

#globalmarkets weekly wrap-up

Chart of the week

ARE WE NEARING PEAK BOTTLENECK?

Goldman has a new “Supply Chain Congestion Scale” and the scale currently reads ‘10’ (out of 10). However, there are some evidences suggesting that we are nearing peak bottleneck – e.g the Baltic Dry index has quietly been on downswing in a sign that situation is easing, auto manufacturers see better flow of semiconductors, etc. Peak bottleneck is a necessary condition before we see peak inflation. Hopefully, the rise in covid cases in Europe and the US will not create even more congestion...

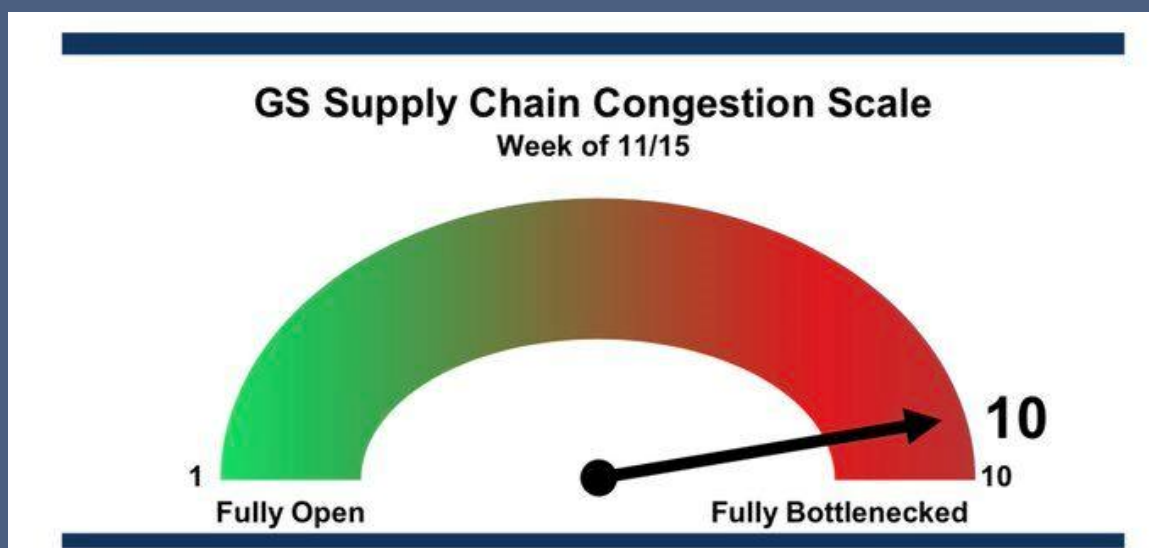


Chart source: Goldman

#globalmarkets weekly wrap-up

Nasdaq at new high, euro dropped as covid cases surge

The major equity benchmarks ended the week mixed as investors weighed strong economic and earnings against inflation fears and a rise in covid cases in Europe and the US. The Nasdaq index hit another record intraday high on Friday.

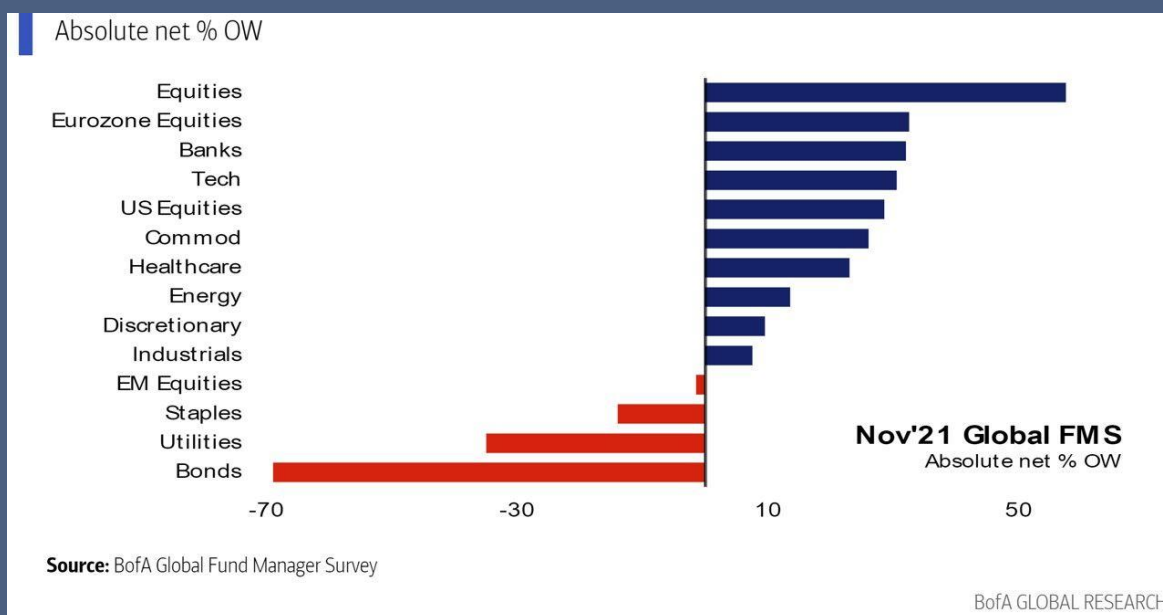
Oil tumbled after China and the U.S. discussed releasing strategic reserves and U.S. inventories rose for the 1st time in five weeks. The bond market seemed to be pricing in a slightly higher probability than before of having “uber-dovish” Lael Brainard as new Fed Chairman.

In Europe, equities were little changed as a surge in the number of coronavirus infections clouded the economic outlook. Core eurozone bond yields and the euro fell on dovish comments from ECB President Lagarde. Japan’s stock market returns were muted over a week that saw the government announcing a larger-than-expected stimulus package. Turkey may be entering a currency crisis as the Lira dropped past 10.5 per dollar for the first time ever.

Cryptocurrencies dropped with Bitcoin and Ether both correcting by 9% over the week. Precious metals (gold, silver) had a strong week.

#equities sentiment #funds

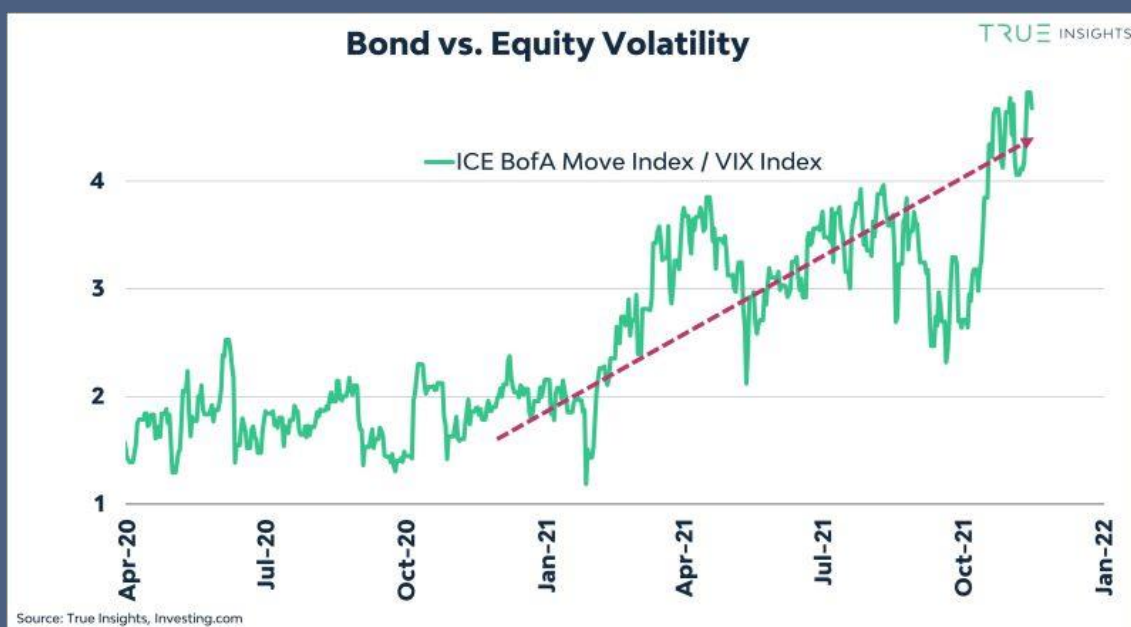
Everybody is long equities...



Source: BofA

#volatility

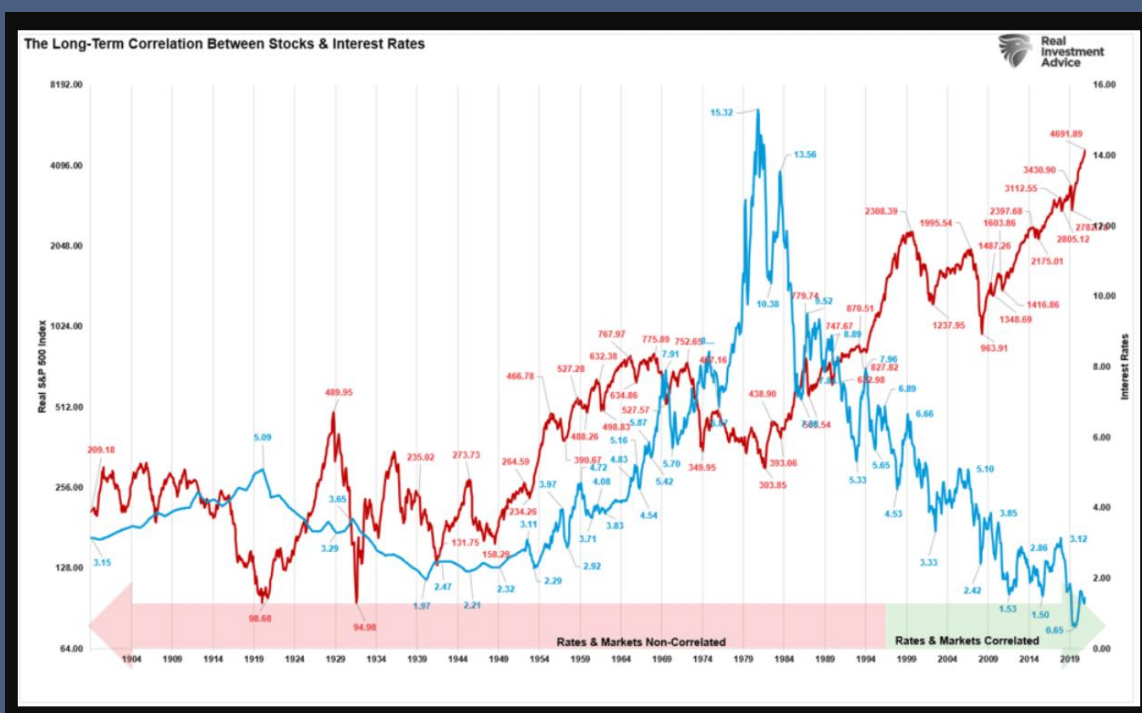
Increasing uncertainty about future central bank policy pushes up bond volatility. Since the start of the year, the implied volatility of Treasuries relative to Equities (VIX Index) has more than doubled.



Source: True Insights

#correlation

The long-term correlation between stocks and bonds. The chart below is the monthly “real,” inflation-adjusted return of the S&P 500 index compared to interest rates.



Source: Real Investment Advice

#us #equities

S&P 500 closes at an all-time high for the 66th time this year. Needs 12 more to break the record set in 1995 (77).

S&P 500: Number of All-Time Highs (1929 - 2021)									
Note: Closing Prices, as of 11/18/21									
Year	# ATH	Year	# ATH	Year	# ATH	Year	# ATH	Year	# ATH
1929	45	1948	0	1967	14	1986	31	2005	0
1930	0	1949	0	1968	34	1987	47	2006	0
1931	0	1950	0	1969	0	1988	0	2007	9
1932	0	1951	0	1970	0	1989	13	2008	0
1933	0	1952	0	1971	0	1990	6	2009	0
1934	0	1953	0	1972	32	1991	22	2010	0
1935	0	1954	27	1973	3	1992	18	2011	0
1936	0	1955	49	1974	0	1993	16	2012	0
1937	0	1956	14	1975	0	1994	5	2013	45
1938	0	1957	0	1976	0	1995	77	2014	53
1939	0	1958	24	1977	0	1996	39	2015	10
1940	0	1959	27	1978	0	1997	45	2016	18
1941	0	1960	0	1979	0	1998	47	2017	62
1942	0	1961	53	1980	24	1999	35	2018	19
1943	0	1962	0	1981	0	2000	4	2019	36
1944	0	1963	12	1982	2	2001	0	2020	33
1945	0	1964	65	1983	30	2002	0	2021	66
1946	0	1965	37	1984	0	2003	0		
1947	0	1966	9	1985	43	2004	0		



COMPOUND

@CharlieBilello

Source: Charlie Bilello

20th of November 2021

#us #equities

Often forgotten: the stock market is NOT the economy (at least in the short-run...).

US Real GDP vs. S&P 500 Total Returns (1930 - 2020)														
Year	Real GDP	S&P	Year	Real GDP	S&P	Year	Real GDP	S&P	Year	Real GDP	S&P	Year	Real GDP	S&P
1930	-8.5%	-25%	1949	-1.5%	18%	1968	5%	11%	1987	4%	6%	2006	3%	16%
1931	-6.4%	-44%	1950	13%	31%	1969	2%	-8%	1988	4%	17%	2007	2%	5%
1932	-12.9%	-9%	1951	5%	24%	1970	-0.2%	4%	1989	3%	32%	2008	-2.8%	-37%
1933	-1.2%	50%	1952	5%	18%	1971	4%	14%	1990	1%	-3%	2009	0%	26%
1934	11%	-1%	1953	1%	-1%	1972	7%	19%	1991	1%	30%	2010	3%	15%
1935	9%	47%	1954	3%	53%	1973	4%	-14%	1992	4%	8%	2011	2%	2%
1936	13%	32%	1955	7%	33%	1974	-1.9%	-26%	1993	3%	10%	2012	1%	16%
1937	5%	-35%	1956	2%	7%	1975	3%	37%	1994	4%	1%	2013	3%	32%
1938	-3.3%	29%	1957	0%	-10%	1976	4%	24%	1995	2%	38%	2014	3%	14%
1939	8%	-1%	1958	3%	44%	1977	5%	-7%	1996	4%	23%	2015	2%	1%
1940	9%	-11%	1959	5%	12%	1978	7%	7%	1997	4%	33%	2016	2%	12%
1941	18%	-13%	1960	1%	0%	1979	1%	19%	1998	5%	29%	2017	3%	22%
1942	19%	19%	1961	6%	27%	1980	0.0%	32%	1999	5%	21%	2018	3%	-4%
1943	17%	25%	1962	4%	-9%	1981	1%	-5%	2000	3%	-9%	2019	2%	31%
1944	8%	19%	1963	5%	23%	1982	-1.4%	20%	2001	0%	-12%	2020	-2.3%	18%
1945	-1.0%	36%	1964	5%	16%	1983	8%	22%	2002	2%	-22%			
1946	-11.6%	-8%	1965	8%	12%	1984	6%	6%	2003	4%	29%			
1947	-1.1%	5%	1966	5%	-10%	1985	4%	31%	2004	3%	11%			
1948	4%	6%	1967	3%	24%	1986	3%	18%	2005	3%	5%			



COMPOUND

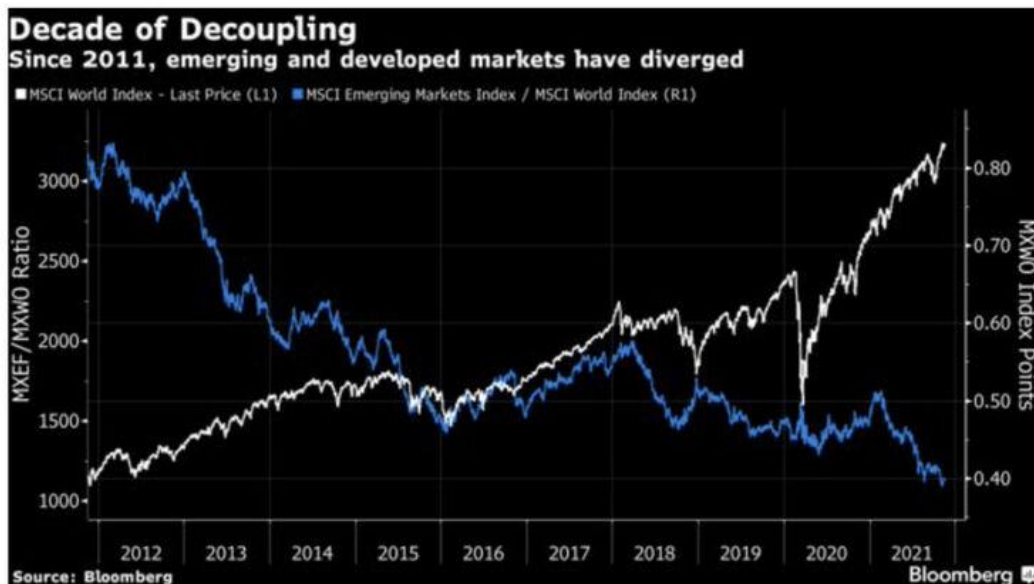
@CharlieBilello

Data as of 12/31/20

Source: Charlie Bilello

#equities #decoupling

Developed markets and emerging markets decoupling is at unprecedented level.



Source: Bloomberg

#us #equities #nasdaq #leveraged-etf

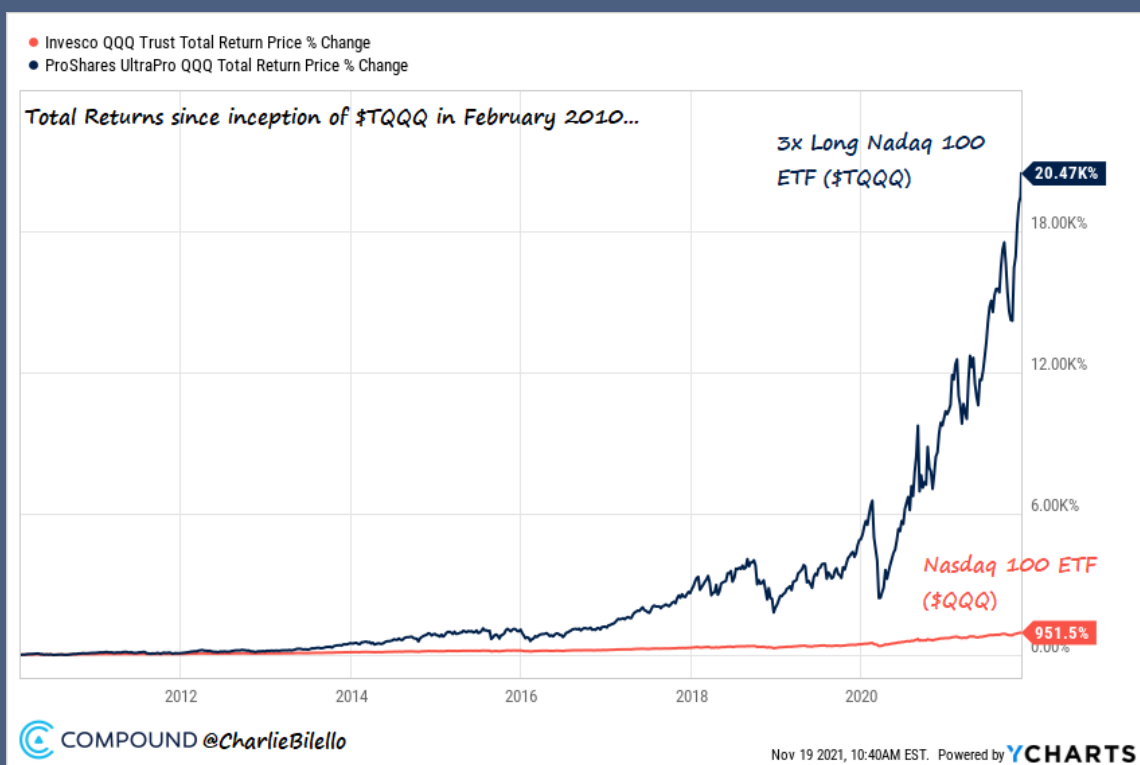
The power of leverage... The Nasdaq 100 Index is on pace for its 13th straight positive year (total return)... The Proshares UltraPro Nasdaq 100 (\$TQQQ) which is 3x long the Nasdaq 100 was launched in February 2010.

Returns:

2020: +110%

2021 YTD: +96%

Total Return since inception: +20,470%



Source: Charlie Bilello

#apple

Apple hits a new all-time high with its market cap crossing above \$2.6 trillion for the first time. 3 years ago it became the first US company to hit \$1 trillion and last year the first to hit \$2 trillion.

Apple (AAPL) - Market Cap Milestones			
Market Cap (Billions)	% Change Between Milestone	# Days Between Milestone	Date
2,600	4.0%	81	11/19/2021
2,500	4.2%	217	8/30/2021
2,400	4.3%	28	1/25/2021
2,300	4.5%	126	12/28/2020
2,200	4.8%	3	8/24/2020
2,100	5.0%	2	8/21/2020
2,000	5.3%	13	8/19/2020
1,900	5.6%	6	8/6/2020
1,800	5.9%	0	7/31/2020
1,700	6.3%	25	7/31/2020
1,600	6.7%	20	7/6/2020
1,500	7.1%	139	6/16/2020
1,400	7.7%	29	1/29/2020
1,300	8.3%	25	12/31/2019
1,200	9.1%	43	12/6/2019
1,100	10.0%	448	10/24/2019
1,000	11.1%	267	8/2/2018
900	12.5%	183	11/8/2017
800	14.3%	819	5/9/2017
700	16.7%	907	2/10/2015
600	20.0%	170	8/17/2012
500	25.0%	42	2/29/2012
400	33.3%	380	1/18/2012
300	50.0%	300	1/3/2011
200	100.0%	1,014	3/9/2010
100	100.0%	574	5/30/2007
50	100.0%	343	11/2/2005
25			11/24/2004



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Data: YCharts

@CharlieBilello

Source: Charlie Bilello

#us #equities #growth #values

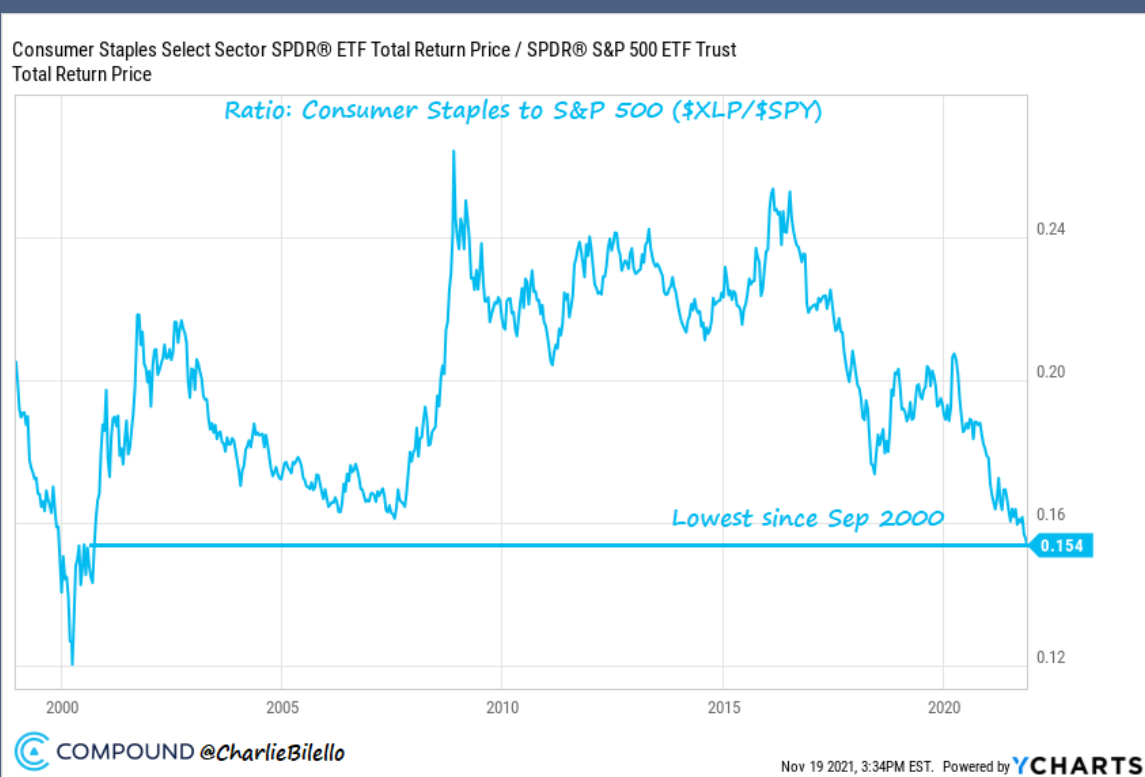
Value stocks underperformed Growth by almost 4% this week - the biggest weekly spread since June - pushing Value to its cheapest relative to Growth ever...



Source: www.zerohedge.com

#us #equities #sector #leadership

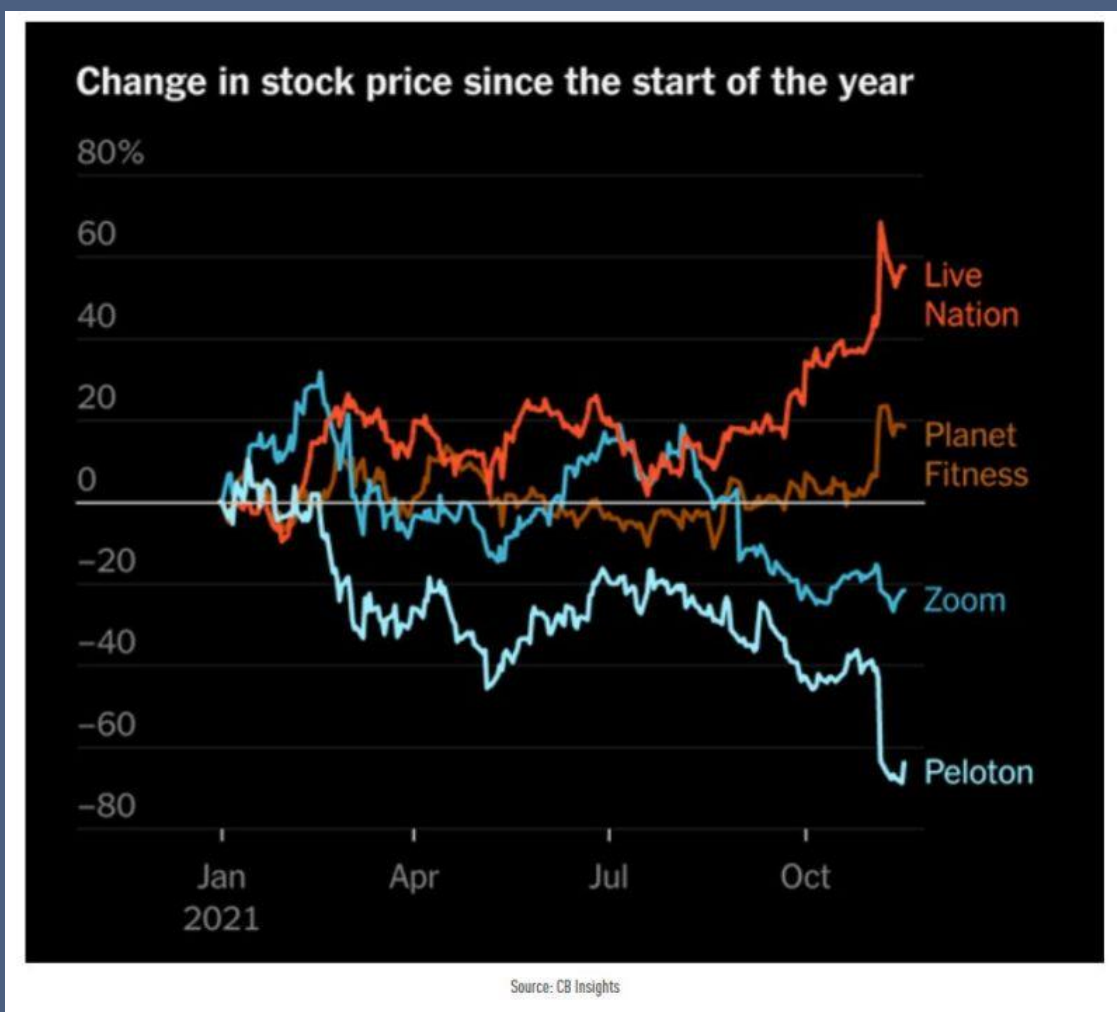
The ratio of Consumer Staples sector to the broad market at its lowest levels since September 2000...



Source: Charlie Bilello

#us #equities #divergence

Re-opening plays such as Live Nation (live events) and Planet Fitness ("real" gyms) are big winners this year while "stay-at-home" stocks such as Zoom (video conferencing software) or Peloton (fancy indoor exercise bikes) are getting hammered.



Source: CB Insights

#us #equities #breadth

The Nasdaq has 3300 stocks and 407 out of that made a 52 week low yesterday. This is the worst reading since March 2020.

Percentage of S&P 1500 Components Making New Relative...				ALL STAR CHARTS
	12-Mo Lows	6-Mo Lows	3-Mo Lows	1-Mo Lows
Basic Materials	4%	6%	6%	14%
Communication Services	13%	13%	19%	29%
Consumer Cyclical	8%	9%	10%	15%
Consumer Defensive	13%	14%	16%	24%
Energy	3%	3%	3%	53%
Financial	6%	9%	10%	20%
Healthcare	16%	21%	26%	31%
Industrials	6%	7%	9%	14%
Real Estate	14%	19%	21%	30%
Technology	10%	13%	15%	24%
Utilities	20%	20%	20%	22%
Total% (Count)	10%	12%	14%	23%
	143	179	207	341

Source: JC Parets

20th of November 2021

#us #equities #shorts #capitulation

Are the bears throwing the towel? While Perma Bear Russell Clark just decided to shut down his hedge fund amid historic bull market, the "Big Short" Michael Burry seems to have exited his largest shorts. Indeed, Scion's just released 13F for the third quarter ended Sept 30. As shown in the table below courtesy of www.zerohedge.com, Burry appeared to have nuked his portfolio in Q3 when out of 22 total positions (including options) at the end of Q2, he had just 6 stock holdings.

Name of Issuer	As of Sept 30, 2021		As of June 30, 2020		Change From Q2'21 to Q3'21	
	Value	Shares	Value	Shares	Value	Shares
CVS Health	16,972	200,000	16,688	200,000	284	0
Lockheed Martin	10,353	30,000	0	0	10,353	30,000
GEO Group Inc	8,656	1,158,820	17,800	2,500,000	-9,144	-1,341,180
Corecivic	3,668	412,126	13,611	1,300,000	-9,943	-887,874
Now, Inc.	1,148	150,000	0	0	1,148	150,000
Scynexis, Inc.	922	174,030	0	0	922	174,030
Closed Positions:						
Tesla Put	-	-	731,017	1,075,500		
Facebook Call	-	-	327,265	941,200		
TLT 20+ Year Treasury Bond ETF - PUT	-	-	280,472	1,943,000		
Alphabet Call	-	-	230,331	91,900		
McKesson Call	-	-	130,502	682,400		
Kraft Heinz Call	-	-	58,103	1,424,800		
Walmart Call	-	-	53,390	378,600		
Cardinal Health Call	-	-	48,966	857,700		
ARK ETF Put	-	-	30,799	235,500		
Discovery	-	-	24,780	855,084		
Ovintiv	-	-	18,882	600,000		
Scorpio Tankers	-	-	13,230	600,000		
Marinus Pharmaceuticals	-	-	11,213	625,000		
Suncoke Energy	-	-	11,173	1,564,804		
TBT UltraShort 20+ Year Treasury ETF - Call	-	-	9,718	516,100		
Golden Ocean Group Ltd	-	-	7,728	700,000		
VY Global Growth Com Cl A	-	-	1,438	144,550		
VY Global Growth *W Exp 01/30/203	-	-	996	550,000		

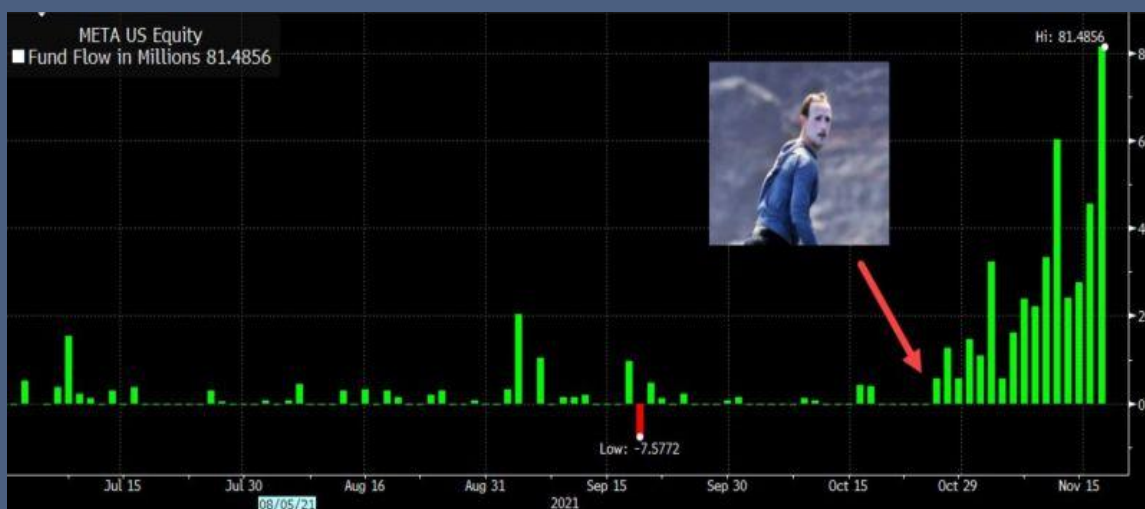
Source: SEC Edgar, Zero Hedge

Source: www.zerohedge.com

#meta #etf

"METASANITY": the inflow streak into the Roundhill Ball Metaverse #etf (\$META) has extended to 16 days with a record daily inflow \$81m yesterday. The ETF is now in Top 1% of ETFs for inflows over past week.

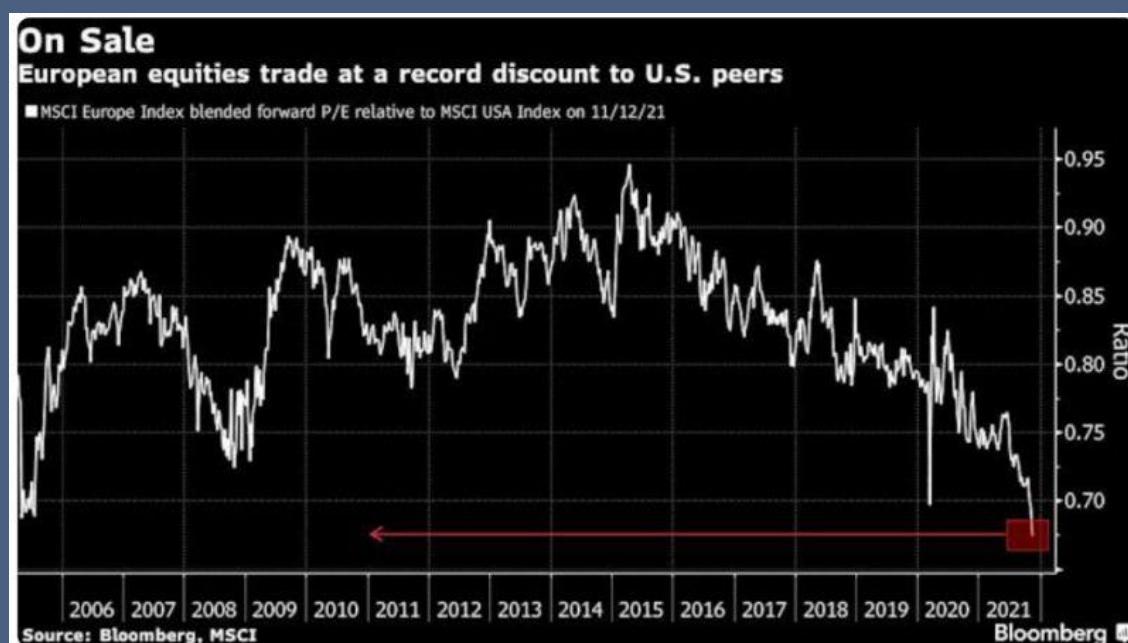
Since Zuckerberg announced the change of name of Facebook into META, Assets up to \$573m, a 5x jump while volume is up 50x.



Source: Eric Balchunas, Bloomberg

#eu #equities

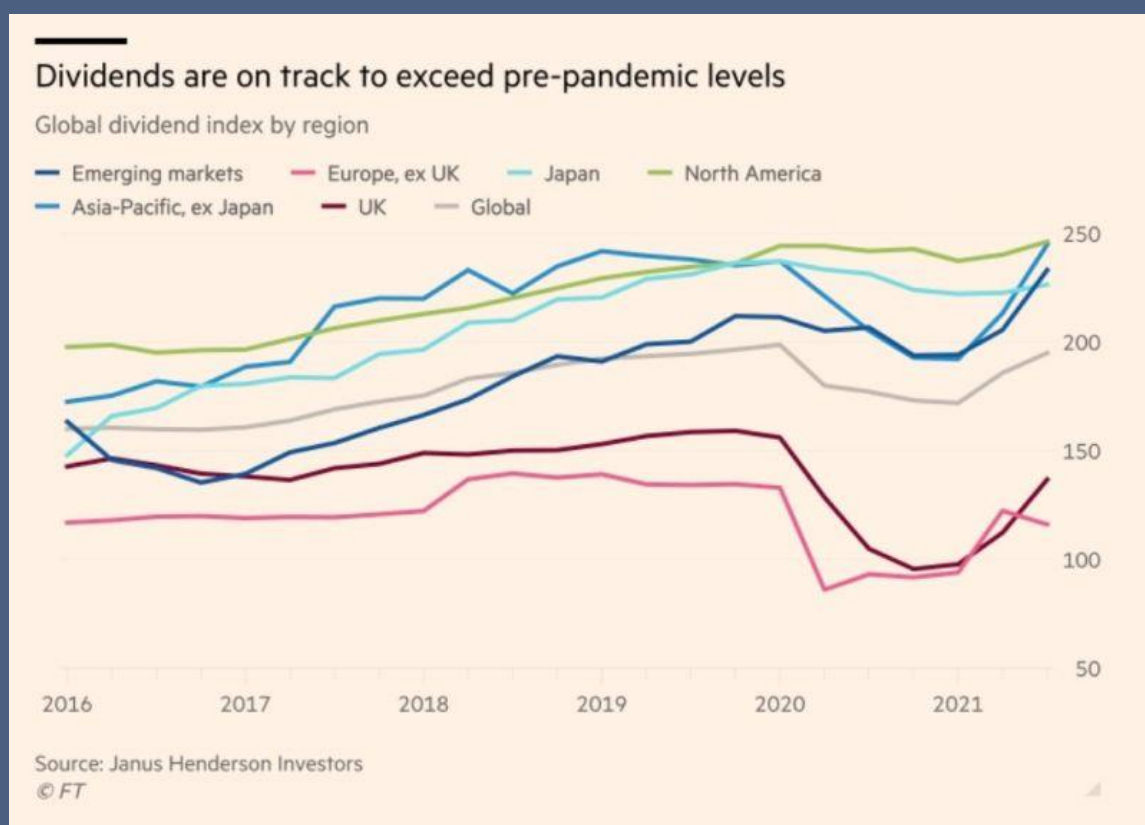
European stocks have never been this cheap vs. U.S. Market. The MSCI Europe Index is valued at a 33% discount to its U.S. counterpart, based on forward price-to-earnings ratio, the biggest in history, after the latest robust earnings season fueled further upgrades to European estimates.



Source: Bloomberg

#global #dividends

Dividends are back on track.



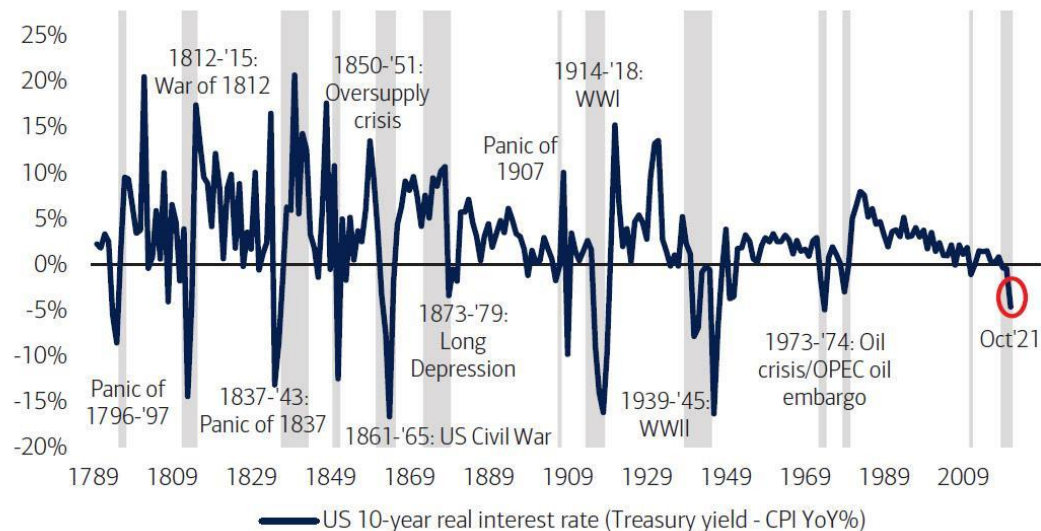
Source: FT

#us #real-rates

BofA CIO: “While the deeply negative real rates may be just what stock market bulls ordered, 10-year real rates are now at -4.6%, a level which in the past 200 years that has been associated with panics, inflations, wars & depression, and a level today increasingly responsible for froth in crypto, commodities, and US stocks”.

Chart 2: The 200-year history of US real interest rates

US 10-year real interest rate



Source: BofA Global Investment Strategy, Global Financial Data

BofA GLOBAL RESEARCH

Source: BofA

#us #fixedincome



Lisa Abramowicz ✓

@lisaabramowicz1

Corporate borrowing costs are creeping higher. U.S. investment-grade bond yields are now the highest since June 2020.



4:23 AM · 17 Nov 21 · [Twitter Web App](#)

#oil

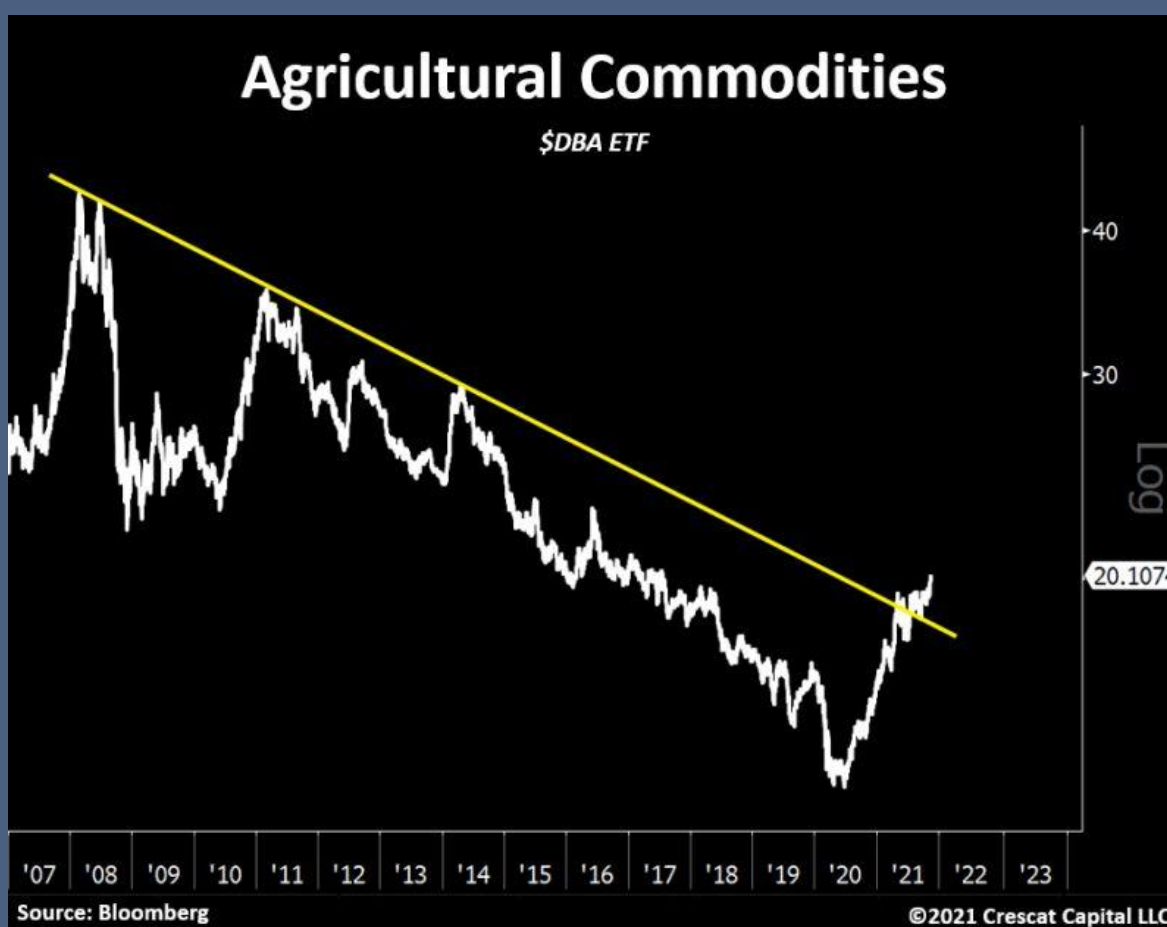
After trading in the mid-80s for much of the past two months, oil prices cracked on Friday, and fell sharply with Brent sliding below \$79/bbl, weighed down by concerns over the current COVID wave in Europe and the potential return of lockdowns.



Source: www.zerohedge.com, Bloomberg

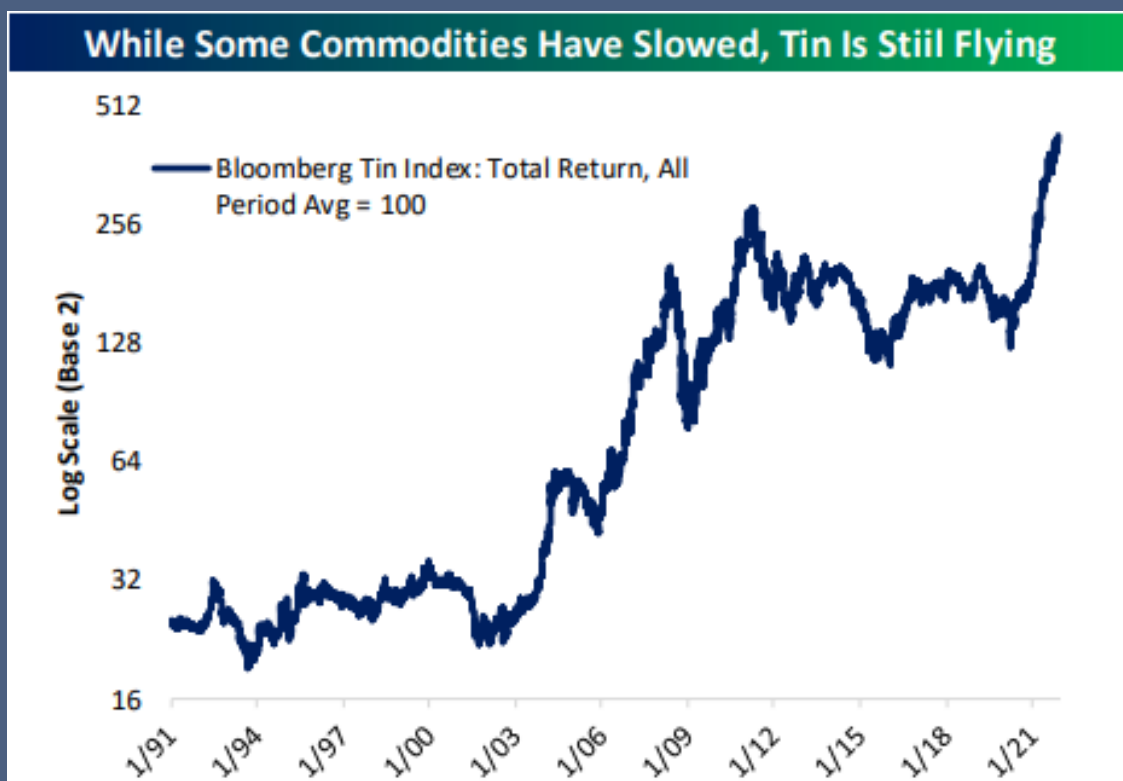
#agricultural #commodities

Are agricultural commodities breaking out a 13 years downtrend?



Source: Bloomberg, Crescat Capital

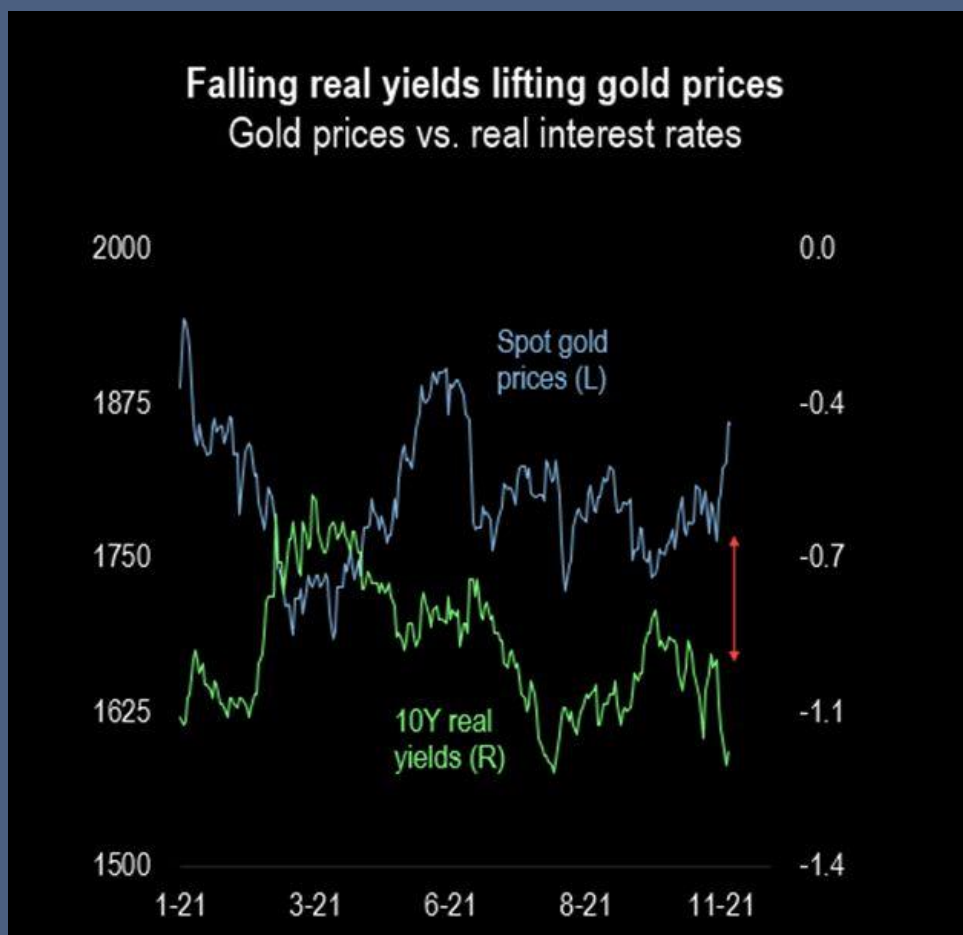
#commodities #tin



Source: Bespoke

#gold

Numera on gold: "As a 'safe haven' asset, gold typically outperforms during times of economic uncertainty and runaway inflation. Strong global growth caused a rotation away from bullion in H2/20 and H1/21, but investor demand is picking up once again as rising inflation expectations lower real interest rates".



Source: Bloomberg

#gold #sentiment

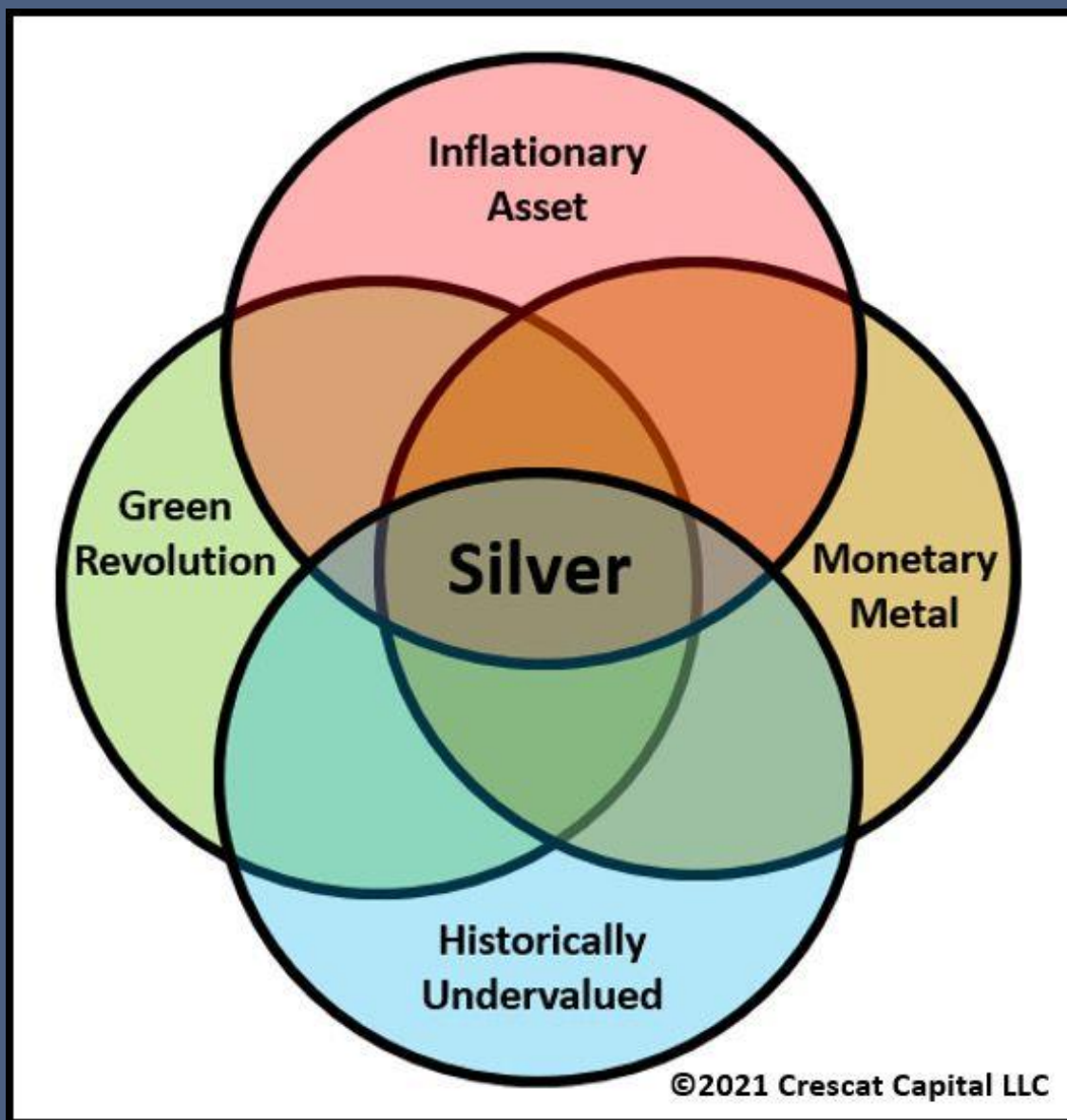
Gold net speculative positions have increased post the latest rally.



Source: JP Morgan

#silver

Crescat view on Silver in one chart.



Source: Crescat Capital

20th of November 2021

#euro-dollar

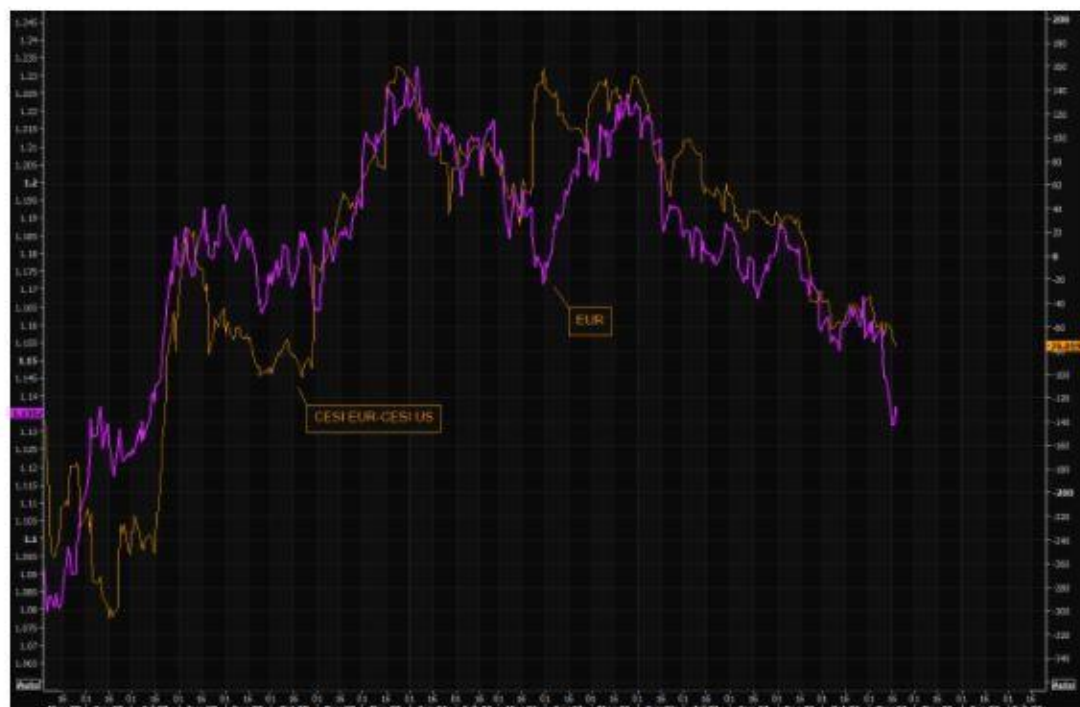
Euro tumbled to lowest since 2020. Lockdown fears didn't help.



Source: Bloomberg

#euro

THE EURO IS WEAKENING AGAINST THE DOLLAR FOR A REASON. As shown on the chart below, the Citi Eurozone #macro surprise index keeps underperforming the Citi US macro surprise index. This corroborates the fact that macro momentum in the US is definitely stringer than elsewhere in Q4. This also means that the #fed will need to turn hawkish sooner than the #ecb. Hence a weaker euro.

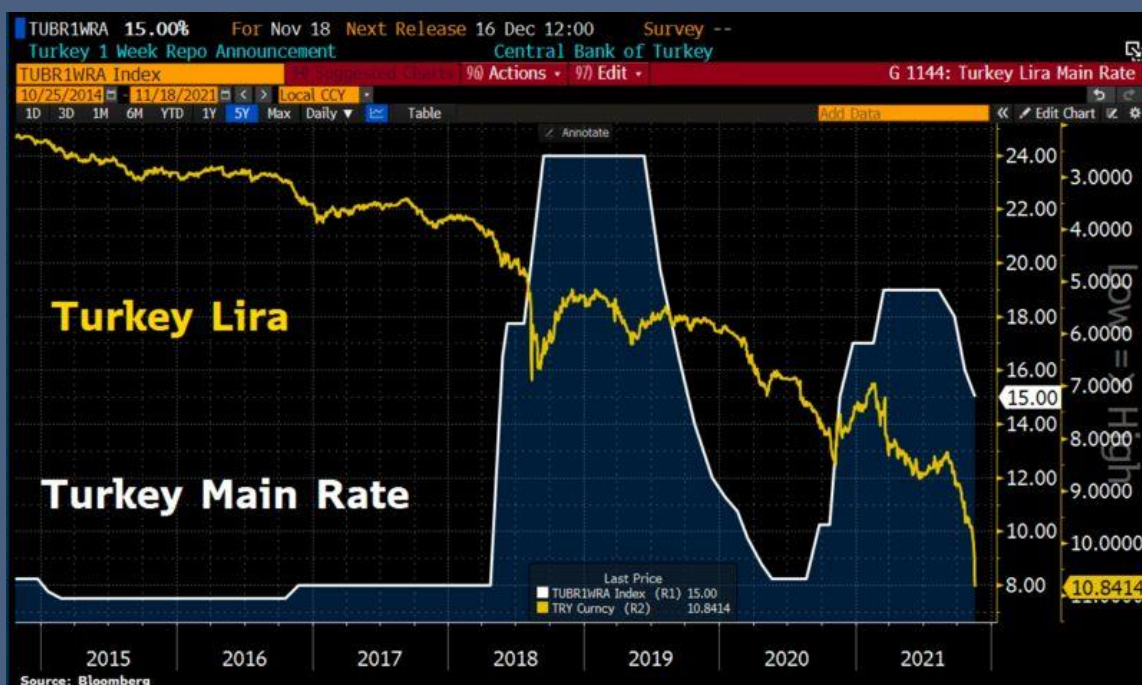


Source: Refinitiv

Source: Refinitiv, TME

#turkish-lira

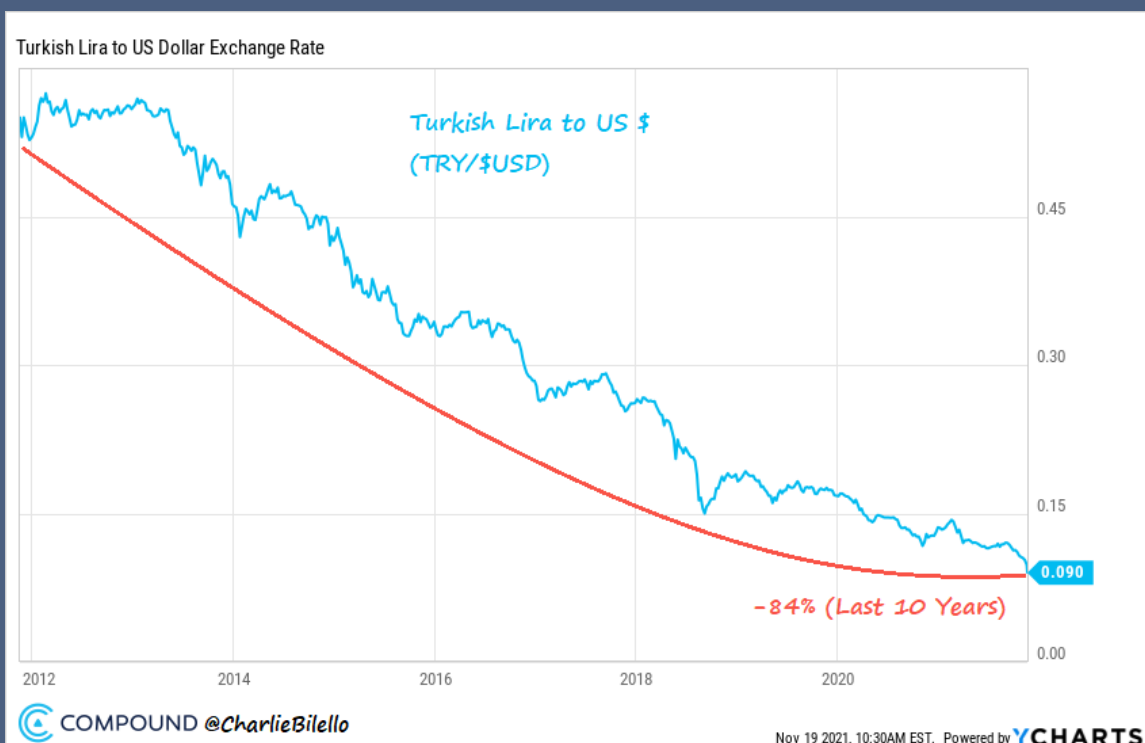
Turkey may be entering currency crisis as Lira dropped past 10.5 per dollar for the first time ever and extended decline after the central bank cut its one-week repo rate to 15% from 16% amid pressure from President Erdogan. Turkey Central Bank now considers ending rate cuts in December.



Source: Bloomberg

#turkish-lira

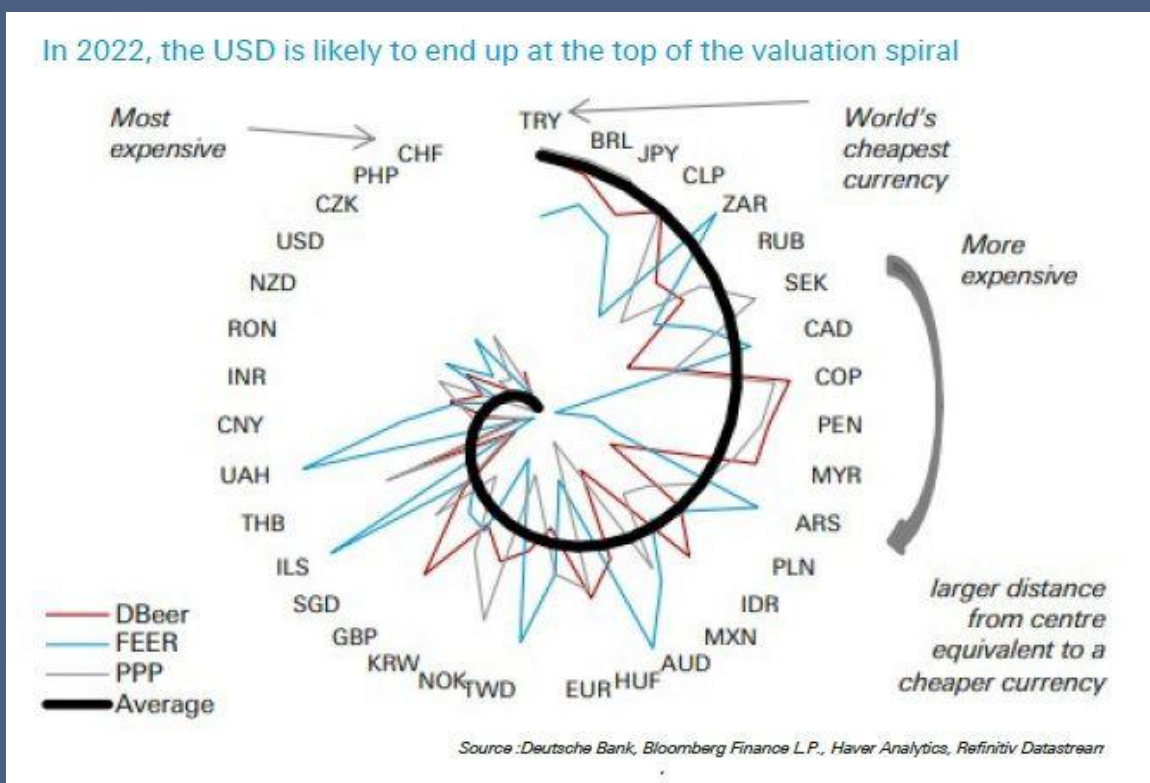
The Turkish Lira has lost 84% of its value against the US \$ over the last 10 years.



Source: Charlie Bilello

#forex #turkish-lira

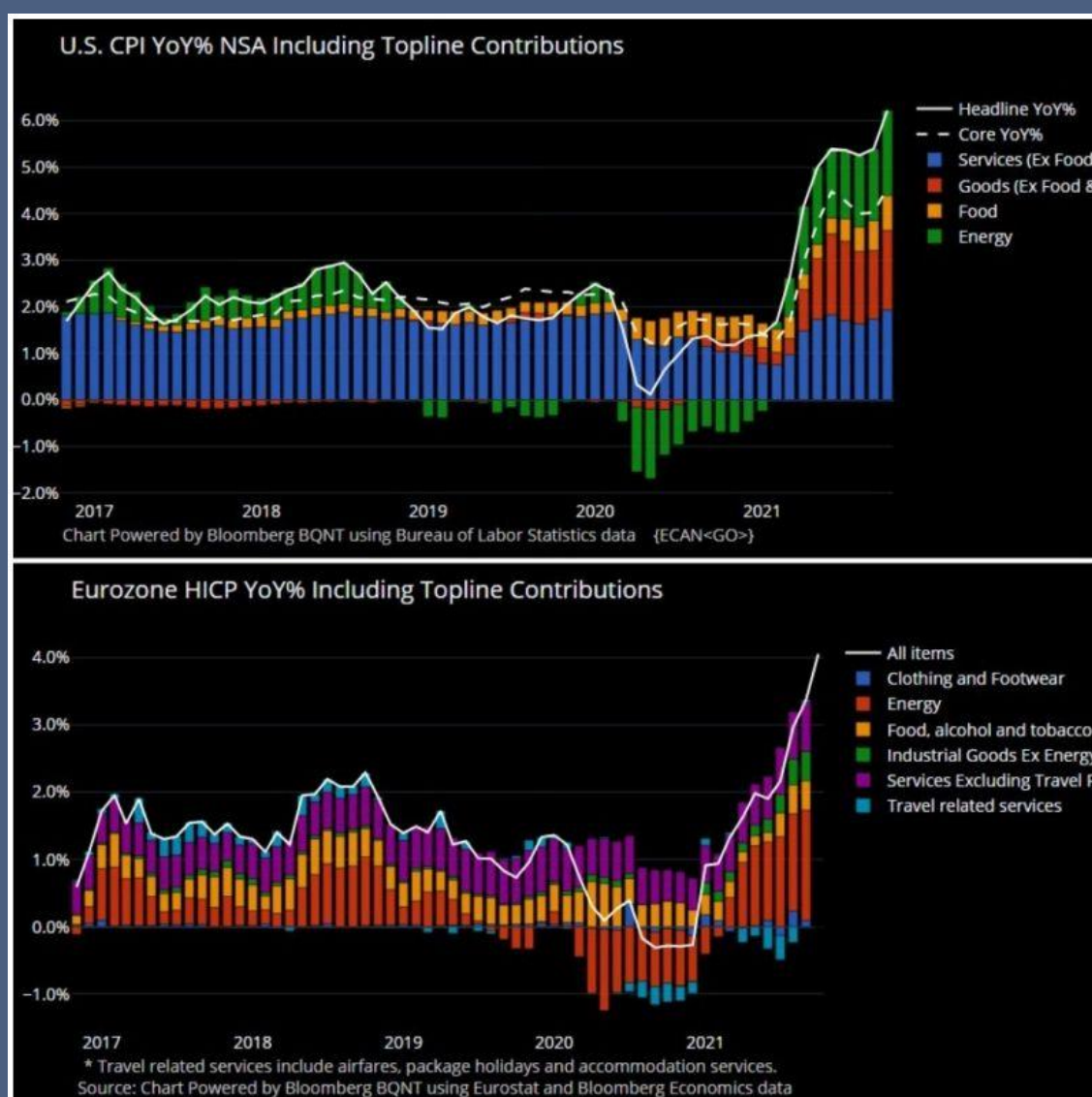
The Lira has been «cheap» for a while ...



Source: Deutsche Bank

#global #inflation

The breadth of inflation data in colors.



Source: Bloomberg

20th of November 2021

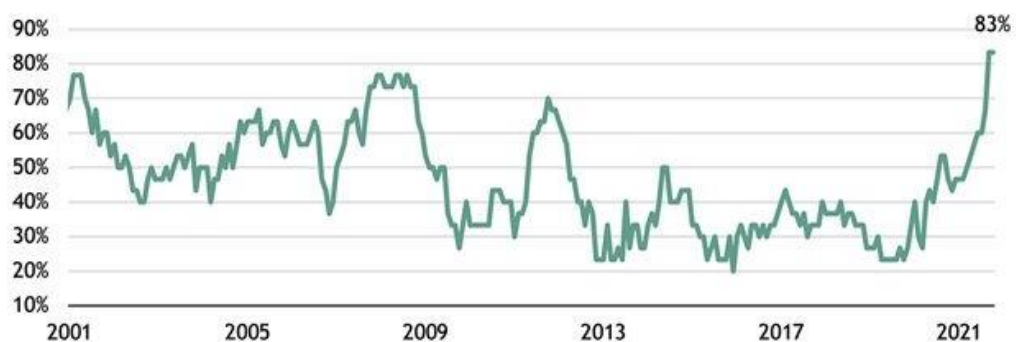
#us #inflation

US Inflation “breadth” has been on the rise.

US CPI Inflation Components

Component of CPI	Oct. 2021 Growth (YoY%)	Highest Since...
Headline CPI	6.2%	November 1990
Energy	30.0%	September 2005
Pork	14.1%	December 1990
Furniture and bedding	12.0%	June 1951
New vehicles	9.8%	May 1975
Men's suits, sport coats, and outerwear	9.3%	January 1979
Tires	9.2%	January 1981
Sports equipment	8.0%	December 1980
Laundry and dry cleaning services	6.9%	December 1998
Tools, hardware, and outdoor equipment	6.4%	December 1998
Food away from home	5.3%	June 1982

Share of CPI Components with Inflation Above 2.5% YoY

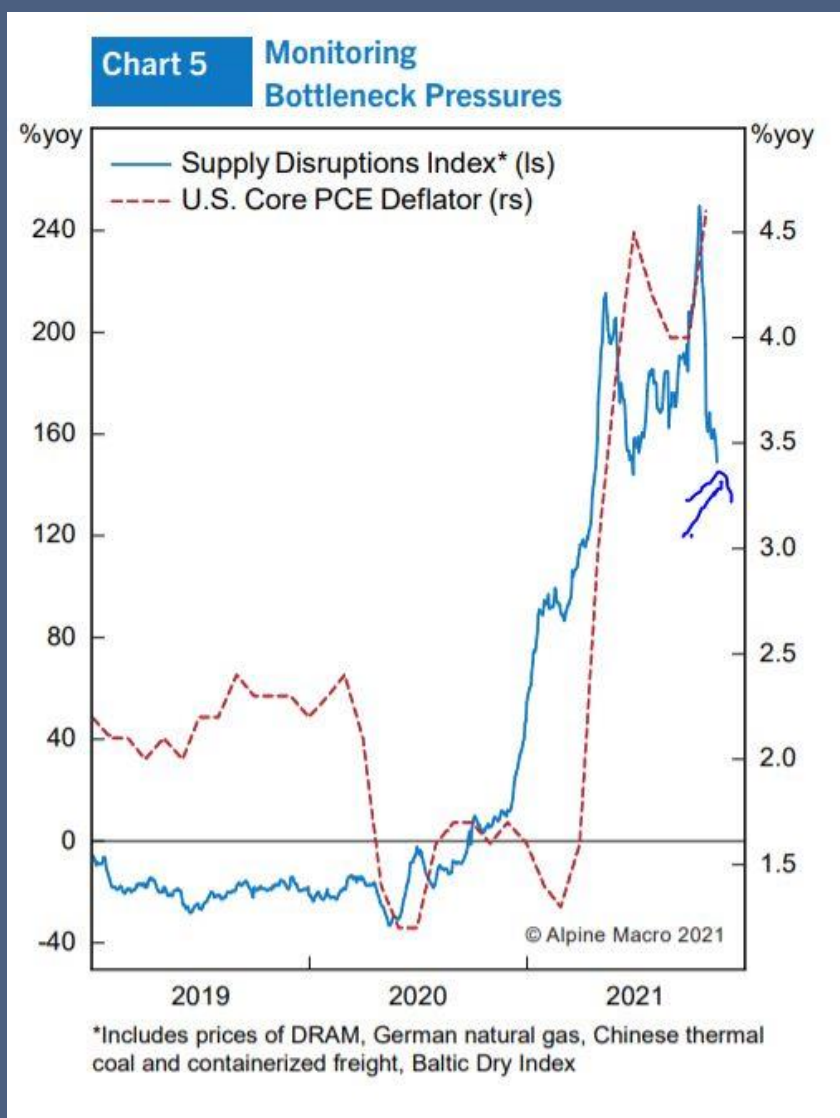


Source: Blackstone Investment Strategy and Bureau of Labor Statistics, as of 10/31/2021. Based on a decomposition of the Consumer Price Index (CPI) for All Urban Consumers into 30 component parts.

Source: Blackstone

#supply #bottlenecks

Alpine Macro's Supply Disruption Index (SDI) continues to fall, suggesting that the core PCE inflation may soon roll over. The conventional wisdom is that U.S. inflation will run higher and stay longer, but their SDI disagree.



20th of November 2021



#supply #bottlenecks

Are we getting close to peak bottleneck?

Baltic Dry Index Falls to Five-month Low

BUSINESS > AUTOS

Toyota's December production goal suggests its supply chain woes are easing

The world's No. 1 automaker plans to produce 800,000 vehicles globally next month, up from 755,581 units in 2020 and 660,536 in 2019.

UK, US to resume Transatlantic flights in November - Transport Minister

White House says Walmart, FedEx, UPS to work 24/7 to ease supply bottlenecks for holiday season

The Port of Los Angeles is going to have 24/7 operations as a step toward helping ease the shipping snarl there

Autos & Transportation

GM says seeing better flow of semiconductors

Reuters

#transport #energy #bottlenecks

The Baltic Dry Index (cost of shipping dry commodities) has reversed after the peak hit in Q3.



Natural Gas (white) & Crude oil (WTI, orange) remain high, but the supply could easily be increased if the main producers decide to do so.



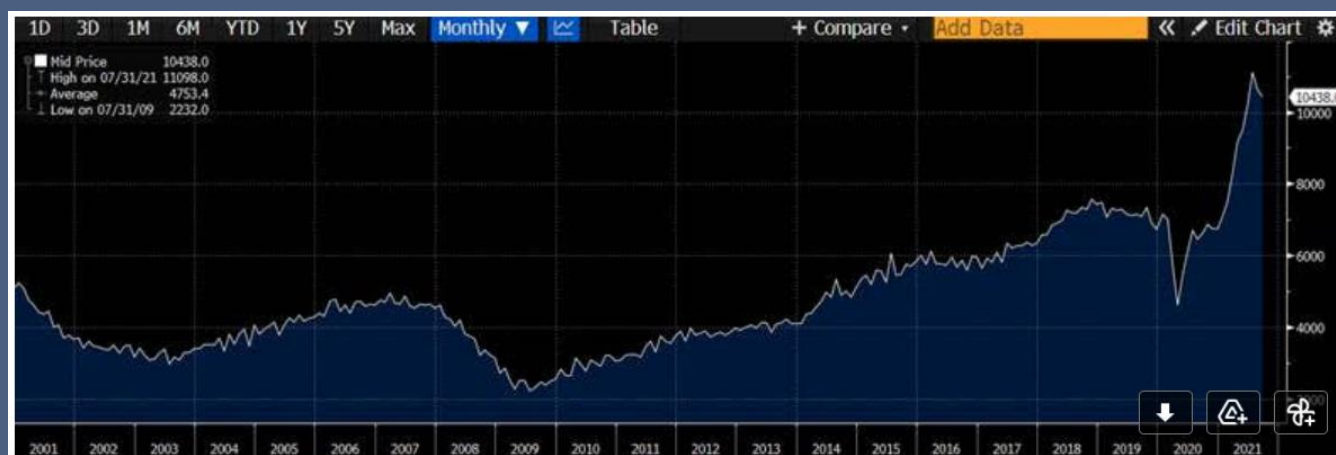
Source: Bloomberg

#us #jobs #bottlenecks

US Consumer confidence - % of respondent finding jobs are “plentiful” -> The peak of tensions on the US job market has probably been reached.



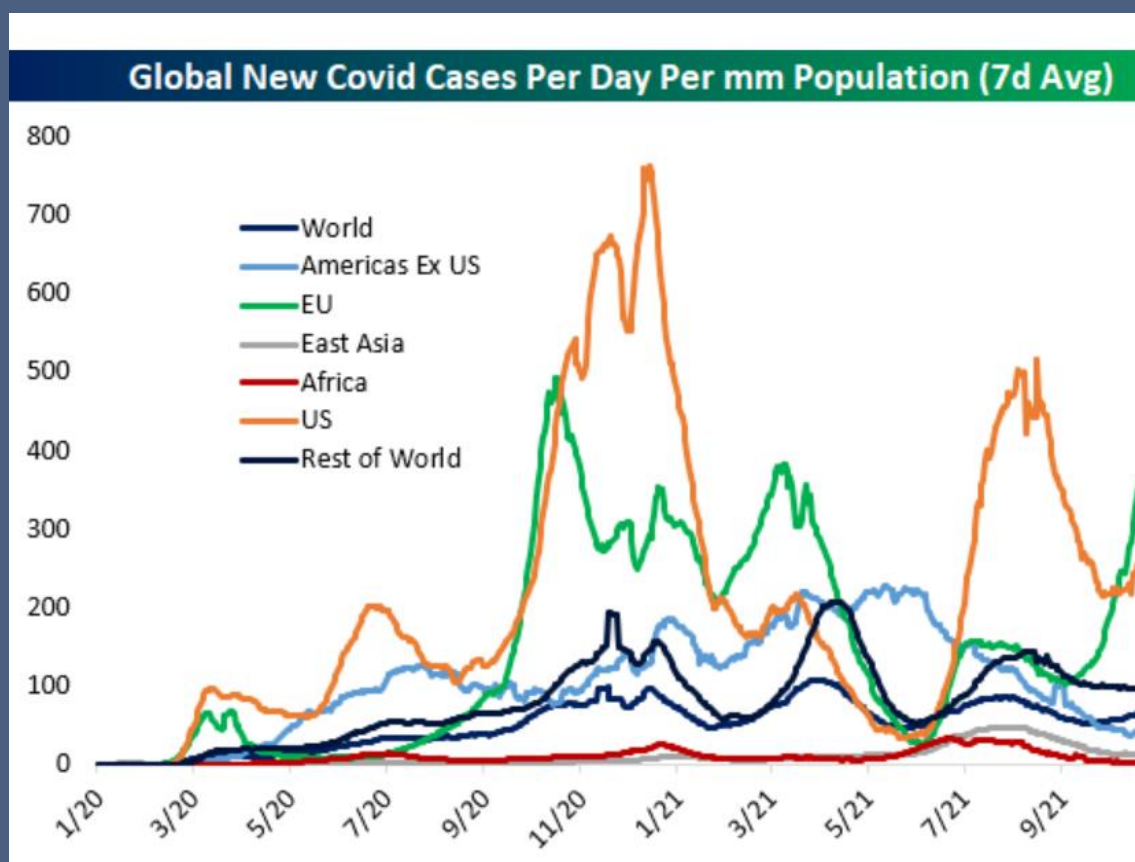
US - Number of job positions opened (JOLTS report) -> The number of opened (i.e unfilled) position also remains high but has started to trend lower.



Source: Bloomberg

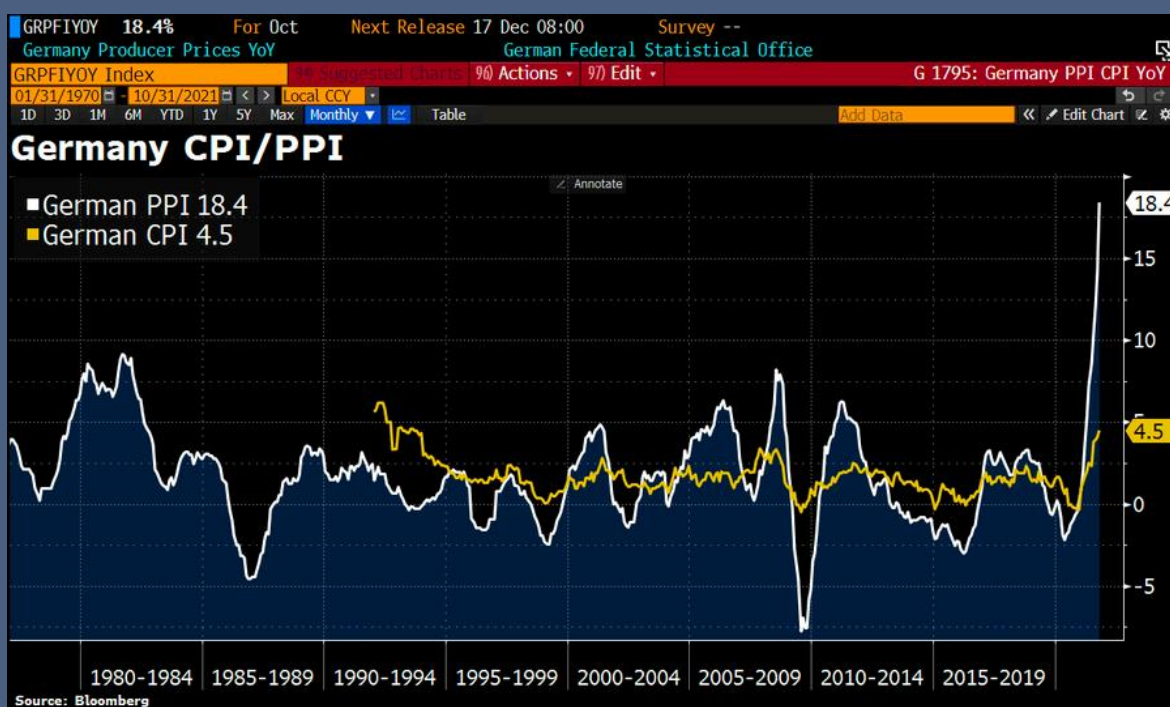
#supply #bottlenecks #covid19-cases

COVID cases have ticked up recently in North America and Europe. The last thing our supply-ridden economy needs is lockdowns, so this will be an important development to watch moving forward.



#germany #inflation

Looks like consumer prices could go up a good bit more in Germany. Producer prices have risen 18.4%, the highest increase since 1951



Source: Bloomberg

#global #centralbanks

Update on policy rates: South Africa hikes rates for the first time in 3 years, 25 bps increase to 3.75%. Turkey cuts rates for the 3rd month in a row despite 20% inflation rate, 100 bps decrease to 15.00%.

Global Central Bank Policy Rates						
Country	Rate	Central Bank Rate (Today)	CPI YoY	Real Central Bank Rate	Last Move	Last Move Date
Switzerland	Target Rate	-0.75%	1.2%	-2.0%	Cut	Jan-15
Denmark	Deposit Rate	-0.60%	3.0%	-3.6%	Cut	Sep-21
Eurozone	Deposit Rate	-0.50%	4.1%	-4.6%	Cut	Sep-19
Japan	Policy Rate Bal	-0.10%	0.1%	-0.2%	Cut	Jan-16
Sweden	Repo Rate	0.00%	2.8%	-2.8%	Hike	Dec-19
UK	Bank Rate	0.10%	4.2%	-4.1%	Cut	Mar-20
Australia	Cash Rate	0.10%	3.0%	-2.9%	Cut	Nov-20
US	Fed Funds	0.13%	6.2%	-6.1%	Cut	Mar-20
Canada	Overnight	0.25%	4.7%	-4.5%	Cut	Mar-20
Norway	Deposit Rate	0.25%	3.5%	-3.3%	Hike	Sep-21
New Zealand	Cash Rate	0.50%	4.9%	-4.4%	Hike	Oct-21
Thailand	Policy Rate	0.50%	2.4%	-1.9%	Cut	May-20
South Korea	Repo Rate	0.75%	3.2%	-2.5%	Hike	Aug-21
Hong Kong	Base Rate	0.86%	1.4%	-0.5%	Cut	Mar-20
Saudi Arabia	Reverse Repo	1.00%	0.8%	0.2%	Cut	Mar-20
Taiwan	Discount Rate	1.13%	2.6%	-1.5%	Cut	Mar-20
Poland	Repo Rate	1.25%	6.8%	-5.6%	Hike	Nov-21
Malaysia	Policy Rate	1.75%	2.2%	-0.5%	Cut	Jul-20
Peru	Policy Rate	2.00%	5.8%	-3.8%	Hike	Nov-21
Philippines	Key Policy Rate	2.00%	4.6%	-2.6%	Cut	Nov-20
Colombia	Repo Rate	2.50%	4.6%	-2.1%	Hike	Oct-21
Chile	Base Rate	2.75%	6.0%	-3.3%	Hike	Oct-21
Czech Republic	Repo Rate	2.75%	5.8%	-3.1%	Hike	Nov-21
Indonesia	Repo Rate	3.50%	1.7%	1.8%	Cut	Feb-21
South Africa	Repo Rate	3.75%	5.0%	-1.3%	Hike	Nov-21
China	Loan Prime Rate	3.85%	1.5%	2.4%	Cut	Apr-20
India	Repo Rate	4.00%	4.5%	-0.5%	Cut	May-20
Mexico	Overnight Rate	5.00%	6.2%	-1.2%	Hike	Nov-21
Russia	Key Policy Rate	7.50%	8.1%	-0.6%	Hike	Oct-21
Brazil	Target Rate	7.75%	10.7%	-2.9%	Hike	Oct-21
Turkey	Repo Rate	15.00%	19.9%	-4.9%	Cut	Nov-21
Argentina	Benchmark Rate	38.00%	52.1%	-14.1%	Hike	Nov-20

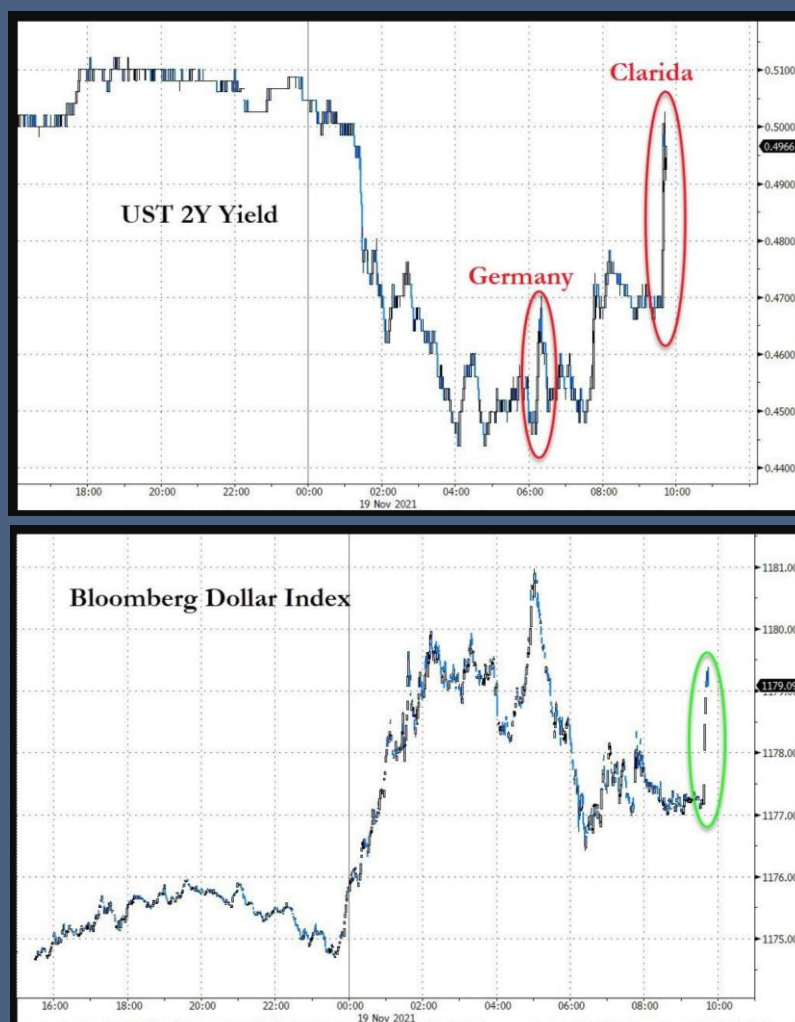


@CharlieBilello

Source: Charlie Bilello

#fed

On Friday, Fed Vice Chair Richard Clarida said it may be appropriate for policy makers to discuss next month whether to speed up the tapering of bond buying after inflation surged and job gains picked up. US 2y yield and the \$ soared.



Source: Bloomberg

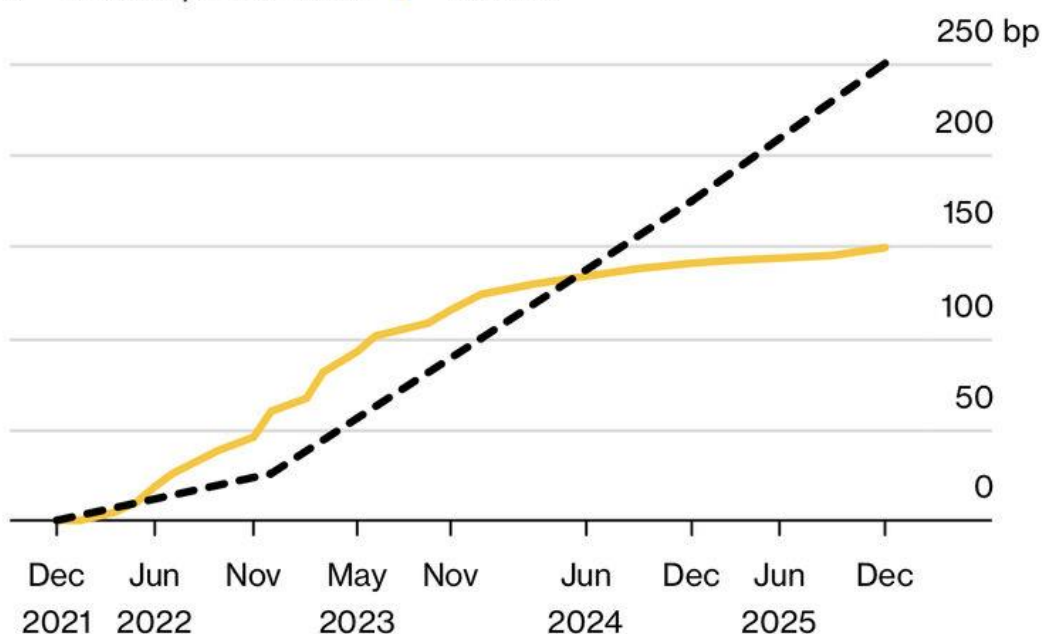
#fed

Swaps Markets Pricing 75% Probability of June 2022 rate Liftoff.

What's Priced In Now

Citi target a faster pace of Fed rate hikes than currently priced

— Fed dot-plot forecast — Current



Bloomberg

Change in Fed's interest-rate target implied by overnight index swaps and eurodollar futures

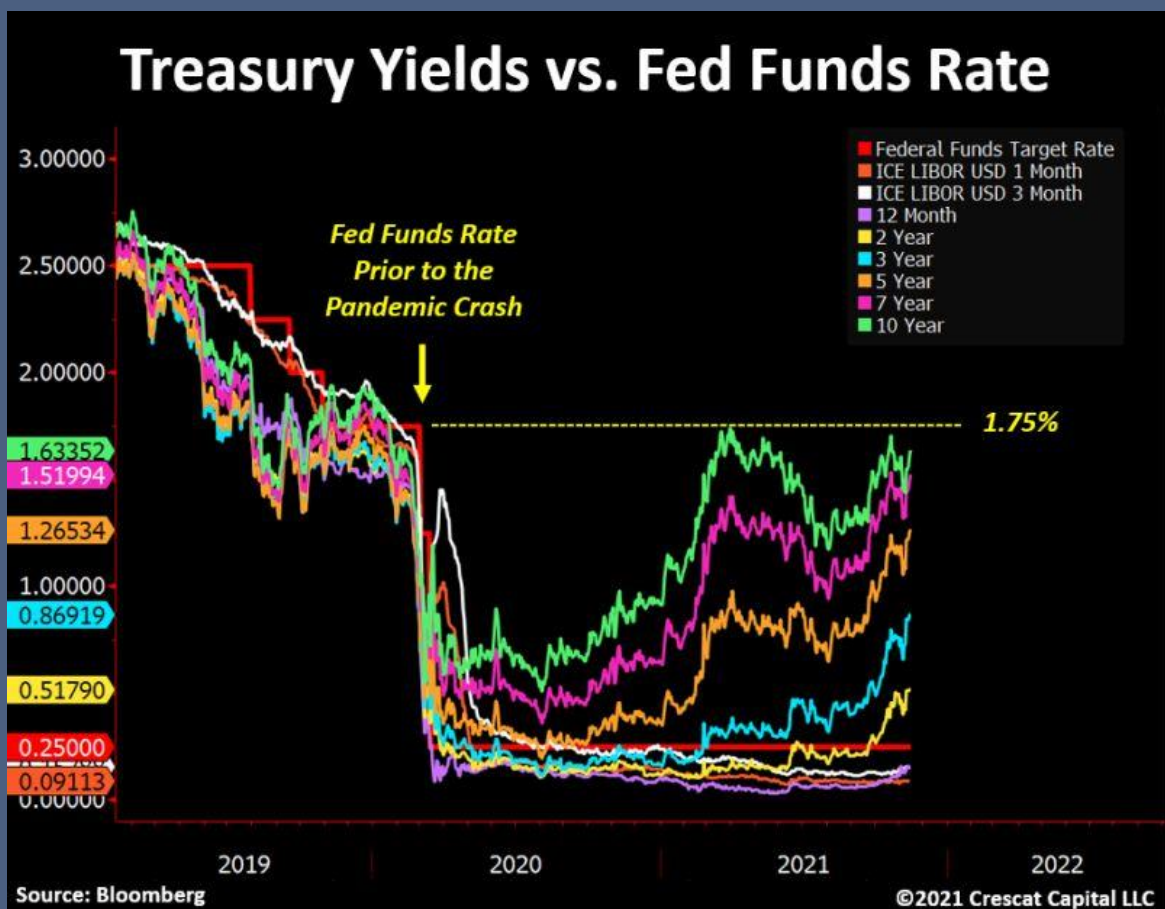
Bloomberg

Source: Bloomberg

20th of November 2021

#fed

If the Fed were to raise interest rates back to pre-pandemic levels today, it would invert the entire yield curve.



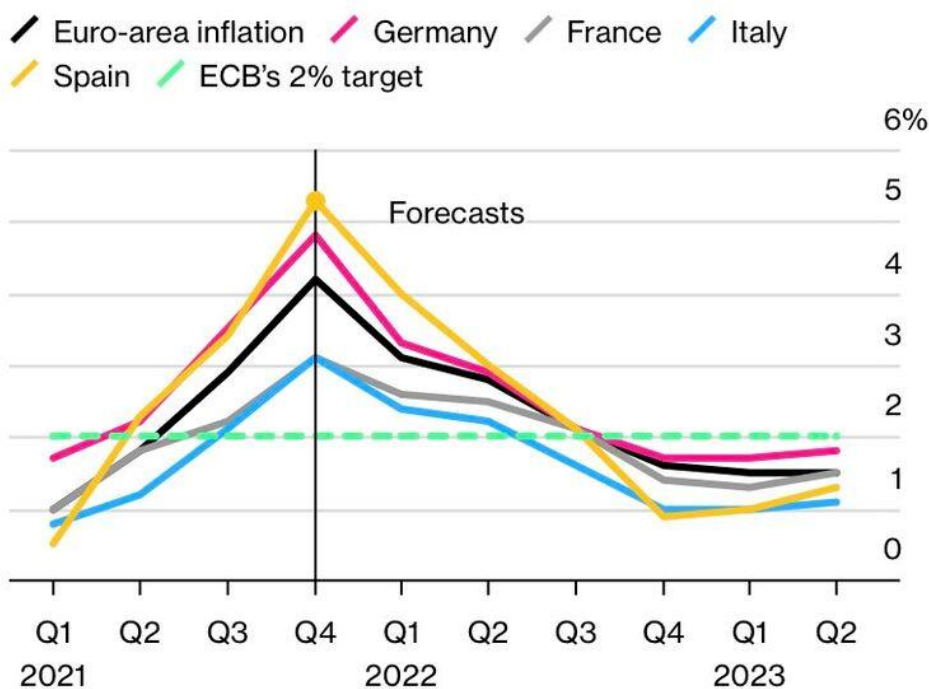
Source: Bloomberg, Crescat Capital

#ecb

Inflation normalization ahead? ECB President Christine Lagarde, doubles down on her assessment that euro-area inflation will fall back below the 2% target in the medium term. She says that the risks of rising wages and second-round effects are 'limited'. We share centralbanks' view that inflation will indeed normalize next year..

Dropping Off

Euro-area price pressures are due to drop from their end-2021 highs



Source: Bloomberg survey of economists, conducted Nov. 5-11

Source: Bloomberg

#ecb

Deutsche Bank CEO Christian Sewing calls on ECB to tighten monetary policy as inflation surges. Sewing says that ultra-loose interest rate policy 'has lost its effect'.



Source: Bloomberg

#us #macro

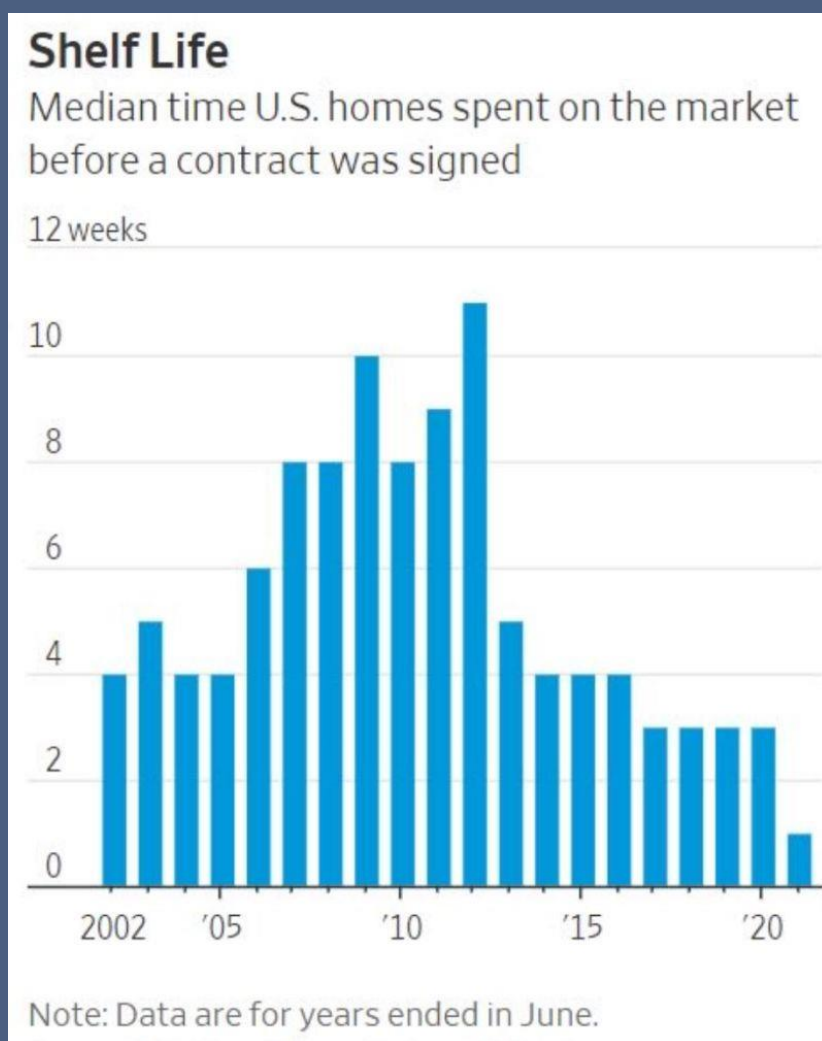
They don't do what they say...Sometimes sentiment survey can be misleading, to say the least. Indeed, LRI the University of Michigan PDI sentiment survey for buying large household durable goods (blue) is in free-fall, yet US retail sales (orange) continue to soar. Retail sales still up 16.3% y/y is rather impressive as it is no longer just due to base effects (sales in October 2020 were up 5.3% y/y). A 16.3% annual growth is much higher than what we saw in the years preceding the #pandemic. US real GDP growth is likely to be very strong..



Source: Bloomberg

#us #housing

The US housing market is supply-constrained. Between July 2020-June 2021, home sales sat on market for median period of 1 week before entering contract, an all-time low.



Source: National Association of Realtors

#us #housing

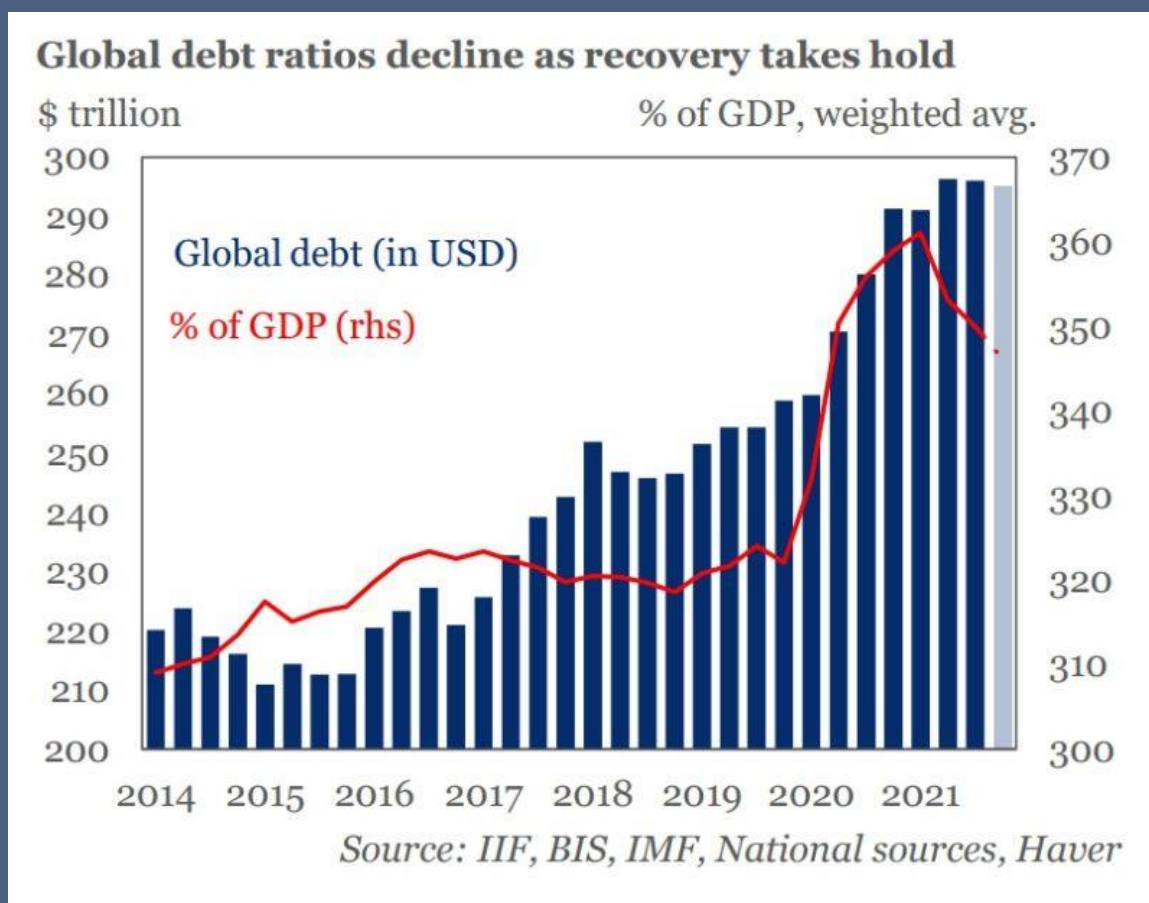
From the front page of The Wall Street Journal. It's another indication of a red-hot housing market that is also pricing more Americans out every day. Yet monetary policy continues to be partially directed at supporting the housing market, including with significant monthly Fed purchases of mortgages..



Source: Mohamed El-Erian, WSJ

#global #debt

Debt reduction via inflation. There is still a long way to go.



Source: Haver

#cryptos #correction

Thanks to a decent bounce back on Friday, this week's crypto carnage doesn't look quite as bad. BTC and ETH ended the week down around 9%... Bitcoin broke below \$60k but managed to bounce back above \$58k today...



Source: DB

#bitcoin #options

Bitcoin Options markets currently have over \$12.6Billion in open interest, near all-time-highs. This level of Option OI has been sustained for around 1 month, and is similar to the highs during March and April.

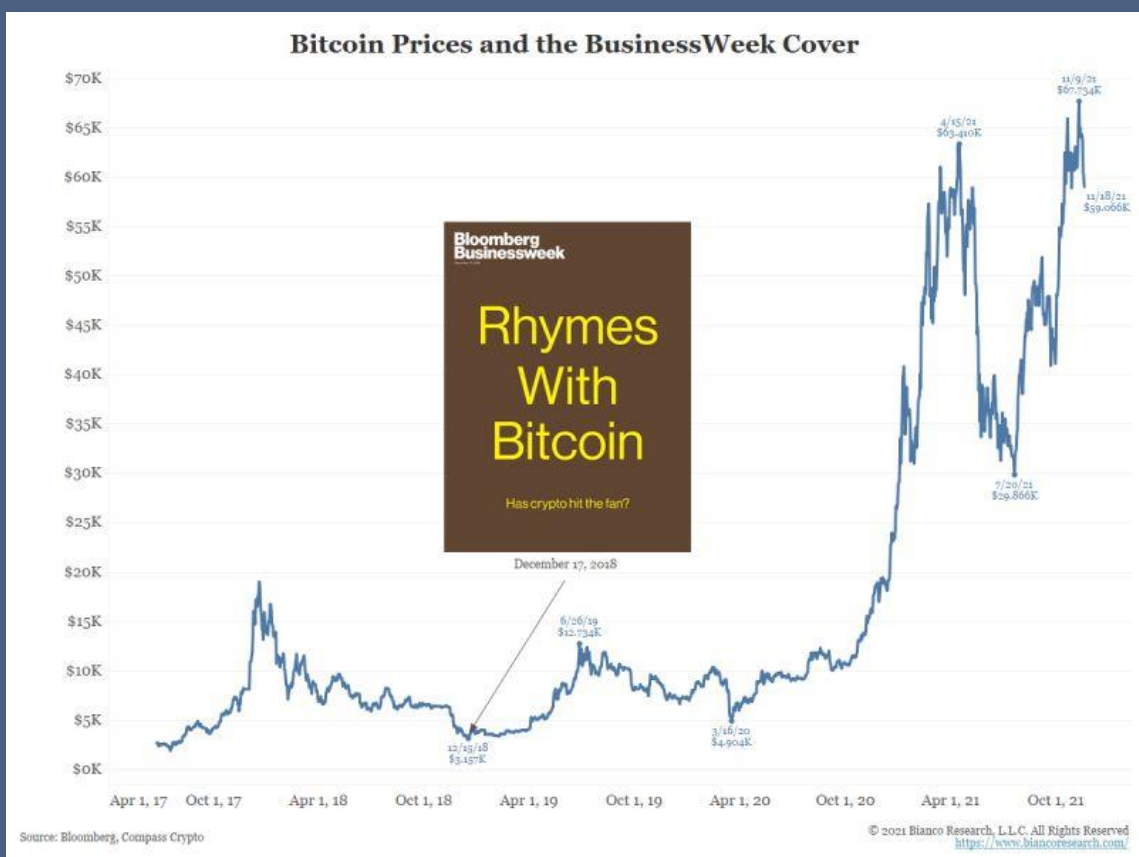


Source: Glassnode

20th of November 2021

#bitcoin

BusinessWeek cover timing is not always the best...



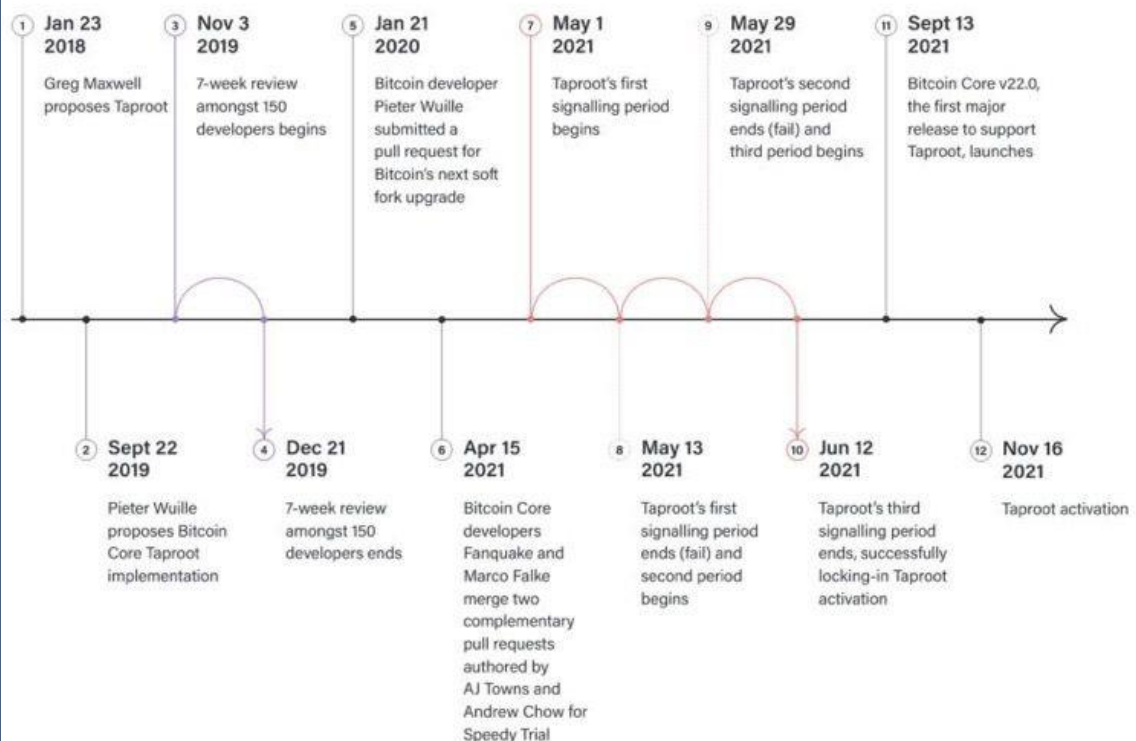
Source: Jim Bianco

20th of November 2021

#bitcoin #taproot

TC Taproot soft fork has arrived. Taproot brings up new advantages for privacy, multi-signature wallets and security & scaling. The new Bitcoin soft fork introduces the concept of Merkelized Abstract Syntax Tree (MAST) which could make smart contracts more efficient and private by only revealing the relevant parts of the contract when spending.

Taproot Timeline



#bitcoin #etf



Eric Balchunas @EricBalchunas · 16h

New note from yours truly today on how Global X may have solved Bitcoin ETF Rubik's Cube with \$BITS, which is 50% bitcoin stocks and 50% bitcoin futures (3rd, 4th month) - minimal roll costs vs \$BITO but more kick/corr to spot than \$BLOK. Could be hit w advisors. \$1b aum likely.

[Show this thread](#)

BITS May Be Advisers' Answer



Eric Balchunas
Team: Strategy
BI Senior ETF Analyst



James Seyffart
Team: Strategy
BI ETF Analyst

Global X May Have Solved Bitcoin ETF Rubik's Cube With BITS



Global X is attempting to serve up the best of both worlds with a new ETF that could address advisers' concerns by evenly dividing allocations between Bitcoin-related equities and Bitcoin futures in the middle of the curve. This eliminates any significant roll-cost issues while providing much more correlation to spot Bitcoin than blockchain ETFs. (11/19/21)

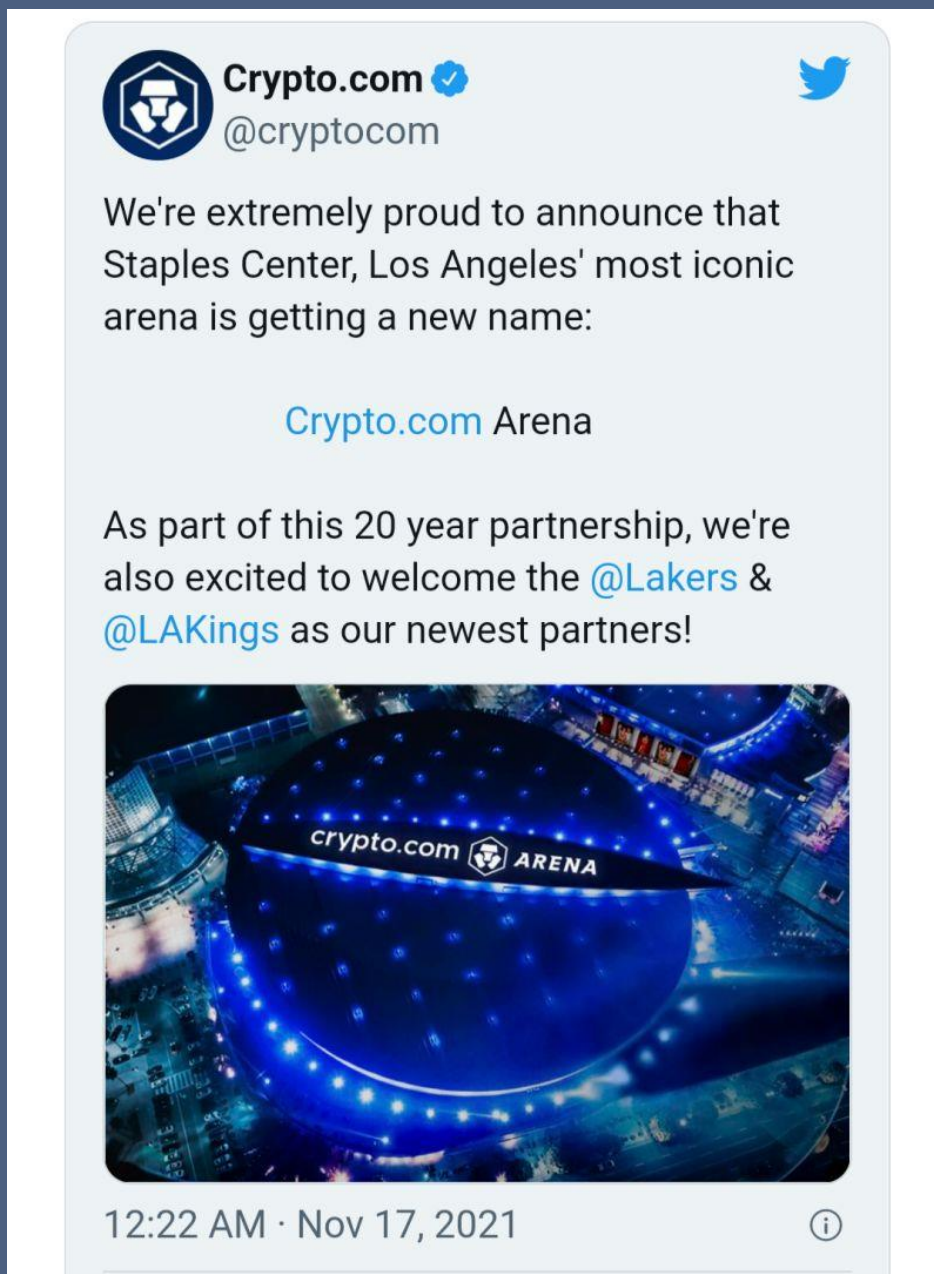
1. 50–50 Mix of Bitcoin Stocks and Futures

The Global X Blockchain & Bitcoin Strategy ETF (BITS) could bridge a gap for advisers as they wait for the SEC to approve a spot Bitcoin ETF. BITS is an unusual mixture of stocks and futures. ETFs that have tried this approach tend

50% Bitcoin Stocks, 50% Bitcoin Futures

Top Holdings <small>As of 10/16/21</small>						
Rank	Holdings (%)	ticker	Name	SECTOR	Market Price (\$)	Market Value (\$)
10	15	BTCN	GLOBAL X BITCOIN FUND	CRYPTOCURRENCY	107.18	140,000
11	13	BITF	BITCOIN FUND	CRYPTOCURRENCY	104.73	130,000

#cryptocurrencies



Source: [crypto.com](#)

#swiss #spacs

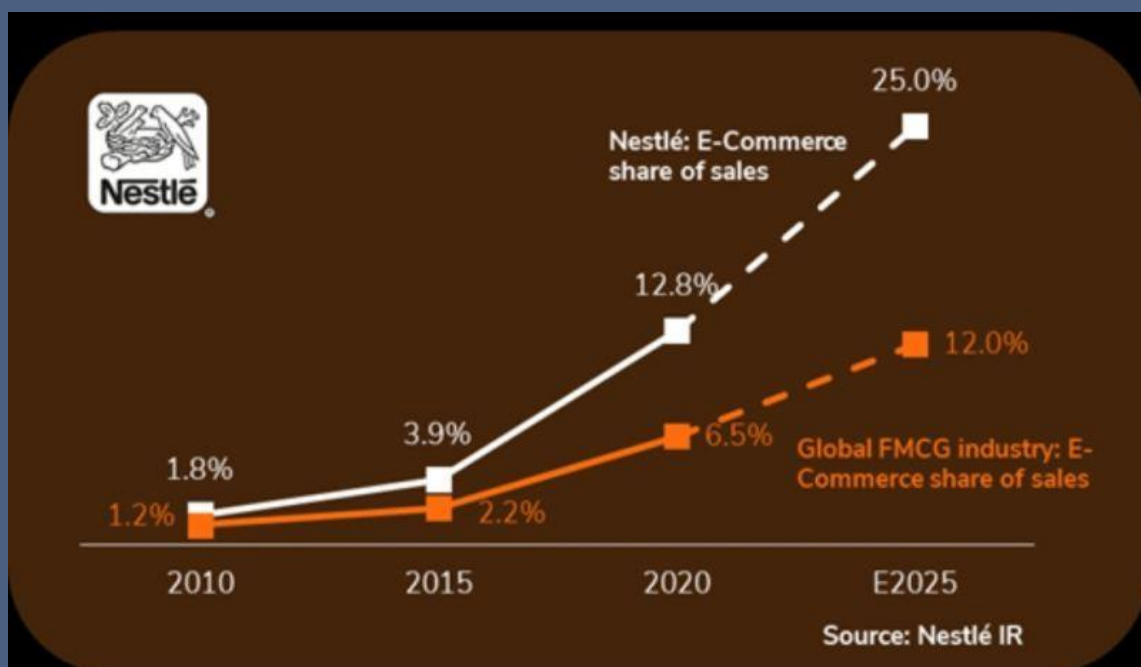
SPAC will be able to be listed and traded on the Six Swiss Exchange from 6 December, Six announced on Tuesday. Companies seeking a Spac listing are primarily subject to the same listing requirements as other listed companies on Six, but with adapted characteristics. Head of Six, said: 'The Spac listing standard will complement our ongoing efforts to offer new products and services for current and future issuers. For companies that are ready to go public, Spacs provide an additional option to do so.' Each Spac's duration is limited to a maximum of three years. The board, management, founders and sponsors of Spacs must conclude binding lock-up agreements with a lock-up period of at least six months.



Source: Reuters, SIX

#nestlé #digital

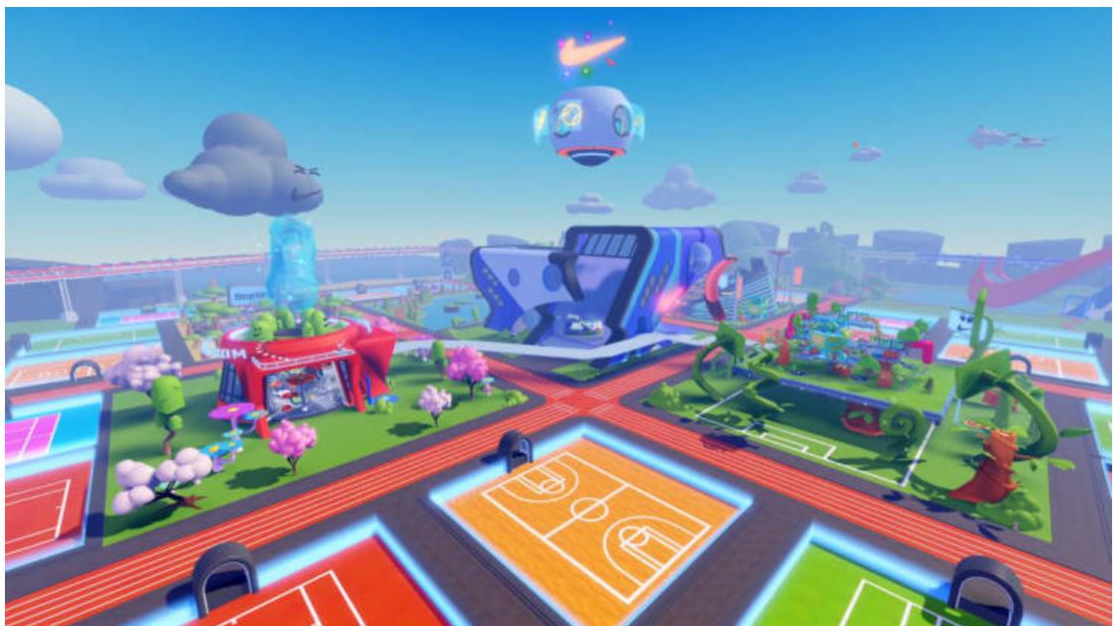
Nestlé is a good example of a legacy business that successfully manages the transition to digital. With 12.8% of sales already realized through ecommerce in 2020, the Swiss mastodon has recorded ~2x the peers' level and expects to remain ahead on this front by targeting 25% in 2025 vs 12% for the industry. Management mentioned that gross margins are slightly above in their e-commerce business but that EBIT margin comes out currently in line with the rest of group due to higher distribution costs. However, this should fuel top-line growth for the years to come and enhance innovation.



Source: Nestlé

#virtual-world #nike #roblox

Nike is teaming up with Roblox to create a virtual world called Nikeland. Users will be able to dress up their avatars in Nike-branded sneakers and apparel. Nikeland will be free for now, but could be a place to try out new products and gauge consumers' interests.



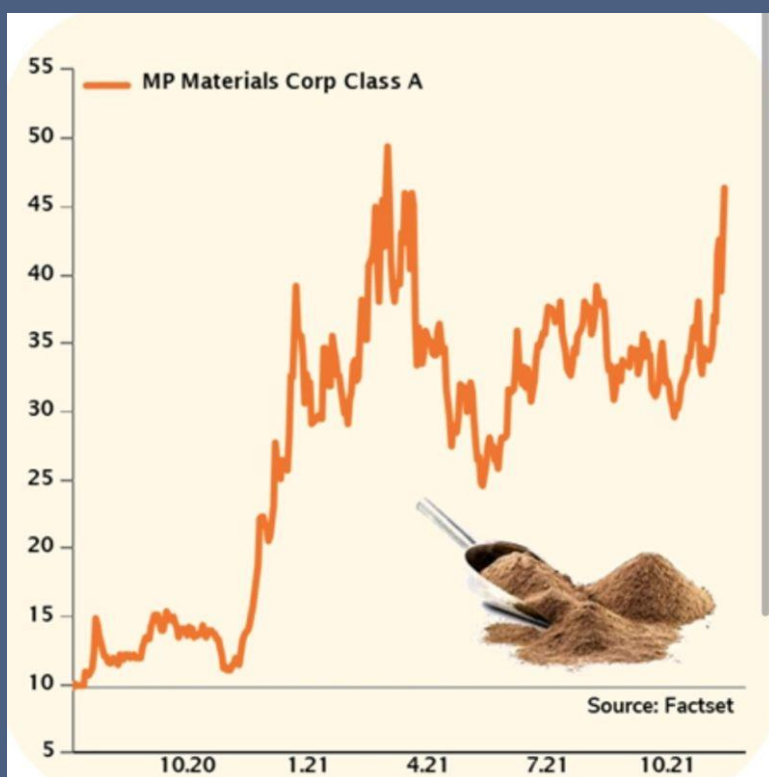
Nike is teaming up with roblox to launch a virtual world called Niketown.

Source: Nike

Source: Bitcoin Suisse

#rare-earths

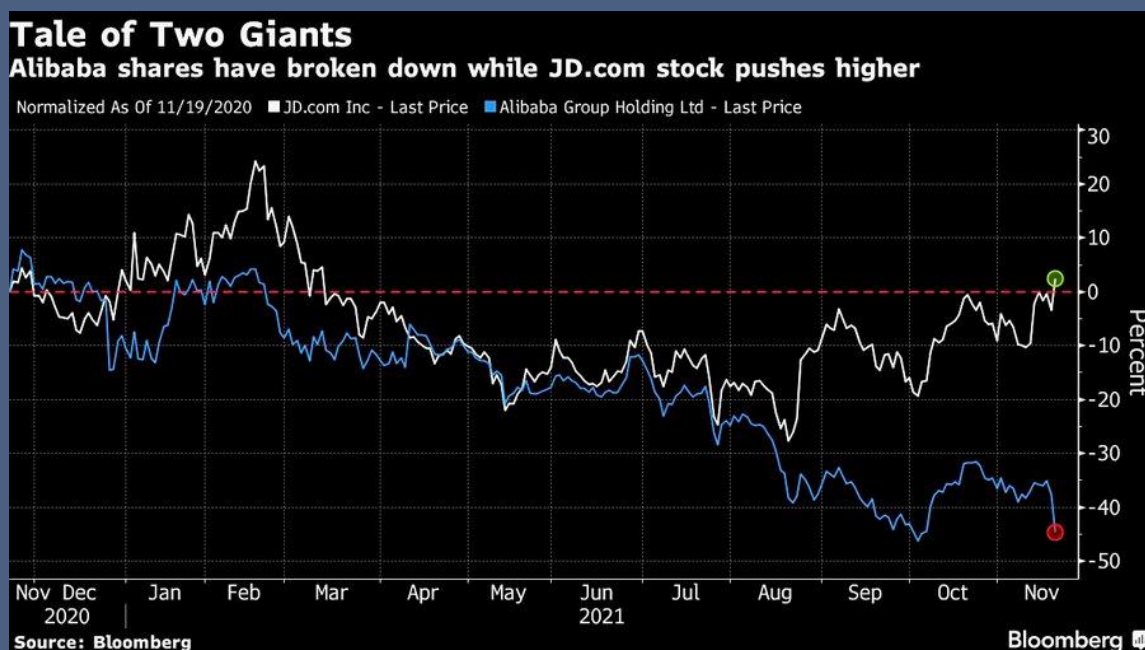
Rare earths are used to produce many tech components and has become for Biden's administration a growing priority to secure accessibility. This could benefit local companies such as MP Materials. This miner already extract approx. 15% of global rare earth supply but for now solely sales it to a Chinese company that actually transform it into a usable input that they ship back to the US... Will the US government back MP materials in order for them to develop the full value chain in the US?



Source: Factset

#alibaba

Performance of China's 2 e-commerce giants makes it clear that regulations aren't the only headache for the sector. Alibaba shares have slumped 45% over the last year, while rival JD stock has eked out about a 2% gain, BBG has calculated.



Source: Bloomberg

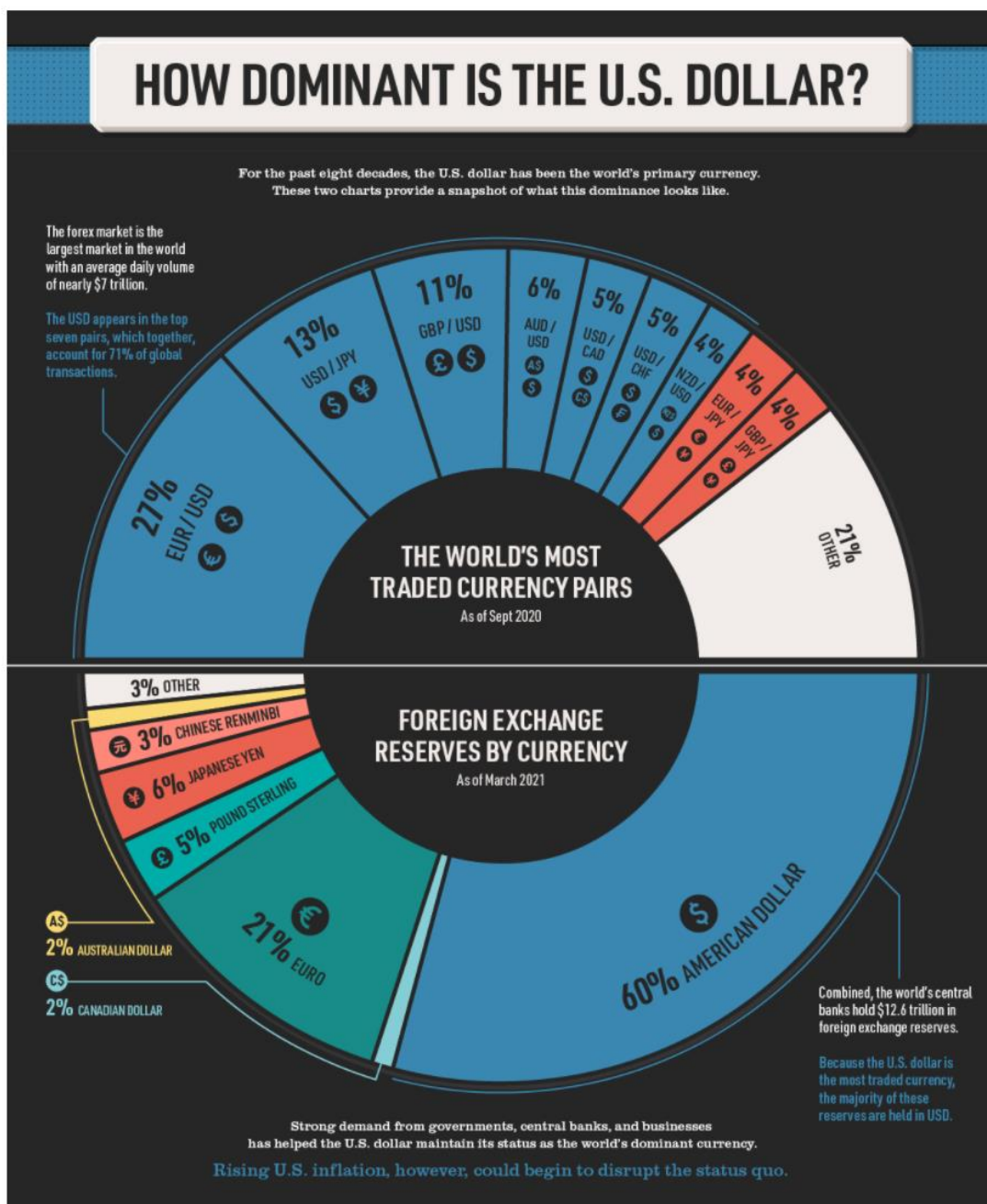
#apple-car

Apple accelerates work on Car project, aiming for fully autonomous vehicle. Company looks to refocus project on self-driving capabilities. The New car chief Kevin Lynch is pushing for debut as early as 2025.



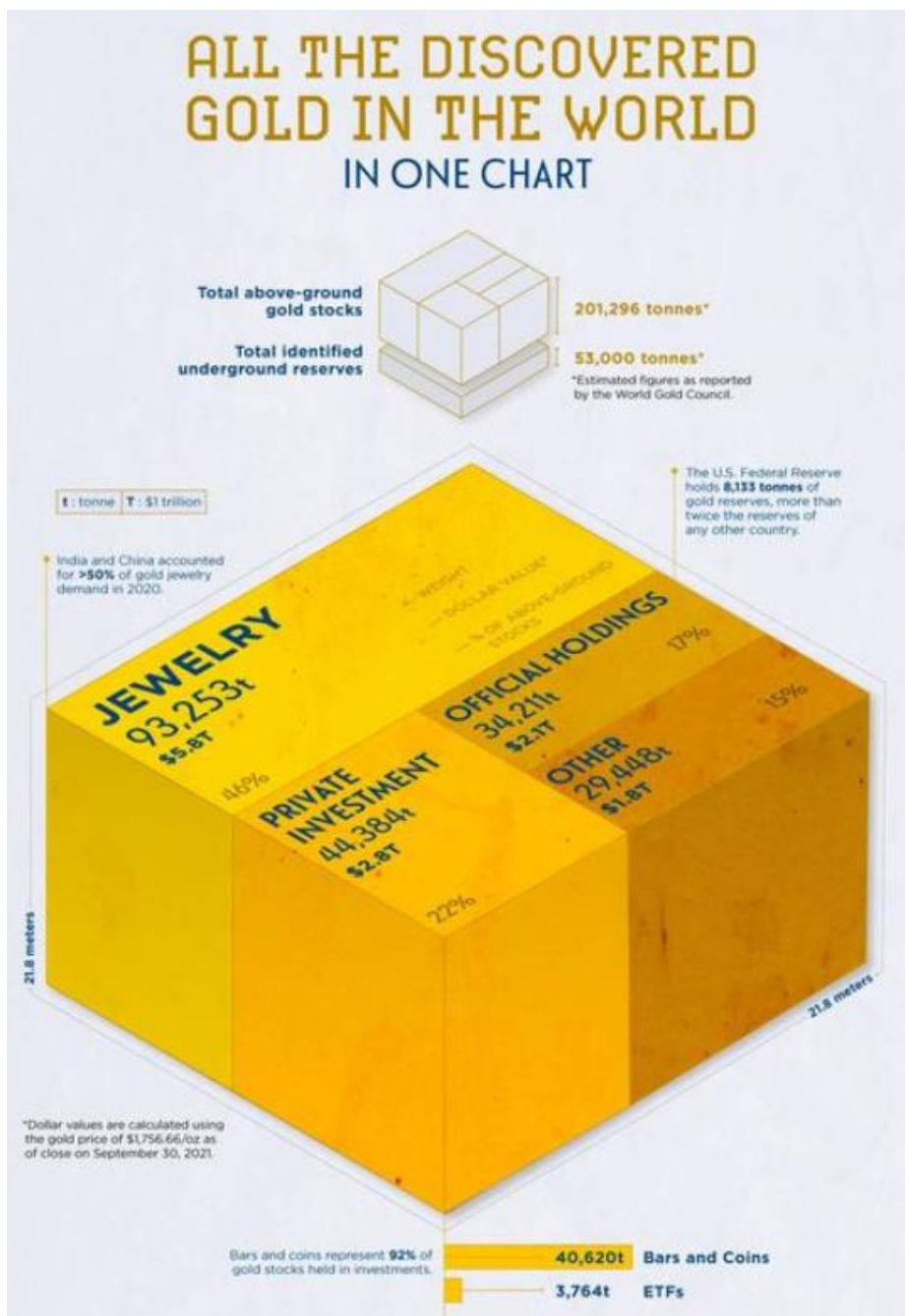
Source: Bloomberg

#dollar



Source: The Visual Capitalist

#gold



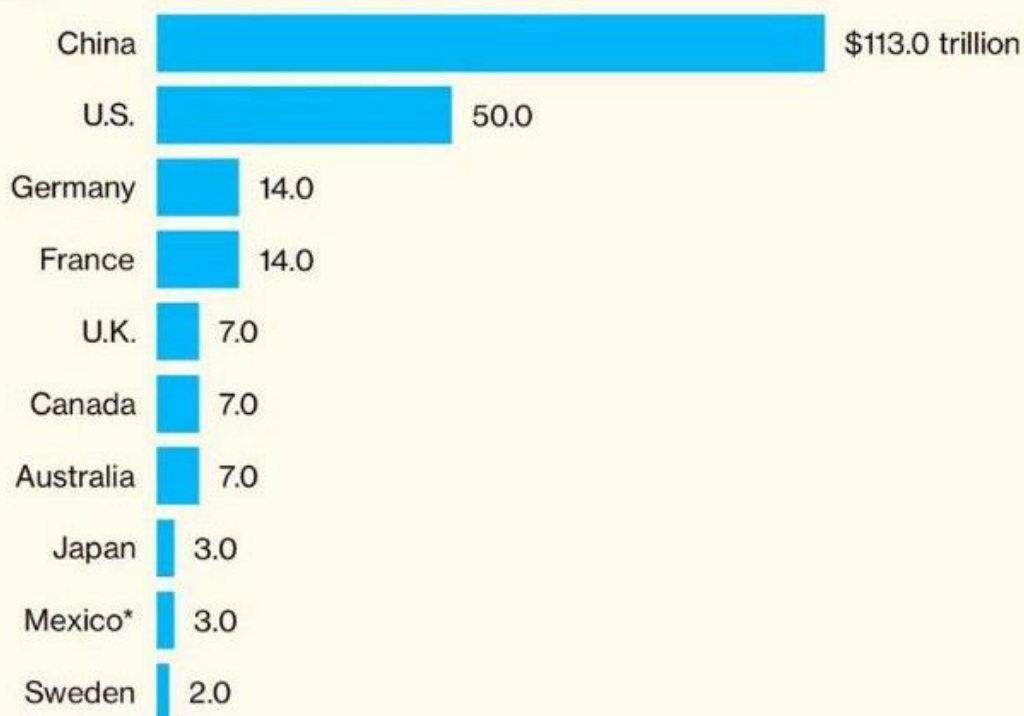
Source: Kano Gold

#world #wealth

World's New Wealth

China accounted for almost one-third of gains in global net worth over the past two decades

■ Increase in net worth, 2000-2020



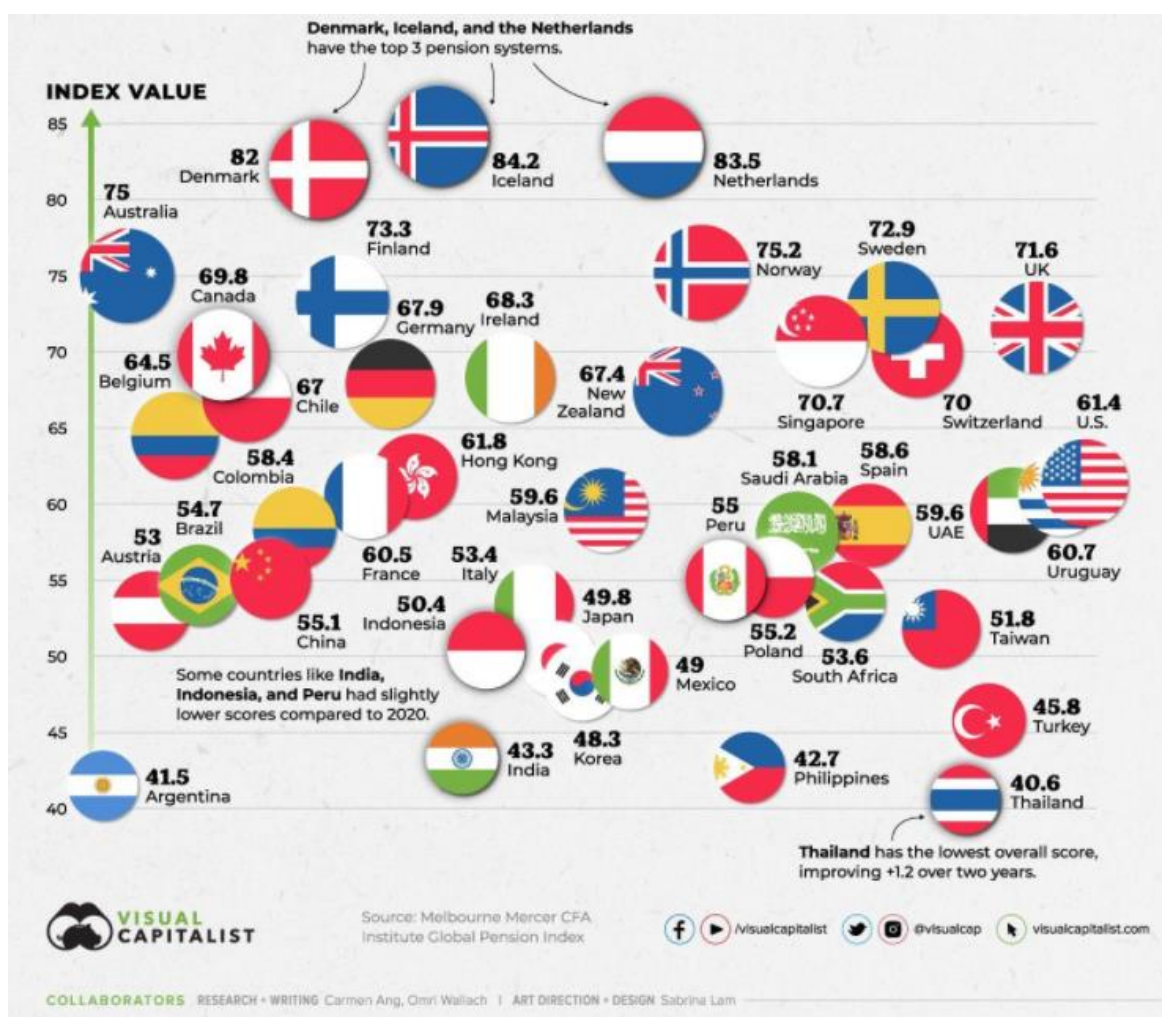
Source: McKinsey Global Institute

*Note: Mexican data covers period 2003-2020

Source: McKinsey

#pensions

The best and worst pension plans by country.



Source: The Visual Capitalist

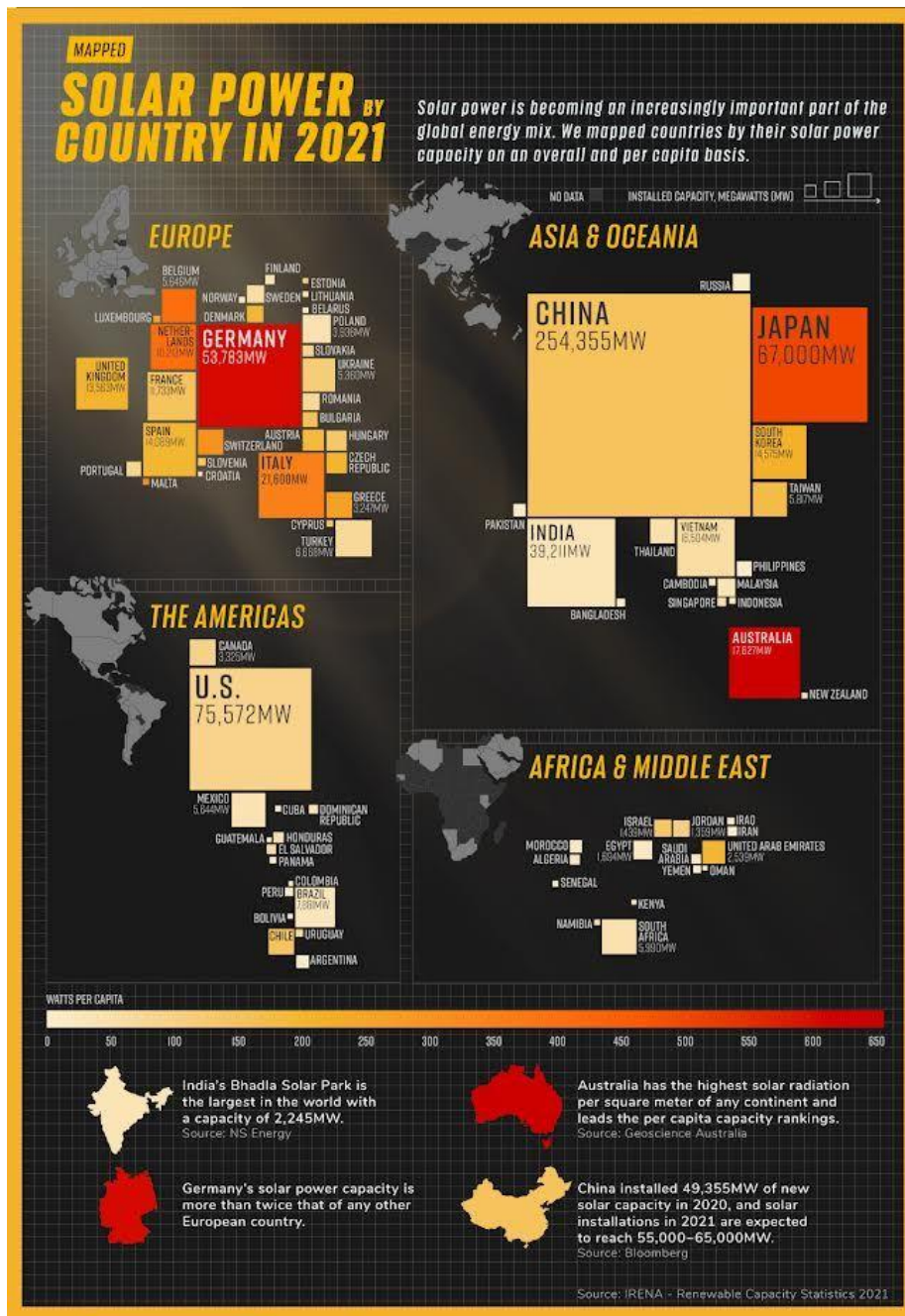
#sovereign-funds



Source: The Visual Capitalist

20th of November 2021

#clean-energy

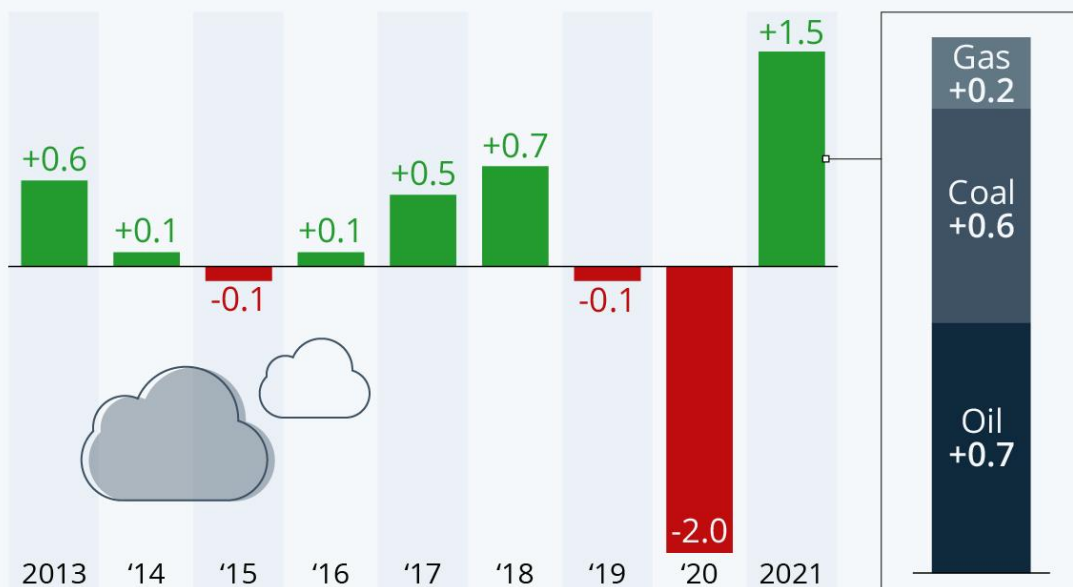


Source: Elements

#co2

Global CO₂ Emissions Rebound, Nearing 2019 Levels

Annual change in energy-related CO₂ emissions 2013-2021 (in gigatonnes)



Does not add up due to rounding

Source: IEA



statista

Source: Statista

20th of November 2021

#autos

THE BEST SELLING CAR

IN NEARLY EVERY COUNTRY

We enjoy the yearly "world's most popular cars" lists as much as anyone, but we wanted to go even further and find out which cars were the most popular in every country.

So, we dived into the latest new car sales statistics to reveal which cars are the biggest hits in nearly every country around the globe.



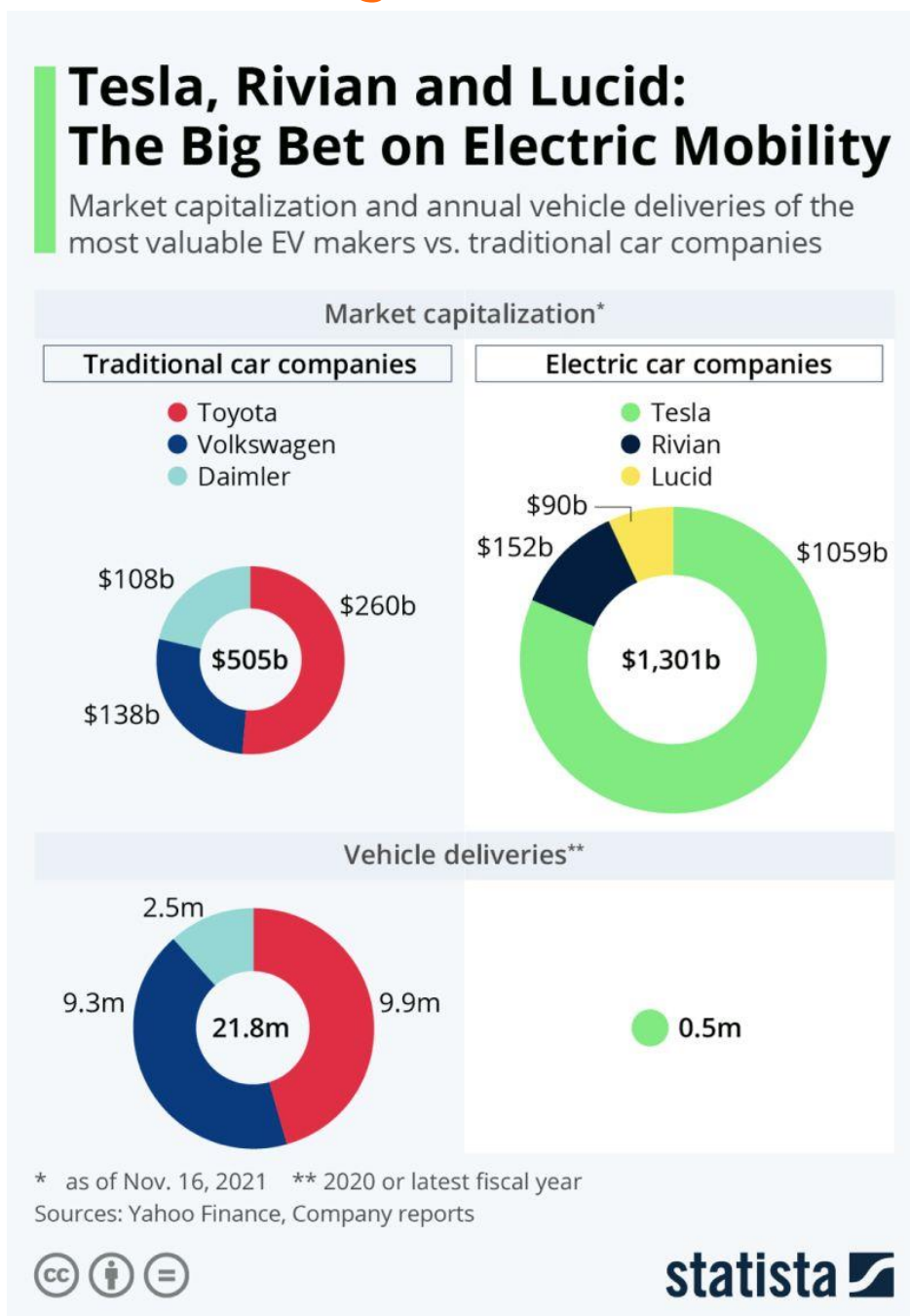
SOURCE: BESTSELLINGCARS.BLOG. DATA COLLECTED IN YEAR-END 2019.

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Go back to:
VISUAL
CAPITALIST

Source: The Visual Capitalist

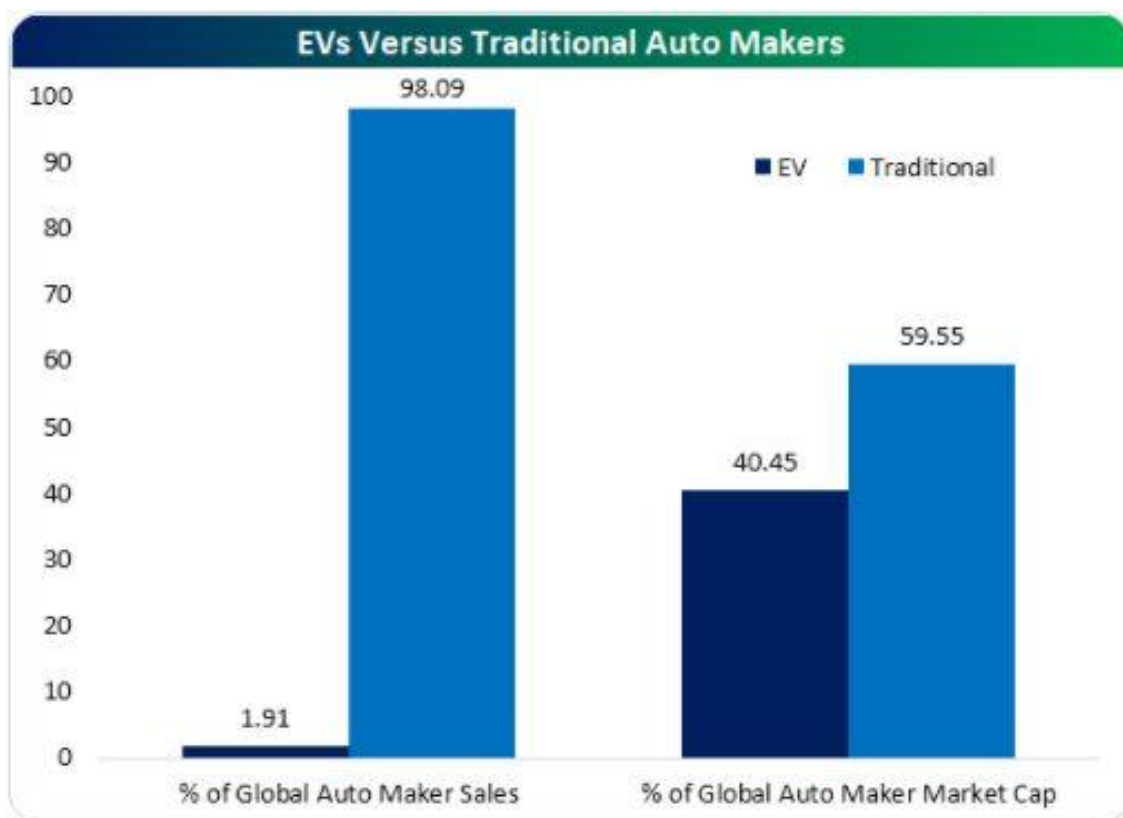
#food-for-thought



Source: Statista

#food-for-thought

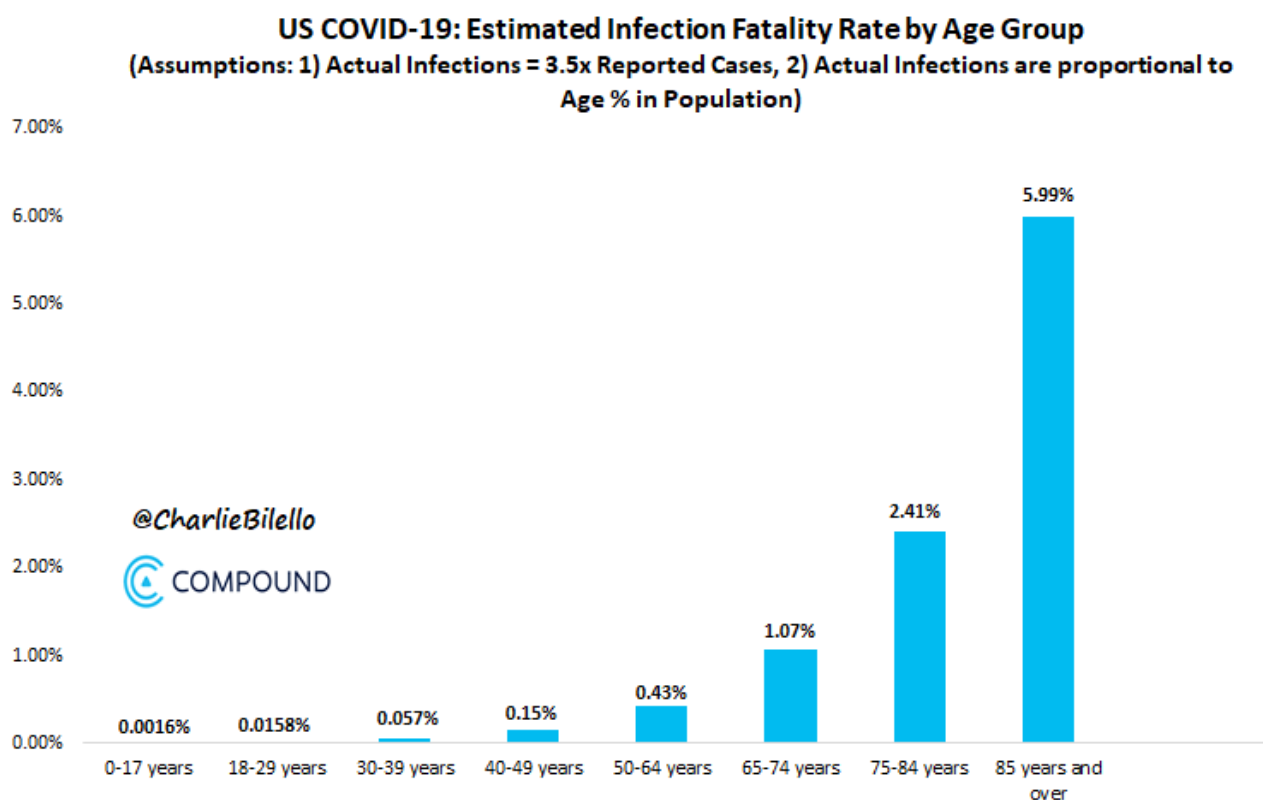
EV stocks now make up ~40% of global auto maker market cap while making up 1.9% of sales



Source: Bespoke

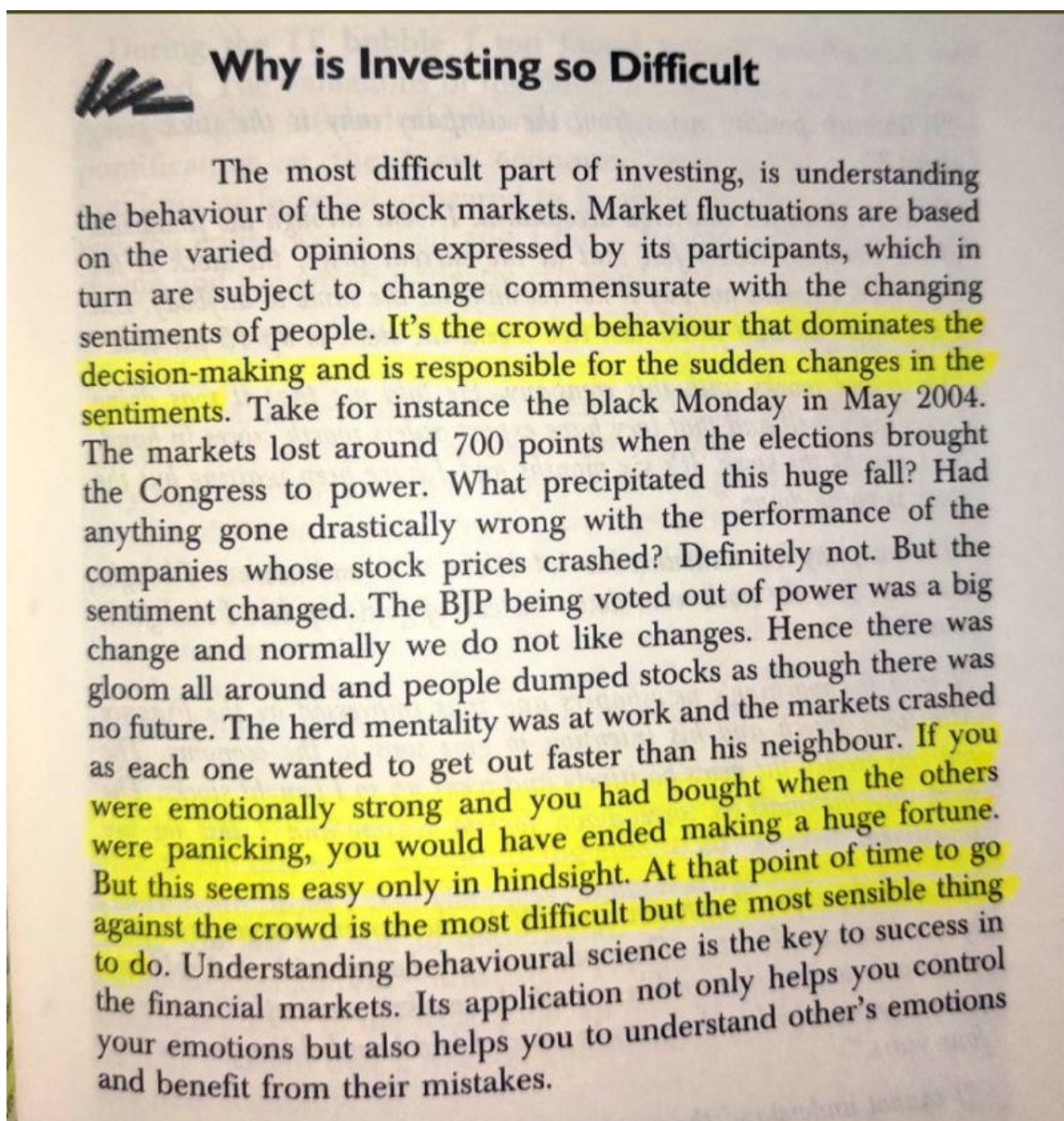
#food-for-thought

The risk of dying from covid in those 85+ is 3,750x higher than children under 18.



Source: Charlie Bilello

#food-for-thought



Source: Tuli Urbach

#globalmarkets weekly wrap-up

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For the future...