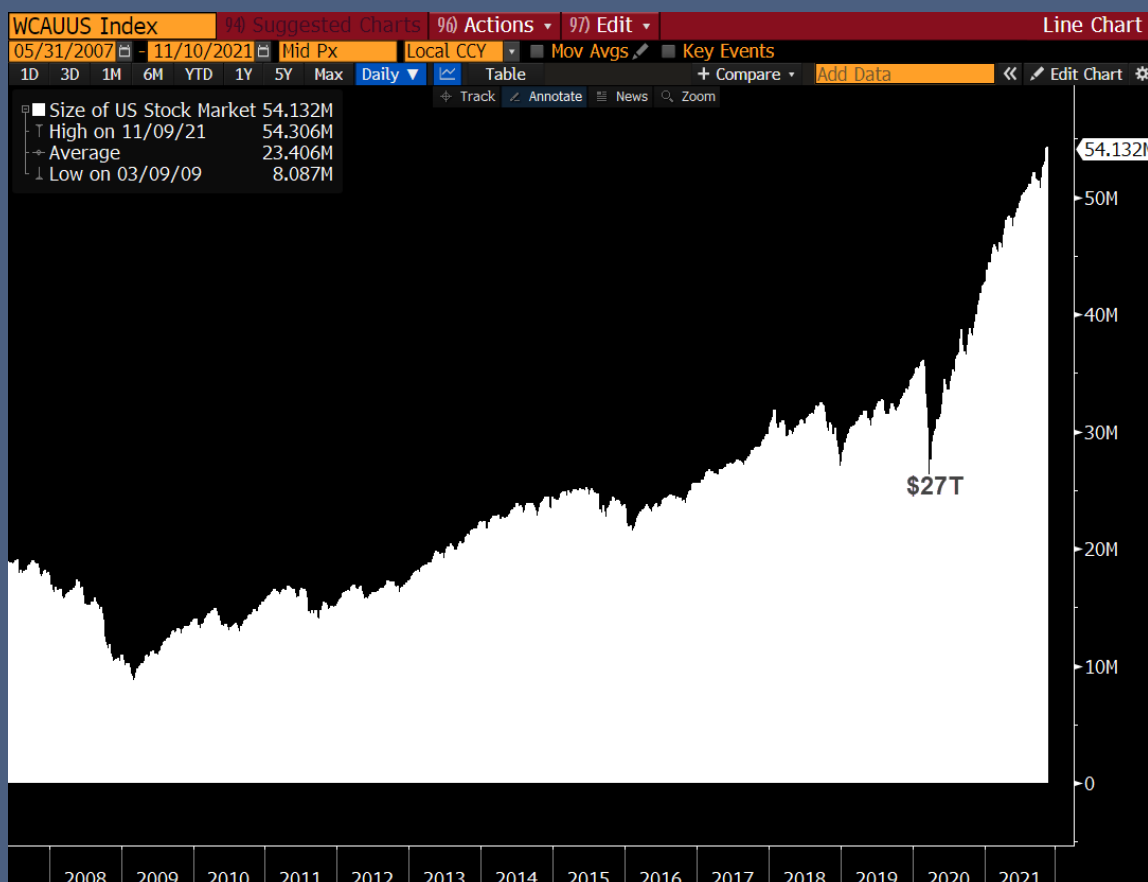


#globalmarkets weekly wrap-up

Chart of the week

\$54 TRILLION MARKET CAP

The U.S. stock market is now \$54T, up from \$9T in 2008 and up from \$27T just 20 months ago.



Source: Bloomberg, Eric Balchunas

#globalmarkets weekly wrap-up

US stocks pull back from record highs on inflation fears

The major US equity averages closed the week lower, posting their first losing week in six, after the hottest US inflation report in 30 years. The Dow fell 0.6%, the S&P 500 dipped 0.3% and the Nasdaq Composite inched down about 0.7% on the week. Tesla had its worst week since March 2020 (-16%) as Musk dumped billions of dollars of stock. European stocks end the week higher despite inflation worries.

The US October consumer price index released Wednesday showed inflation at its hottest pace in more than 30 years, sending bond yields higher and hitting growth pockets of the equity market. Short term interest rates shifted notably more hawkish this week with the market now pricing in a full rate-hike by July and over 2.5 hikes by Dec 2022. That flattened the yield curve dramatically, prompting many to discuss the rising potential for a Fed policy error.

Cryptos ended the week higher, but off their record highs reached mid-week. Gold surged to its best week since May but silver had an even bigger gain on the week, while oil ended lower again.

#us #equities

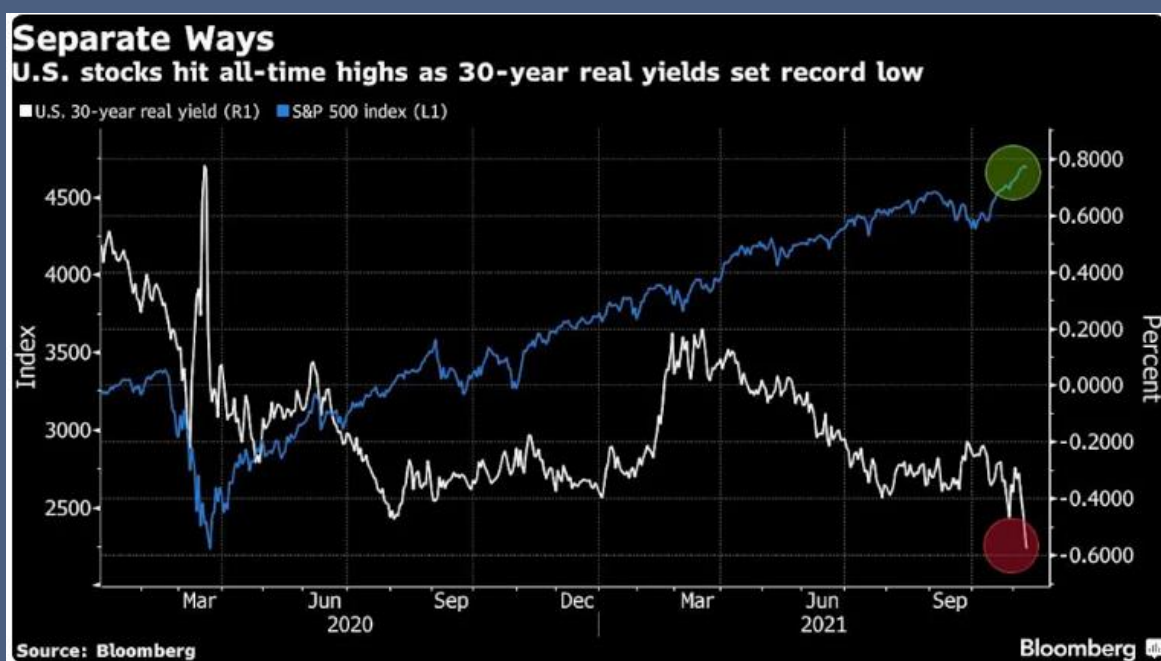
Here's a look at SPY and how much it has rallied post COVID. A new bear market (20% drop) would still leave SPY about 10% above its pre-COVID high.



Source: Bespoke

#us #equities

Another week, another record low for real bond yields.
That's spurring a splurge on risk by investors.



Source: Bloomberg

#us #equities

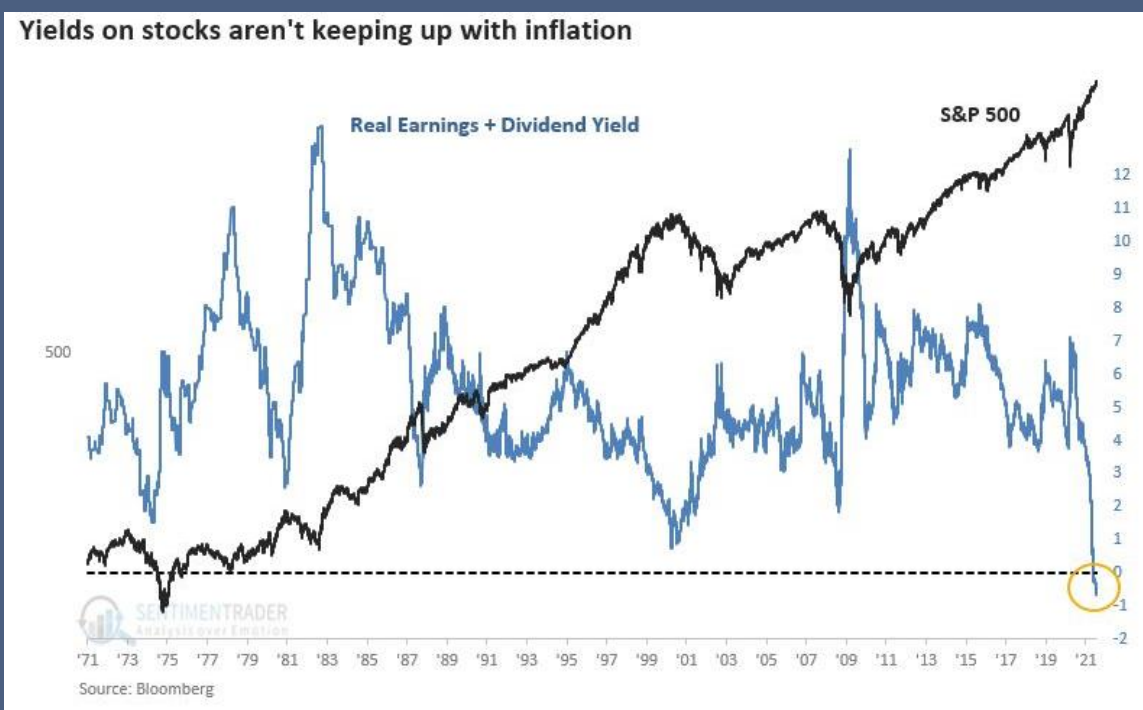
There is a huge divergence between Americans' sentiment (University of Michigan crashed to its lowest in 11 years) and the S&P 500 (record high).



Source: www.zerohedge.com, Bloomberg

#us #equities

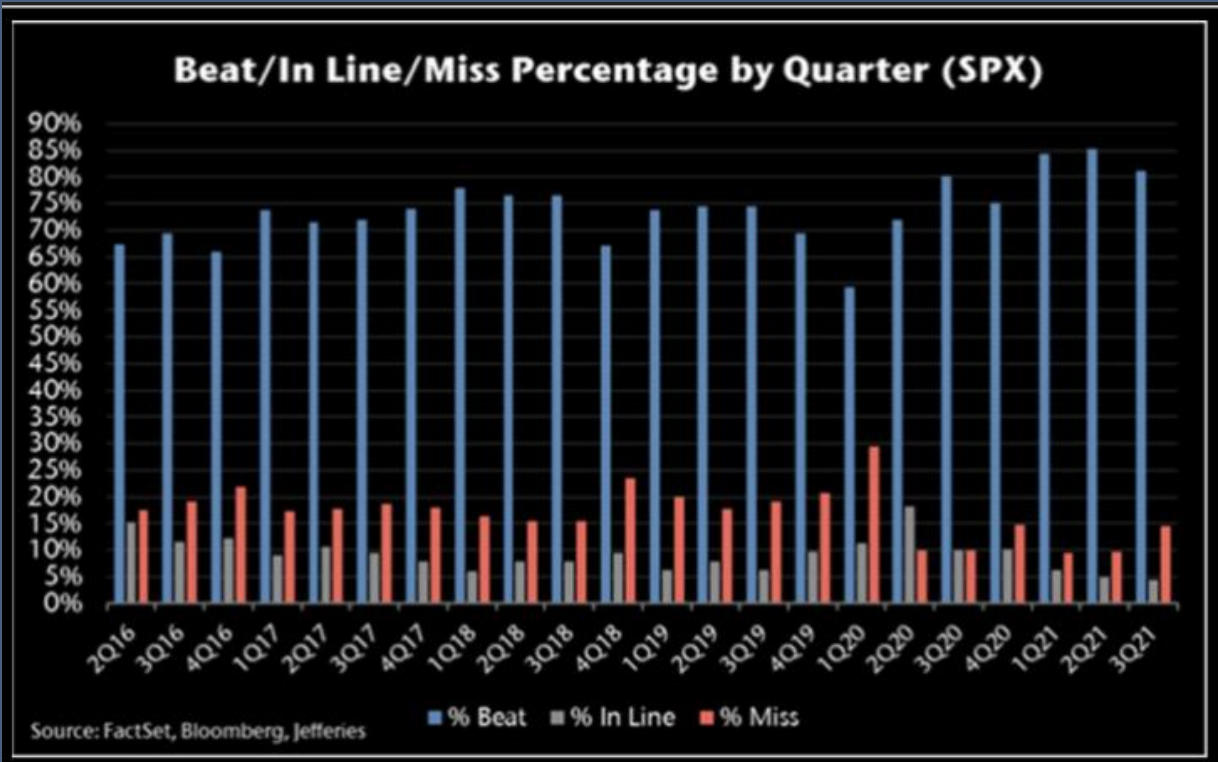
The total earnings return on equities (calculated as the inverse of the P/E ratio plus dividends minus inflation) are turning negative. The factors behind this: negative real interest rates and stock markets at valuation peak.



Source: Bloomberg

#us #equities #earnings

SPX has nearly ripped 8% since earnings kicked off. Roughly 90% of the SPX has now reported 3Q results and they remain broadly positive.



Source: themarketeer, factset

#us #equities #earnings

As shown below, earnings and revenue beat rates have begun to normalize (lower) after spiking in the quarters following the initial COVID shock that caused Wall Street analysts to lower (unnecessarily in hindsight) their estimates.



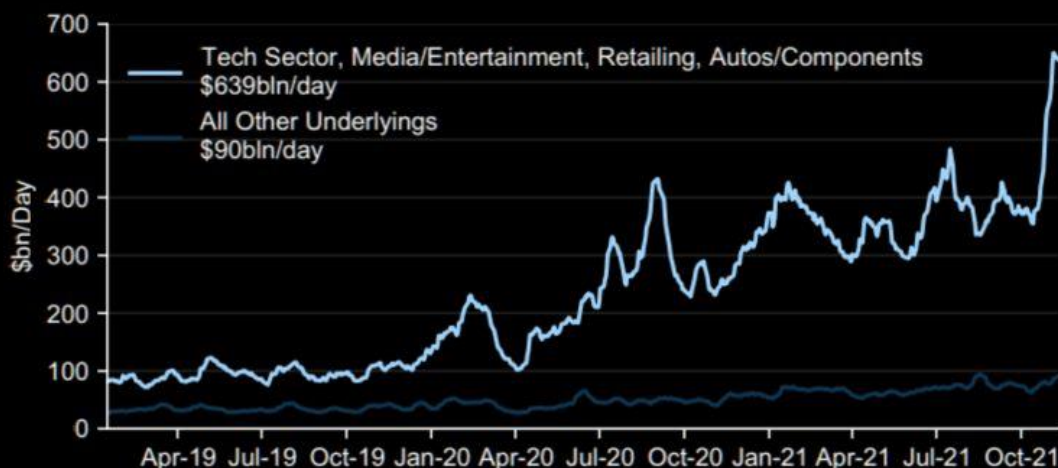
Source: Bespoke

#us #equities #options #trading

Options trading in a few names/sectors makes up pretty much all the "excess" options volumes. Despite this explosion in options trading, trading in those underlyings has not picked up much at all. Recall that most of the options trading these days is conducted by retail and done "on screen".

Exhibit 3: The significant majority of single stock option volume is concentrated in one sector and three additional industry groups

Notional option volume, by GICS sector/industry group, 10-day rolling average

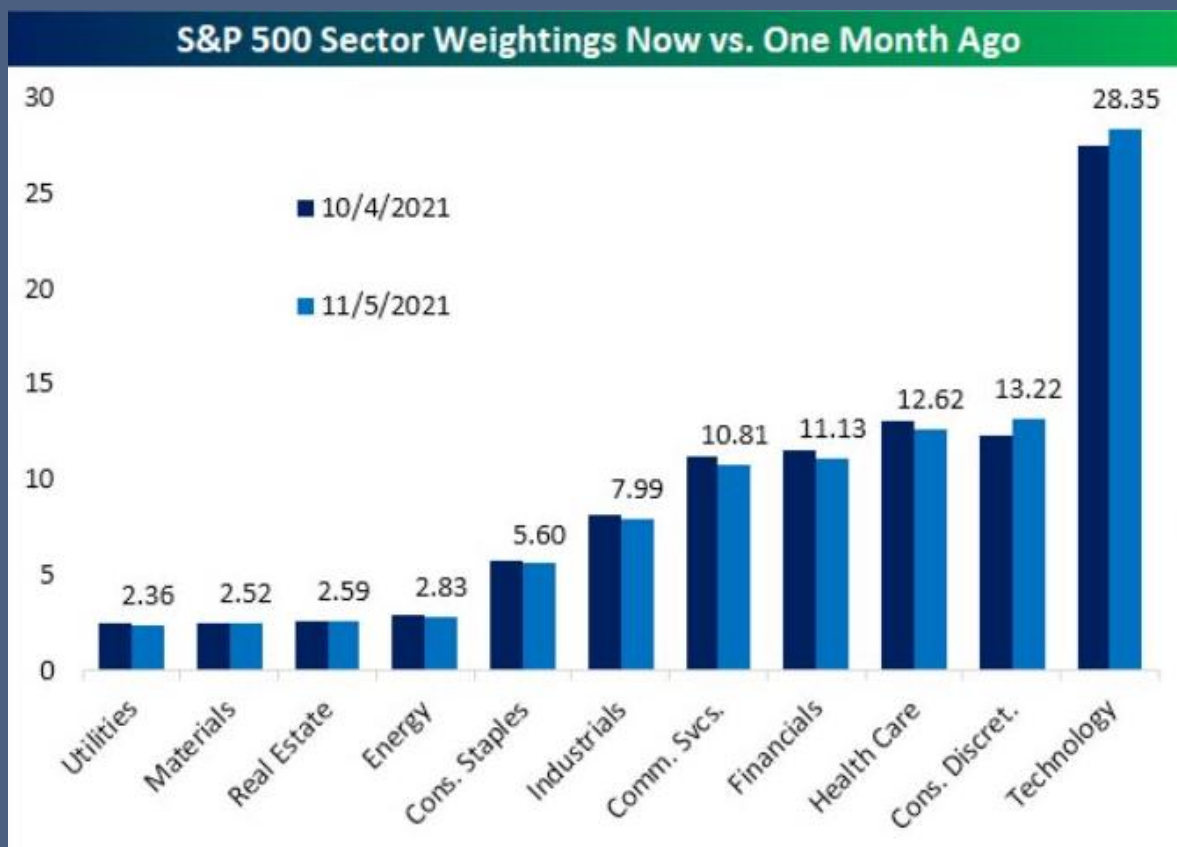


Source: Goldman Sachs Global Investment Research, OptionMetrics, Bloomberg

Source: Goldman Sachs

#us #equities

The Consumer Discretionary sector now has the 2nd largest weighting in the S&P 500, eclipsing Health Care. Prior to that, the last time Consumer Discretionary was the second largest sector was 2002.



Source: bespoke

#netflix #waltdisney

Netflix briefly overtook Disney in market cap for 1st time since last year, as amusement park owner's subscriber growth in streaming business slowed markedly. While Netflix's subscribers grew 4.4mln last quarter boosted by Squid Game, additions to Disney+ disappoint w/only 2.1mln.



Source: Bloomberg, HolgerZ

#tesla #musk

TSLA had its worst week since March 2020 (-16%) as Musk dumped billions of dollars of stock. Indeed, Elon Musk offloaded \$5bn of Tesla stock near peak. Some of the transactions were arranged prior to the Twitter poll, according to Bloomberg.



Source: Bloomberg

#tesla

- 1) Volume on Tesla was \$62b yesterday, that's 3x more than any other stock or ETF.
- 2) It traded nearly half a trillion worth in past 7 days, which looks like an all-time which record.
- 3) Tesla erased \$199bn in market cap.
- 4) It is its worst two-day performance since March.
- 5) 50% of all option activity last week was \$TSLA (85% of which was calls) and about \$26bn was \$TSLA options. So in essence 23\$bn (mostly retail traders) just burnt up yesterday.

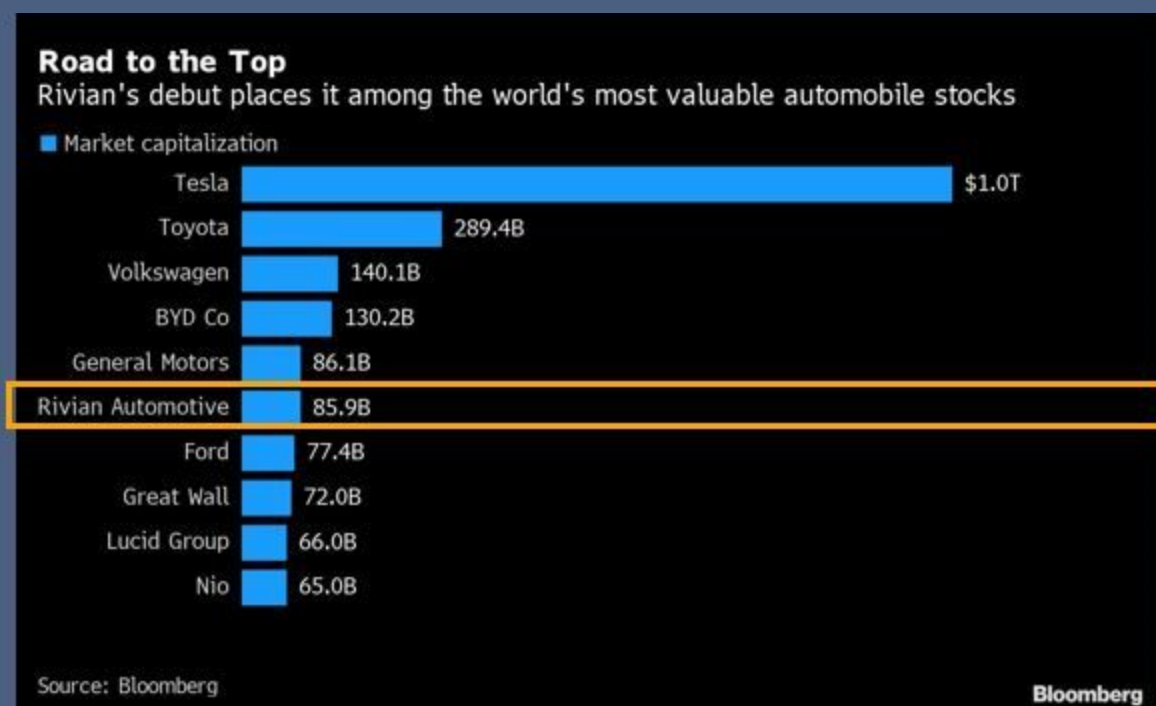
	Security	Last	%Chg	Value!
1)	 Tesla Inc	1023.50	-11.99%	62.08B
2)	 NVIDIA Corp	306.57	-0.48%	19.36B
3)	 Amazon.com Inc	3576.23	+2.50%	14.55B
4)	 Advanced Micro De...	148.92	-0.83%	14.27B
5)	 PayPal Holdings Inc	205.42	-10.46%	12.55B
6)	 ROBLOX Corp	109.52	+42.23%	9.20B
7)	 Apple Inc	150.81	+0.25%	8.19B
8)	 Microsoft Corp	335.95	-0.31%	6.65B
9)	 Meta Platforms Inc	335.37	-0.96%	5.80B
10)	 Lucid Group Inc	44.78	-2.48%	3.73B

Source: Bloomberg

#rivian #ipo

Electric Vehicle Start-up Rivian (\$RIVN) jumped +29% for its first day of trading on the Nasdaq on Wednesday. With a market cap of \$85B, its leapfrogs established carmakers such as Ford or BMW despite the fact that Rivian has generated minimal revenue. As a reminder, Rivian expects to lose up to \$1.3B this quarter, while generating no more than \$1m in revenue for the period...Its market cap is also larger than "Chinese Tesla" Nio (\$NIO).

Source: Bloomberg, HolgerZ



Source: Bloomberg

#facebook #meta

Since Mark Zuckerberg renamed Facebook to Meta, FB shares have made very modest gains as the market took off, but META (a metaverse ETF) has exploded higher as perhaps once again, those ever-so-smart algos just bid without thinking...



Source: Top-down Charts, Bloomberg

#meta #etf

\$META took in a record-smashing \$60m yesterday, now on a 12-day \$240m inflow streak since Zuck went full meta. I don't think it's accidental buying but rather result of FB providing a 'catalyst moment' (kinda like the Sony hack did for \$HACK).



Source: Eric Balchunas, Bloomberg

#china #equities

Chinese's SSE Star Market: Didi's experience illustrated how China won't tolerate anymore quotation in the US of its next tech leaders. This could benefit to the recently established SSE Star Market, a Chinese equivalent of the Nasdaq which already notably includes local actors operating in the strategic industries of semiconductors and renewables. Will this be the home for the much anticipated Bytedance (Tik Tok) IPO?



Source: Factset

#china #realestate

Property sales in 30 major China cities have stabilized amid policy fine tuning.

Fig 5 Property sales have stabilized amid policy fine tuning



Source: Mizuho

Source: Mizuho, Wind, TME

#china #junk

Is this chart the biggest "crocodile jaw" of 2021? Since the start of the year, the NASDAQ 100 (blue line) is up roughly +32% while China High Yield Index (white line) is down -27%.



Source: Top-down Charts, Bloomberg

13th of November 2021

#gold

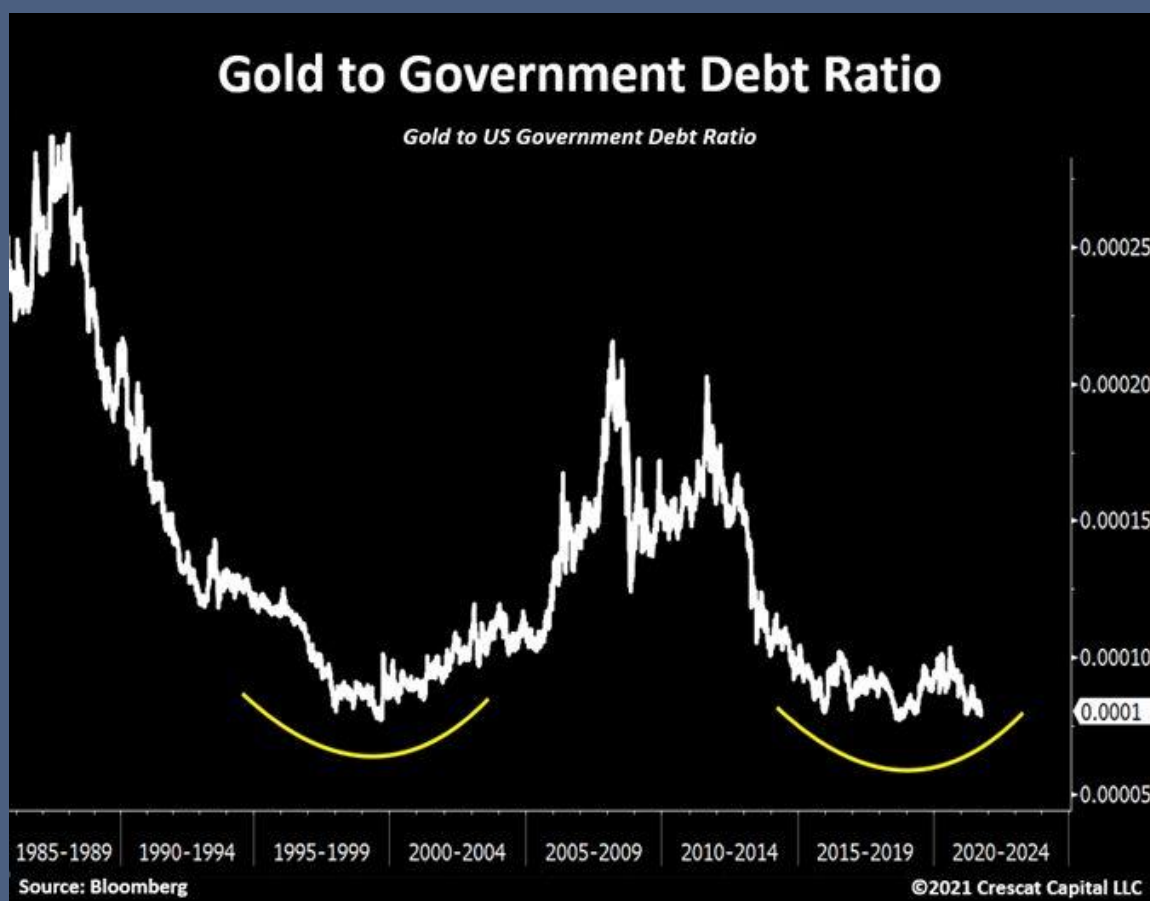
Gold topped \$1870 this week, its highest level since mid-June...



Source: www.zerohedge.com, Bloomberg

#gold

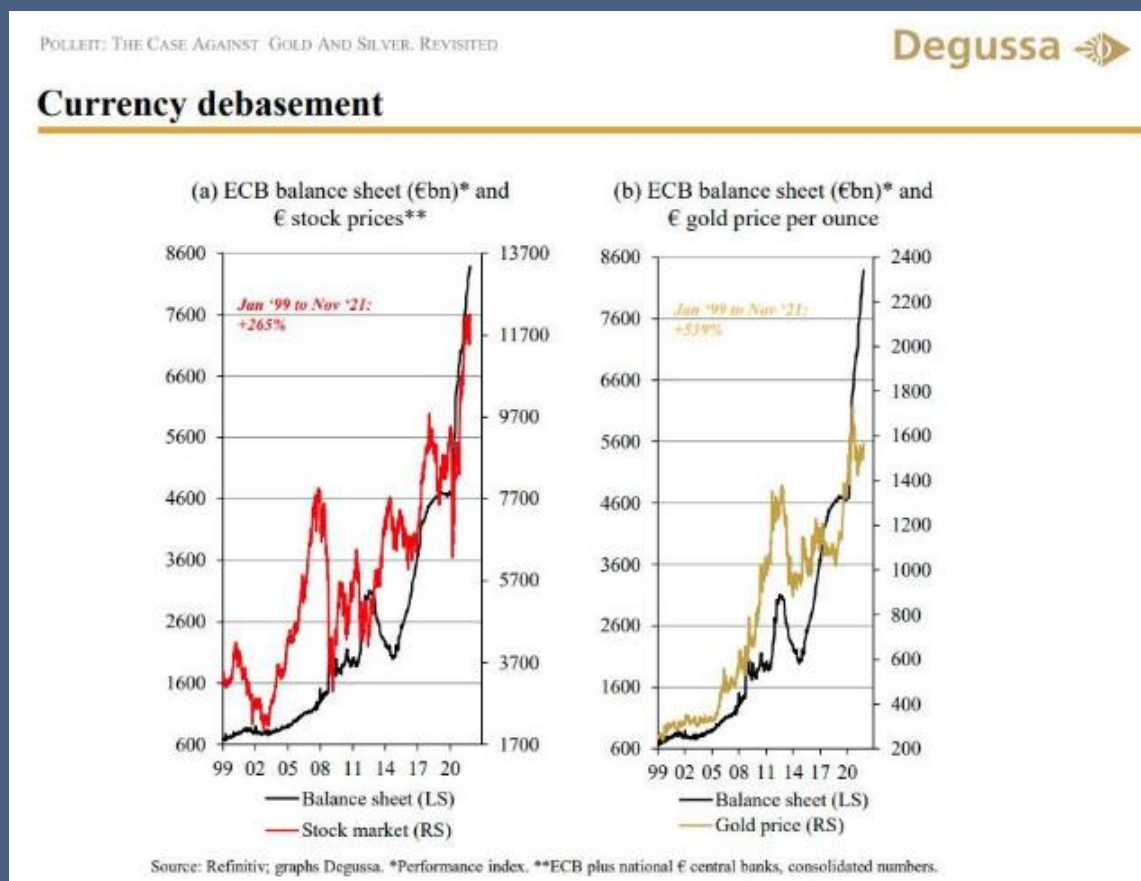
Is gold massively undervalued?



Source: Crescat Capital

#gold

EU equities have been a better way (versus Gold) to “play” ECB balance sheet expansion since 1999.



Source: Degussa

#gold #miners

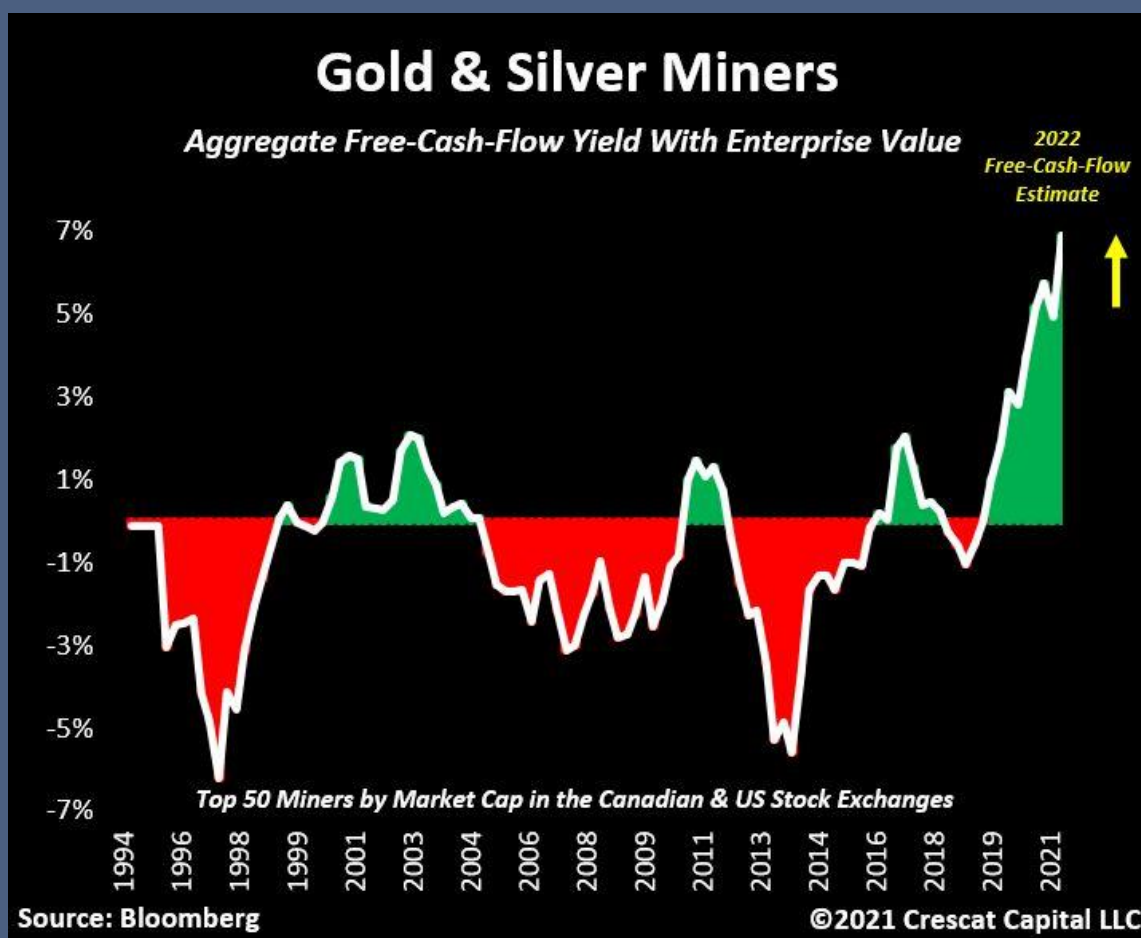
The monthly price of gold is now above its 2011 highs. If miners were to re-test the same levels, it would imply a 61% appreciation from here.



Source: Crescat Capital

#gold #silver #miners

Gold/silver producers are still trading at ridiculously cheap free-cash-flow multiples. High-quality explorers offer even better value and appreciation potential.



Source: Crescat Capital

13th of November 2021

#silver

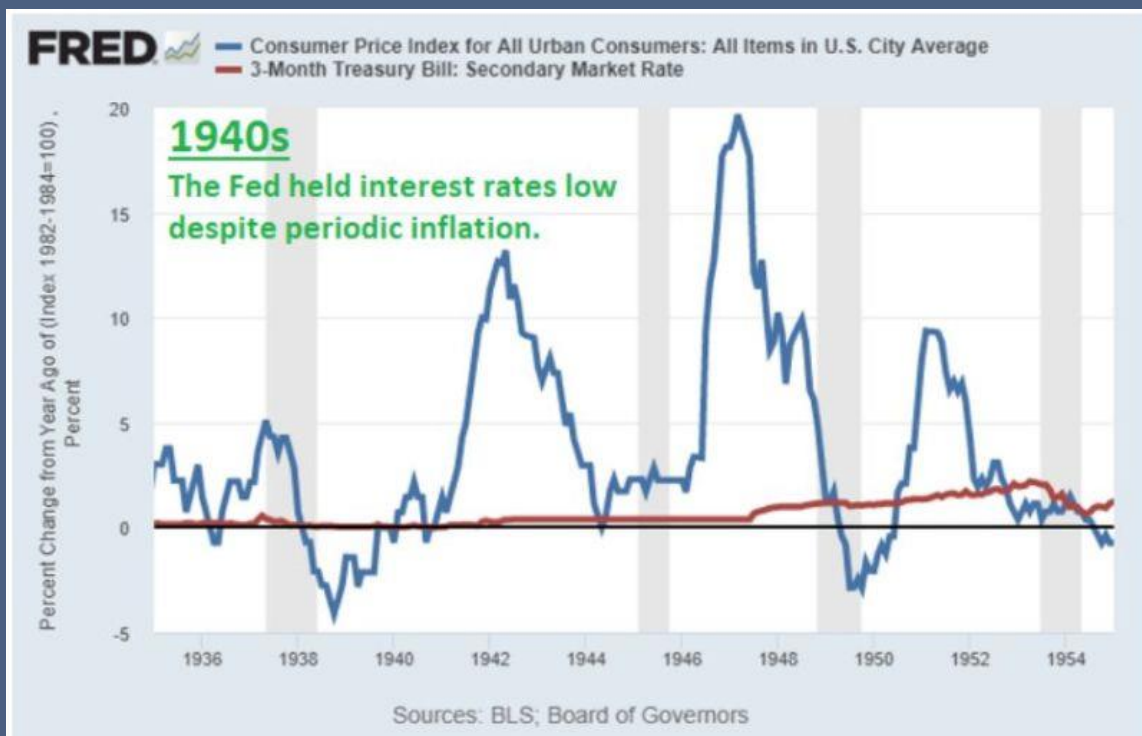
Silver 5% gain this week (also best week since May) lifted it above \$25 for the first time since August to test its 200DMA



Source: www.zerohedge.com, Bloomberg

#us #rates

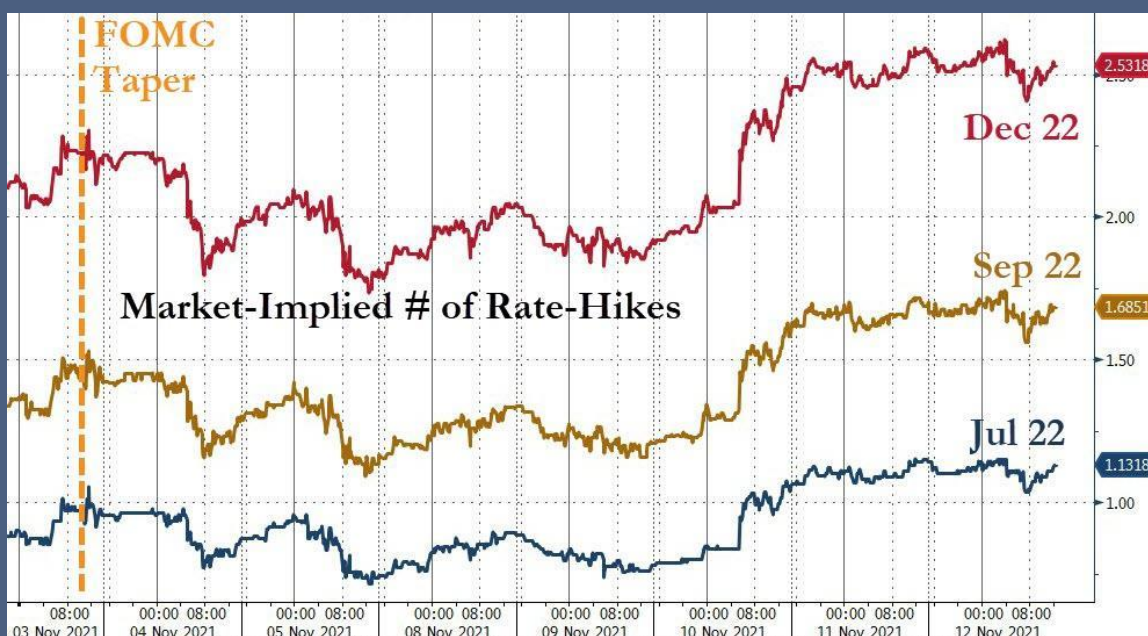
Sounds like the 40s...massive budget deficit, temporary spikes in #inflation but Fed kept interest rates low and long-term bond yields stayed low as well through yield curve control (can we get that as soon as next year?). Good news: the 40s was a rather decent decade for risks assets as #equities performed well (with some #volatility though) while credit spreads were tight (search for yield). Time will tell.



Source: Lyn Alden, FRED

#us #rates

Short term interest rates shifted notably more hawkish this week with the market now pricing in a full rate-hike by July and over 2.5 hikes by Dec 22...



Source: www.zerohedge.com, Bloomberg

#us #yieldcurve

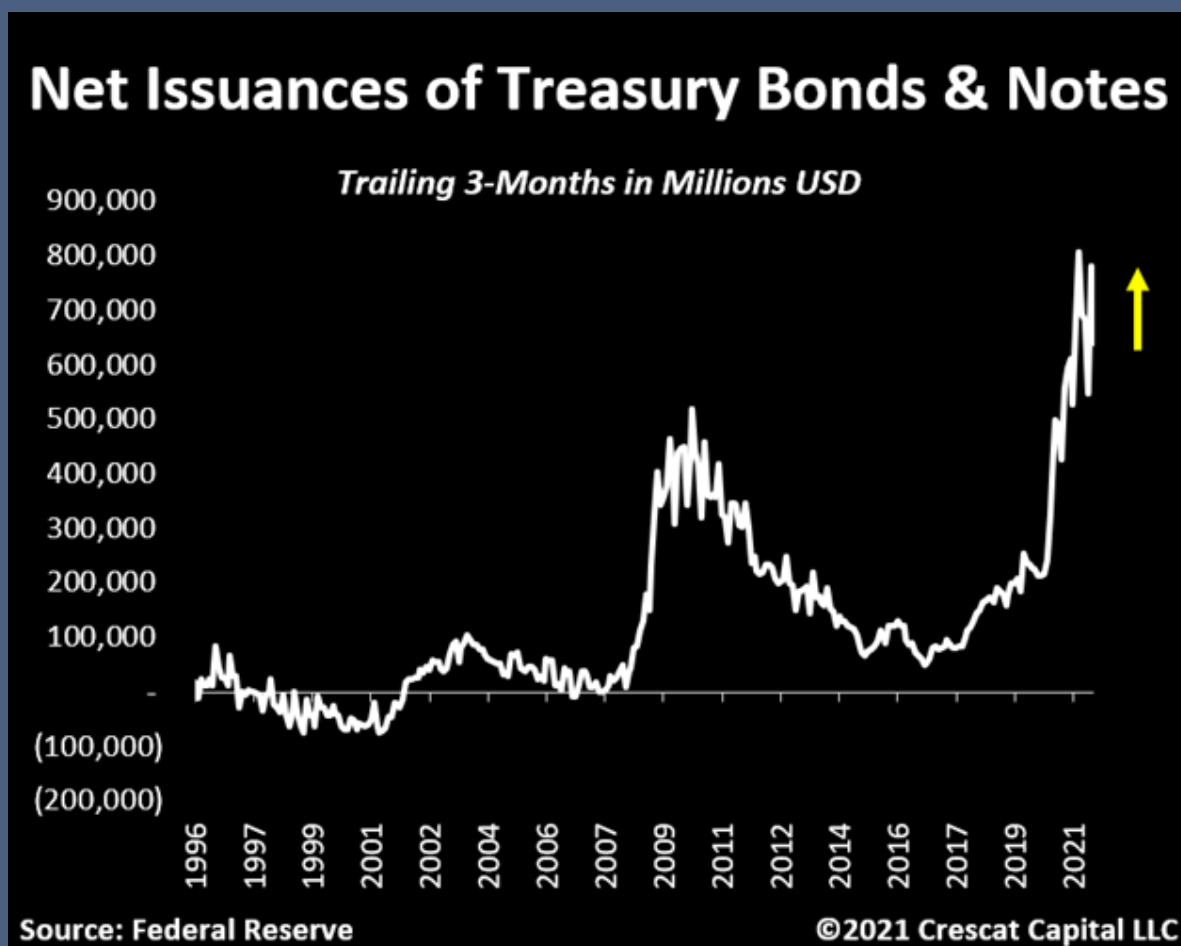
The US yield curve flattened the yield curve dramatically, prompting many to discuss the rising potential for a Fed policy error. This is the 4th weekly flattening in the last 5 weeks, and the flattest curve (5s30s) since March 2020...



Source: www.zerohedge.com, Bloomberg

#us #treasuries

The government has been flooding the market with issuances of longer maturity instruments at unprecedented levels. The amount of outstanding marketable bonds and notes have increased by \$626 billion in the last three months.



Source: Crescat Capital

13th of November 2021

#global #inflation

Billionaire Investor Ray Dalio warns #inflation is driving down real wealth: "Some people make the mistake of thinking that they are getting richer because they are seeing their assets go up in price without seeing how their buying power is being eroded."



Source: Bloomberg, HolgerZ

#us #inflation

US consumer prices increase at fastest pace in three decades

◆ Biden says inflation 'top priority' ◆ Energy fuels 6.2% rise ◆ Prospects of Fed action grow

COLBY SMITH — WASHINGTON

US consumer prices rose in October at the fastest pace in three decades as inflationary pressures spread throughout the economy, putting Joe Biden's administration on the defensive and increasing the chances that the Federal Reserve will raise interest rates next year.

The consumer price index published by the Bureau of Labor Statistics yesterday rose 6.2 per cent in October from a year ago — the fastest annual pace since 1990 and a sharp increase from September's levels of 5.4 per cent.

Month-on-month price gains accelerated, with a jump of 0.9 per cent, reflecting what the BLS described as a "broad based" increase across a number of sectors. Between August and September, prices had risen 0.4 per cent.

Driving the surge was a rise in costs for energy along with housing, food, used cars and trucks and new vehicles.

The energy index rose 4.8 per cent from September, while the gasoline index increased 6.1 per cent. On an annual basis, these sectors are up 50 per cent and 50 per cent, respectively.

Biden, the US president, yesterday singled out rising energy costs as a primary driver of inflation and said that it was a "top priority" to reverse the trend. He also implored Congress to pass his \$1.75tn spending bill, saying "17 Nobel Prize winners in economics have said that my plan will 'ease inflationary pressures' — although some Republicans have argued that a huge injection of spending will make inflation worse."

Joe Manchin, the Democratic senator from West Virginia who has been at the centre of congressional negotiations over the bill, also weighed in, warning that the threat posed by extremely elevated inflation was "getting worse".

In addition to higher energy prices, food prices jumped 0.9 per cent over the month.

Stripping out volatile items such as



A rise in the costs of energy, food, housing and vehicles was behind the surge in CPI

food and energy, prices rose 0.6 per cent for the month, well above the previous reading of 0.2 per cent.

On an annual basis, those costs increased 4.6 per cent, the highest level since 1991.

Short-dated US government bond yields, which are most sensitive to changes in monetary policy, surged following the report as expectations rose that the US central bank might lift interest rates several times next year.

The two-year Treasury traded roughly 0.08 percentage points higher

at 0.51 per cent, while yields on the benchmark 10-year bond climbed 0.06 percentage points to trade around 1.51 per cent.

The data reinforce the view that inflationary pressures are proving more persistent than initially expected — a growing risk that the Fed acknowledged last week when it announced plans to begin scaling back its \$120bn-a-month asset purchase programme this month.

Senior Fed officials — including chair Jay Powell and Richard Clarida, the vice-chair — contend that the current imbal-

ances will recede as global supply chains and labour markets adjust, meaning inflation will ultimately prove "transitory" and fade over time.

But yesterday's data challenged that view, economists said.

"Transitory is dead and buried," said Eric Winograd, senior economist for fixed income at AllianceBernstein.

"There is a good chance we will see core CPI close to 6 per cent over the next few months."

China factory prices soar page 4
Day in the markets page 11

Source: FT

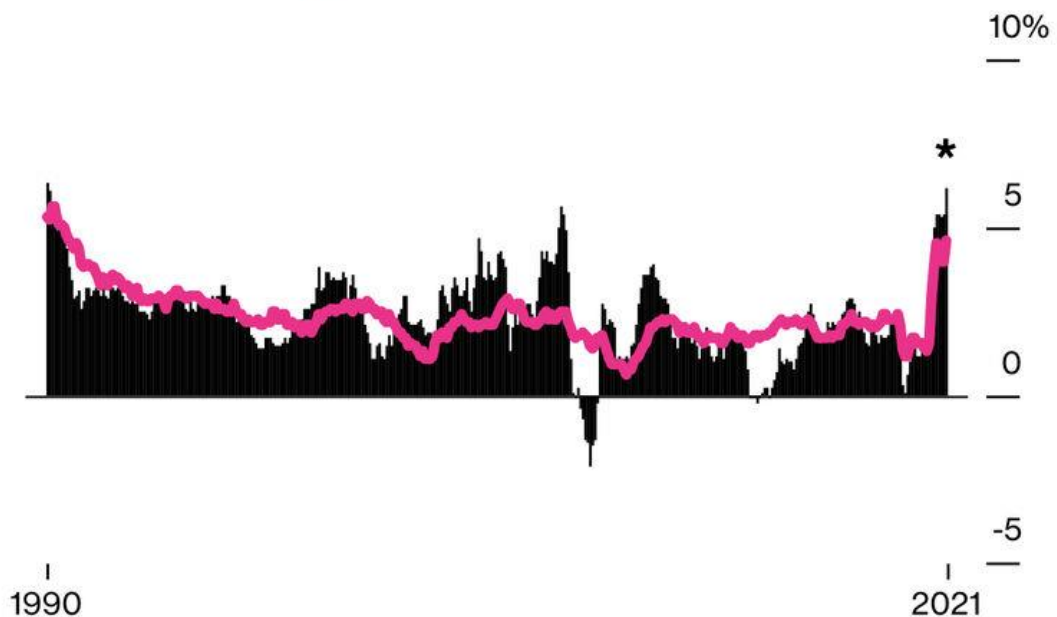
#us #inflation

US inflation recorded its biggest gain since 1990

Price Pressures Run Hot

U.S. October headline inflation increased by the most since 1990 on annual basis

■ CPI (YoY, NSA) / Core CPI, excluding food & energy (YoY, NSA)



* Headline est. = 5.9% Core est. = 4.3%

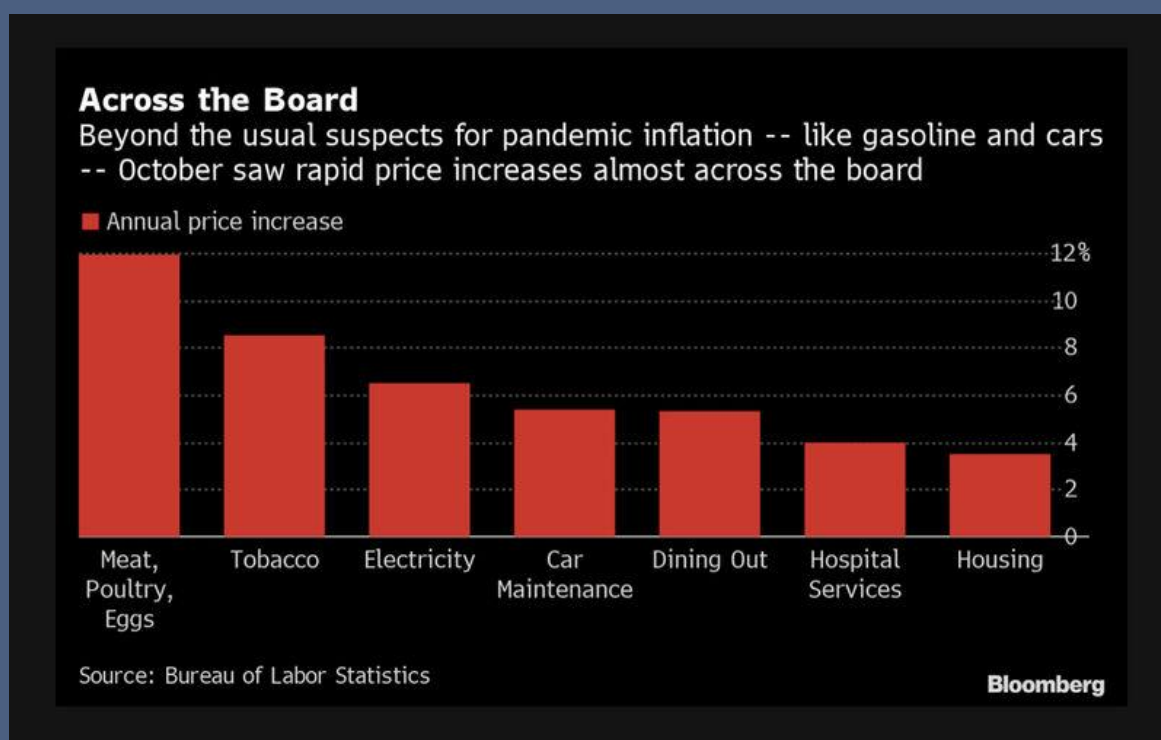
Source: Bureau of Labor Statistics, Bloomberg survey

Bloomberg

Source: Bloomberg

#us #inflation

The breakdown of the US inflation surge.



Source: Bloomberg

#us #inflation

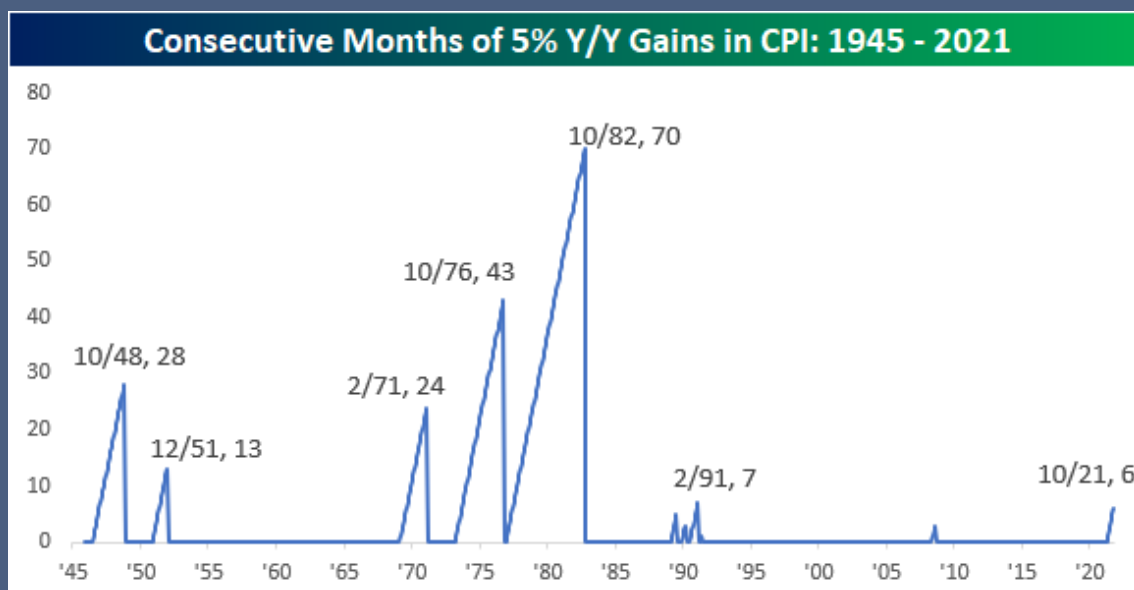
Record 4.4mIn Americans quit their jobs in Sep. The so-called quits rate- a measurement of workers leaving jobs as a share of overall employment- was 3%, a record high, highlighting how persistent churn is undercutting employers' efforts to fill a near-record level of vacancies..



Source: HolgerZ, Bloomberg

#us #inflation

After October's inflation data, the streak of consecutive months where y/y CPI increased 5% or more reached six, which is the highest level since early 1991 (7). In the post-WWII era, there have only been six other periods where CPI increased by 5%+ for six consecutive months. When these streaks have occurred, most extended over a significant period of time while just two others proved to be transitory.



Source: Bespoke

#us #inflation

The big inflation divide. Price-growth is running at its fastest pace in a generation and, looking across the country, the numbers highlight a pandemic-era gap. Inflation has accelerated in regions that attracted people during the Covid crisis, while more moderate increases are being seen in the East Coast and West Coast cities they fled...



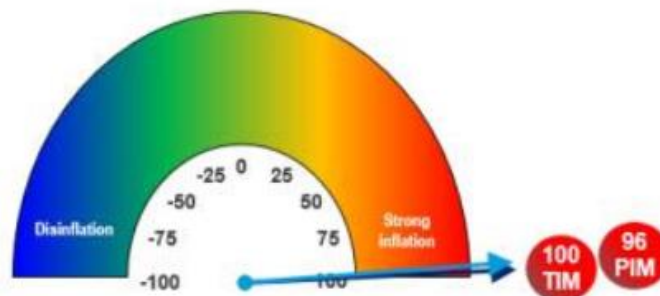
Source: BLS

#us #inflation

The BofA US persistent inflation meter finally gave up all hope that inflation is coming down any time soon, and surged to 96 in September from 80 previously "suggesting historically elevated cyclical price pressures."

Exhibit 1: The BofA US transitory and persistent inflation meters (100 = historically high inflation, -100 = historically low inflation)

Transitory inflation remains historically high at 100, while persistent inflation jumps to 96



Disclaimer: The indicators identified as the BofA US transitory inflation meter (TIM) and BofA US persistent inflation meter (PIM) above are intended to be indicative metrics only and may not be used for reference purposes or as measures of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. These indicators were not created to act as benchmarks.

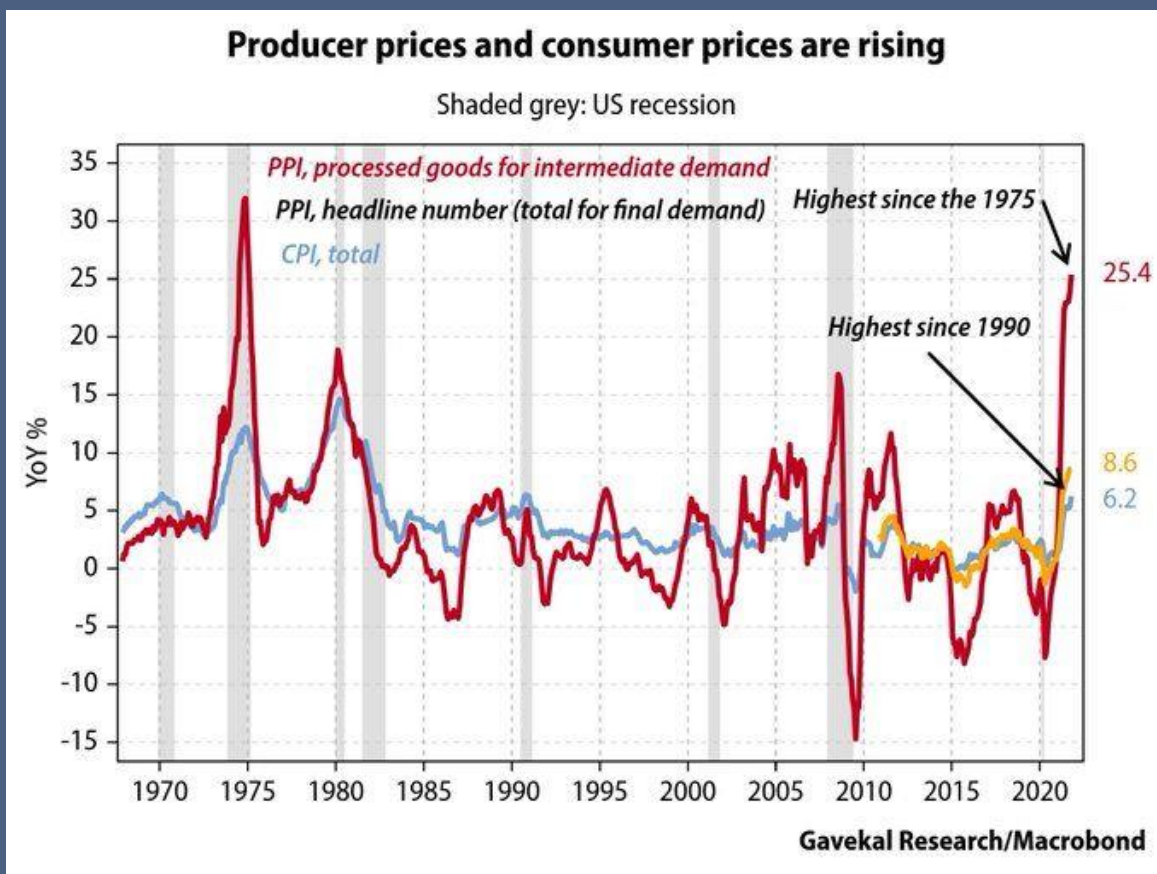
Source: BofA Global Research

BofA GLOBAL RESEARCH

Source: BofA

#us #inflation

One component of the PPI release is particularly shocking: processed goods for intermediate demand rose 25.4% YoY, the fastest gain since 1975.



Source: Gavekal

13th of November 2021

#us #inflation

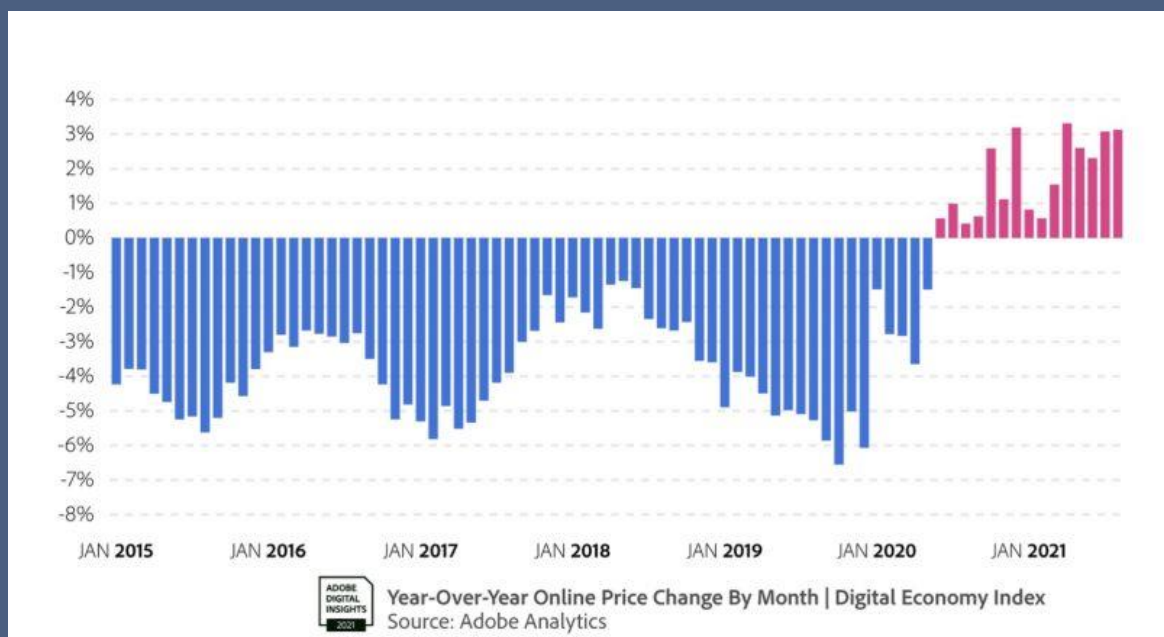
US 10y #inflation breakeven rate hit 2.74%, the highest since 2005.



Source: Bloomberg

#us #inflation

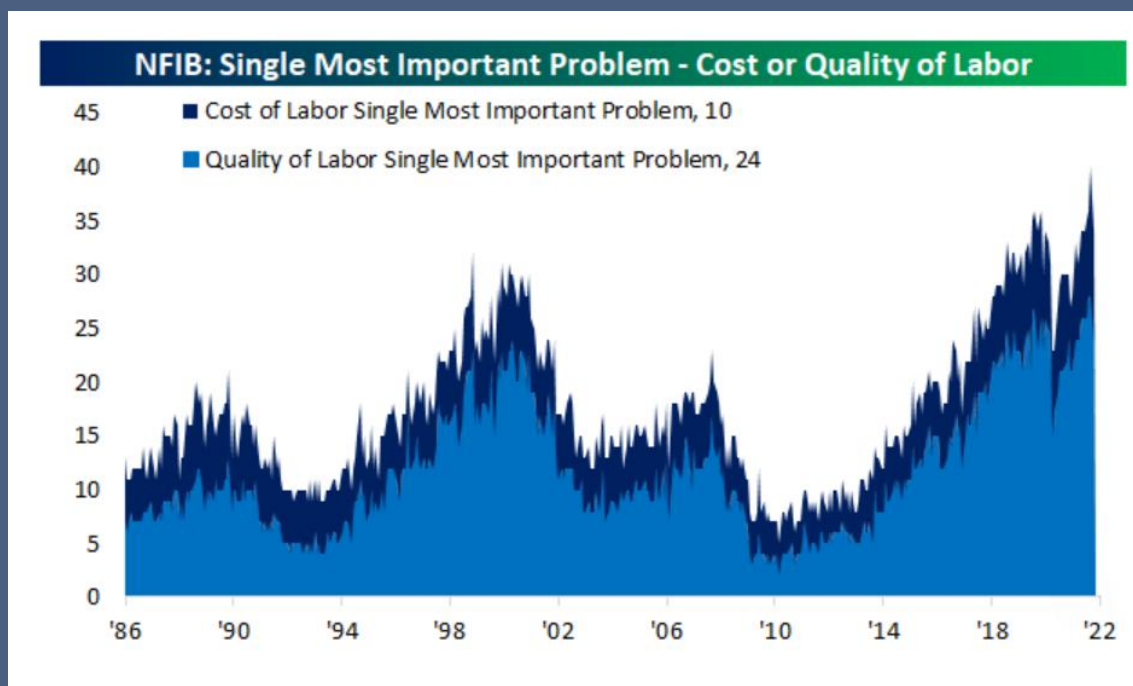
US online holiday pricing is experiencing inflation for the first time ever. “Instead of overall online prices being 5% lower YoY, before seasonal discounts hit, they are up 3.3% YoY.



Source: Adobe Analytics

#us #inflation

In addition to inflation concerns, the cost and quality of labor is also a significant factor impeding business outlooks. The percentage of businesses in the monthly NFIB survey reporting that the cost or quality of labor was their single most important problem pulled back in October from highs reached in September by about 6 percentage points, but 34% of respondents still indicated that the quality and cost of labor was their largest concern.



Source: Bespoke

#german #inflation

German inflation pressure keeps rising. Selling prices in wholesale trade rose by 15.2% in Oct YoY, highest since Mar1974 after the 1st oil crisis (+15.8%). Wholesale inflation mainly driven by increased prices for raw materials & intermediate products.



Source: Bloomberg, HolgerZ

#eu #german #gdp #growth

Germany is at risk of becoming the Eurozone's economic laggard. GDP forecasts keep falling as econ recovery stumbles w/Covid cases hit a record high. German govt's panel of econ advisers cut its 2021 growth prediction to 2.7%, the latest in series of downgrade

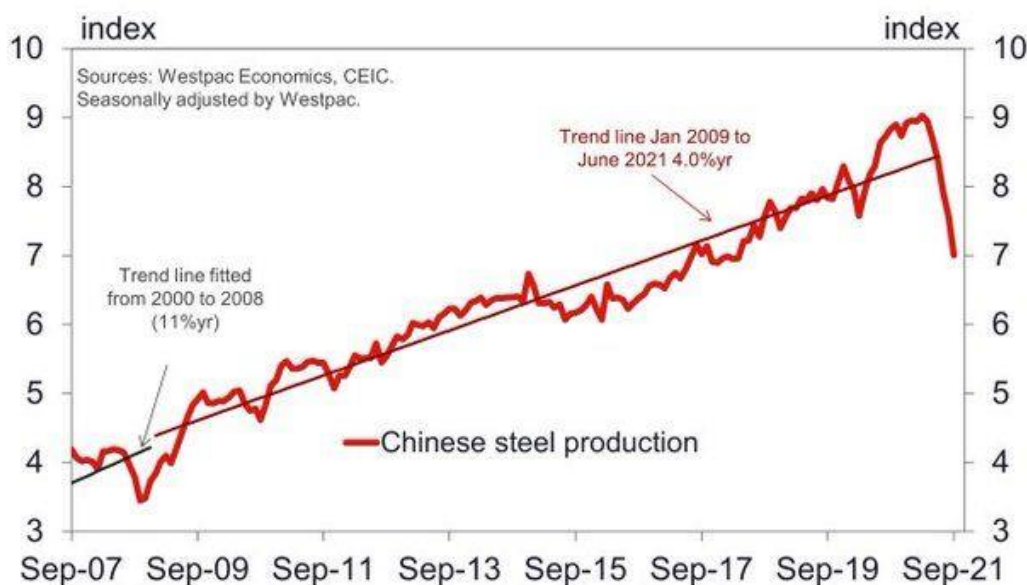


Source: HolgerZ, Bloomberg

#china #steel

The Chinese steel production correction continued through September. Pig iron production fell 9% to be down 14%yr, the largest annual fall since -16%yr in November 2008 (at that time 62%fe was US\$61/t).

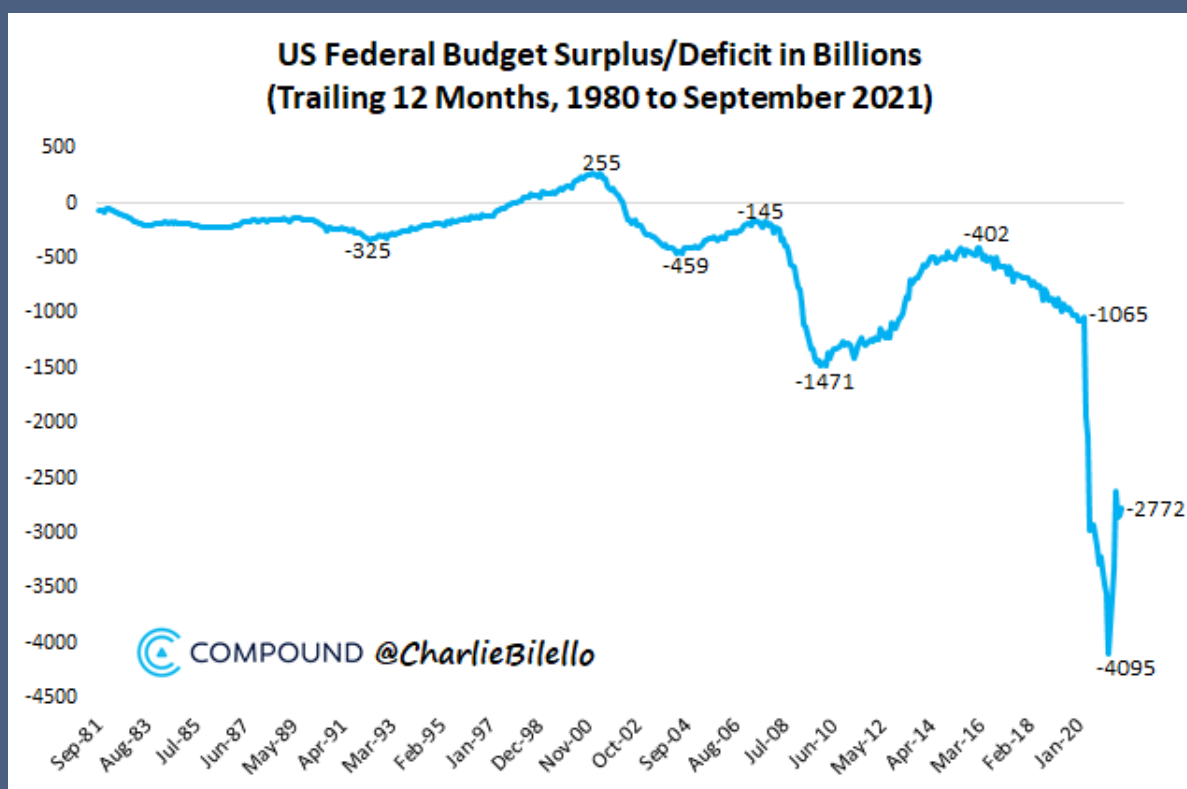
Chinese steel production collapses



Source: Westpac

#us #macro

The US budget deficit.



Source: Charlie Bilello

#us #macro

In 2018 Janet Yellen called rising deficits and debt "unsustainable," and argued for raising taxes & cutting retirement spending.

In 2021 Janet Yellen has been the primary cheerleader for trillions more in spending, while dismissing all concerns about rising debt and inflation.

Yellen says rising deficit is unsustainable: 'If I had a magic wand, I would raise taxes'

PUBLISHED TUE, OCT 30 2018 5:57 PM EDT | UPDATED WED, OCT 31 2018 10:24 AM EDT

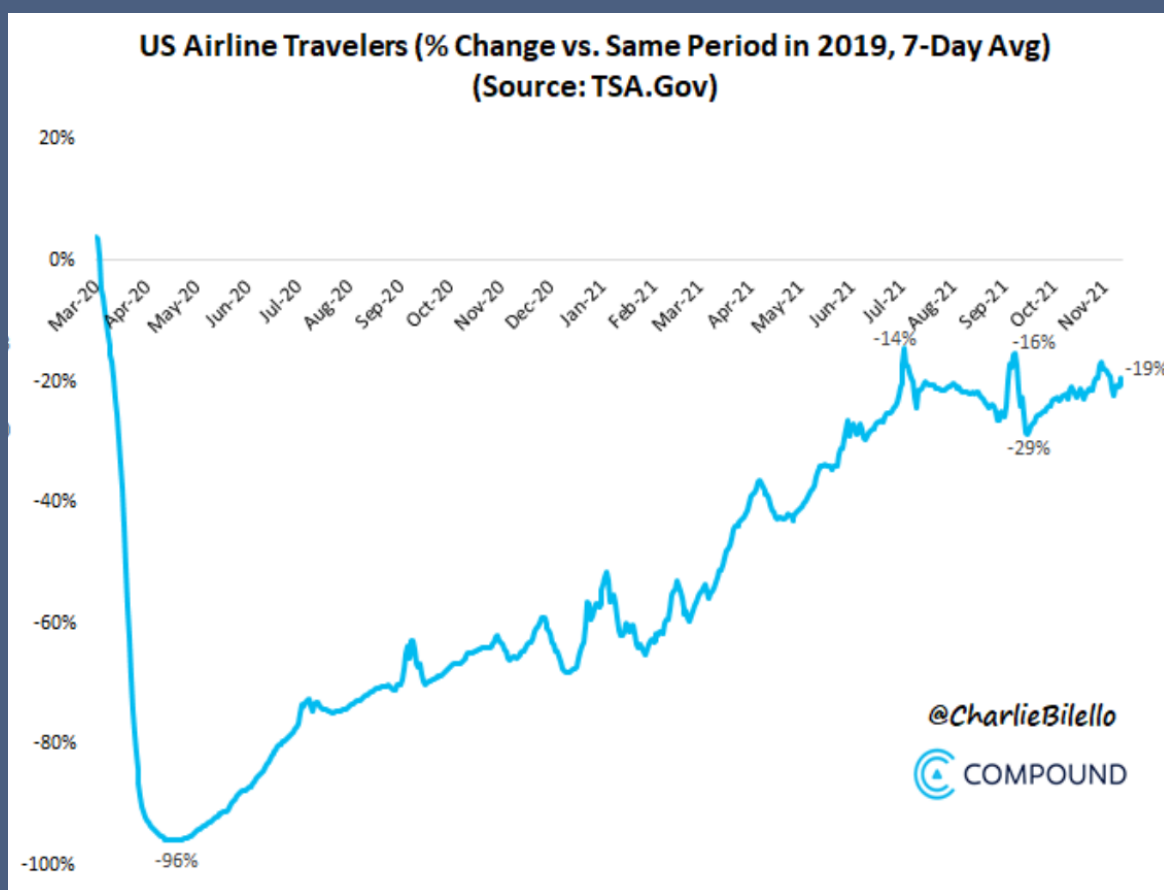
Yellen says the government is operating like it's 2010, calls for more aggressive spending

PUBLISHED THU, MAY 27 2021 11:00 AM EDT | UPDATED THU, MAY 27 2021 12:02 PM EDT

Source: Charlie Bilello

#us #reopening

US Air Travel vs. pre-covid levels...



Source: Charlie Bilello

#global #central-banks

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%	0.2%	-0.3%	Cut	Jan-16
Sweden	Repo Rate	0.00%	2.5%	-2.5%	Hike	Dec-19
UK	Bank Rate	0.10%	3.1%	-3.0%	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%	4.4%	-4.2%	Cut	Mar-20
Norway	Deposit Rate	0.25%	3.5%	-3.3%	Hike	Sep-21
Thailand	Policy Rate	0.50%	2.4%	-1.9%	Cut	May-20
New Zealand	Cash Rate	0.50%	4.9%	-4.4%	Hike	Oct-21
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%	0.6%	0.4%	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
Czech Republic	Repo Rate	2.75%	5.8%	-3.1%	Hike	Nov-21
Chile	Base Rate	2.75%	6.0%	-3.3%	Hike	Oct-21
South Africa	Repo Rate	3.50%	5.0%	-1.5%	Cut	Jul-20
Indonesia	Repo Rate	3.50%	1.7%	1.8%	Cut	Feb-21
China	Loan Prime Rate	3.85%	1.5%	2.4%	Cut	Apr-20
India	Repo Rate	4.00%	4.4%	-0.4%	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	16.00%	19.9%	-3.9%	Cut	Oct-21
Argentina	Benchmark Rate	38.00%	52.5%	-14.5%	Hike	Nov-20



@CharlieBilello

Source: Charlie Bilello

#fed #tapering

After announcing it would do it two weeks ago, moments ago the NY Fed published its first post-taper POMO schedule, which sees a drop from \$80 billion in TSY purchases, a number which had been flat ever since the spring of 2020, to \$70 billion.

PURCHASE PERIOD DETAILS		CURRENT SCHEDULE			
PERIOD	PLANNED PURCHASE AMOUNT	TENTATIVE SCHEDULE	RESULTS	NEXT SCHEDULE RELEASE	
11/15/2021 - 12/13/2021	The Desk plans to purchase approximately \$70 billion over the monthly period from 11/15/21 to 12/13/21.	Schedule	To be released	12/13/2021, 3:00 p.m.	
10/15/2021 - 11/12/2021	The Desk plans to purchase approximately \$80 billion over the monthly period from 10/15/21 to 11/12/21.	Schedule PDF	Results EXCEL		
9/15/2021 - 10/14/2021	The Desk plans to purchase approximately \$80 billion over the monthly period from 9/15/21 to 10/14/21.	Schedule PDF	Results EXCEL		
8/13/2021 - 9/14/2021	The Desk plans to purchase approximately \$80 billion over the monthly period from 8/13/21 to 9/14/21.	Schedule PDF	Results EXCEL		
7/15/2021 - 8/12/2021	The Desk plans to purchase approximately \$80 billion over the monthly period from 7/15/21 to 8/12/21.	Schedule PDF	Results EXCEL		
6/14/2021 - 7/14/2021	The Desk plans to purchase approximately \$80 billion over the monthly period from 6/14/21 to 7/14/21.	Schedule PDF	Results EXCEL		
5/14/2021 - 6/11/2021	The Desk plans to purchase approximately \$80 billion over the monthly period from 5/14/21 to 6/11/21.	Schedule PDF	Results EXCEL		
4/14/2021 - 5/13/2021	The Desk plans to purchase approximately \$80 billion over the monthly period from 4/14/21 to 5/13/21.	Schedule PDF	Results EXCEL		
3/12/2021 - 4/13/2021	The Desk plans to purchase approximately \$80 billion over the monthly period from 3/12/21 to 4/13/21.	Schedule PDF	Results EXCEL		
2/12/2021 - 3/11/2021	The Desk plans to purchase approximately \$80 billion over the monthly period from 2/12/21 to 3/11/21.	Schedule PDF	Results EXCEL		

Source: www.zerohedge.com

#fx #turkishlira

The Turkish Lira crashed above 10/USD, a record low...



Source: www.zerohedge.com, Bloomberg

13th of November 2021

#cryptocurrencies

Cryptos ended the week higher, but off their record highs reached mid-week.



Source: www.zerohedge.com, Bloomberg

#ethereum #bitcoin

Bitcoin topped \$68,000 (a new record high) this week, and Ethereum topped \$4850 (a new record high) before both fell back. ETH then rebounded more aggressively but fell back ended the week back where they started relative to each other...



Source: Top-down Charts, Bloomberg

13th of November 2021



#ethereum

Like clockwork, Ethereum's revenues continue to increase. Day after day. Week after week. Month after month.



Source: UBS

#ethereum

Less covered in Coinbase's quarterly results is the fact that Ethereum accounted for a larger percentage of the platform's trading volume than bitcoin for the second straight quarter.

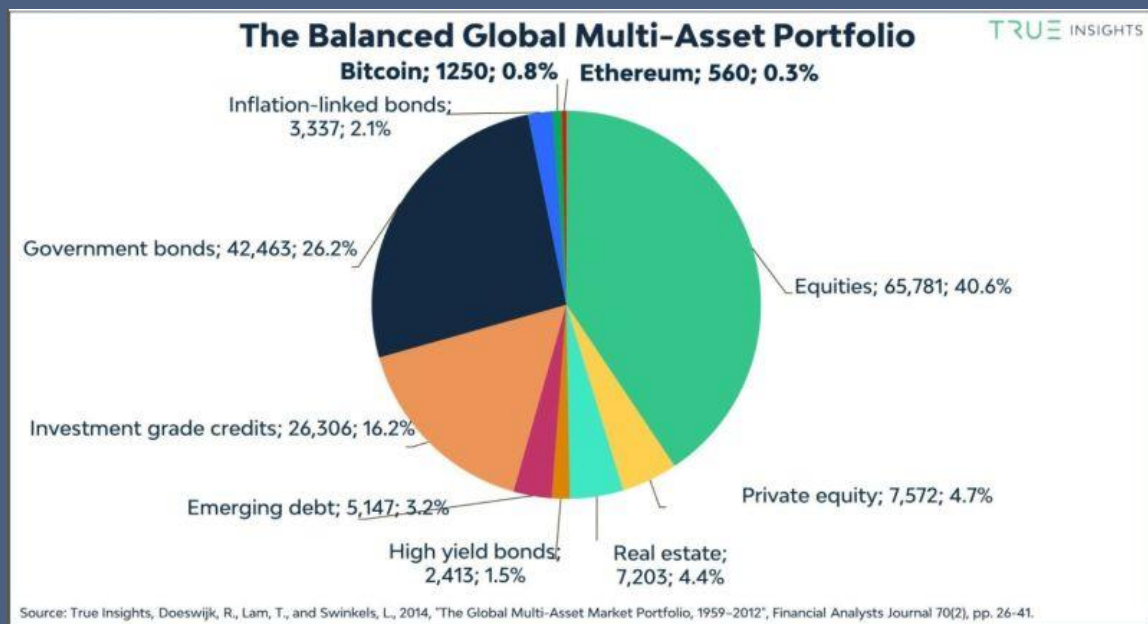
TRADING VOLUME (% OF TOTAL)	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21
Bitcoin	32	38	39	24	19
Ethereum	18	14	21	26	22
Other crypto assets	50	48	40	50	59
Total	100	100	100	100	100

Source: Bianco Research

13th of November 2021

#cryptocurrencies

Despite the massive run of #cryptocurrencies, bitcoin and Ethereum remain a very tiny % of the world global multi-assets portfolio.



Source: True Insights

#bitcoin #digitalgold

Paper money has hit an all-time low against most hard assets, especially #Bitcoin. To some, the surprising one is gold. It's the least-good performer. Gold is losing market share to digital gold.



Source: Pantera

#bitcoin #etf

VanEck's spot ETF may have been denied but their futures ETF is slated for Tuesday launch according to notice from the exchange. This will be like \$BITO and \$BTF albeit with the cheaper fee of 65bps.

**Anthony Rayar** @rayar_anthony · 10h

Its official \$XBTF, the third futures based #Bitcoin  #ETF listing Tuesday Nov 16, 2021 (unless it gets pushed back)! \$BITO - Oct 19th #Bitcoin  around \$64,121. \$BTF - Oct 22nd #Bitcoin  around 60,726.01. \$XBTF - TBD!

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tive Date	11/16/2021
ange	Cboe BZX Exchange (Cboe B
er	XBTF US
Code	BATS
ity Type	Exchange Traded Product

#bitcoin #miami

Miami Will Start Giving Some of Its Residents Free Bitcoin: Mayor Suarez

The Mayor of Miami said that they will be staking the city's MiamiCoin to earn Bitcoin and then distribute those earnings to Miamians.

By [Liam J. Kelly](#)

3 min read • Nov 11, 2021 



MAYOR OF MIAMI IS BUILDING OUT HIS CRYPTOCURRENCY TEAM. IMAGE: SHUTTERSTOCK

Source: Decrypt

#silvergate

JP Morgan initiates coverage of Silvergate (\$SI), the US crypto bank with a target of \$300.

J.P.Morgan

Silvergate Capital Corporation

Initiate at Overweight: Positioned to Ride the Crypto Adoption Wave with Multiple Revenue Levers to Pull

We are initiating coverage of Silvergate Capital Corp. (SI) with an Overweight rating and a \$300 December 2022 price target. Silvergate is a leading crypto bank that serves the highest number of crypto customers in the US. Underpinning its success is the Silvergate Exchange Network (SEN), a real-time payment network that allows crypto exchanges and institutional investors to transact 24/7. Today, there are 1,300+ digital currency customers on the SEN, and deposits from these customers have grown nearly 7x since 2017 to \$11B+, powered by a strong network effect. Silvergate's status as the *pure-play bank of the crypto ecosystem*, has led to the creation of a bank not only with superior growth potential, but also that operates with one of the *highest quality balance sheets in the industry*. In fact, SI pays no interest on nearly 100% of deposits (making it very rate sensitive), and securities/cash represents 88% of its earning assets. On top of being positioned to deliver strong growth of no-cost deposits, (1) SEN Leverage will serve as tailwinds to loan growth while (2) the evolution of the stablecoin market should act as an additional significant growth lever. Given the recent sharp increase in SI shares (with the shares up 154% YTD), the stock now trades at 33.0x 2023e EPS, or a 26% premium to the Russell 1000 Growth Index. Although the valuation is steep compared to most banks, with revenue growth expected in the 50%+ range over the intermediate-term, we see this as the opportunity to buy a *great company at a fair price*. While investors will need to tolerate very *wide swings* on a daily basis in SI's stock price, we are coming out of the gate *bullish on the stock* owing to SI being in the catbird seat to ride a wave of institutional adoption of crypto (while this asset class is still in its infancy), with additional significant growth levers being tied to SEN Leverage, rising rates, and stablecoins. Moreover, given SI's bold management team, highly entrepreneurial culture, and passion for crypto, as Web 3.0 companies disrupt Web 2.0 companies, we see Silvergate evolving *well beyond its current form over time* and, along the way, *playing an increasingly valuable role* in this inevitable disruption.

- With Increasing Institutional Adoption of Crypto, Very Strong Balance Sheet Growth to Continue.** With Silvergate being well positioned to capitalize on its first mover advantage in the crypto space, we believe there's a tremendous growth runway ahead with strong deposit inflows supporting double-digit balance sheet growth that could outpace peers for years to come.
- Lending Now a Smaller Part of SI Story but SEN Leverage a Key Area of Growth.** Launched in 2020, SEN Leverage provides institutional investors US dollar financing collateralized by their bitcoin holdings. Its balances have risen 11x y/y (with zero losses/forced liquidations) and are poised to grow further.
- The Evolution of the Stablecoins Another Growth Lever.** In May 2021, SI struck a partnership with Diem in which it will become the exclusive issuer of Diem US dollar-backed stablecoin. Additionally, the report on stablecoins from the President's Working Group confirmed that SI, as an insured deposit institution, is well positioned to play an important role as the market develops.
- With Crypto Industry Still in Its Infancy, Room for Shares to Run.** SI shares trade at 33.0x 2023e EPS, or a 26% premium to the Russell 1000 Growth Index. While bank investors may balk at the valuation, we note that SI trades at a discount to the companies also levered to the crypto ecosystem. In fact, it's one of the cheapest ways to play the theme of crypto disruption/adoption.

North America Equity Research
11 November 2021

Initiation
Overweight

SI, SI US
Price (10 Nov 21): \$188.73
Price Target (Dec-22): \$300.00

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J.P. Morgan Securities LLC

Key Changes (FYE Dec)

	Prev	Cur
Adj. EPS - 21E (\$)	--	2.74
Adj. EPS - 22E (\$)	--	3.59

Quarterly Forecasts (FYE Dec)

Adj. EPS (\$)	2020A	2021E	2022E
Q1	0.14	0.55A	0.70
Q2	0.18	0.80A	0.82
Q3	0.37	0.73A	0.96
Q4	0.47	0.65	1.11
FY	1.17	2.74	3.59

Style Exposure

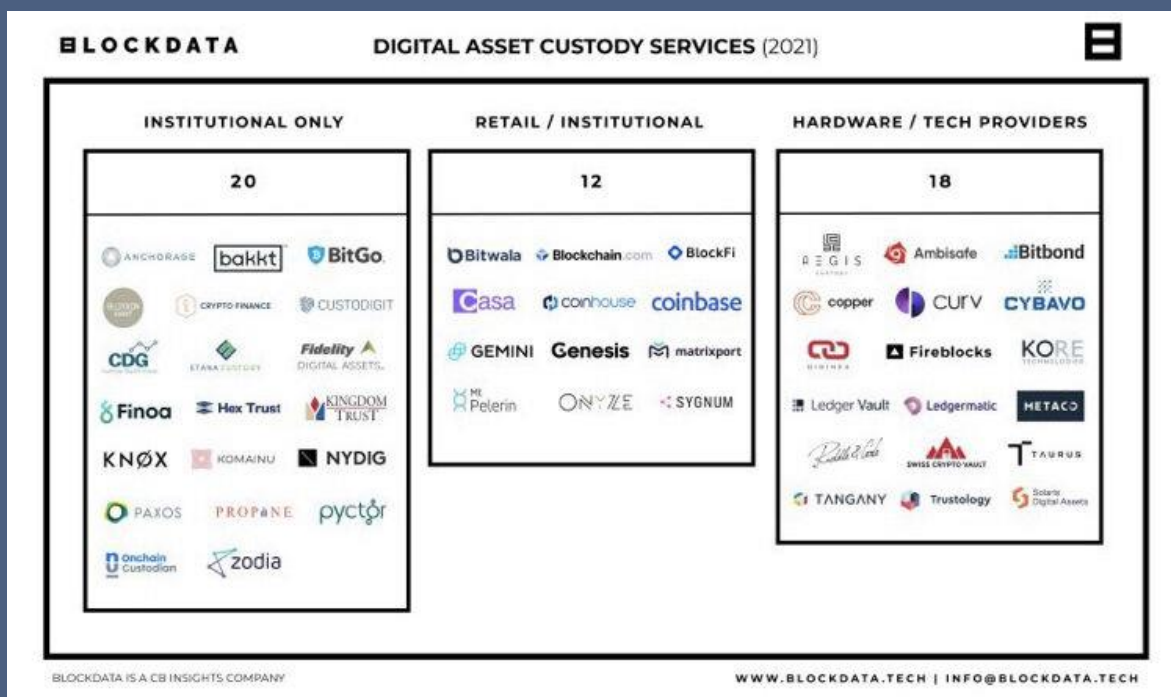
Quant Factors	Current	Hist %Rank (1=Top)			
	%Rank	6M	1Y	3Y	5Y
Value	98	97	93		
Growth	13	27	35		
Momentum	3	1	11		
Quality	82	91	86	90	100
Low Vol	100	97	94		

Source: JPM Morgan

#digital-assets #custody

Digital Asset Custody Services -Top 50 -

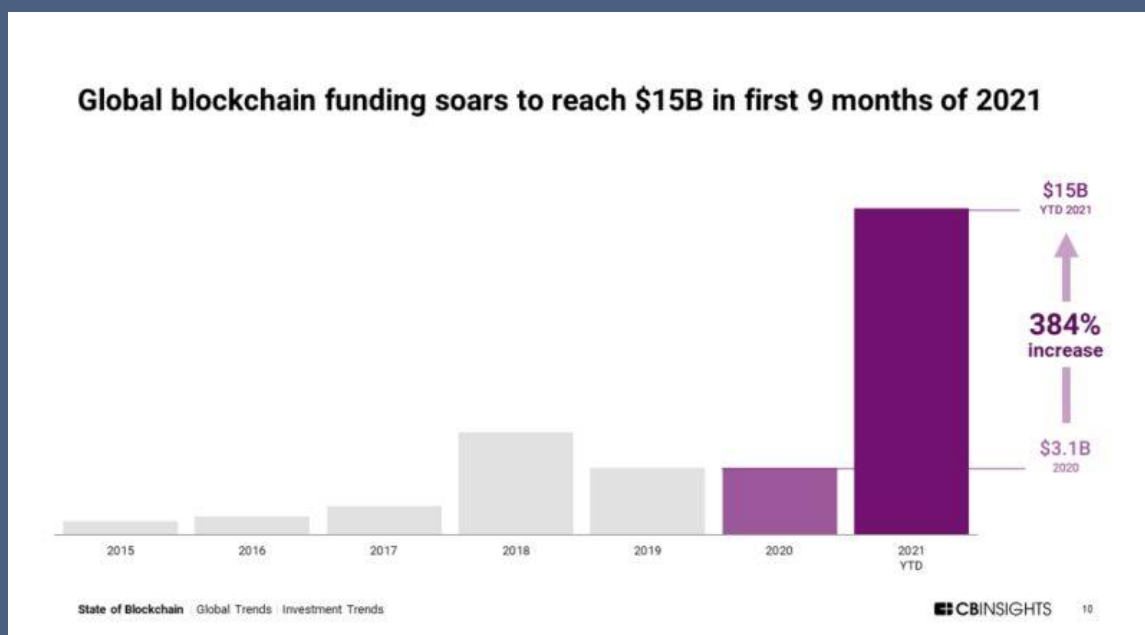
- 1) Institutional Only (Paxos, Fidelity Digital Assets)
- 2) Retail & Insitutional (Coinbase, BlockFI)
- 3) Hardware & Tech Providers (i.e. Fireblocks or Ledger)



Source: Blockdata

#blockchain #funding

Blockchain and crypto startups saw quarterly highs in funding, mega-rounds, unicorn births, and more — contributing to an already record-shattering year. Lot (~\$15B worth) of funding went to the blockchain space in Q3 2021. Blockchain funding has taken off this year, with 2021 ytd already up 384% vs 2020. NFT funding is up an astonishing 6,427% in 2021 YTD compared to 2020. 12 new blockchain, were born in Q3'21.



Source: CB Insights

13th of November 2021

#ipo

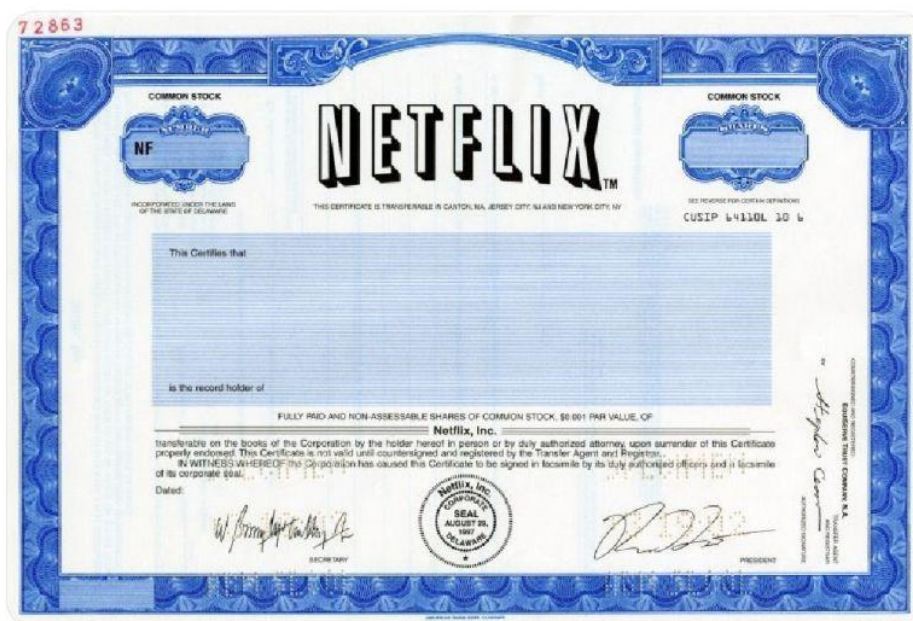


Jon Erlichman ✓

@JonErlichman

Netflix went public in 2002.

A \$2,000 investment in the IPO
would be worth \$1 million today.



12:40 PM · 10 Nov 21 · [Twitter for iPhone](#)

Source: John Erlichman

#diamond #etf

Diamond Standard is working to launch by next summer diamond futures contracts that would be underpinned by its coins. The firm hopes to upgrade the trust to an ETF that would be more accessible to any investor through the NYSE. Unlike the trust, the ETF would have to be approved by the SEC

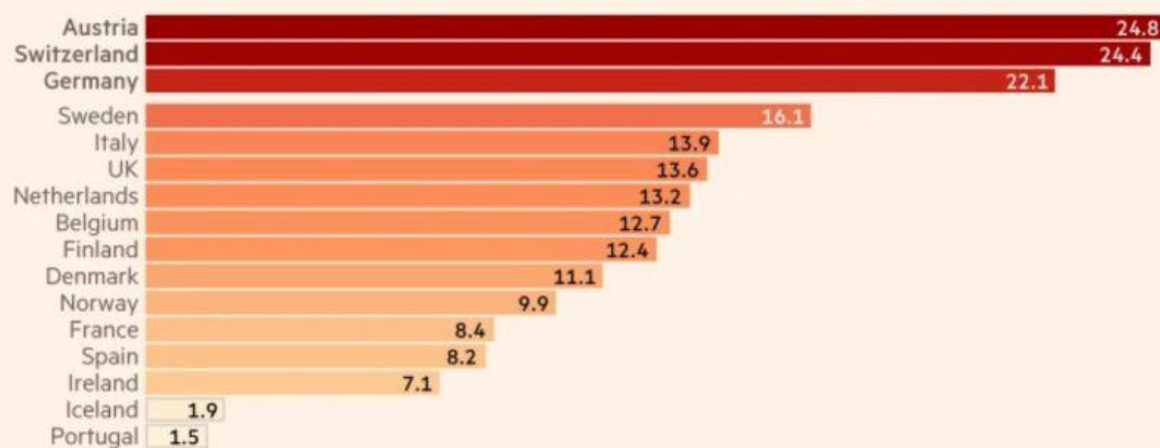


Source: wsj

#covid19 #vaccines

German-speaking countries have the highest shares of unvaccinated people in western Europe

Share of population aged 12+ that has not had any Covid vaccine dose (%)



Source: FT analysis of figures from national sources and Our World in Data. Rates shown are as of November 9
© FT

Source: FT

#covid19 #vaccines

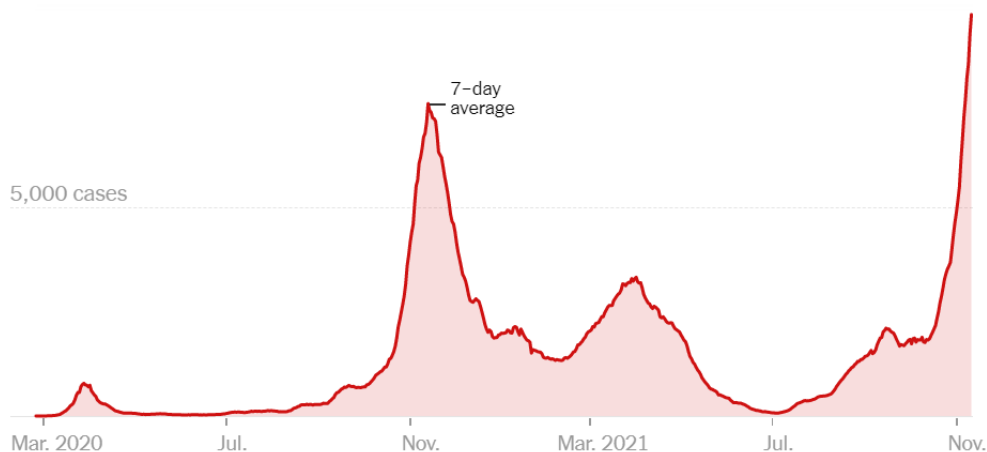
The New York Times

Austria is likely to order a lockdown for unvaccinated people, its chancellor warns.

Austria Coronavirus Cases ›

All time

Last 90 days



Source: Center for Systems Science and Engineering (CSSE) at Johns Hopkins University. The daily average is calculated with data that was reported in the last seven days.

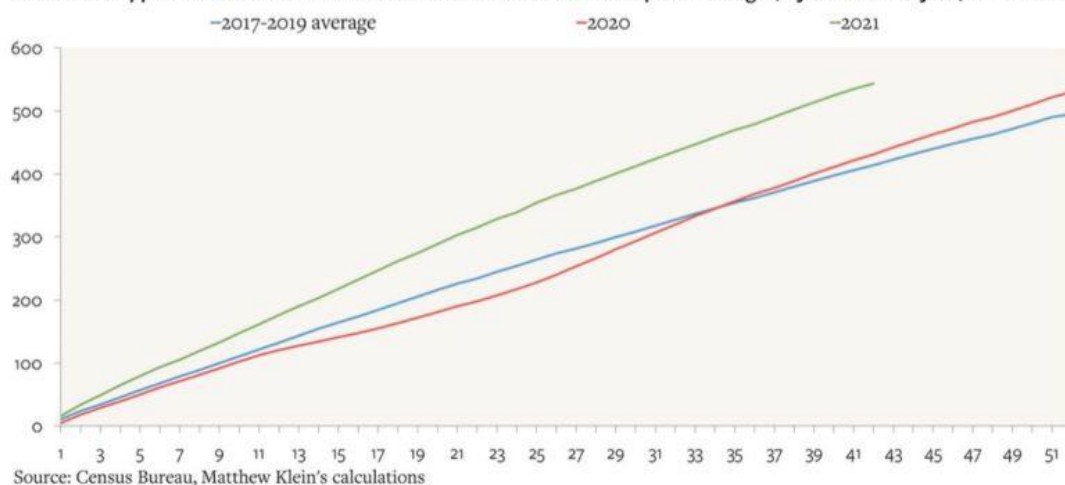
Source: NYT

#us #entrepreneurship

Entrepreneurship Boom

Americans are applying to start new businesses at unprecedented rates. So far in 2021, applications for Employer Identification Numbers for businesses with planned wages are running more than 30% above the pre-pandemic average.

Cumulative applications to the IRS for business tax IDs associated with planned wages, by week of the year, thousands



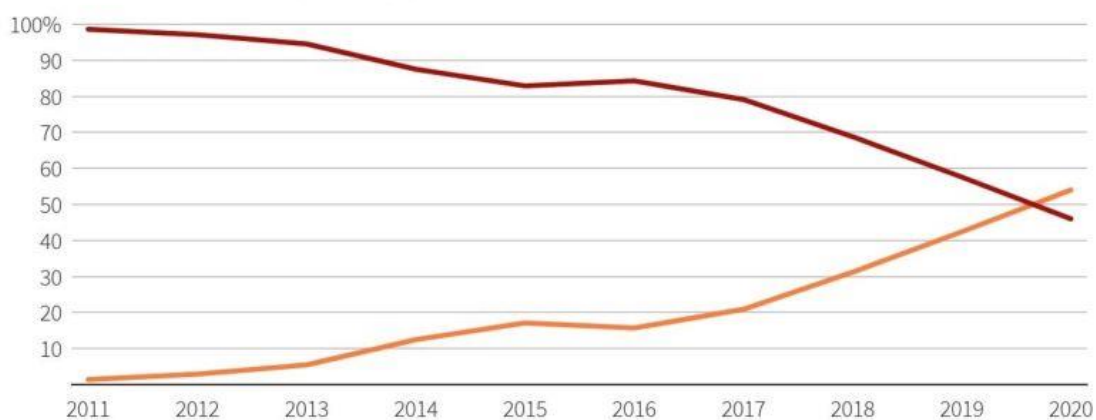
Source: Census Bureau, Matthew Klein, Carl Quintanilla

#electricvehicles

Norway new car sales

Years 2011-2020, percentage of market

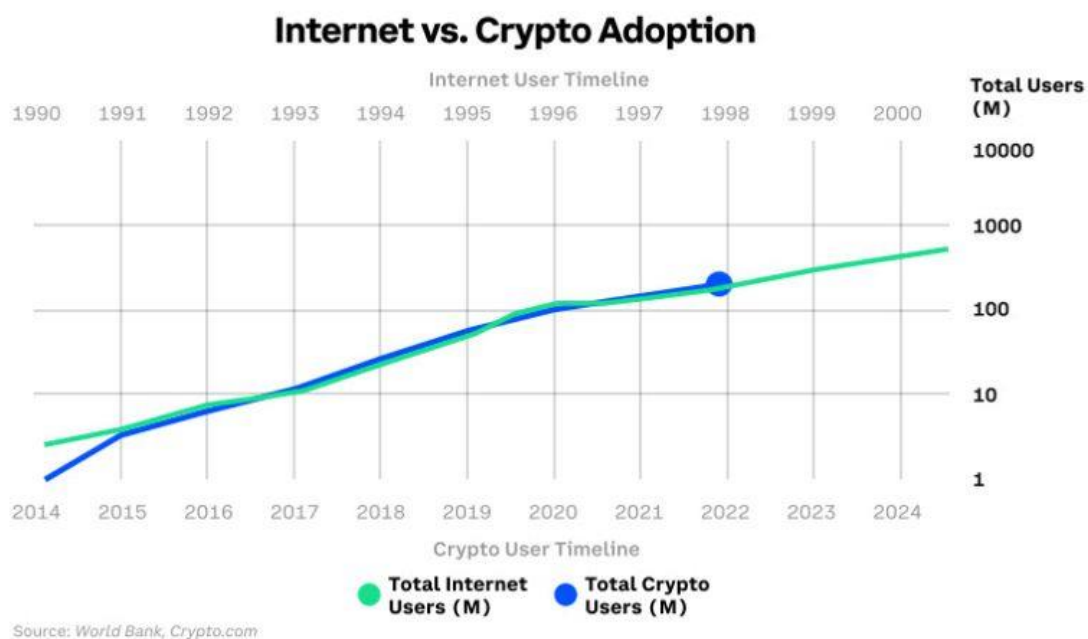
— Electric — Diesel & petrol, including hybrids



Source: Norwegian Road Federation (OFV)

Source: Visual Capitalist

#cryptocurrencies #adoption



Source: Michael Jackson

#internet

From Amazon to Zoom: what happens in an Internet Minute In 2021?



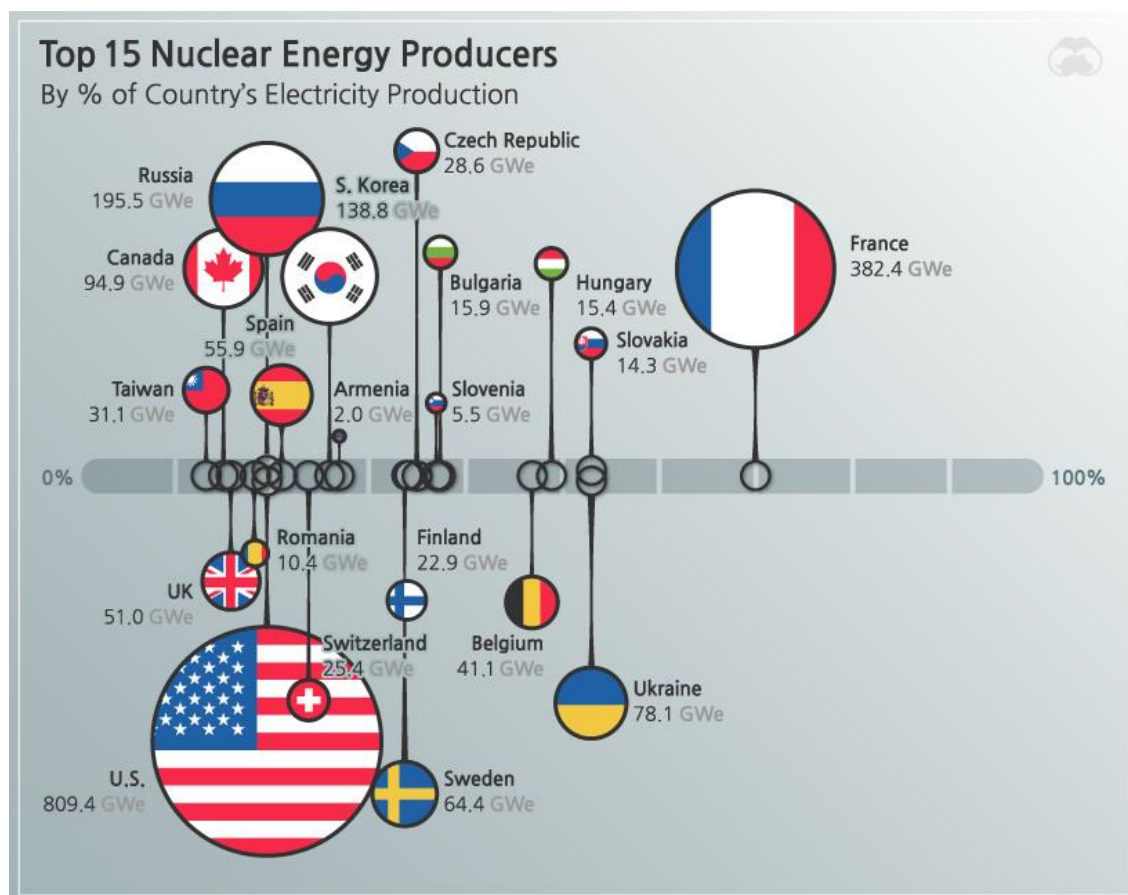
Source: Visual Capitalist

#brands



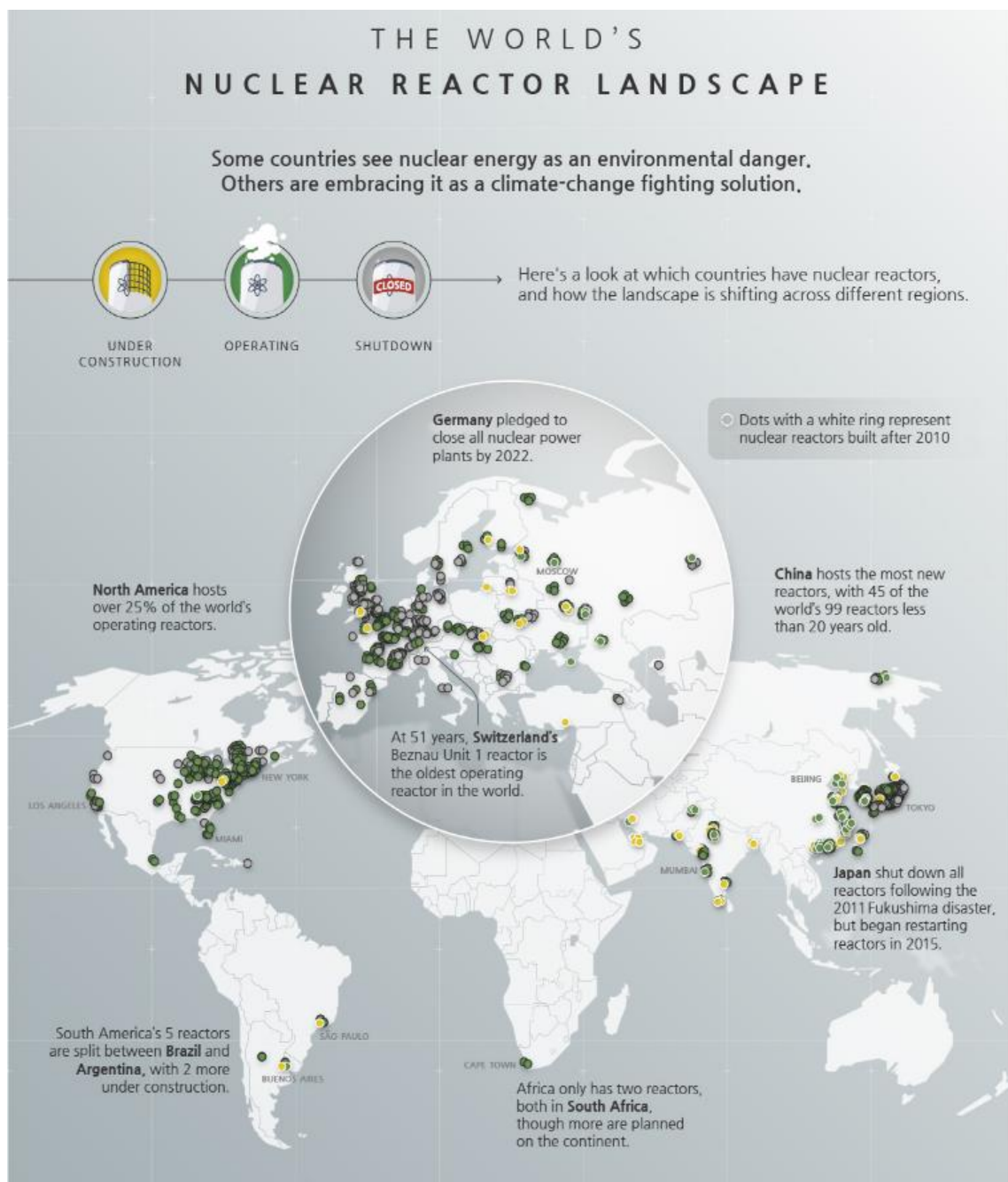
Source: Visual Capitalist

#nuclear



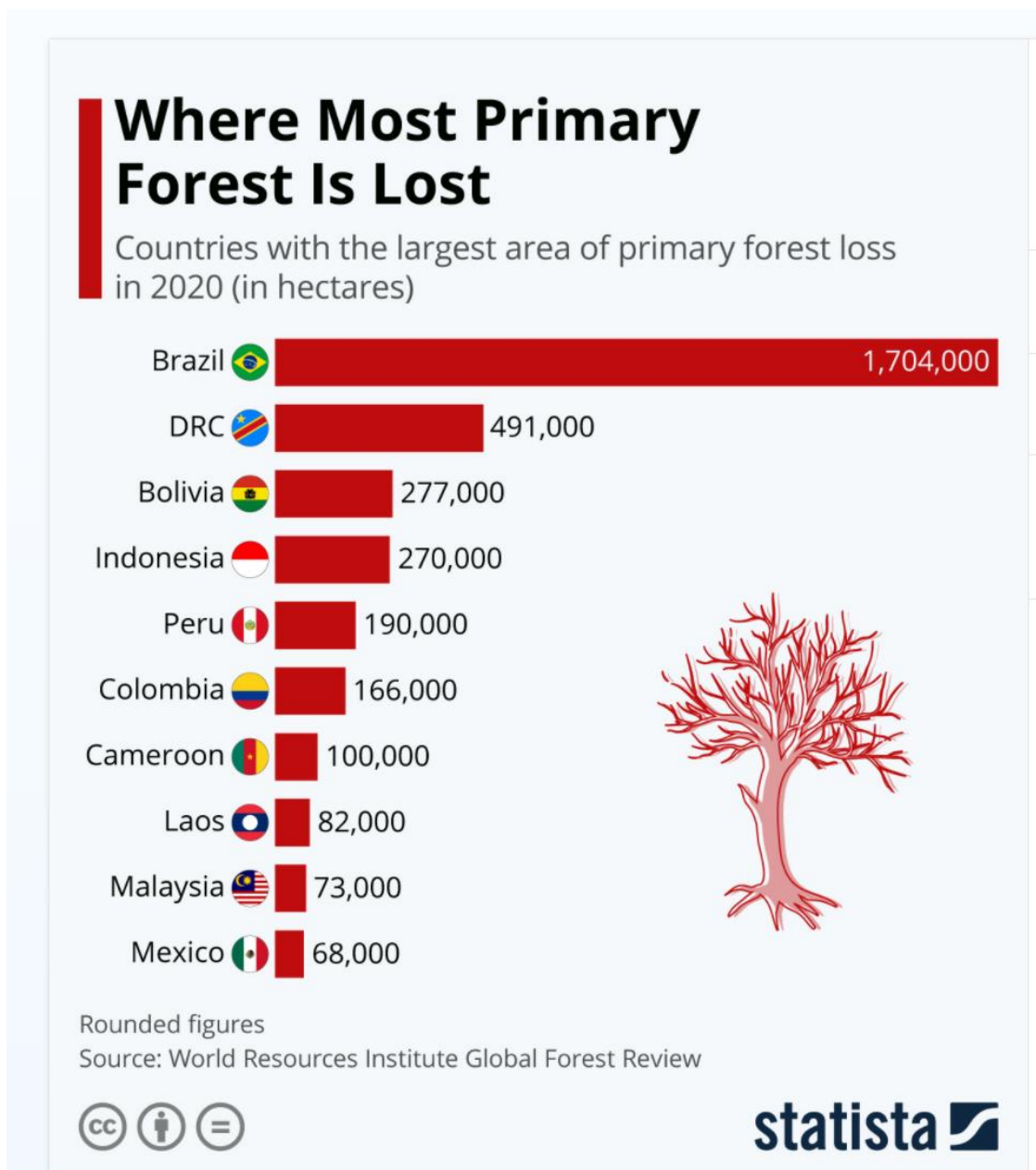
Source: Visual Capitalist

#nuclear



Source: Visual Capitalist

#food-for-thought

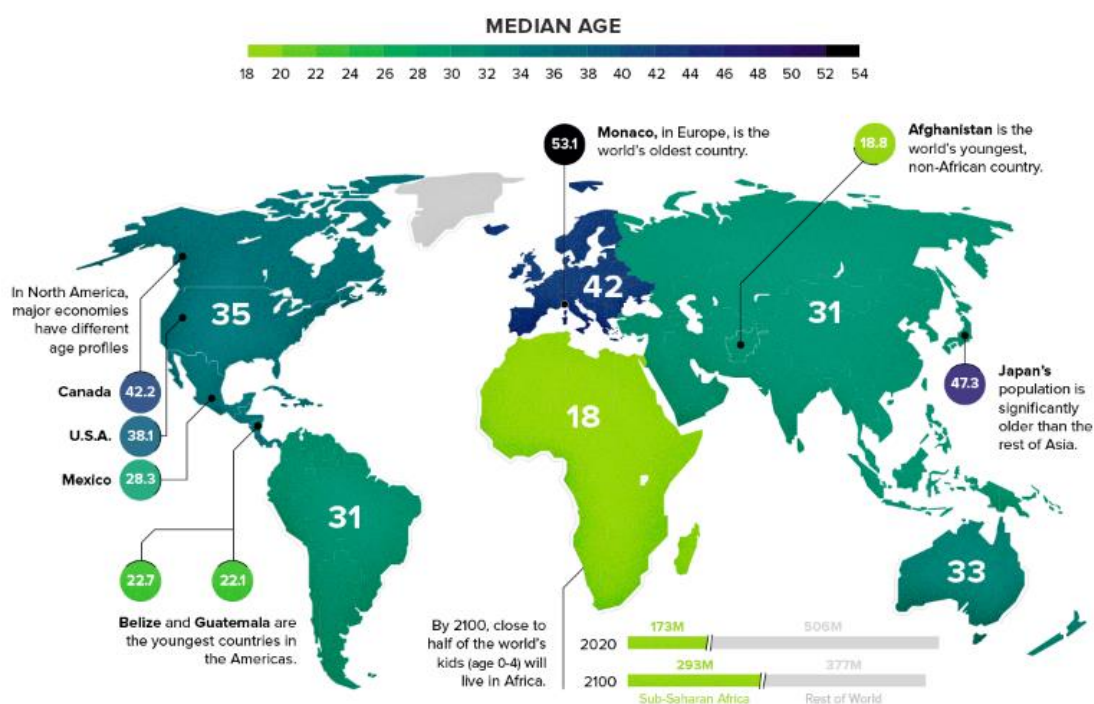


Source: Statista

#food-for-thought

THE MEDIAN AGE OF CONTINENTS

Africa has the world's youngest population, with a median age in the teens



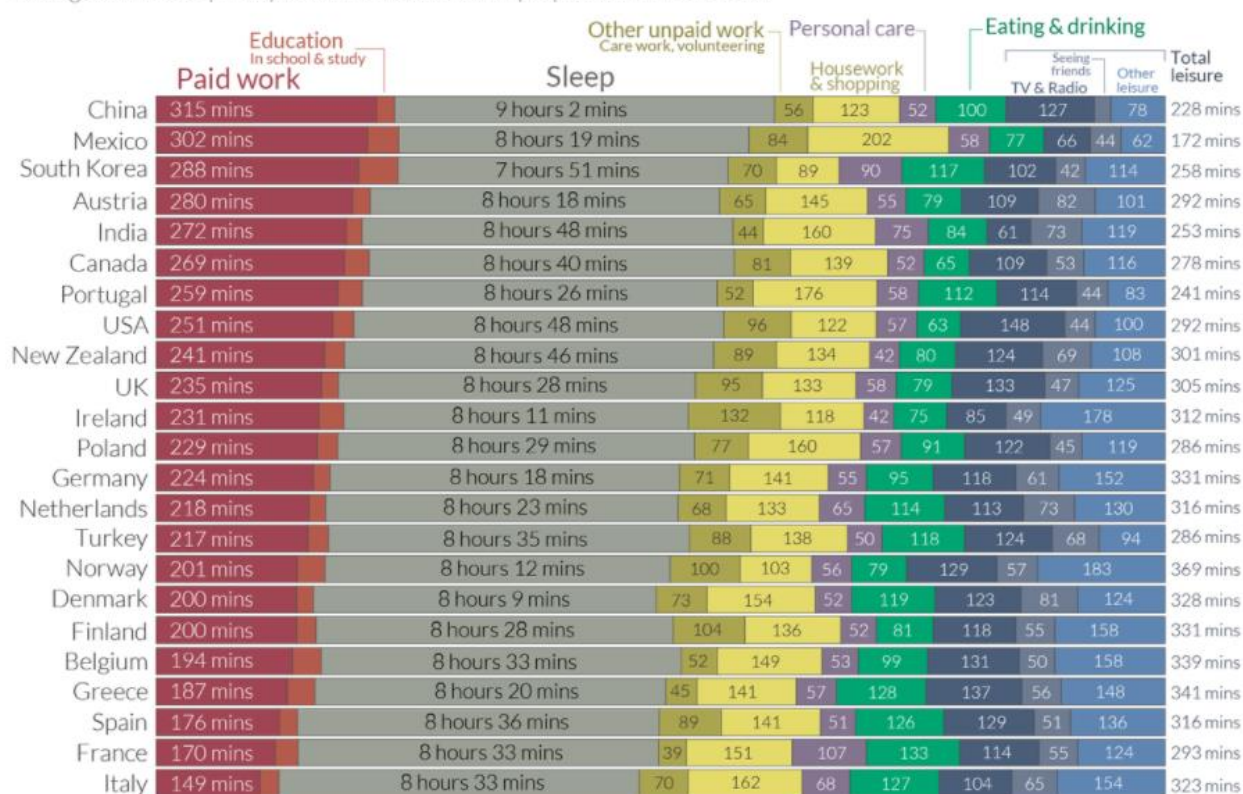
Source: Visual Capitalist

#food-for-thought

How do people spend their time?

Our World in Data

Averages of minutes per day from time-use diaries for people between 15 and 64.



Data source: OECD Time Use Database, Gender Data Portal. For most countries surveys were conducted between 2009 and 2016, but surveys for some countries are older.

OurWorldinData.org – Research and data to make progress against the world's largest problems.

Licensed under CC-BY by the author Esteban Ortiz-Ospina.

Source: The Visual Capitalist

#globalmarkets weekly wrap-up

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For the future...