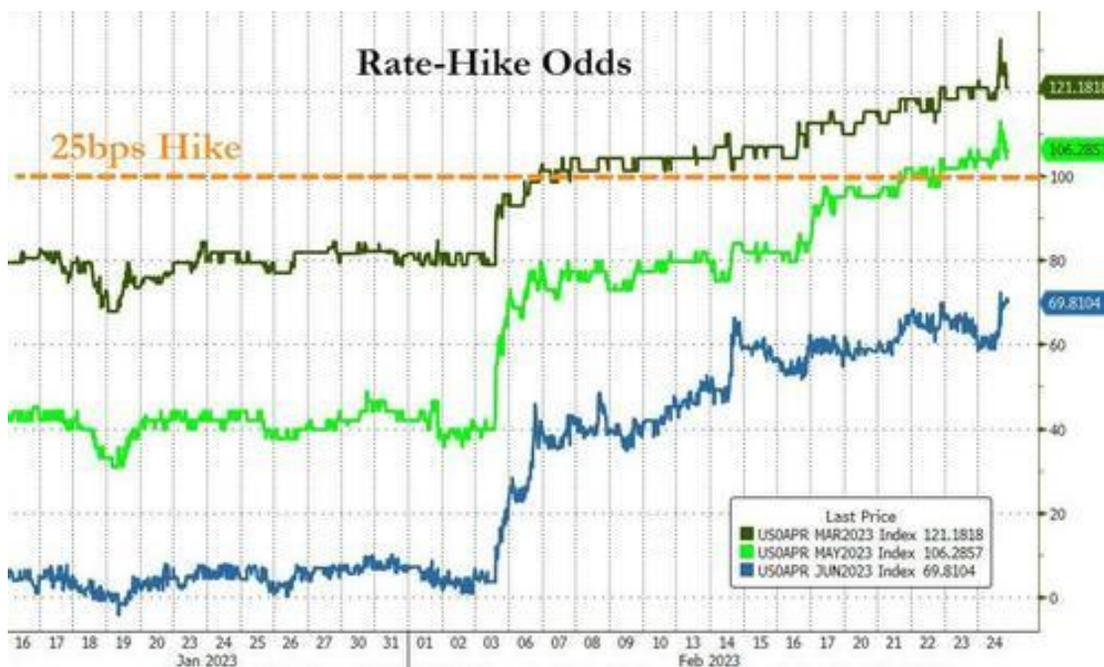


Source: Bloomberg, [www.zerohedge.com](http://www.zerohedge.com)

#centralbanks

## #us #rates #expectations

Rate-hike odds for March, May, and June all surged hawkishly this week with March now pricing in a 20-25% chance of a 50bps hike (and May fully pricing in a 25bps hike)...

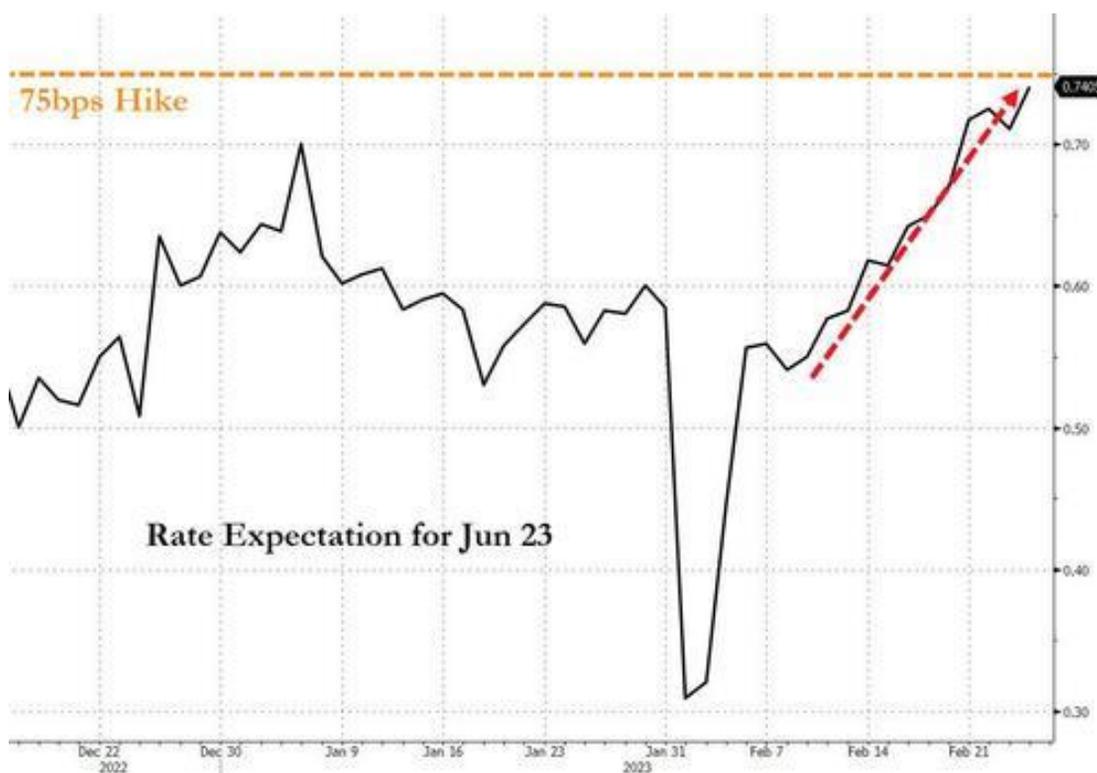


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg

#centralbanks

## #us #rates #expectations

The market is fully pricing in 75bps of hikes in the next 3 FOMC meetings.



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

#centralbanks

## #ecb

Investors increase bets on ECB lifting rates to all-time high.



Source: FT

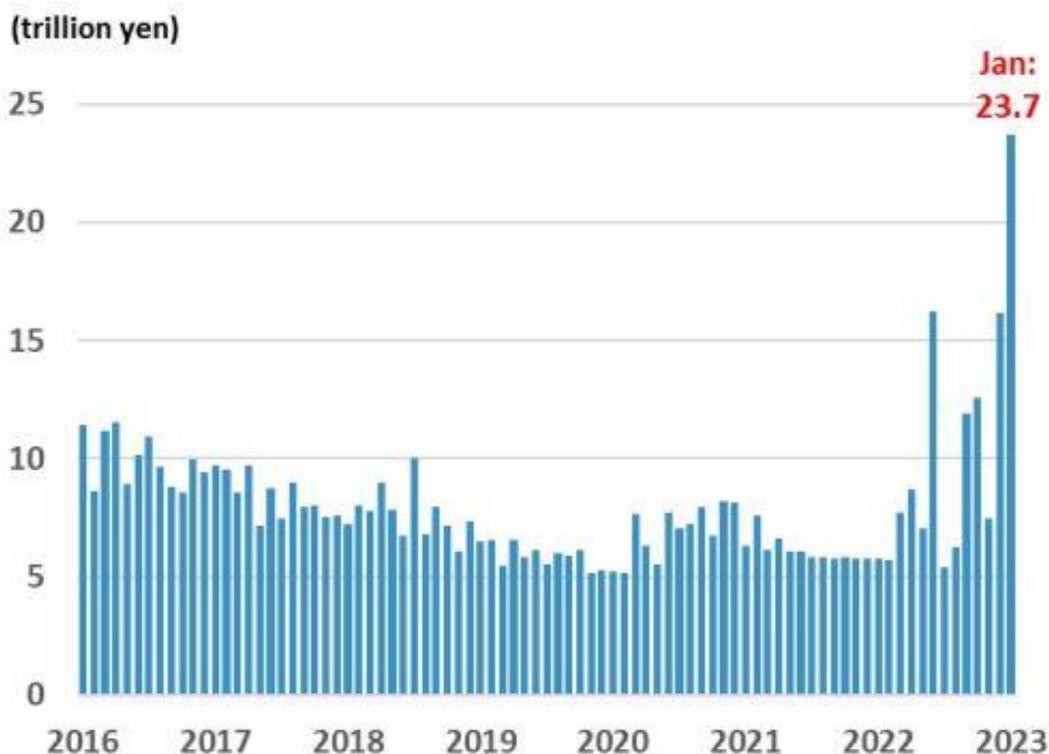
#centralbanks

#boj #jgbs

Japanese central bank purchases marks a new record high in January.

Fig. 2: BoJ's JGB purchases marked a record high in January

BoJ's monthly JGB purchase (trillion yen)



Source: BoJ, UBS

Source: BoJ, UBS

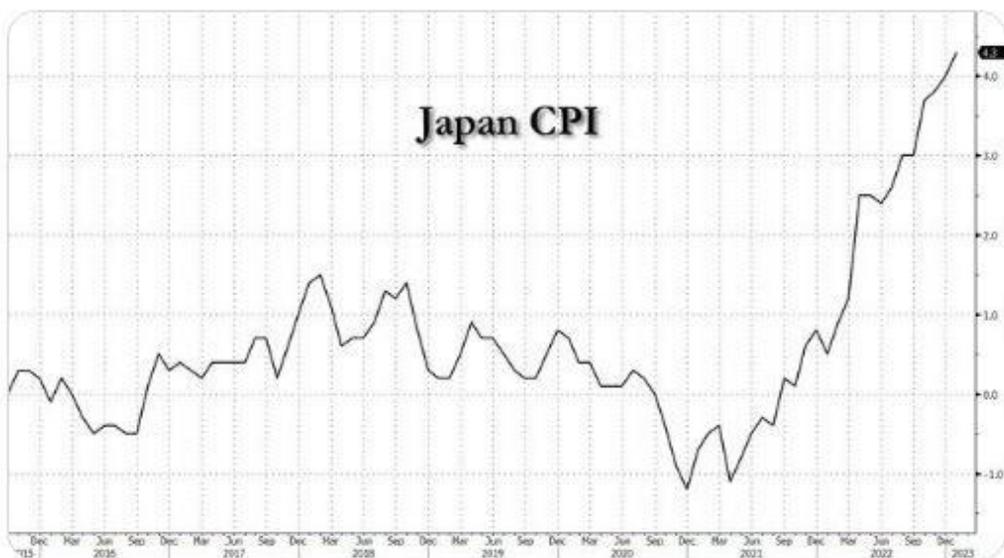
#centralbanks

#boj #yield-curve-control

BOJ incoming governor Ueda made some strange comments on Friday morning. Kazuo Ueda said it was appropriate to maintain an ultra-loose #monetarypolicy. Ueda, who was nominated earlier this month in a surprise move, warned that uncertainties regarding #japan’s economic recovery remained “very high,” warranting the BOJ maintaining its ultra-loose monetary policy. The hearing comes as Japan’s core consumer inflation hit a fresh 41-year high in January, according to data on Friday, putting renewed pressure on the central bank to phase out its massive stimulus program.

\*UEDA: BOJ WILL STOP MASSIVE BOND BUYING IF 2% TARGET MET

So... the BOJ will keep doing QE until inflation drops from 4.3% to 2%?

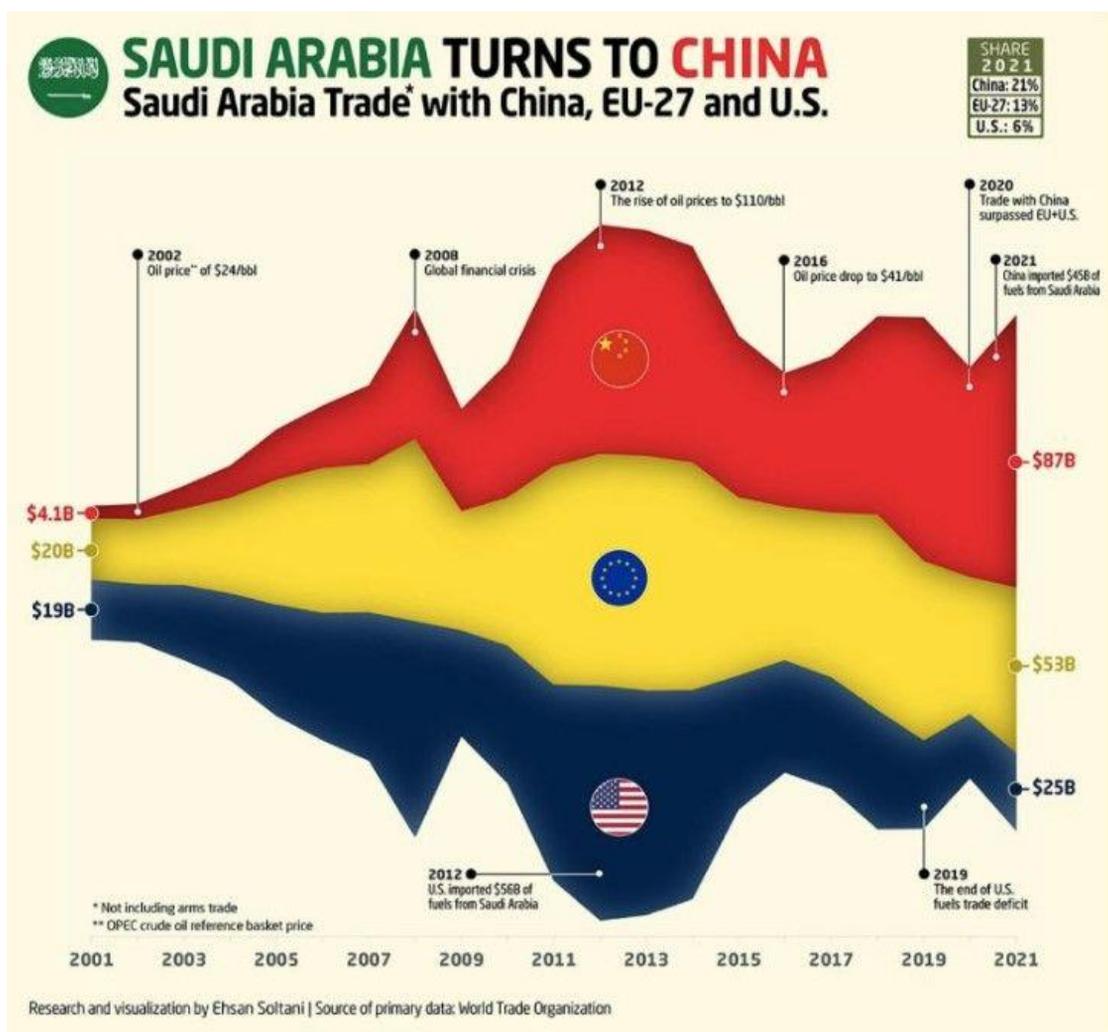


Source: [www.zerohedge.com](http://www.zerohedge.com), Bloomberg

#geopolitics

#saudiarabia #china #trade

How China Became Saudi Arabia’s Largest Trading Partner. Over the past two decades, the economic presence of China has been growing significantly around the world.



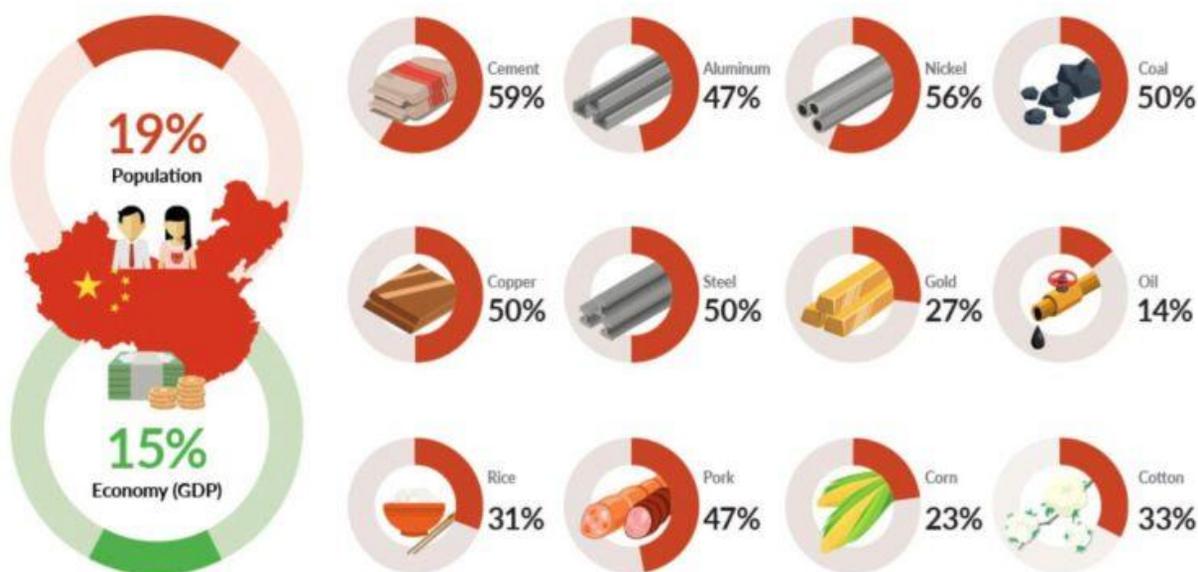
Source: The Visual Capitalist

#geopolitics

#china #commodities #demand

### CHINA'S STAGGERING DEMAND FOR COMMODITIES

Half or more of all steel, copper, coal, nickel, and cement goes there



Source: Statista, MC Group, Global X Funds, World Steel Association, World Gold Council, China Gold Association, NAB, OECD, Enerdata, USDA

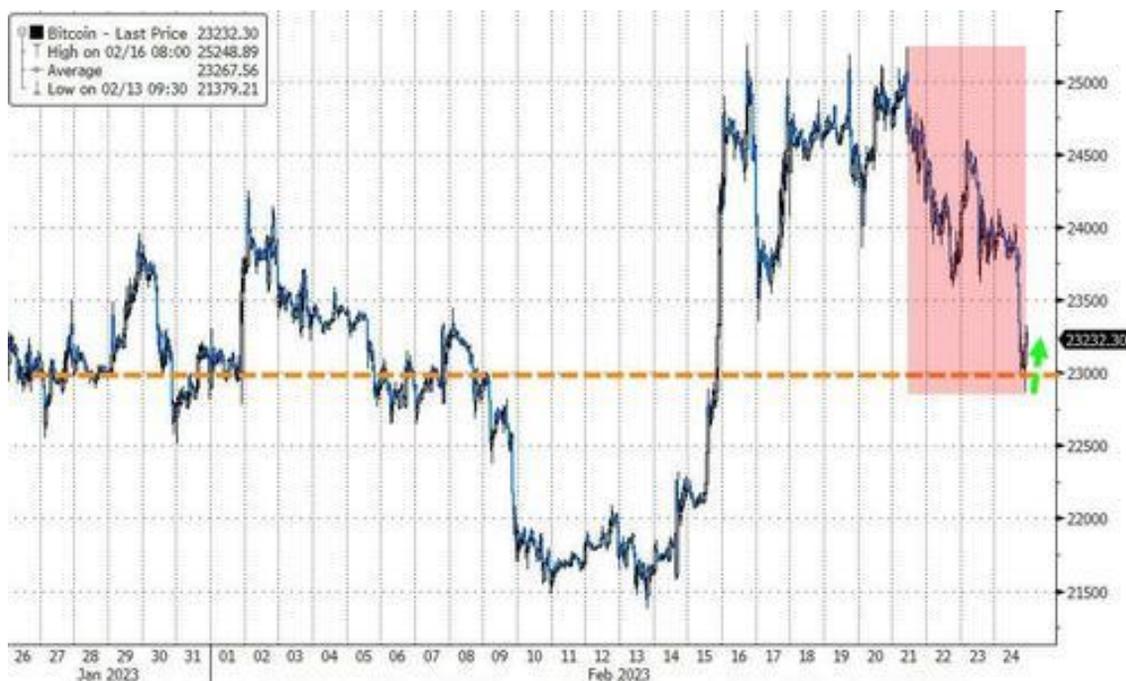


Source: The Visual Capitalist



## #bitcoin #weekly

Bitcoin battled away around \$23k again but ended with the worst week since November.



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



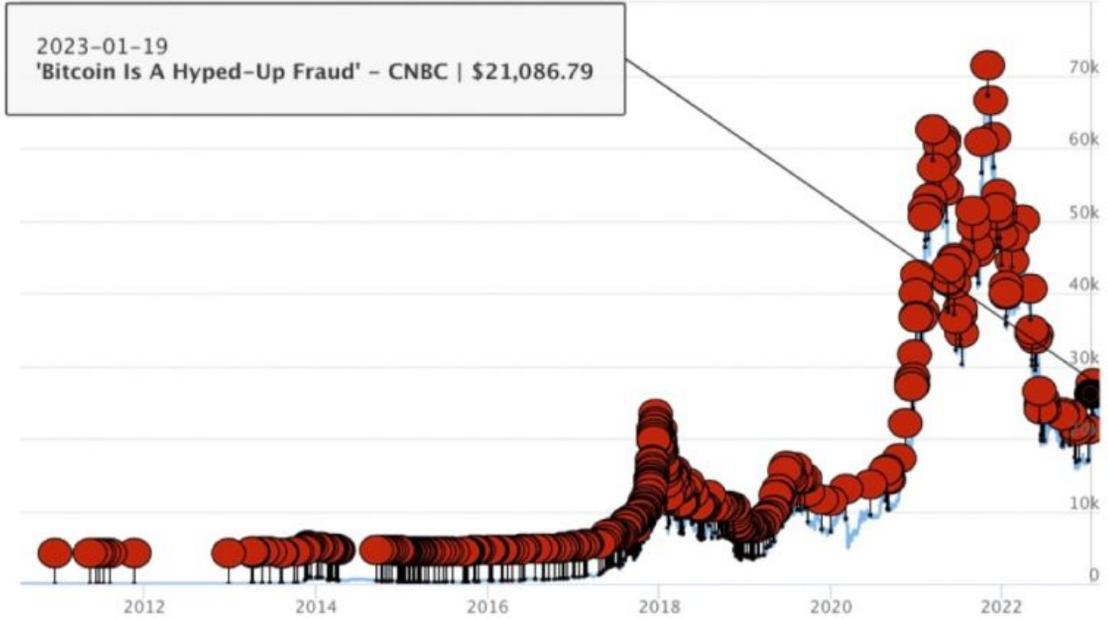
## #bitcoin #history

### Bitcoin has died 471 times

What qualifies as an obituary

Submit an Obituary

Zoom 1m 3m 6m YTD 1y All



Source: Loic Staub

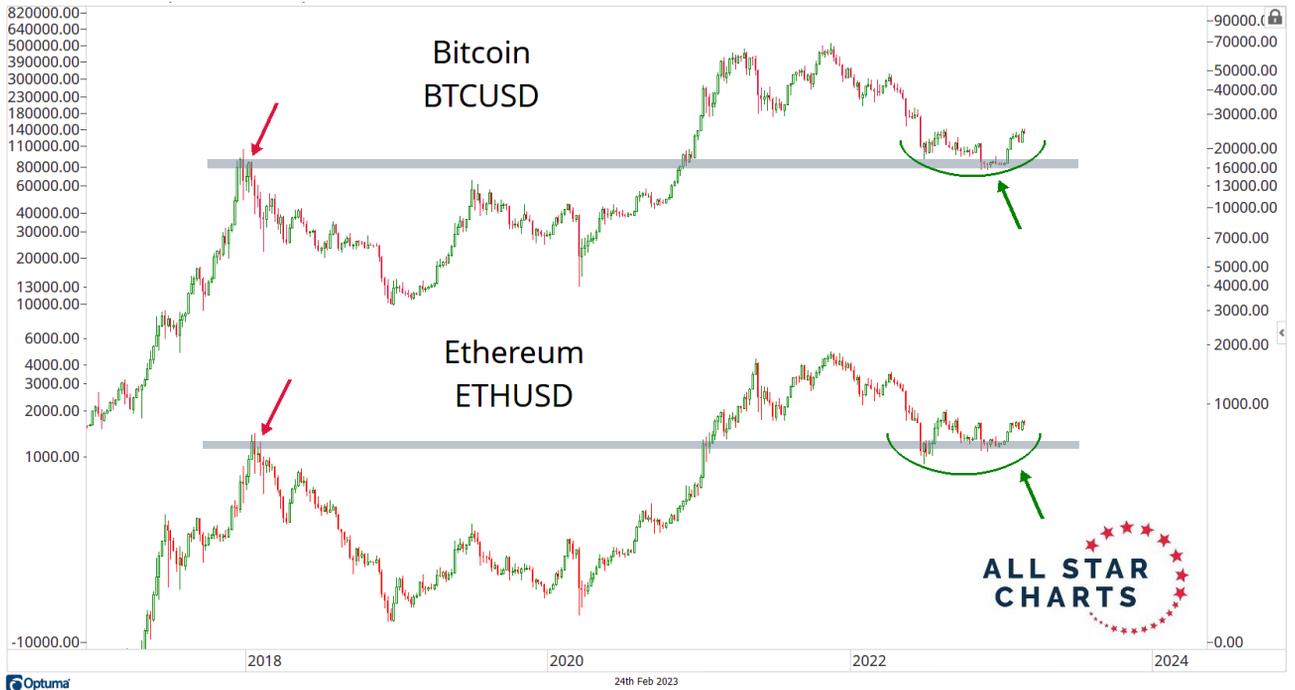
# #GLOBALMARKETS WEEKLY WRAP-UP

Hand-curated selection of the best charts & news flow

25 FEBRUARY 2023



## #bitcoin #ethereum #technicals



Source: J-C Parets



#crypto #adoption

# German DZ Bank adds digital currencies to asset management services

German asset manager DZ Bank collaborated with Swiss technology firm Metaco to add digital asset management into its services.

2908 Total views    41 Total shares    Listen to article    2:12

COINTELEGRAPH    NEWS

Own this piece of history    Collect this article as an NFT >

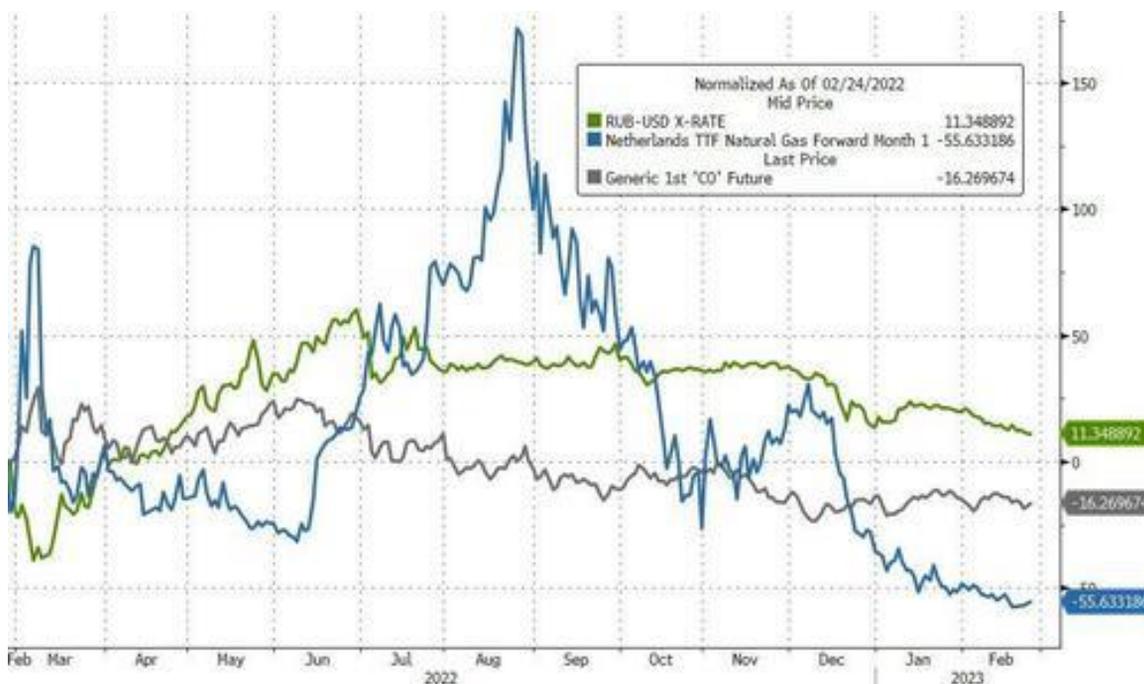
Source: [www.cointelegraph.com](http://www.cointelegraph.com)



#food-for-thought

#war #returns

A year after the invasion: Rubble is up +11% against \$, Brent Crude is down 16% and EU Natural Gas has crashed 55%...  
Not sure many would have bet on that series of outcomes a year ago.



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

#food-for-thought

#fed #humour



Source: Hedgeye

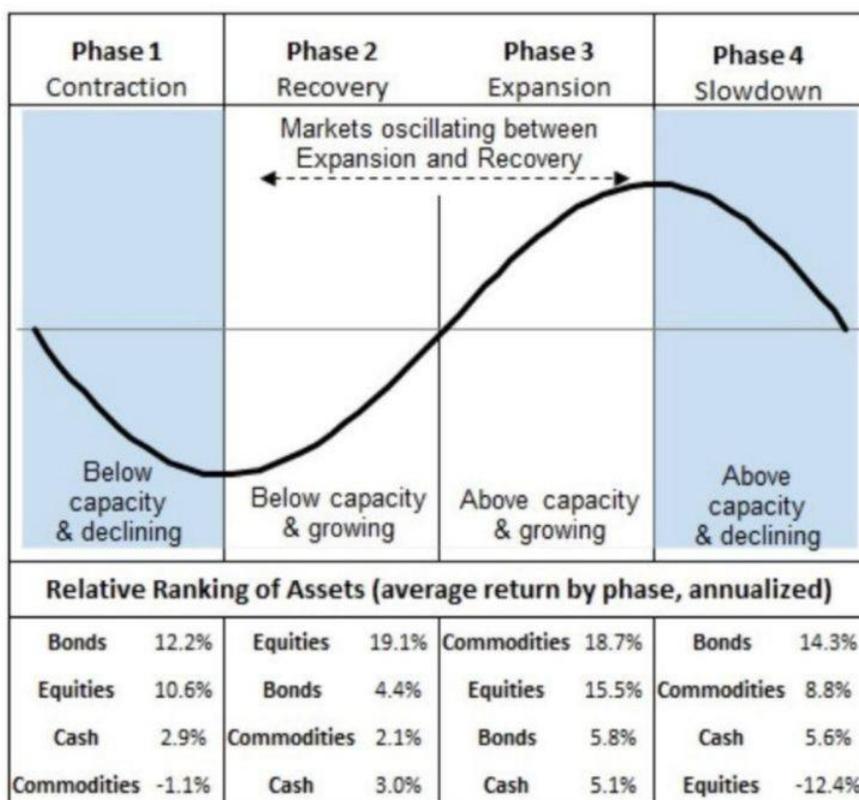
#food-for-thought

#asset-allocation #business-cycle

Where are we in the global business cycle? If we are still in the expansion phase, commodities is expected to be the strongest performer (based on historic data). If we are in the slowdown phase (and getting closer to contraction), then bonds is the best asset class to own.

**Exhibit 8: Commodities outperform during expansions.**

Average annualized daily return by phase of Global Business Cycle

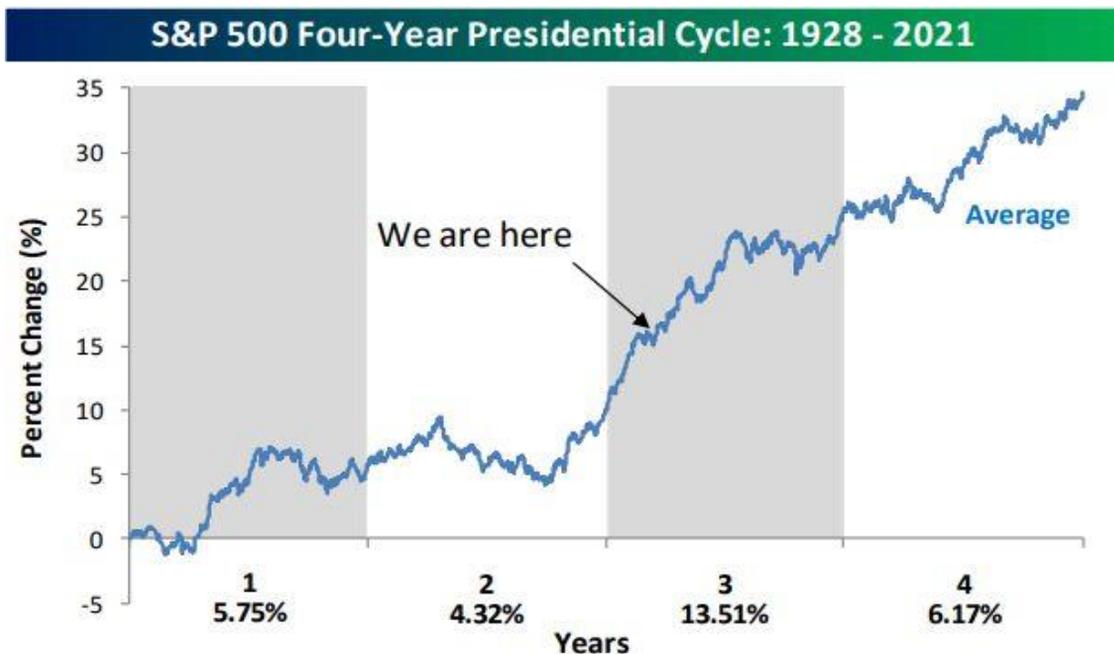


Source: Goldman Sachs

#food-for-thought

## #us #equities #4-year #cycle

The 4-year Presidential cycle by Bespoke. The S&P \$SPY is already up 14% since Q4 2022 began, which is right about when the market has historically hit its lows of year 2 of the Presidential Election cycle. Below is a composite of the cycle back to 1928 and where we are now...

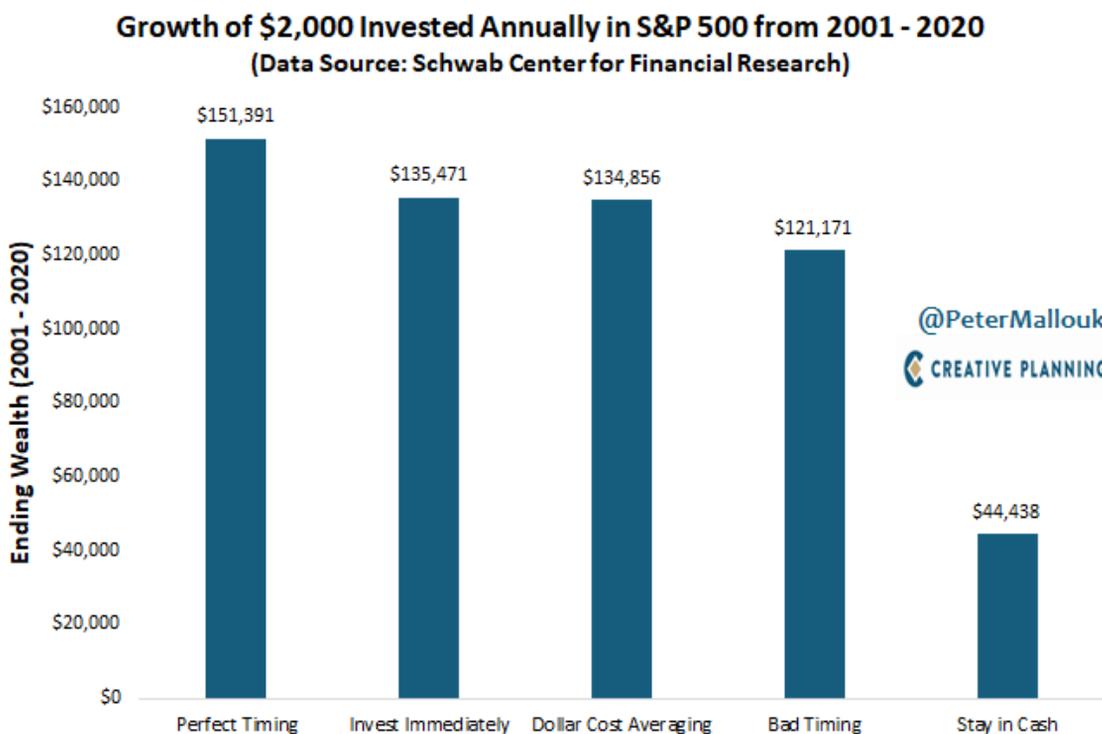


Source: Bespoke

#food-for-thought

#us #equities #investing

Investing with terrible luck beats doing nothing and sitting in cash. Even the best timing (which is of course impossible) doesn't put you that far ahead of those that get the entry point wrong. Invest and move on with your day, and let time take care of the rest.

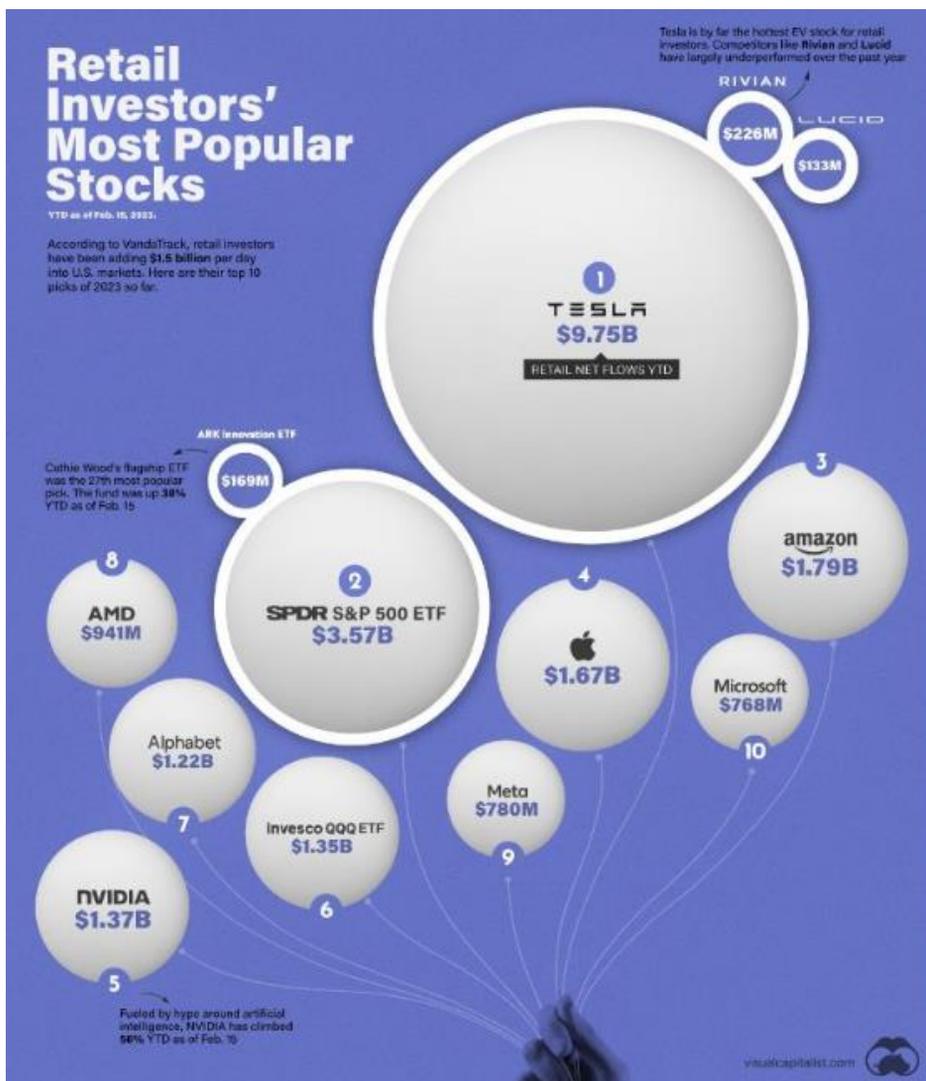


Source: Peter Mallouk, Charles Schwab

#food-for-thought

#retail-investors

Ranked: The Most Popular Stocks of 2023 So Far. This infographic lists the 10 most popular stocks (or ETFs) that U.S. retail investors have been buying in 2023 so far.



### #food-for-thought

## #emojis #sec

Former SEC chief warns against using emojis 🚀 💰 📈 for investment advice

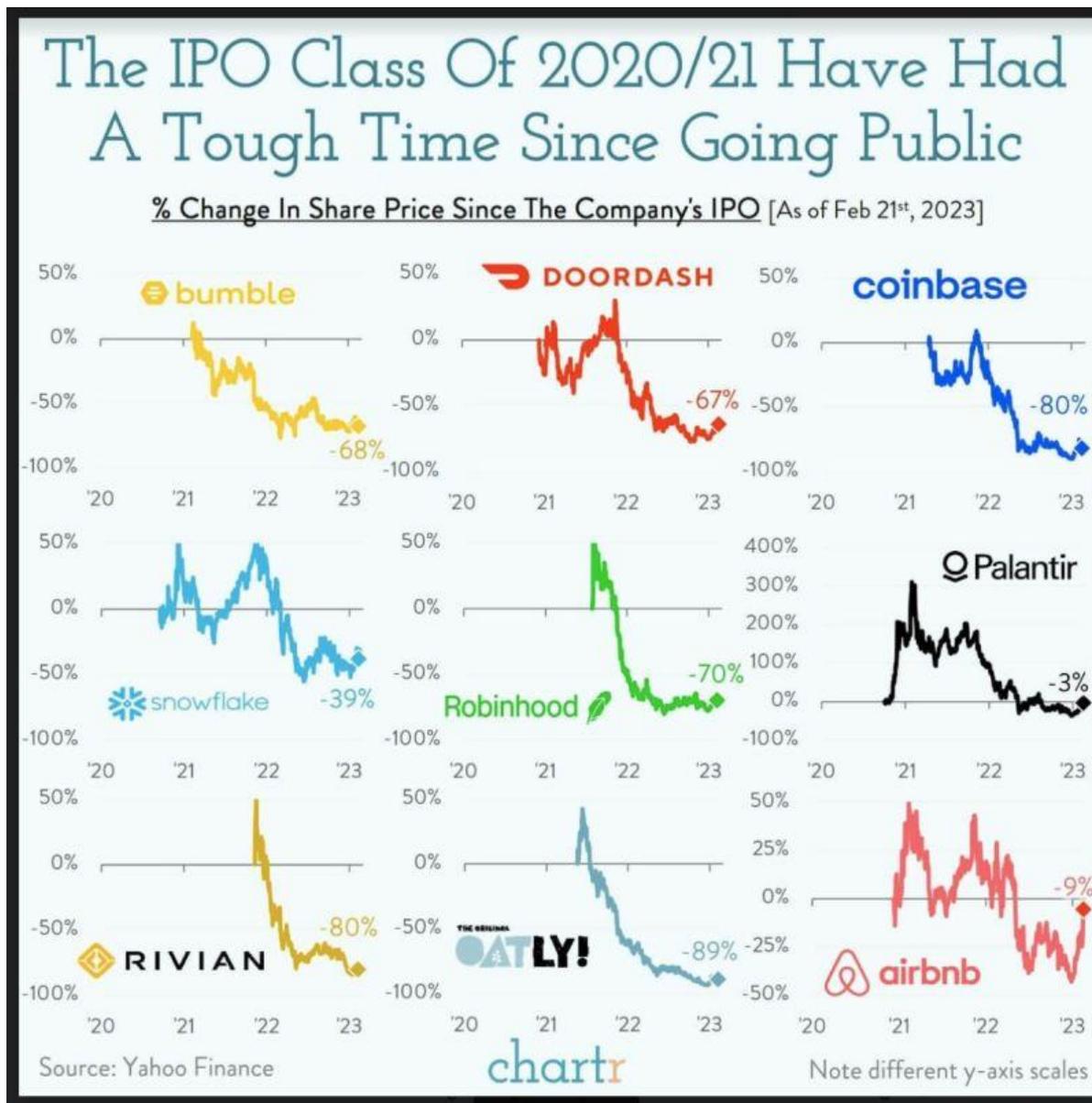
Using emojis relating to rocket ships, stock charts, and money bags could be classified as investment advice, according to the court ruling by Judge Victor Marrero on Feb. 22. The court filing referenced a tweet in which DapperLabs used the rocket ship, stock market, and money bags emoji to show market performance.



Source: Hedgeye

#food-for-thought

#ipos #returns

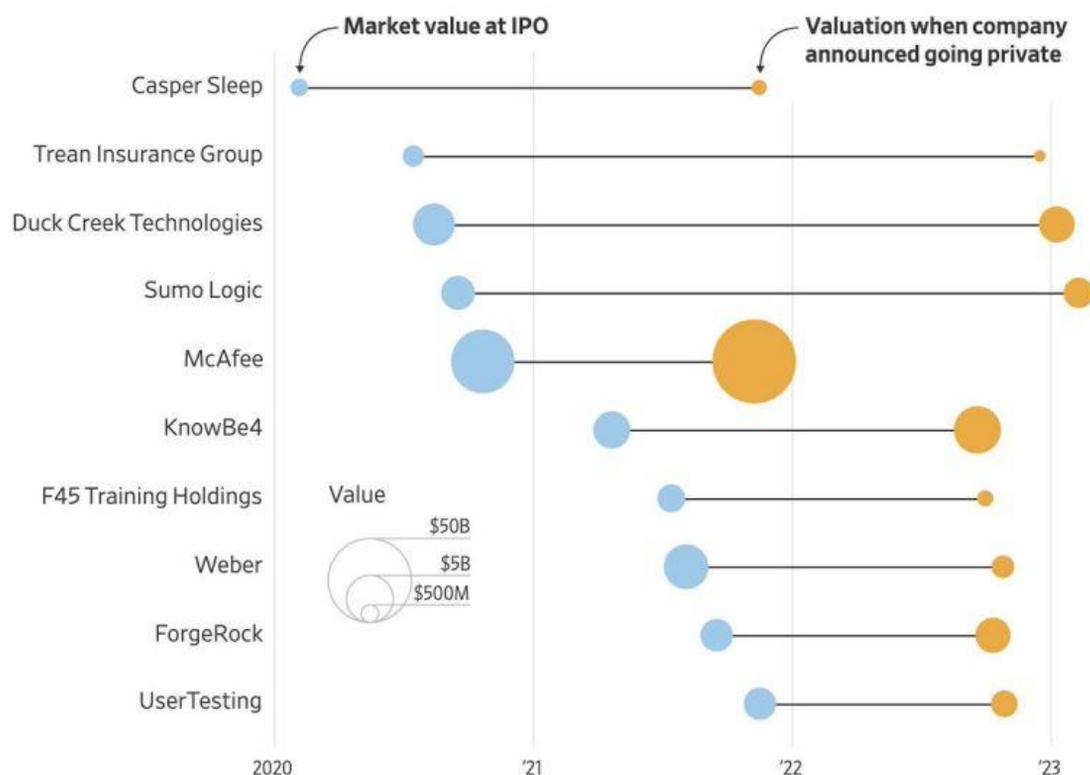


#food-for-thought

#ipos #returns

More firms choose to go private after IPOs disappoint. 10 comps that went public in 2020 or 2021 have already agreed to go private amid post-IPO-boom hangover. Among them, Grill maker Weber agreed to go private for \$8.05, well below its \$14 IPO price.

Companies going private after being listed for less than three years



Note: Some of the deals are not completed as of Feb. 17.  
Source: Dealogic

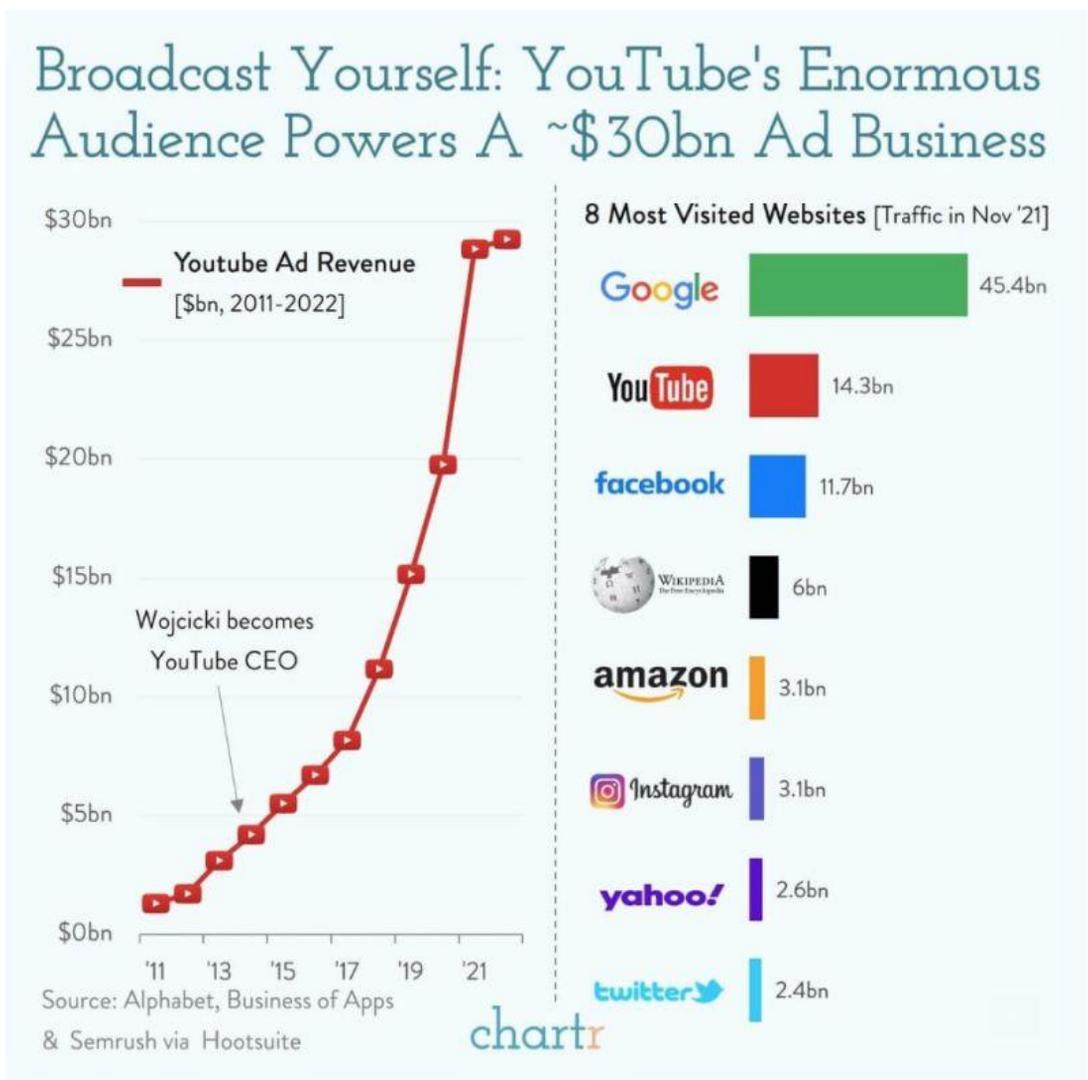
Source: HolgerZ, WSJ, Dealogic



#food-for-thought

#youtube

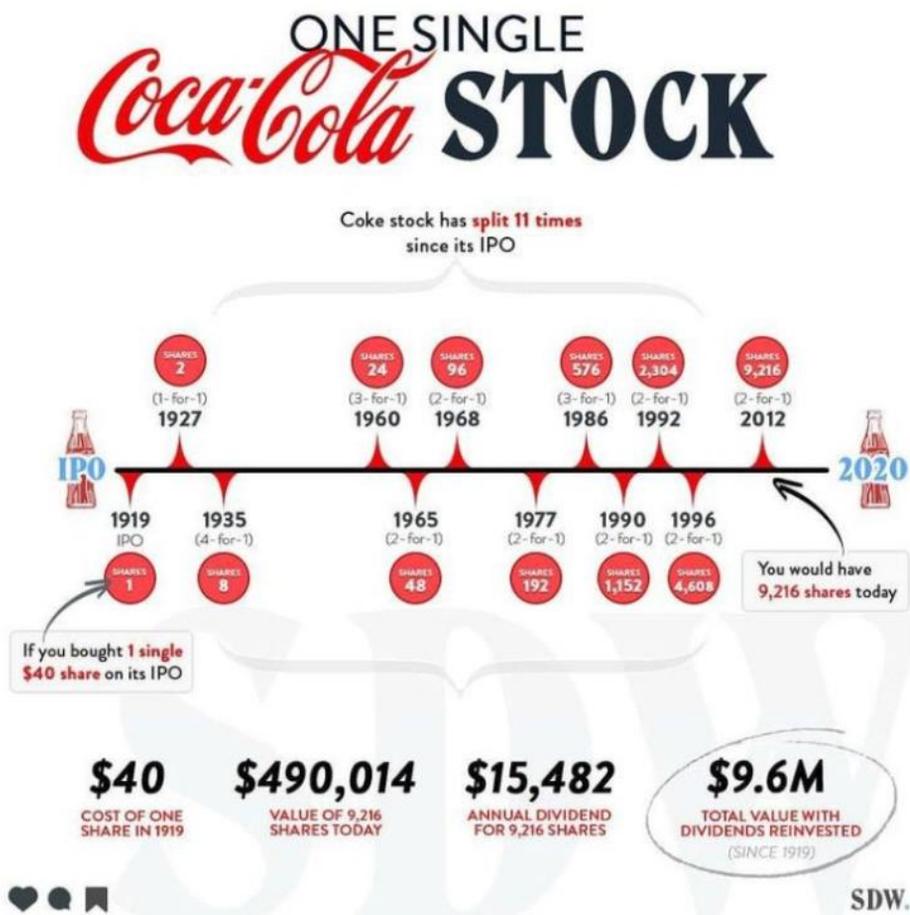
CEO of YouTube, Susan Wojcicki, announced last Thursday that she would be stepping down after 25 years at Google, with 9 of those at the helm of the world's largest video sharing platform.



#food-for-thought

#coca-cola #investment #dividends

A \$40 investment in Coca-Cola in 1919, with dividends reinvested, would be worth \$22 Million by 2023. Coca-Cola declared a quarterly disbursement of 46 cents a share, up two cents, or 4.6%. It marked the beverage maker’s 61st straight year of raising its dividend.



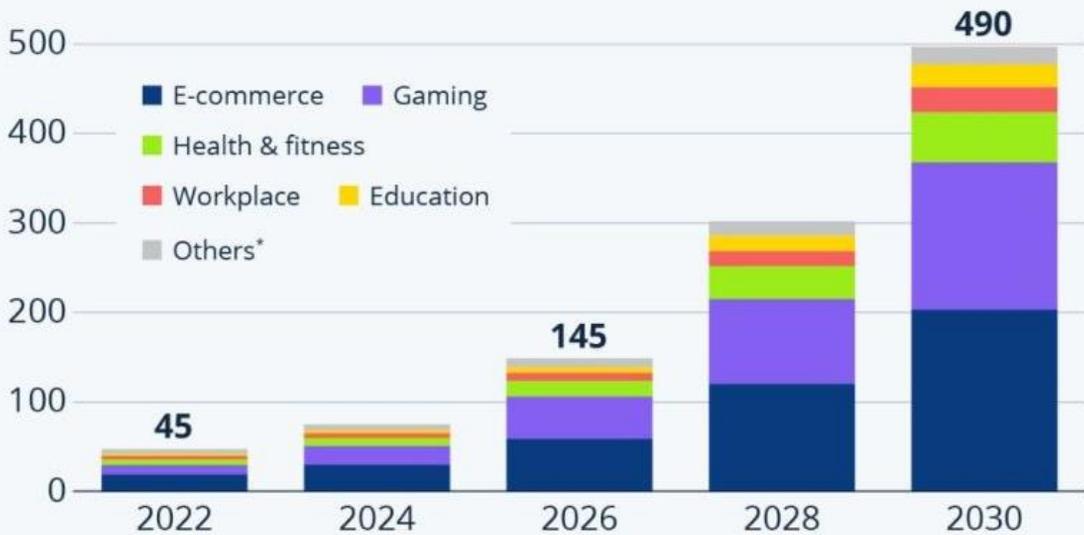
#food-for-thought

#metaverse #economy

Statista's Advertising & Media Markets Insights estimates that worldwide metaverse revenue will stand at \$490 billion in 2030.

# How the Metaverse is Making Money

Estimated revenue in the Metaverse market (in billion U.S. dollars)



\* virtual assets, advertising, AR & VR hardware, digital media, live entertainment  
As of Februar 2023

Source: Statista Advertising & Media Markets Insights



Source: Statista

#food-for-thought

#digital-economy

# DIGITAL ECONOMY AND KEY TECHNOLOGY ENABLERS

The future of Digital Economy

The Key Technology Enablers



Digital-by-default  
Mobile-first



Artificial Intelligence (AI)

- AI estimated to contribute up to US\$320 billion to the Middle East economy.
- Saudi Arabia and UAE set plans to become top global AI nations in next ten years.



Location-agnostic  
Automated



Cloud

- By 2025, 85% of business applications to be cloud-based.
- UAE - the share of cloud-related DX spending to increase to 30% in 2024, up from 22% in 2020.



Experience-focused  
Intelligent devices



5G

- By 2025, 85% of the world's population will have access to 5G, with 2.8 billion users.
- Organizations will take a "wireless-first" approach to untether operations.

Source: Huawei | Infographic design by Antonio Grasso

 @antgrasso

 @agrassoblog

Source: Antonio Grasso

#food-for-thought

#passive #investing



Alongside  
@alongsidefi



index investors explaining their strategy



Source: Wall Street Oasis

#food-for-thought

#charlie-munger

## **Charlie Munger's 10 point checklist for investing**

1. **Measure risk:** All investment evaluations should begin by measuring risk, especially reputational.
2. **Be independent:** Only in fairy tales are emperors told they're naked
3. **Prepare ahead:** The only way to win is to work, work, work, and hope to have a few insights
4. **Have intellectual humility:** Acknowledging what you don't know is the dawning of wisdom
5. **Analyze rigorously:** Use effective checklists to minimize errors and omissions
6. **Allocate assets wisely:** Proper allocation of capital is an investor's No. 1 job.
7. **Have patience:** Resist the natural human bias to act.
8. **Be decisive:** When proper circumstances present themselves, act with decisiveness and conviction
9. **Be ready for change:** Accept un-removable complexity
10. **Stay focused:** Keep it simple and remember what you set out to do.

Source: Compounding Quality

## #food-for-thought

### #phil-fisher #advices

When to buy and when to sell according to Phil Fisher  
(author of "Common Stocks and Uncommon Profits")

Who is Phil Fisher? He is one of the first proponents of growth investing. For most of his career he run his own company Fisher & Company, where he carefully chose his clients and remained out of the spotlight

#### When should investors buy?

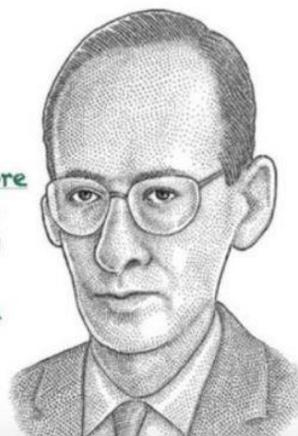
"Once the investor is sure he has found an outstanding stock, isn't it any time at all a good time to buy it? The answer to this depends somewhat on the investor's objective. It also depends on his temperament."

- \* Some thought should be given to timing of fundamental trends of the business (not economic forecasting). Investors should buy...
  - \* When a company is undergoing temporary troubles (according to the investor) but is guided by exceptional management
  - \* When future increases in earnings have not yet been reflected in the share price (for example when a company has poured significant cash into increasing production but returns are still to be realized)
- \* Summary: buy great businesses when the market deems a temporary problem as permanent and when pessimism is high

#### When should investors sell?

- \* When a mistake had been made: depends on an investors ability to be honest with himself
  - \* When it no longer complies with the characteristics that made the investor buy: investors should continuously revisit their original thesis
  - \* When there's another opportunity that is more attractive from a risk return perspective (ie., opportunity cost): the investor has to be very sure that the other opportunity is better
- "If the job has been correctly done when a common stock is purchased, the time to sell is - almost never."

 @invesquotes



#food-for-thought

#rajiv-jain

## In South Florida, an Anti-Cathie Wood Investor Is Quietly Building a Stock Empire

- Rajiv Jain takes big positions in a select number of stocks
- And he doesn't make much of his rivals in the business



### Rajiv Jain's Biggest Fund Outperforms

■ Annualized return since December 2016



Source: Bloomberg

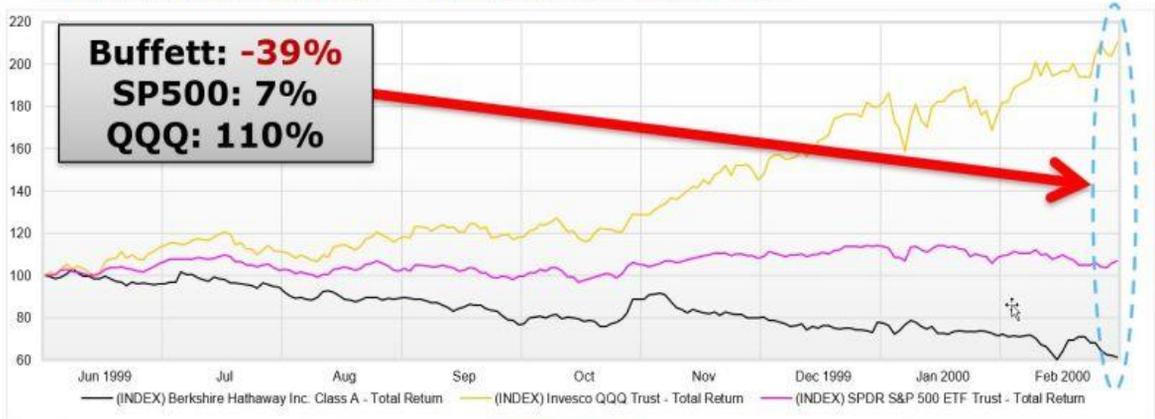
Note: The analysis includes 122 active mutual funds with assets of at least \$1 billion.

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#value-investing

Value investing and the "career risk" -> e.g Warren Buffet during the internet bubble.

Career Risk is Real – Value in the Late '90s



Charlie, should we buy tech?



"Warren Buffett may be losing his magic touch."

Source: Compounding Quality

#food-for-thought

#millionaires #habits

# THE 20 HABITS of EVENTUAL MILLIONAIRES

by James Altucher

- 1. Say "No"**  
When you say "NO" you have more time to read, learn, sleep, ask questions, contact friends, love life. Say "no" more.
- 2. Love**  
This is the only religion. This is the only thing worth surrendering to. This is the fuel for your idea muscle.
- 3. Make Mistakes**  
Mistakes are the spell books of success. Study them hard. Learn their incantations. When muscles tear they rebuild stronger.
- 4. Plant Seeds**  
Basic Garden Math: 1% of the seeds turns into 50% of the flowers. Plant lots of seeds.
- 5. Be Around People Who Are Kind to You and Love You**  
Other people will make you unhappy, unkind, and unsuccessful.
- 6. Stand Next to the Smartest Person in the Room**  
Harold Ramis did it (Bill Murray). Steve Jobs did it (Steve Wozniak). Craig Silverstein did it (Who? Larry Page). Kanye West did it (Jay-Z). I make money ONLY when I do this.
- 7. No Excuses**  
Blaming is draining. Complaining is draining. Explaining is draining. We don't have enough inner plumbing for all that draining.
- 8. Don't Be in a Rush**  
Every overnight success I've spoken to, took 10-20 years to get there. BUT ONLY if they celebrated small successes along the way.
- 9. Solve Difficult Gratitude Problems**  
If you can find a diamond in the mud, you're going to end up with a lot of diamonds in life.
- 10. Warren Buffett's 5/25 Rule**  
Make a list of the 25 things you want to do in life. Now do the top 5. And NEVER THINK ABOUT THE OTHER 20 EVER AGAIN. Else they will take time away from the 5 that are most important to you.
- 11. Write Down 10 Ideas a Day**  
This actually turns into a super power. Do this for six months straight and see what happens.
- 12. Follow Up**  
I'm shy and bad at this. And lazy. Send an email the next day with an idea on the next step. I have to do this.
- 13. Ask Questions**  
There are more questions than answers. Opportunities are buried in the questions. Facts can be outsourced.
- 14. 1% a Day**  
Whatever you want to get better at: do 1% more each day. 1% a day, compounded, is 3800% a year. You win.
- 15. Right Now**  
Regret will waste time today worrying about yesterday. And anxiety will steal energy from the future. Focus on right now.
- 16. Sleep**  
Sleep rejuvenates brain cells, heals the body, reduces anxiety. And your brain is only active 2-5 hours a day. Sweet dreams.
- 17. Every Day, Avoid Death**  
You can't get rich from a hospital bed. Or a grave. Move every day, sleep well, eat well.
- 18. Do One Thing Every Day You Loved as a Kid**  
This is usually the fuel that can power your life.

**WAIT! I THOUGHT THERE WERE 20!**  
SECRET TO SUCCESS = GIVE YOURSELF PERMISSION TO SOMETIMES BE WRONG —

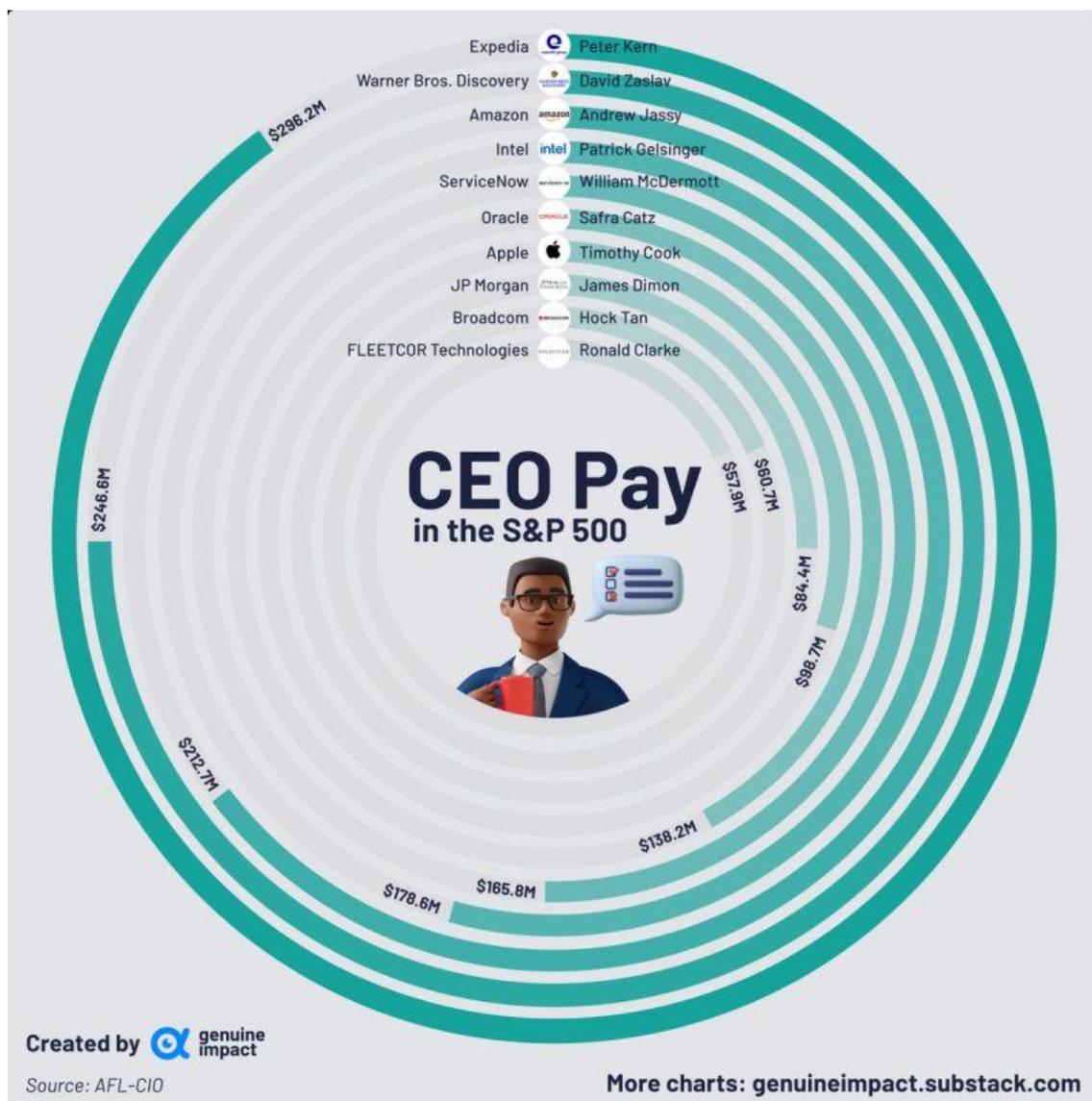
Design: Pamela Sisson

Source: Compounding Quality, Pamela Sisson

#food-for-thought

## #sp500 #ceo #pays

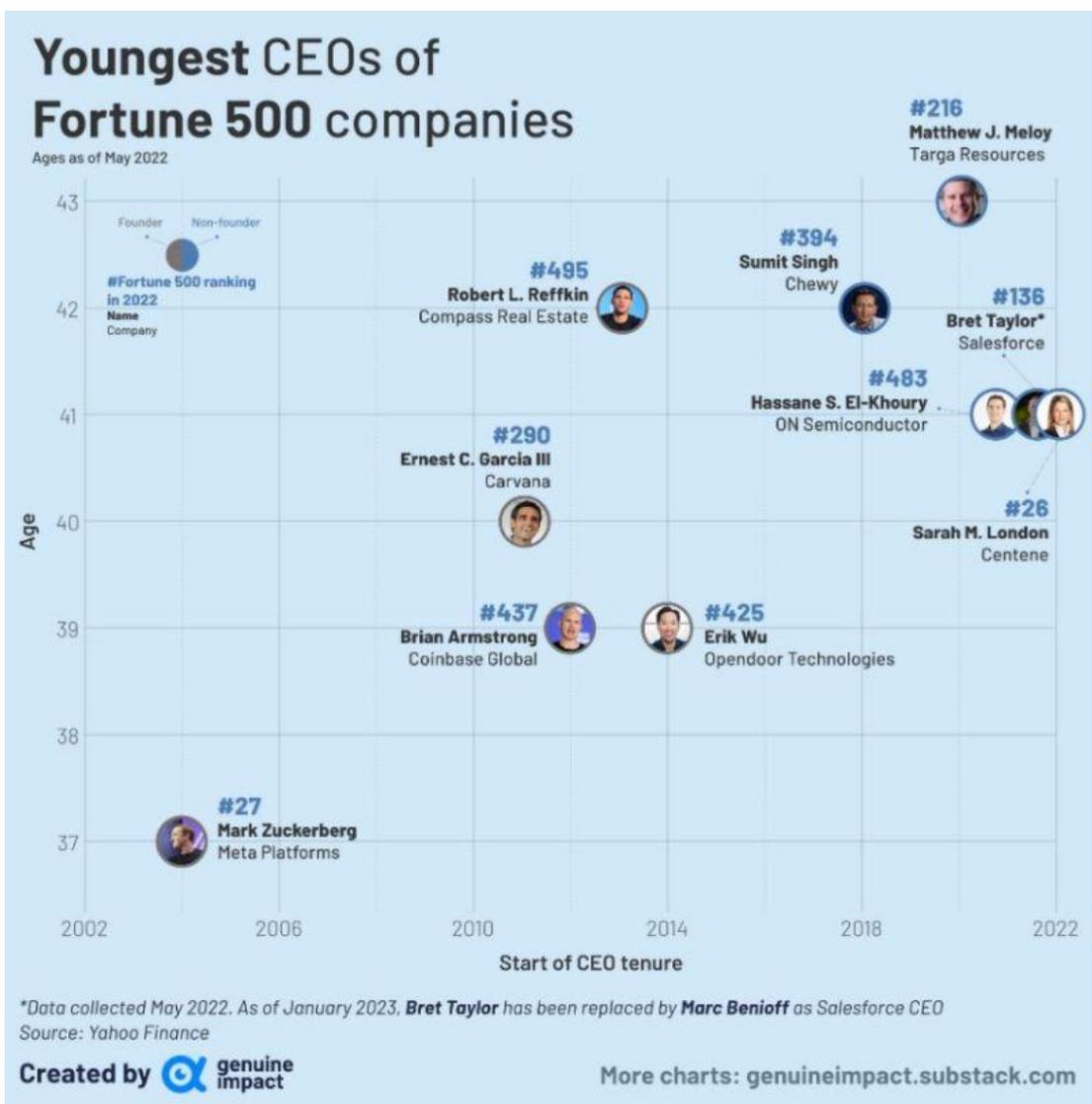
Expedia CEO Peter Kern is the highest paid CEO in the S&P 500.



Source: Genuine Impact

#food-for-thought

#fortune 500 #ceos

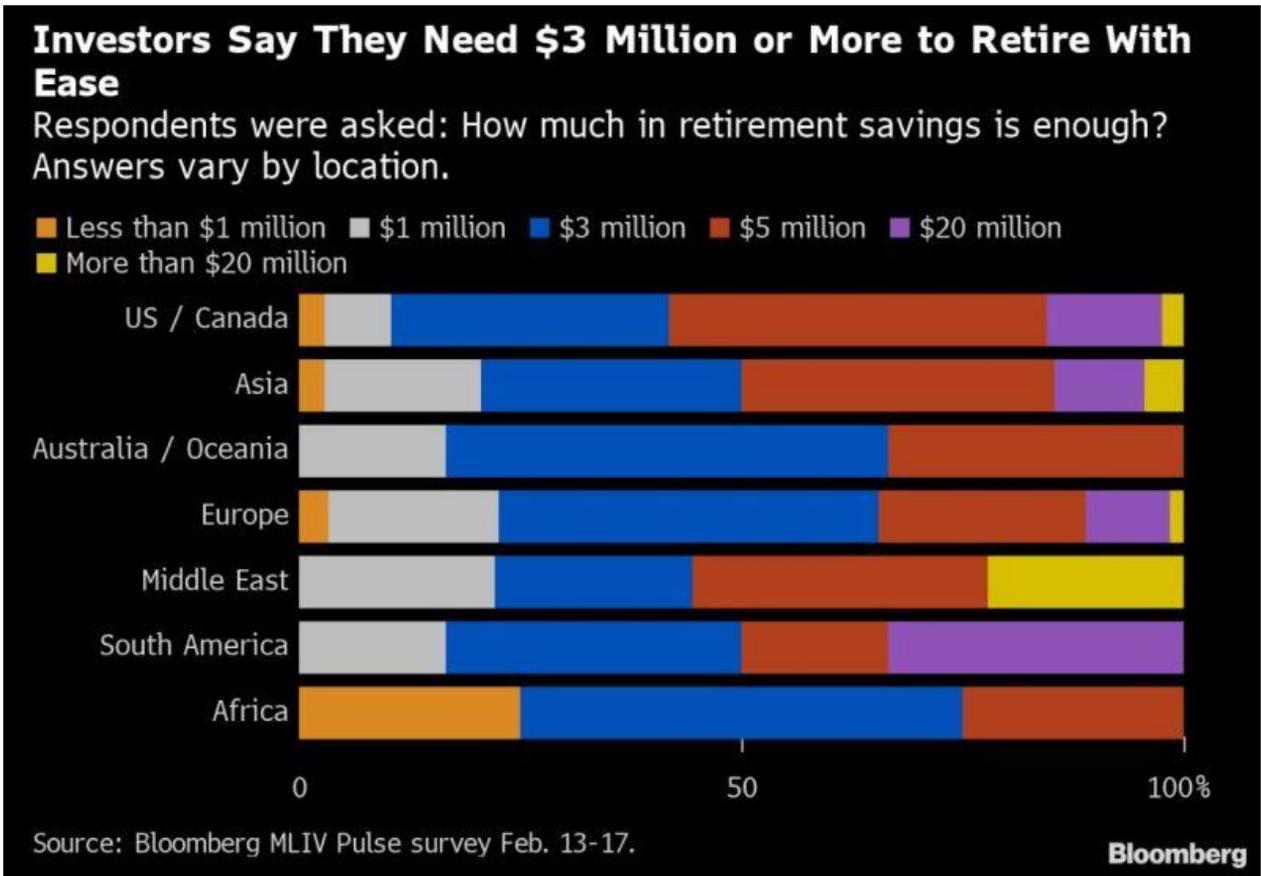


Source: Genuine impact

#food-for-thought

#savings #retirement

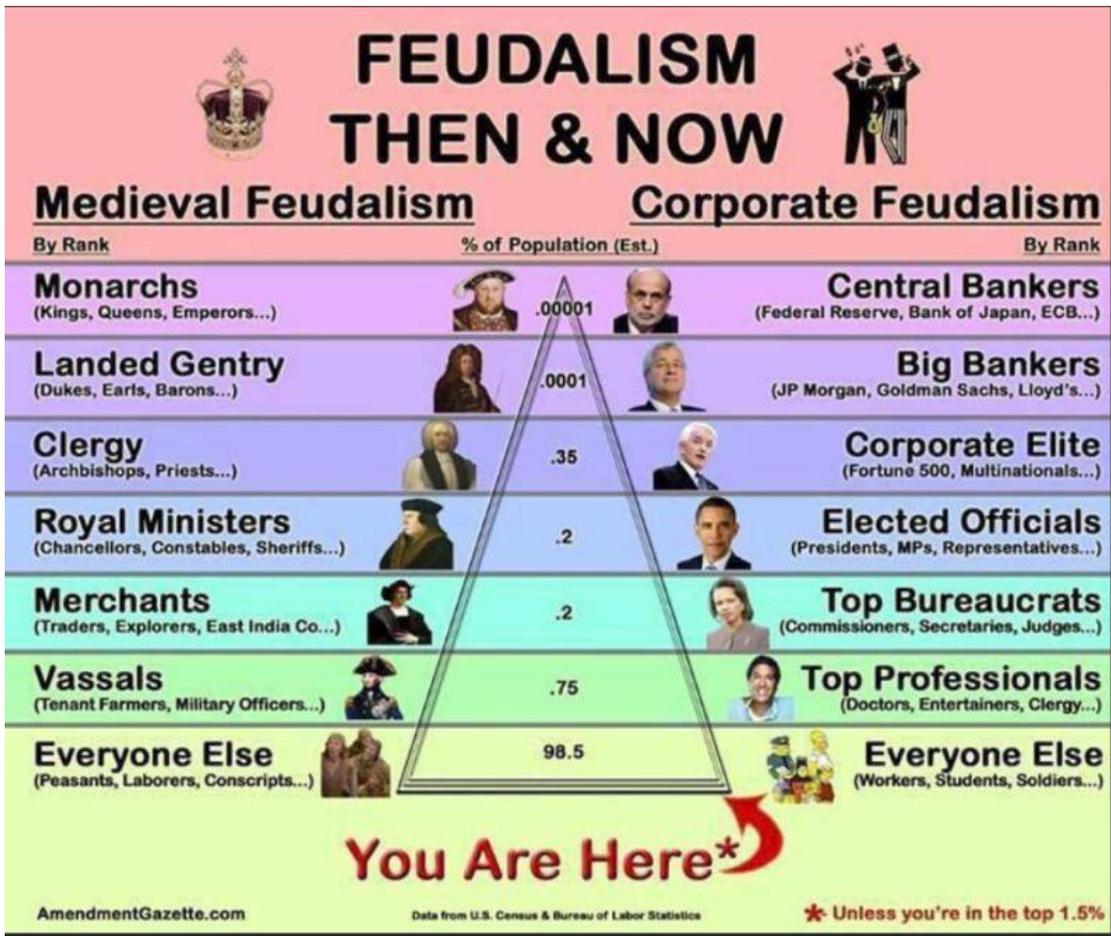
How much in savings is enough to retire with ease? Answers by location



Source: Bloomberg

#food-for-thought

#feudalism

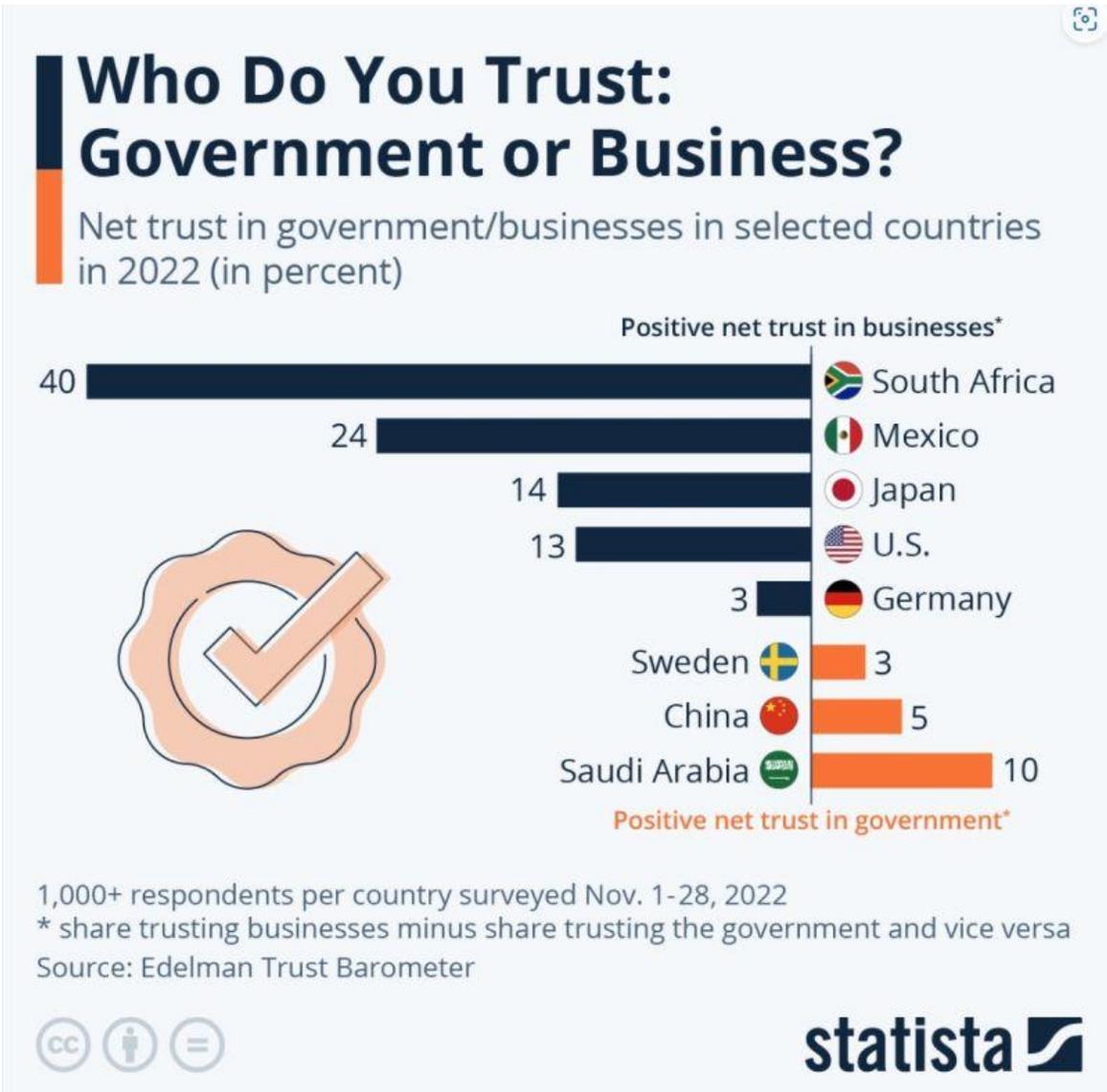


Source: Twitter

#food-for-thought

#government #trust

Who Do You Trust: Government or Business?



Source: Statista

#food-for-thought

#ocean #plastic #waste

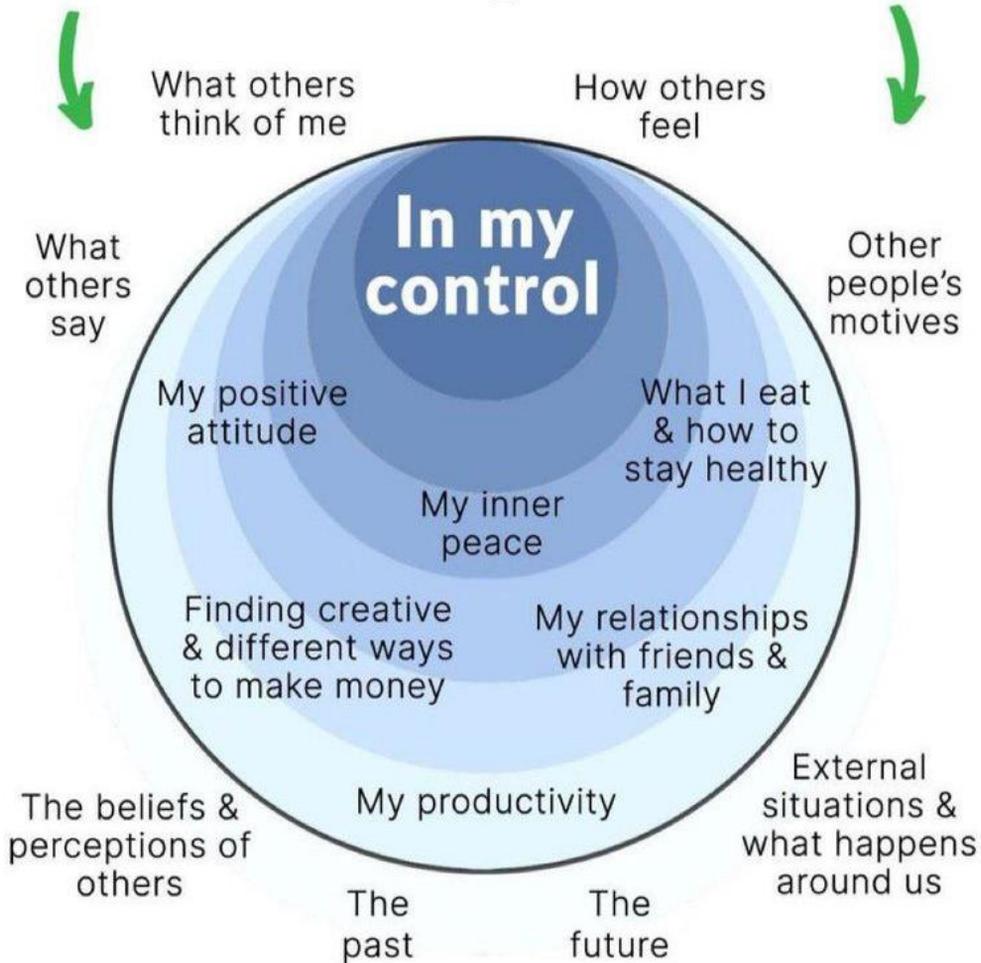


#food-for-thought

#focus

Let's focus on what we can control and forget the rest.

# Out of my control



#food-for-thought

#success



adamgrant



#food-for-thought

#leadership

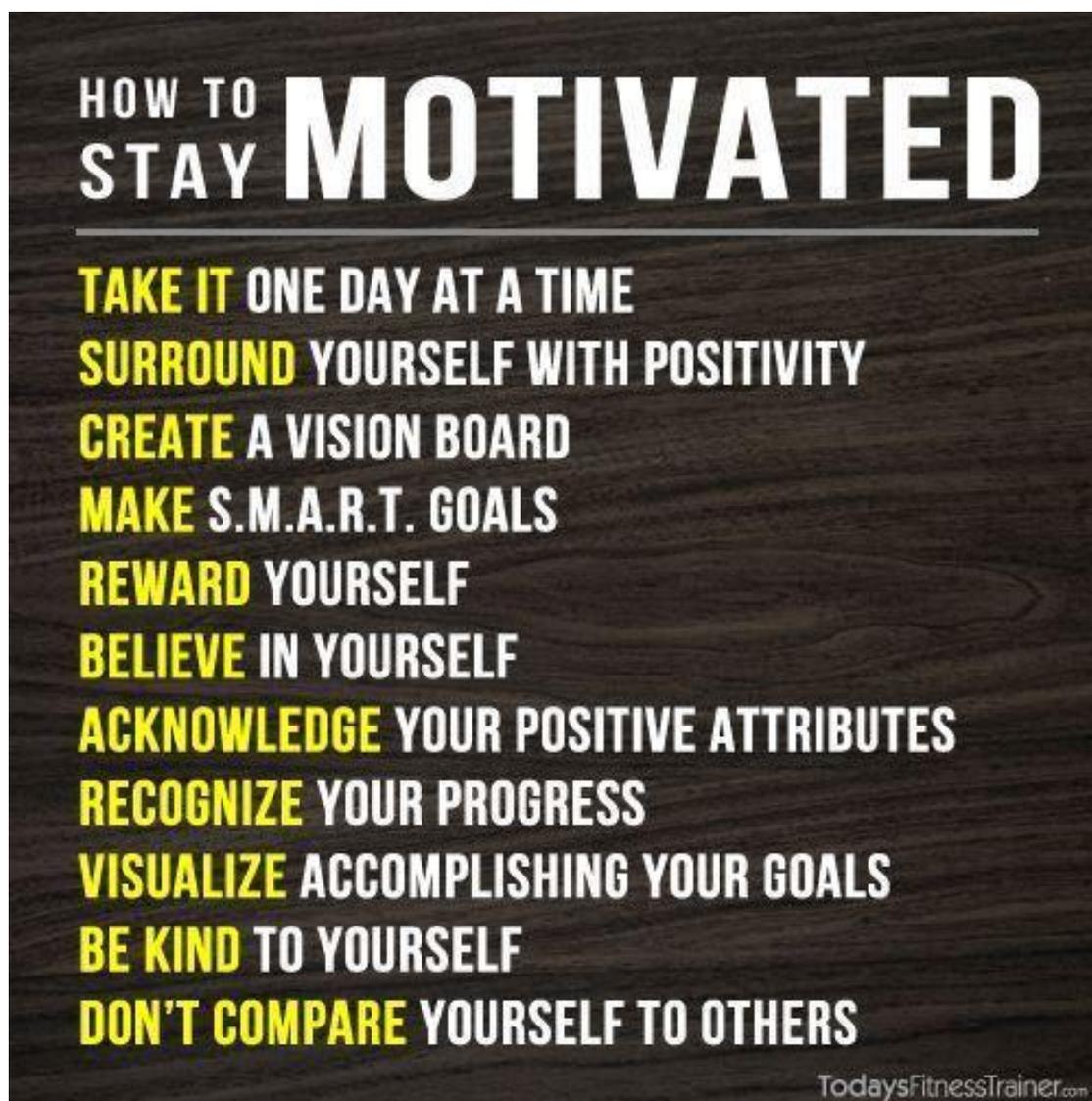
“Before you are a leader,  
success is all about growing  
yourself. When you become  
a leader, success is all about  
growing others.”  
- Jack Welch

[facebook.com/BradleySugars](https://facebook.com/BradleySugars)

Source: European leadership

#food-for-thought

#motivation

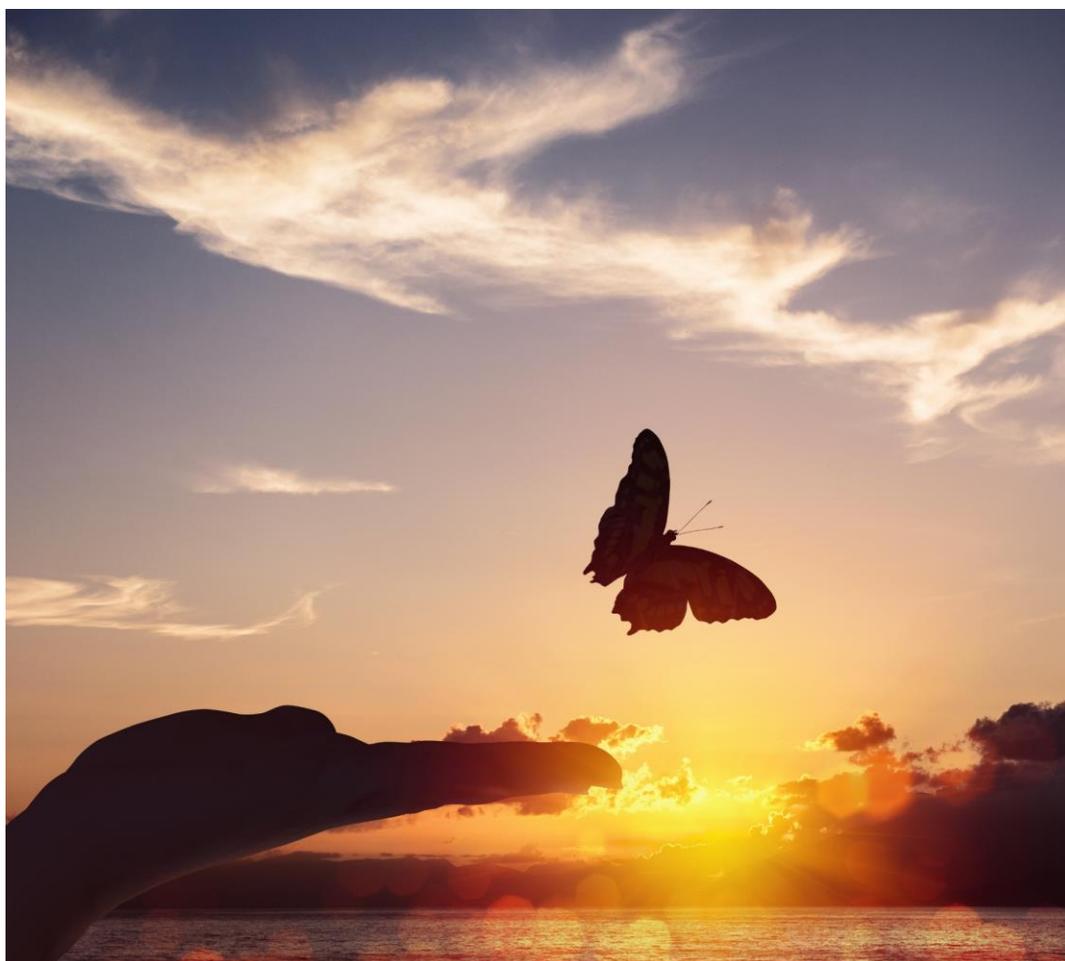


Source: European leadership

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**For the future...**