

#globalmarkets weekly wrap-up

Chart of the week

ROTATION FROM GROWTH INTO VALUE CONTINUES

Value has been outperforming Growth for more than 16 months on an equal-weight basis. The Russell 1000 Value Index (larger-cap value) is now breaking the multi-year downtrend relative to the equal-weight Nasdaq to the upside.



Source: Bloomberg, Bastien Chenivresse

#globalmarkets weekly wrap-up

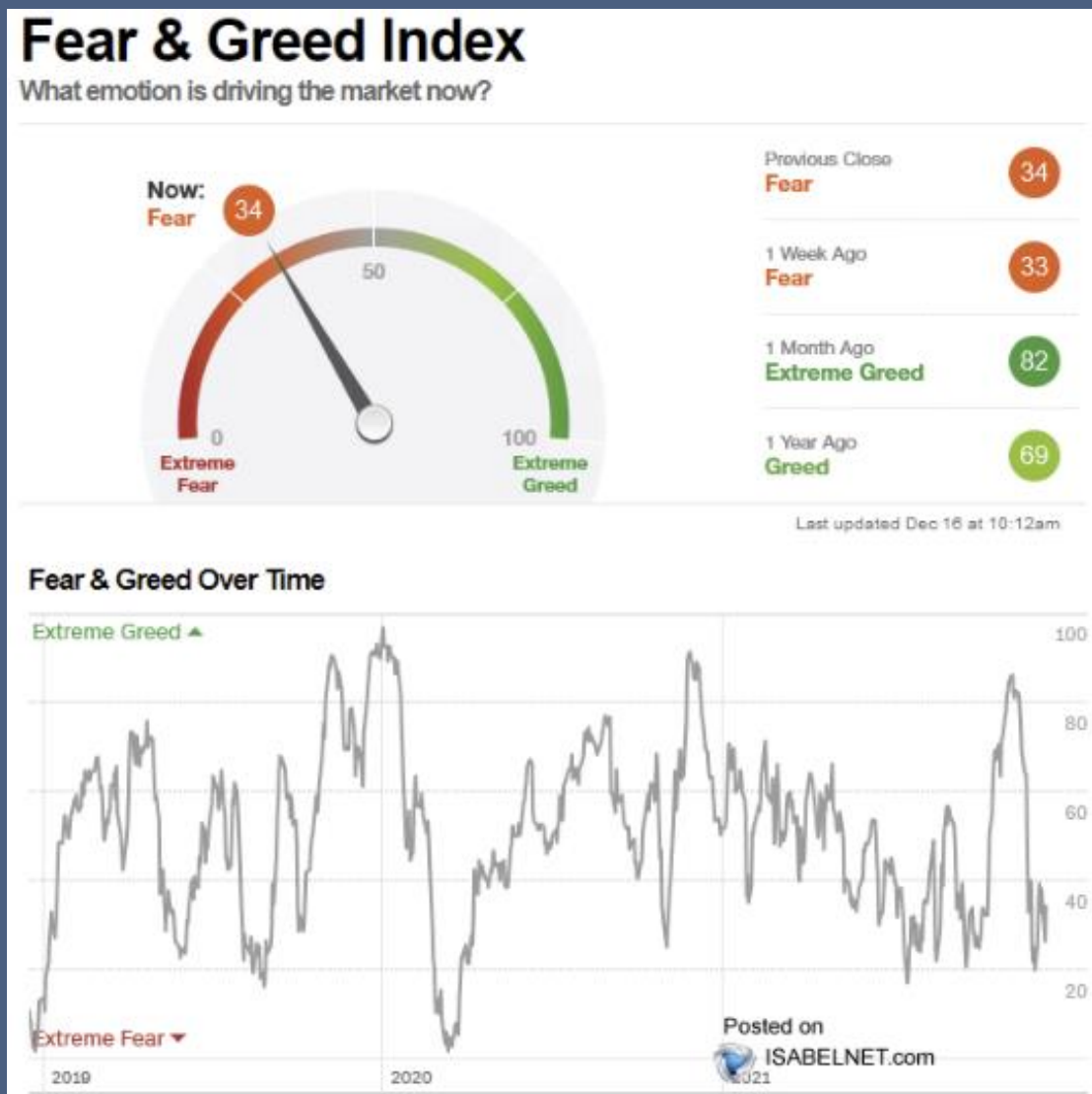
Fed hawkish pivot and omicron fears spark volatility

The FOMC meeting on Tuesday and Wednesday dominated sentiment for much of the week. A majority of officials now expect three quarter-point hikes in 2022 instead of two. The Fed also announced a faster tapering of its monthly asset purchases, which are now expected to stop by the end of March. While the initial market reaction was positive, stocks lost their gains and volatility spiked at the end of the week, partly due to “triple witching,” or the expiration of three types of options and futures contracts on Friday. With interest rate expectations on the rise, growth stocks (Tech, communications) fared the worst. The tech-heavy Nasdaq touched an intraday low on Friday roughly 7% below its recent peak. Meanwhile, the defensive sectors (utilities, health care, and consumer staples) managed gains. Shares in Europe fell as governments tightened restrictions to curb the spread of Covid-19 and central banks (Fed, BoE, Norges Bank) became more hawkish. The Dollar ended higher on the week as the ECB left monetary policy unchanged. In Fixed Income, Omicron pushed yields lower with the 10-year Treasury note yield dropping below 1.40% for the first time in nearly two weeks. Cryptos were weaker across the board.

18th of December 2021

#us #equities #sentiment

Fear/Greed index moving into fear territory with recent selloff. With options expiration today, a pickup in volatility won't be surprising.

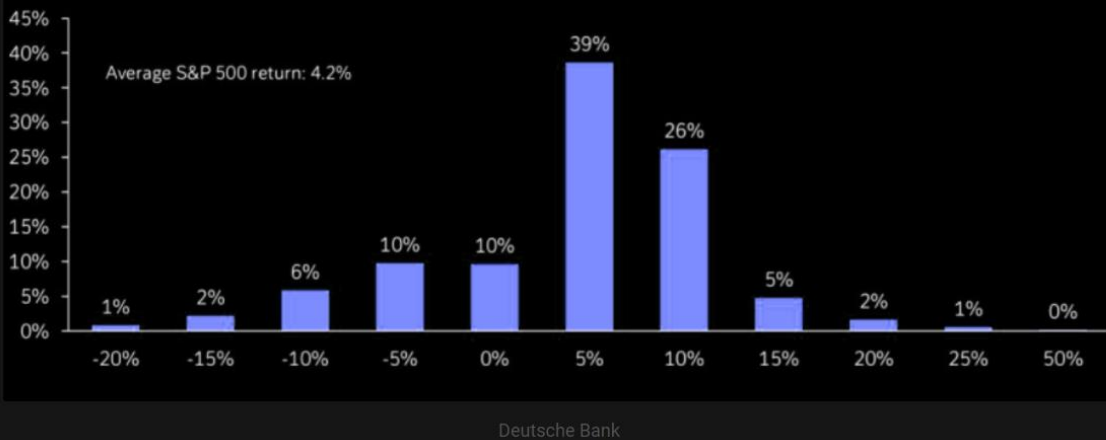


Source: CNN, Isabelnet

#us #equities #sentiment

Figure 4: What will the S&P 500 return in 2022?

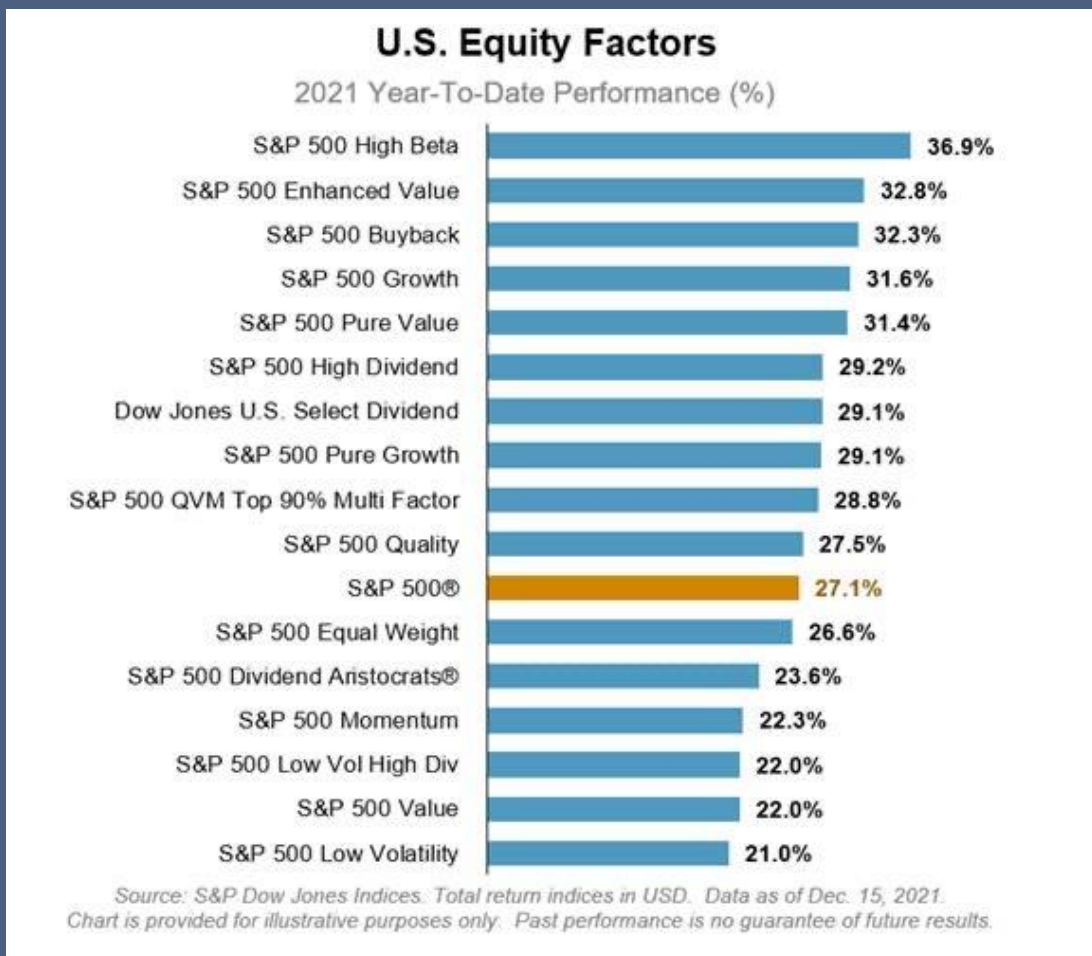
S&P 500 expectations were moderate, an average return of +4.2% in 2022 would be the third worst of the last decade, where the average return has been +14.6% a year if you include ytd numbers for 2021. 19% thought a negative return.



Source: DB, TME

#us #equities #factors

2021 has been an SPDJ Indices factor roller coaster; S&P 500 Pure Value Index beat Pure Growth Index by 27% in the 1st 5months, before giving up nearly all outperformance over rest of year. Outperforming trend is now resuming.



Source: Liz Ann Sonders

#us #equities #growth

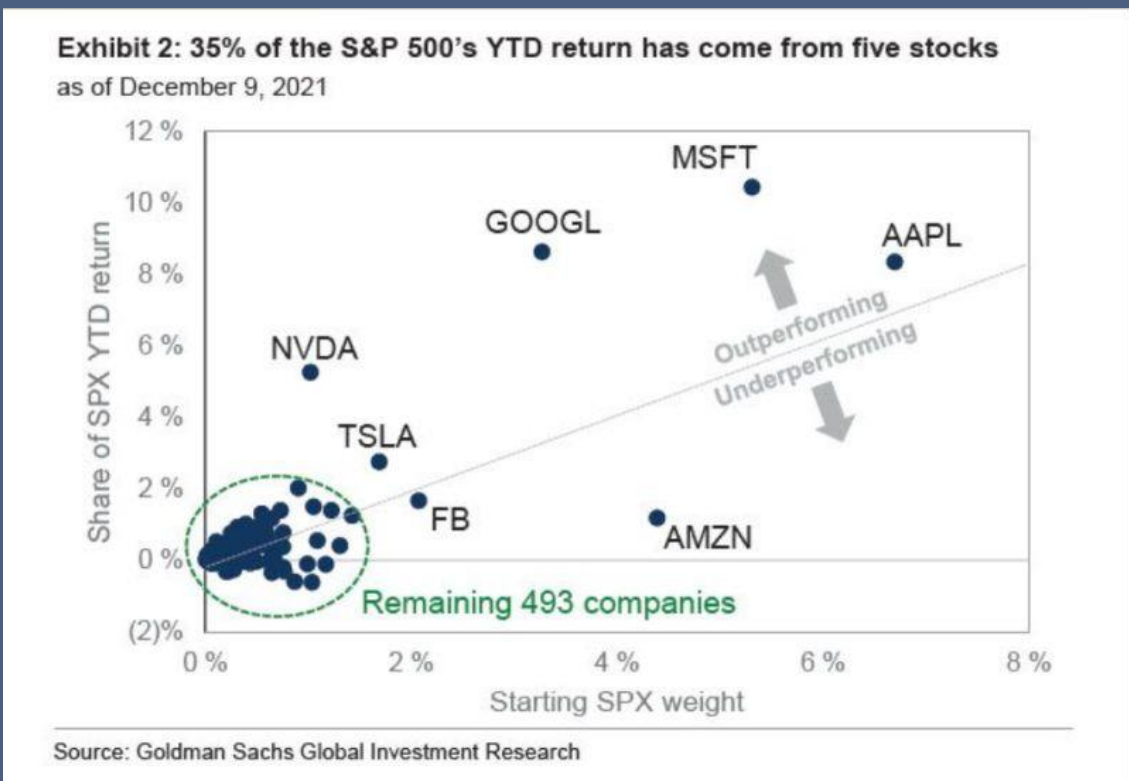
Goldman: *“a screaming dislocation has emerged between long-duration equities (which have been falling apart - ARK Names, Software, long duration cash flows) and long duration itself (the yield on the 30 year long bond is near YTD lows). Elements of capitulation are starting to accumulate and there are clear footprints of major risk reduction.”*



Source: Bloomberg, www.zerohedge.com, Goldman Sachs

#us #equities #growth

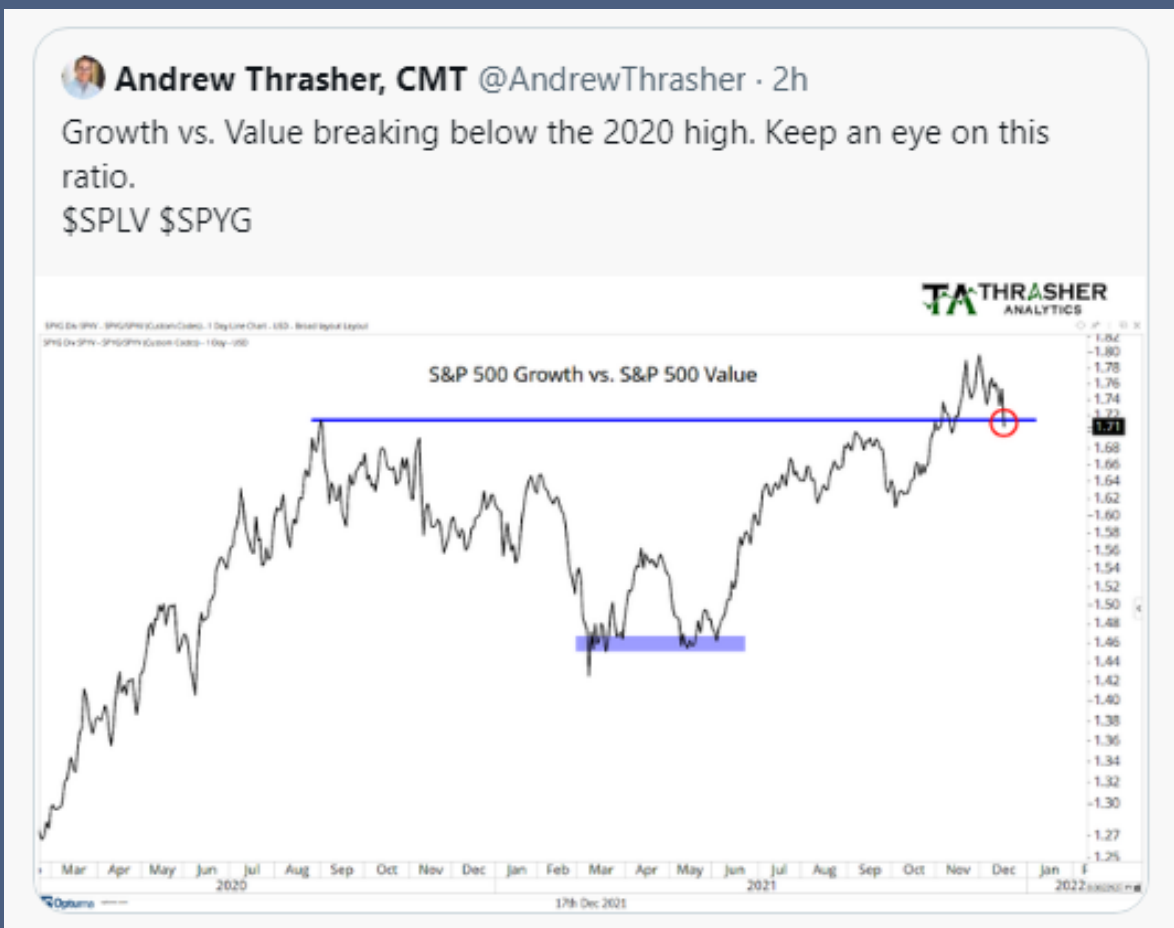
35% of S&P 500 gains this year comes from 5 growth stocks.



Source: Goldman Sachs

#us #equities #growth

More evidence of Growth stocks potentially leading the broad market to the downside.



#us #equities #apple

Apple (\$AAPL) was down 4.6% on the week - its biggest weekly loss since February...



Source: Goldman Sachs

#us #equities #growth

For many high growth stocks, 2021 has been the opposite of 2020...

High Growth Boom/Bust (data as of 12/16/21)							
Company	Ticker	2020 Return	2021 Return	Company	Ticker	2020 Return	2021 Return
NIO Inc.	NIO	1112%	-39%	Redfin Corp	RDFN	225%	-43%
QuantumScape	QS	753%	-72%	FuboTV Inc	FUBO	214%	-42%
Workhorse Group Inc	WKHS	551%	-75%	Chewy Inc	CHWY	210%	-40%
Farfetch Ltd.	FTCH	517%	-53%	DocuSign Inc	DOCU	200%	-34%
Peloton Interactive Inc	PTON	434%	-74%	Zillow Group Inc	Z	183%	-54%
Pacific Biosciences Inc	PACB	405%	-22%	Five9 Inc	FIVN	166%	-26%
Sunrun Inc.	RUN	402%	-51%	CRISPR Therapeutics AG	CRSP	151%	-49%
Zoom Video Communications Inc	ZM	396%	-47%	Wayfair Inc	W	150%	-15%
Pinduoduo Inc	PDD	370%	-68%	Roku Inc	ROKU	148%	-35%
Fate Therapeutics	FATE	366%	-41%	Teladoc Health Inc	TDOC	139%	-56%
FuelCell Energy	FCEL	345%	-43%	Chegg Inc	CHGG	138%	-69%
Fastly	FSLY	335%	-56%	GSX Techedu Inc.	GOTU	137%	-96%
DraftKings Inc	DKNG	335%	-42%	Palantir Technologies Inc	PLTR	136%	-22%
Appian Corp	APPN	324%	-58%	Coupa Software Inc	COUP	132%	-55%
Lemonade	LMND	322%	-66%	Stitch Fix Inc	SFIX	129%	-69%
ChargePoint Holdings	CHPT	309%	-52%	Elastic NV	ESTC	127%	-22%
Ontrak Inc.	OTRK	279%	-91%	RingCentral	RNG	125%	-54%
Tupperware Brands	TUP	278%	-53%	PayPal Holdings Inc	PYPL	117%	-19%
Pinterest Inc	PINS	254%	-47%	Spotify Technology SA	SPOT	110%	-28%
iRhythm Technologies	IRTC	248%	-59%	StoneCo Ltd	STNE	110%	-82%
Block Inc	SQ	248%	-24%	Opendoor Technologies Inc	OPEN	110%	-41%
Twilio Inc	TWLO	244%	-24%	Virgin Galactic Holdings Inc	SPCE	105%	-40%
Penn National Gaming Inc	PENN	238%	-48%	Wix.com Ltd	WIX	104%	-43%
C3.ai Inc	AI	230%	-76%	Lordstown Motors Corp	RIDE	102%	-80%

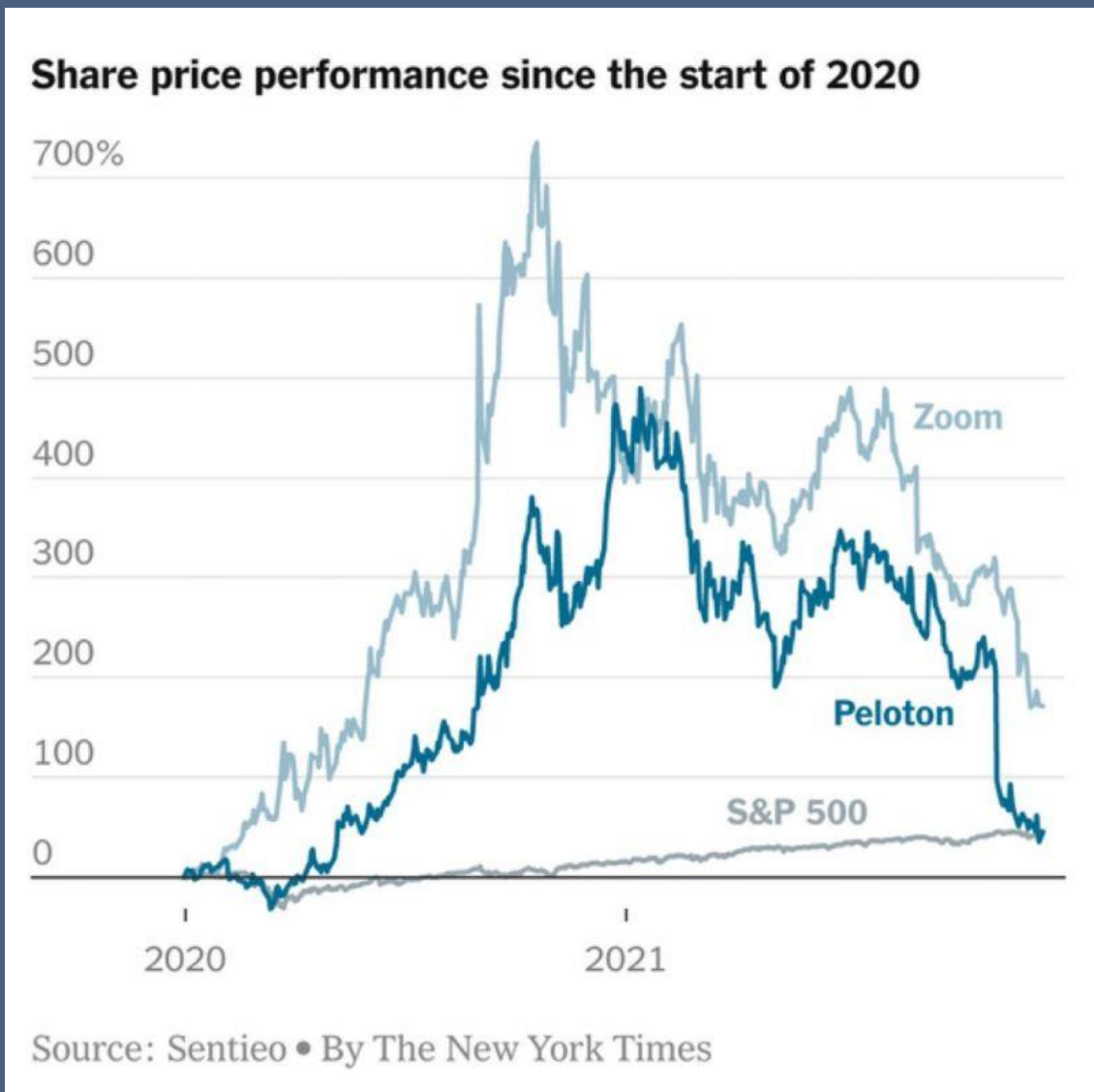


@CharlieBilello

Source: Charlie Bilello

#us #equities #stay-at-home

The boom and bust of "stay-at-home" stocks.



Source: The New York Times, Sentieo

#spacs

Nothing but pain for SPACs as ISPAC Index suffers its worst drawdown ever (-38%).



Source: Liz Ann Sonders

#us #equities #small-caps



Will Meade

@realwillmeade

Institutional tax loss selling is causing the big sell off in small caps, not the Fed or omnicrom. Historically tax loss selling ends this week and then the January effect kicks in, where small caps and the years biggest losers bounce for a month.

2:55 PM · 13 Dec 21 · [Twitter for iPad](#)

430 Retweets **81** Quote Tweets **2,437** Likes

#us #equities #small-caps

US small-cap stocks trade at historic discount to corporate titans.



Source: FT

#crocs

Crocs is up 2,000% over the last five years...”barely” underperforming Tesla. The red line is Amazon, up a mere 355%.



Source: Bloomberg, Eric Balchunas

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#berkshirehathaway

Another breakout to new highs for Berkshire Hathaway.



Source: Bloomberg

18th of December 2021

#us #equities #weekly #leadership

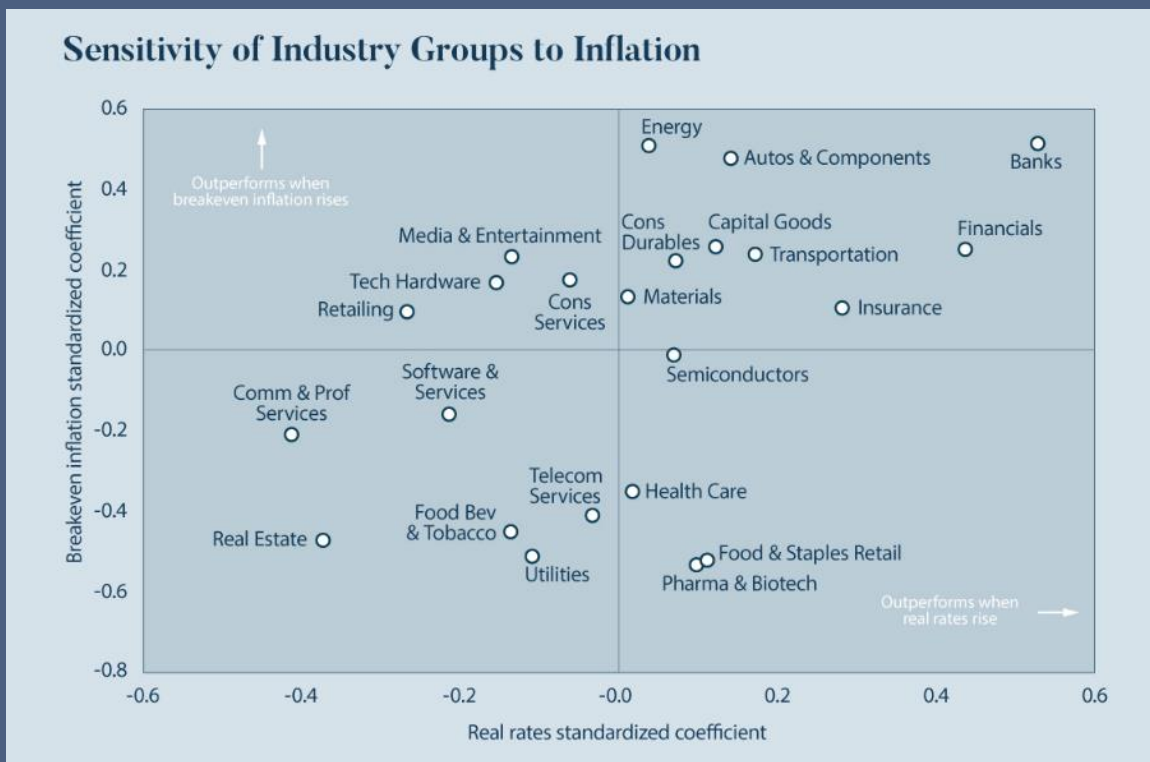
Defensive sectors dominated the week with Energy, Tech, and Discretionary the most hated...



Source: www.zerohedge.com, Bloomberg

#us #equities #inflation

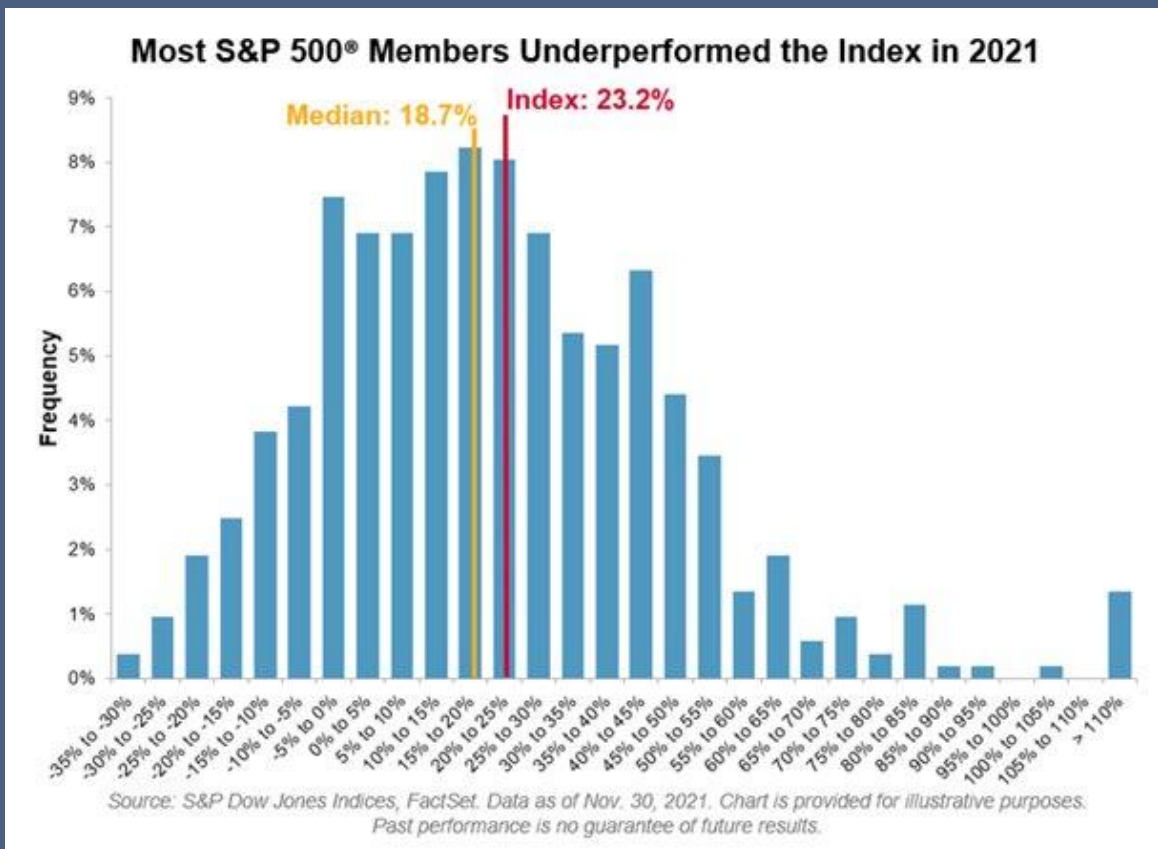
Here are the industries that may stand to benefit the most and those potentially most at risk in an inflationary portfolio.



Source: The Visual Capitalist

#us #equities #breadth

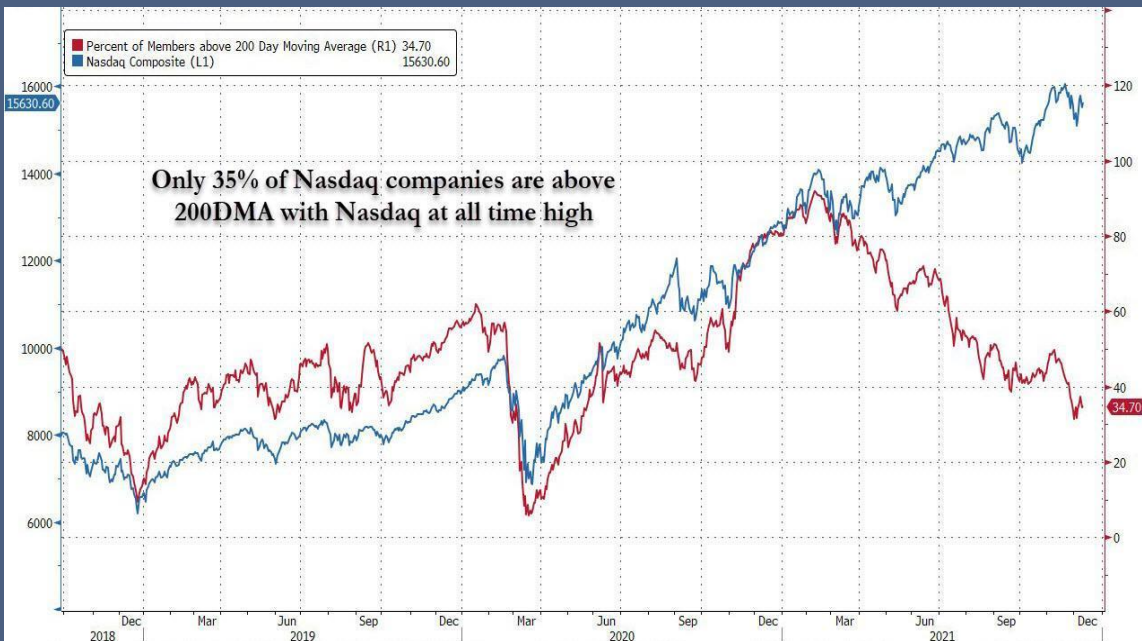
Through end of November, S&P 500 was up 23%, versus a gain of only 19% for median stock; only 42% of index members outperformed through first 11 months of year; needless to say, fewer outperformers make for more challenging stock selection.



Source: SPDJIndices

#us #equities #breadth

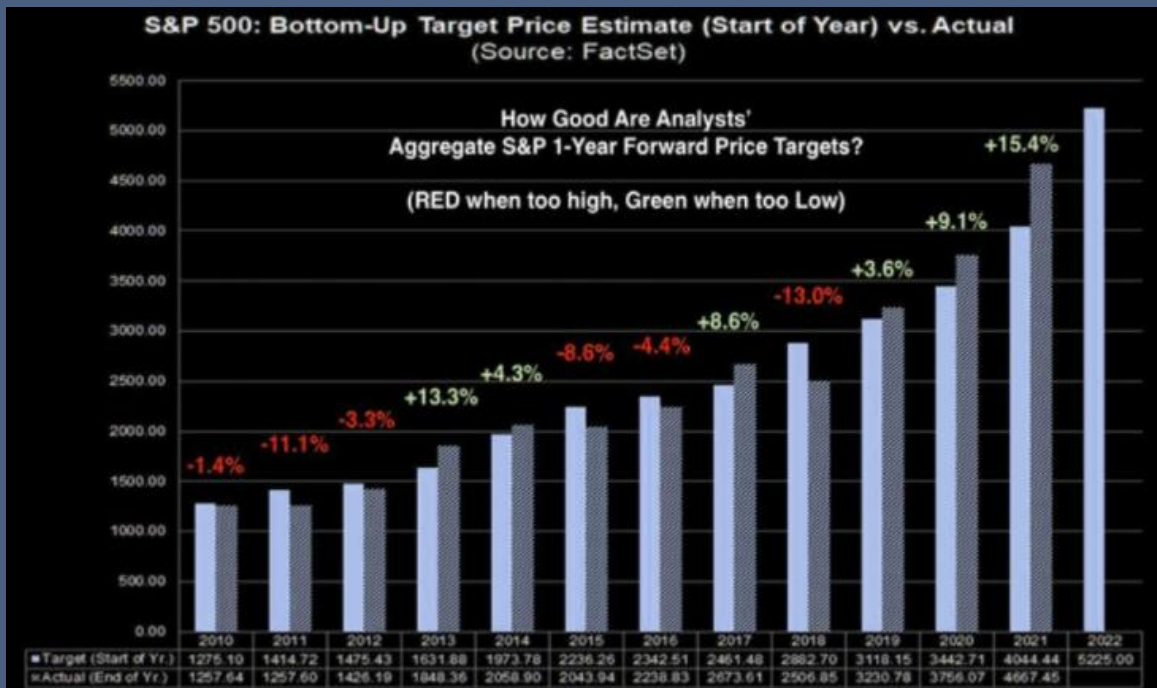
There is unprecedented collapse in market breadth in the market and the divergence between generals and all other stocks....



Source: Goldman Sachs

#us #equities #earnings

FactSet notes that the aggregate S&P 500 12-month price target based on Wall Street analysts single-stock price goals is 5,225, 11% higher than Friday's close.



Source: Facstet

#us #equities #earnings

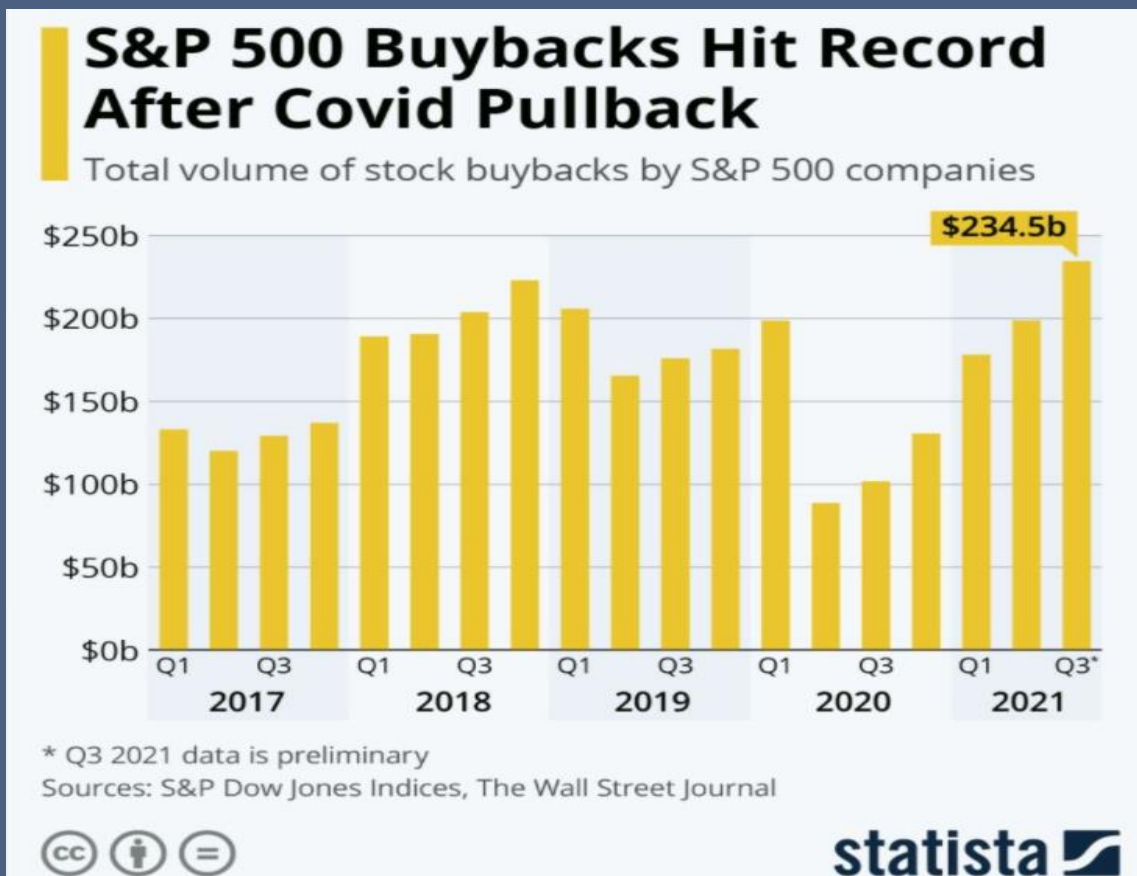
Forward earnings estimates (orange) have made stellar recovery and, using beginning of 2019 as base, are catching up to change in forward P/E.



Source: Facstet

#us #equities #buybacks

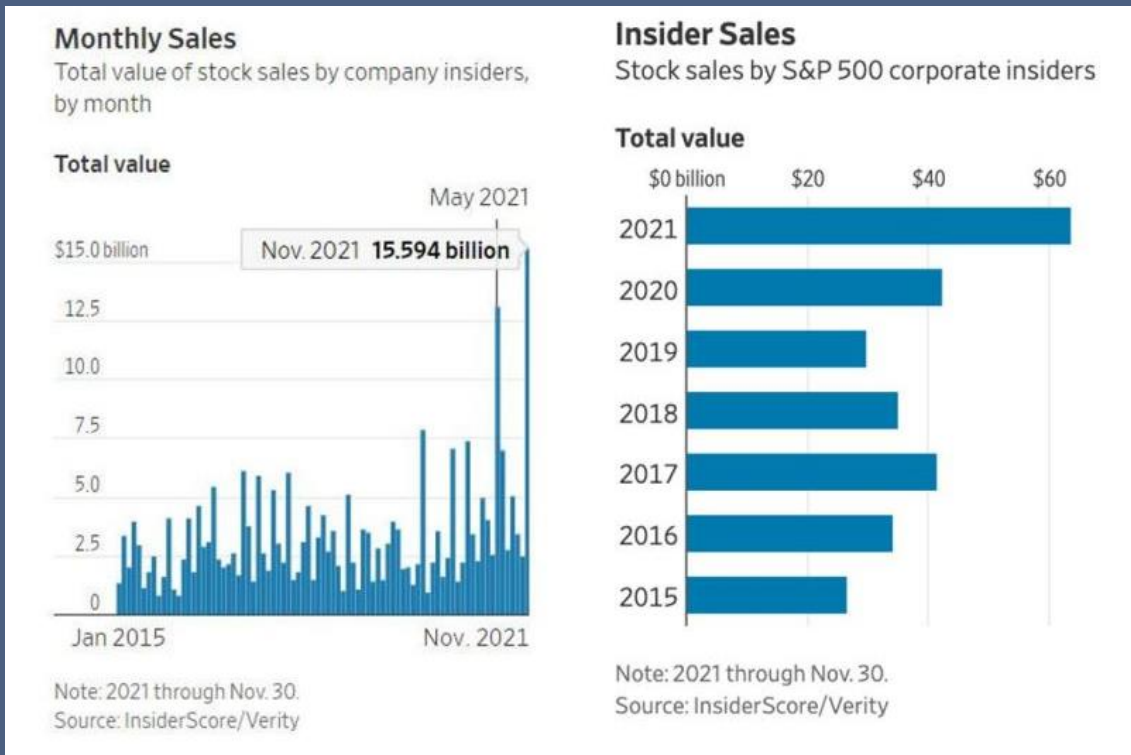
According to preliminary data from S&P Dow Jones Indices, S&P 500 companies collectively repurchased \$234.5 billion in shares in the third quarter, exceeding the previous record of \$223 billion set in Q4 2018, the biggest year for stock buybacks so far.



Source: Statista

#us #equities #insiders

CEOs and corporate insiders are dumping stock at a far faster rate than we've seen in recent years. As shown the chart on the left, insiders unloaded a collective \$15.59 billion in November - an all-time record. On a year-to-date basis, InsiderScore data shows corporate insiders sold \$63.5 billion in shares, a 50% jump versus all of 2020. Most of the insider dumping was in the technology sector, amounting to \$41 billion in sales.

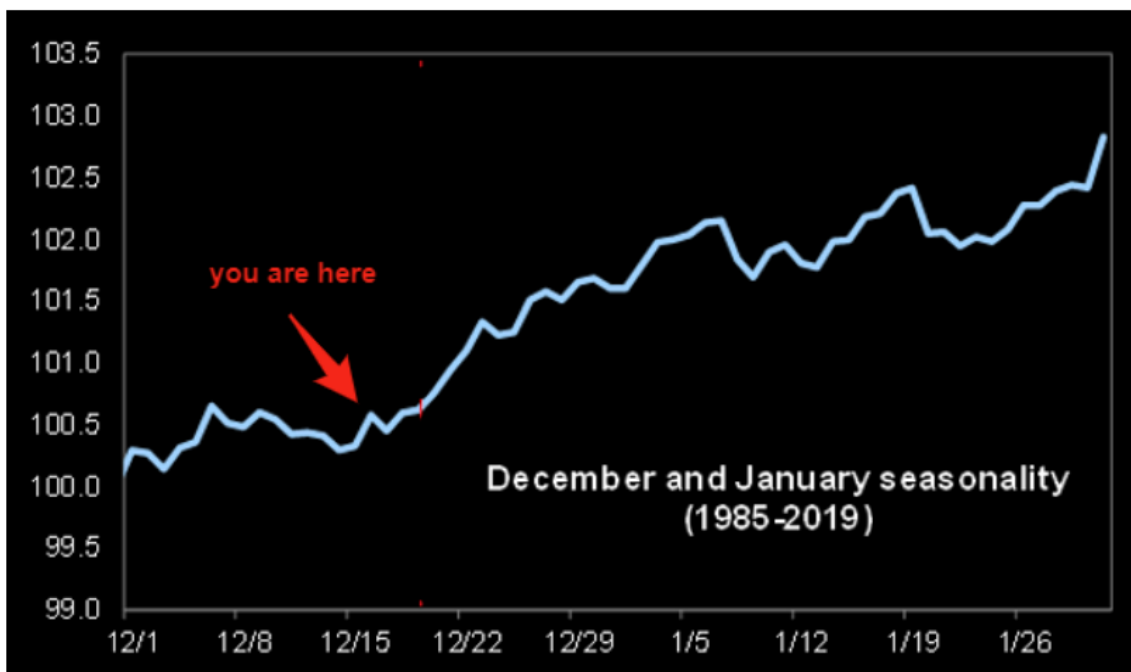


Source: www.zerohedge.com, Bloomberg

#us #equities #seasonality

Seasonality remains king and it is very strong. Friday expiry is huge. Will we get a year end rally after that milestone?

Tis is the season

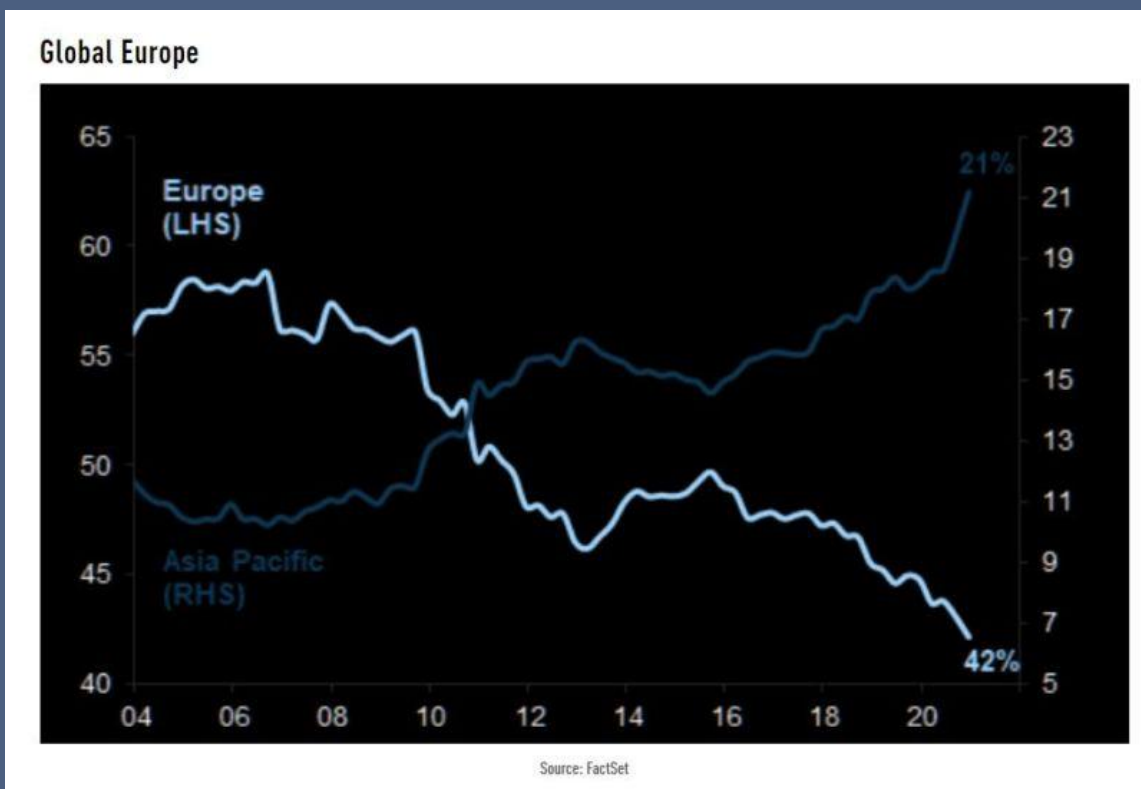


Source: GS

Source: Goldman Sachs, TME

#eu #equities

You are buying less and less European domestic exposure when you buy European stocks. See below the impact of globalisation on Europe. STOXX Europe 600 - Geographic Revenue Exposure. Note that the US exposure is close to 25%.



Source: Factset, TME

#china #equities

Not all equity markets are expensive... Hong Kong's main stock benchmark is trading below book value.



Source: Bloomberg

#emerging-markets #equities

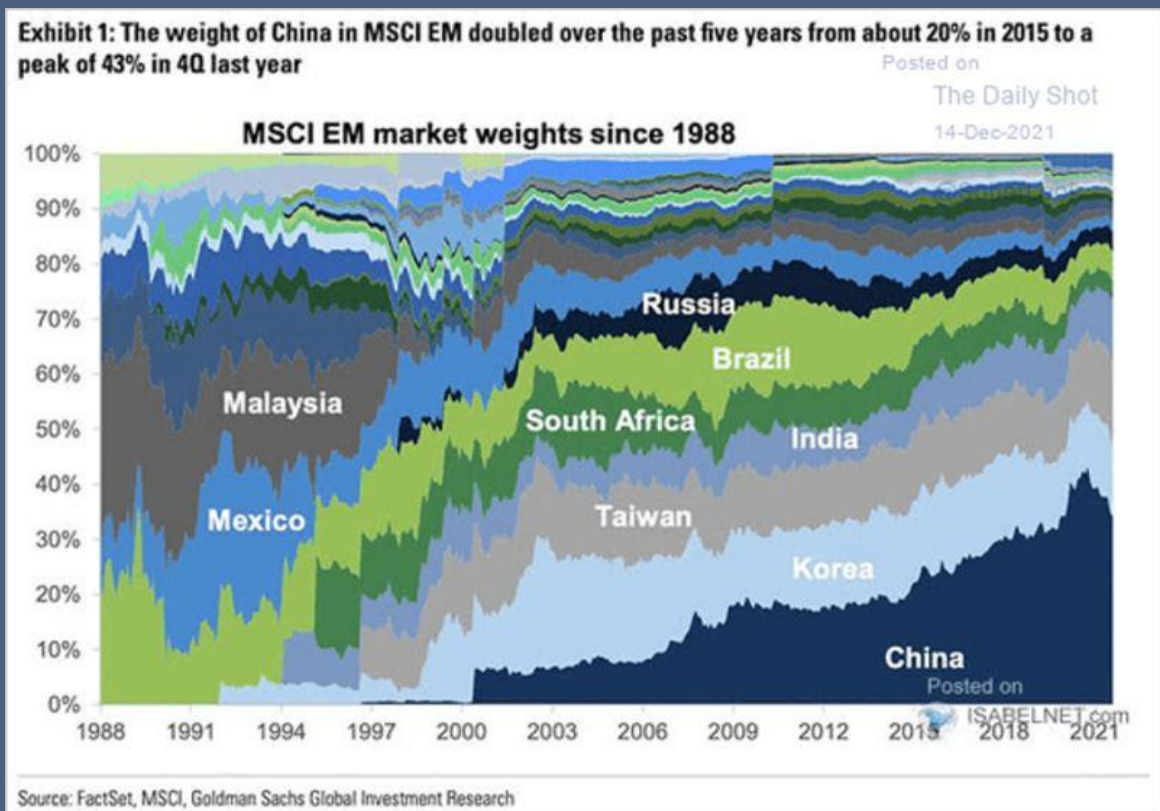
Although the Emerging Markets ETF is down YTD, there have been pockets of strength in individual countries.



Source: Bespoke

#emerging-markets #equities

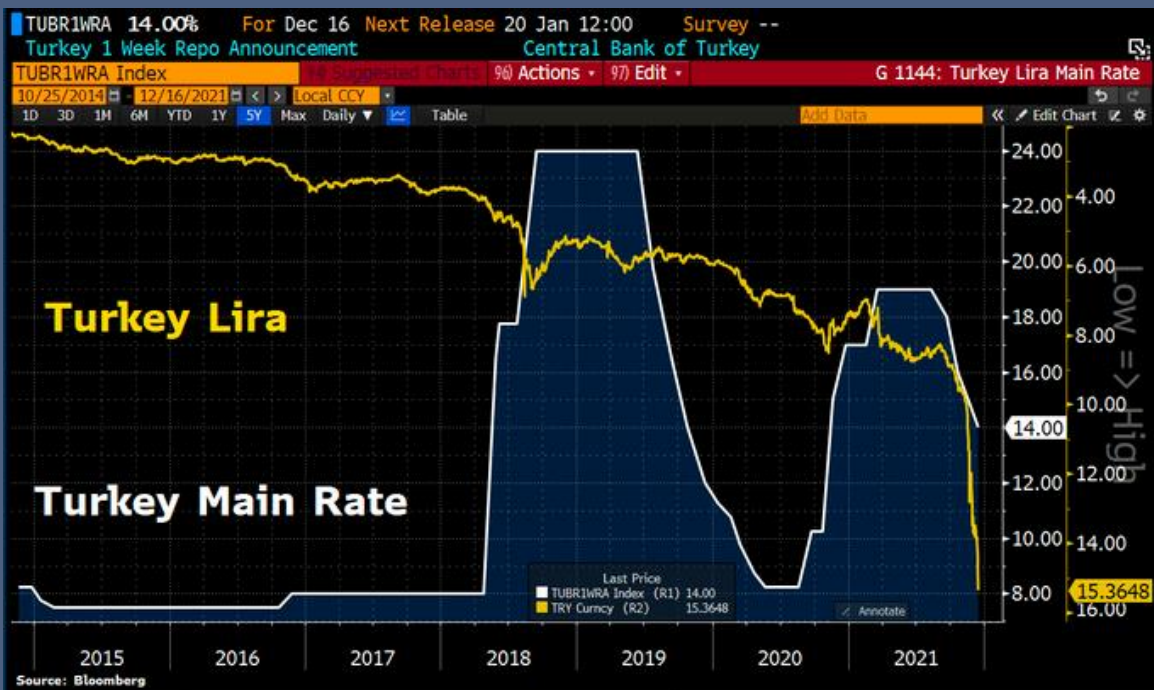
China weight within MSCI Emerging Markets has been surging over the last few years. You need China to do well for MSCI Emerging markets relative performance to turn.



Source: Goldman Sachs

#turkish-lira

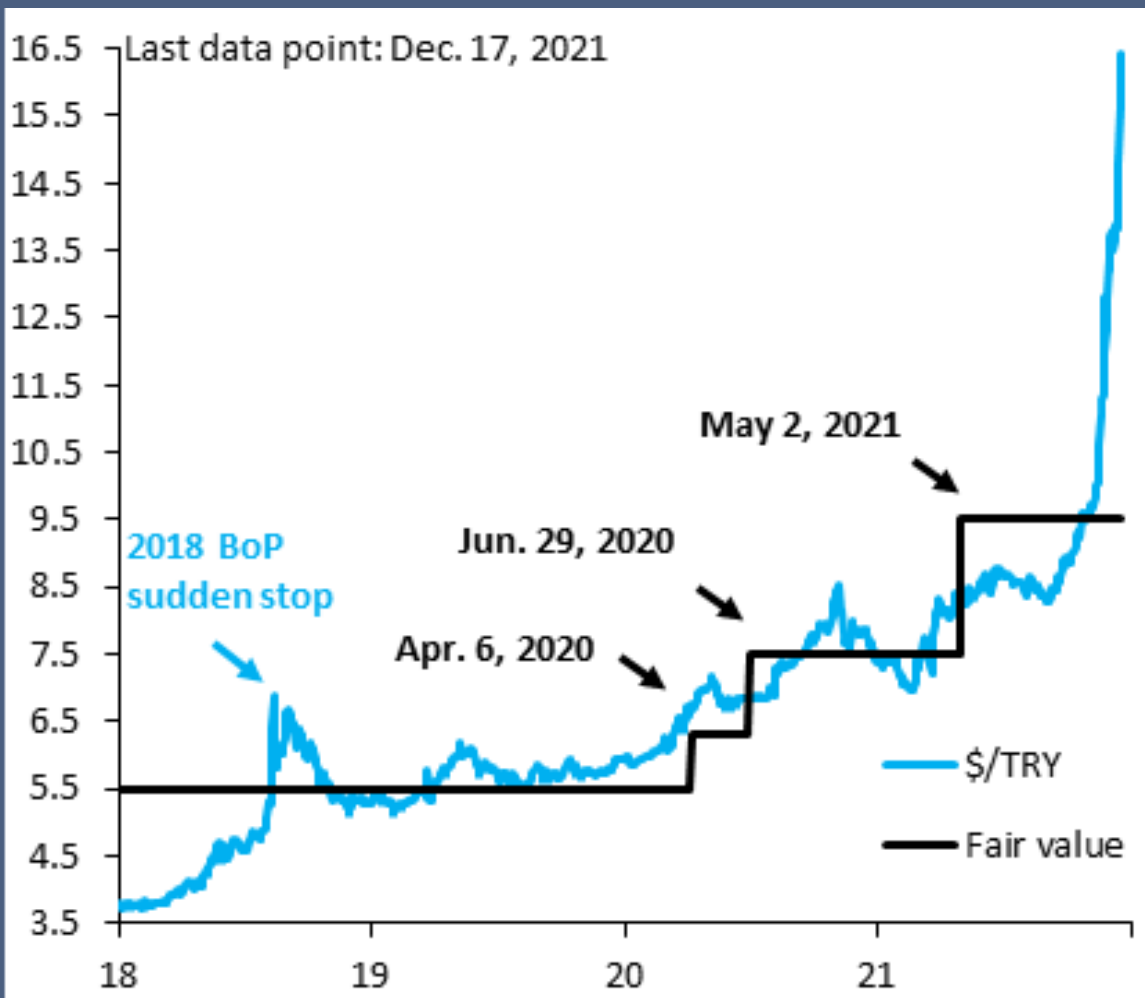
Lira rout deepens as Turkey's central bank cuts interest rates by another 100bps to 14%. Turkish Central Bank cut its benchmark rate for 4th consecutive month even as inflation has surged & lira has slid to all-time lows, defying warnings that such move would increase economic instability.



Source: Bloomberg

#turkish #lira

The deviation of Turkish Lira from Robin Brooks \$/TRY 9.50 fair value is now a massive 42 percent.



Source: Robin Brooks

#turkey #equity

Turkey stocks crash almost 9% in Lira terms and 13.2% in Dollar terms.

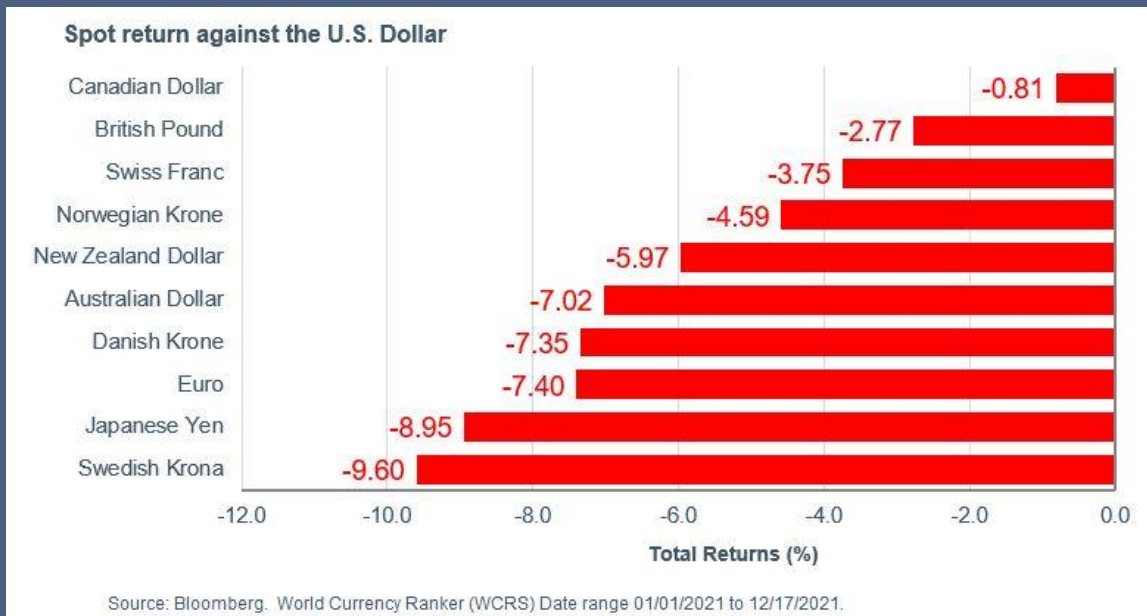


Source: Bloomberg

***TURKEY HALTS EQUITY, EQUITY DERIVATIVES, DEBT REPO MKT TRADES**

#dollar

Coming into 2021, few expected the #dollar to continue rising, but a stronger than expected economic rebound has pushed the dollar up relative to most other major currencies.



Source: Bloomberg

#dollar

Identifying the Path toward a Euro-Dollar Recovery

- 1. Covid-19 Virus Cycle: Europe leads the U.S. on the virus cycle front, so this Euro Dec. wave may affect the U.S. early 2022.**
- 2. U.S. Yield Differential Advantage Fades: Priced in and/or consolidation trading not enough to push dollar further up.**
- 3. Shift in FX Drivers, Focus on Growth: Eurozone economy could outperform and support the euro.**
- 4. Euro Short becomes overcrowded and euro becomes historically cheap: Risk for a sharp unwind.**
- 5. Euro Political Premium Unwinds: Post - French Presidential Elections. Uncontroversial outcome Euro relief.**

Source: Bloomberg Intelligence

#us #treasuries

US bond yields were lower across the curve on the week with the short-end underperforming and the belly being bid (2Y -1bp vs. 7Y -8bps)...



Source: www.zerohedge.com, Bloomberg

#us #yield-curve

The US yield curve flattened on the week.



Source: www.zerohedge.com, Bloomberg

#us #bond #yields

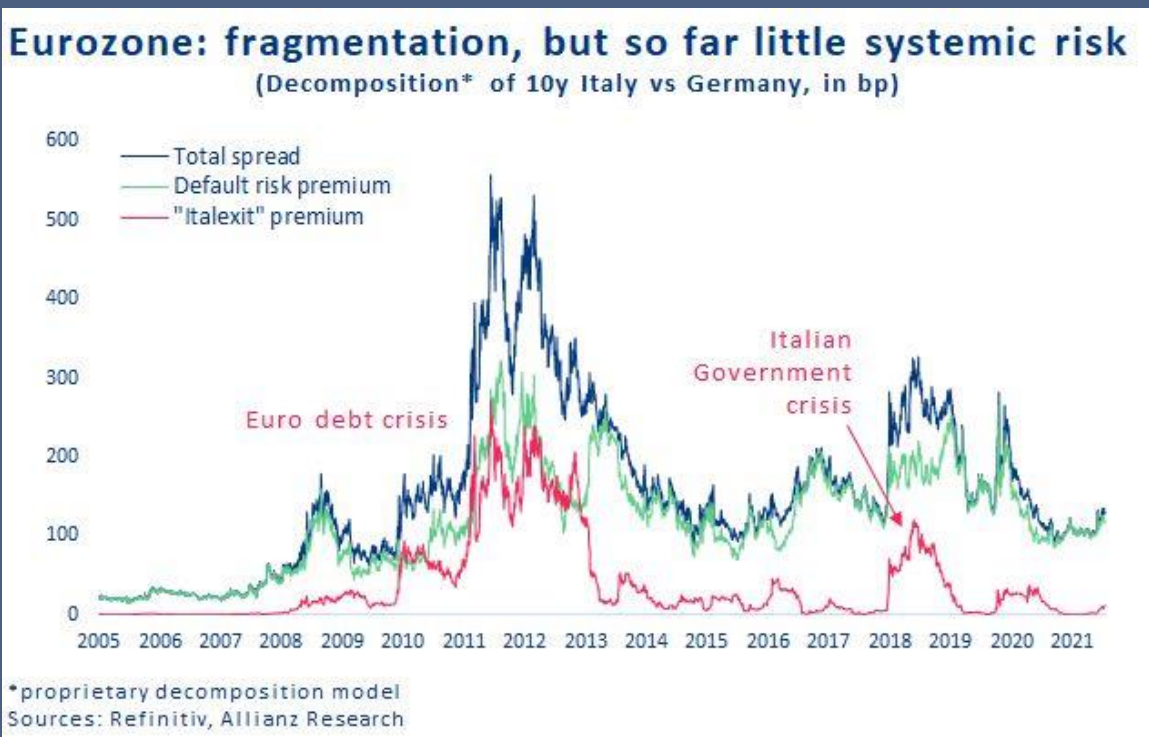
The FOMC dots now expect 6 rate hikes by the end of 2023. If they do that, the entire Treasury curve below 10-year rates would be inverted today.



Source: Bloomberg, Crescat Capital

#eurozone #bonds

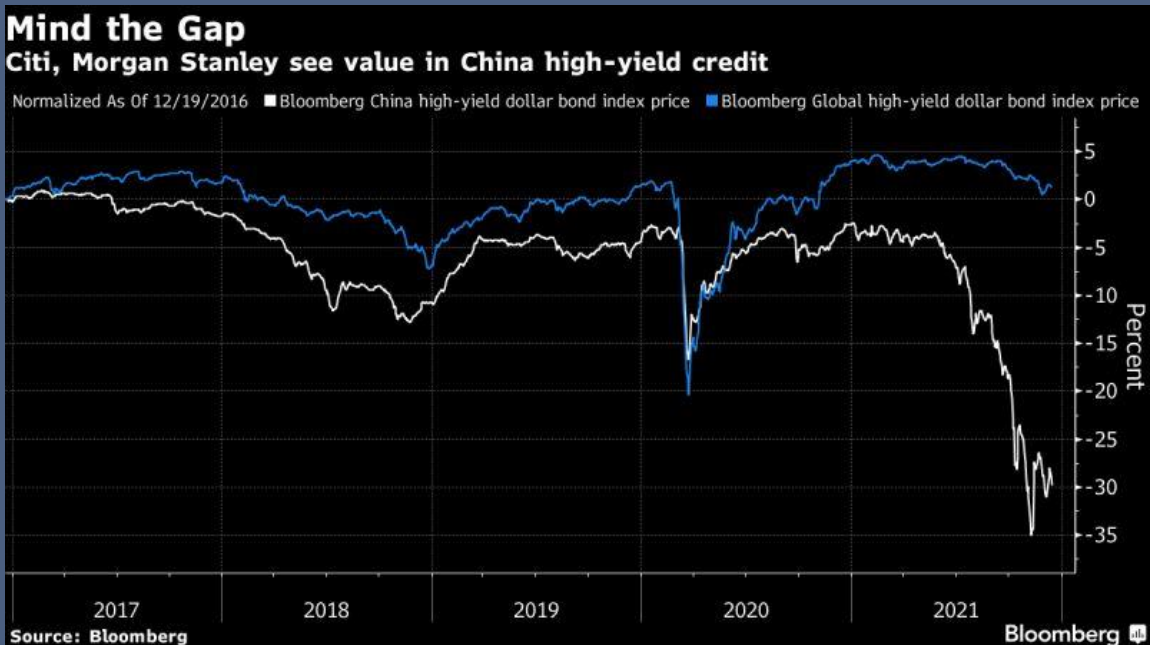
Do vulnerable sovereigns hinder ECB policy normalization? Maybe. Not only level but also composition of spreads matter. ECB can act on default risk premium & cap it with a backstop. Systemic risk premium (Euro exit risk) is outside ECB sphere driven by politics.



Source: Allianz Research

#china #junk #bonds

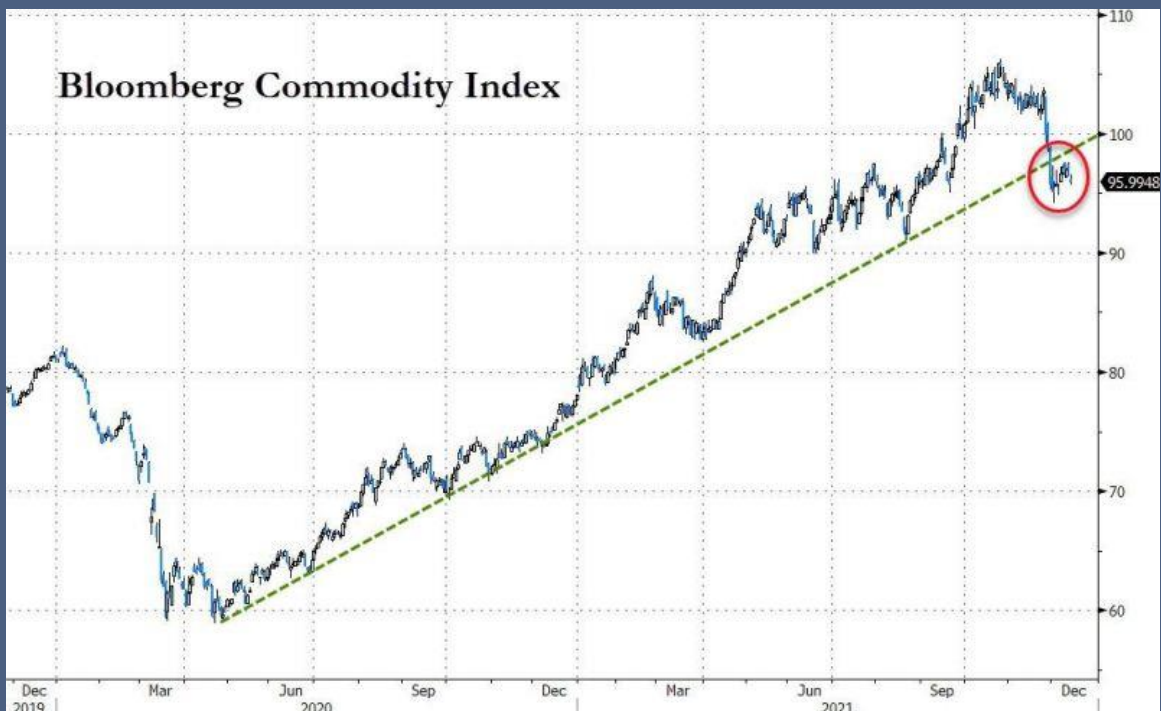
China’s credit market offers attractive valuations as policy makers appear ready to come “to the rescue”, according to Citigroup Inc. strategists, who turned overweight on the securities. Debt issued by Chinese developers, especially notes rated BBB or BB, are the better bargains, a Citi research note cited the bank’s credit analyst Eric Ollom as saying, but adding that there will be continued volatility. Morgan Stanley analysts turned bullish on the market in October.



Source: Bloomberg

#commodities

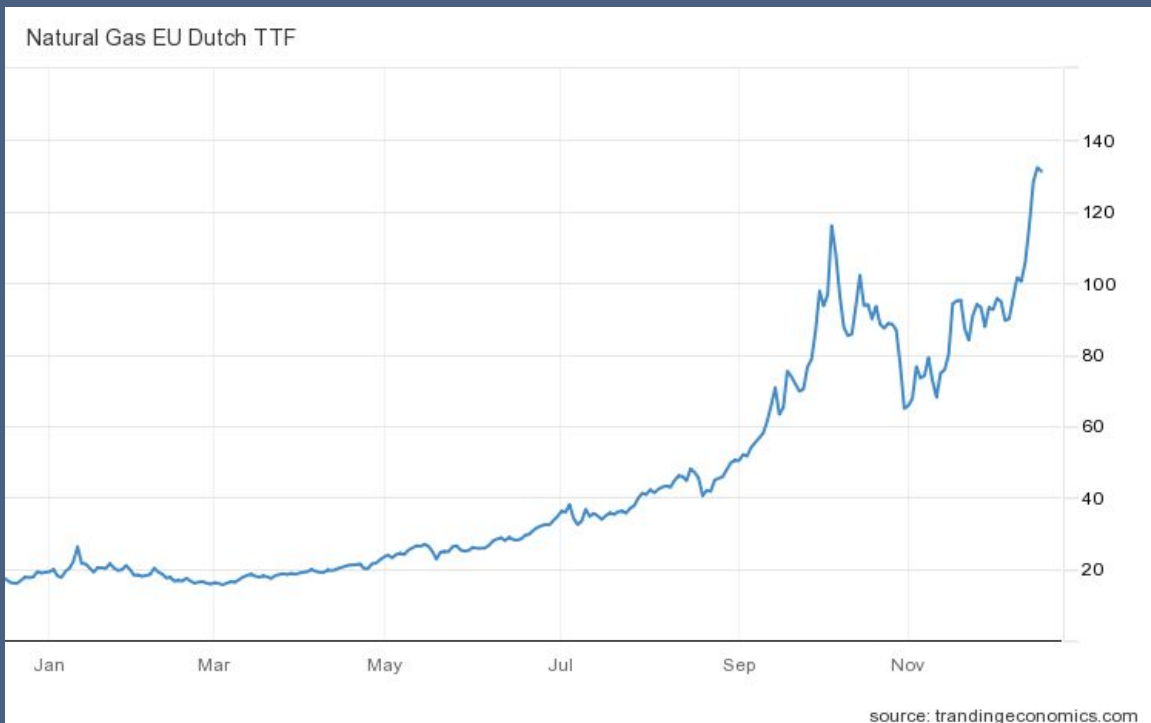
Is the Bloomberg Commodity Index long-term up-trend-line definitely broken?



Source: Bloomberg, www.zerohedge.com

#natural-gas

Commodity of the week ending 12-16-2021: Dutch Natural Gas TTF up 30.3% (YTD up 592%).



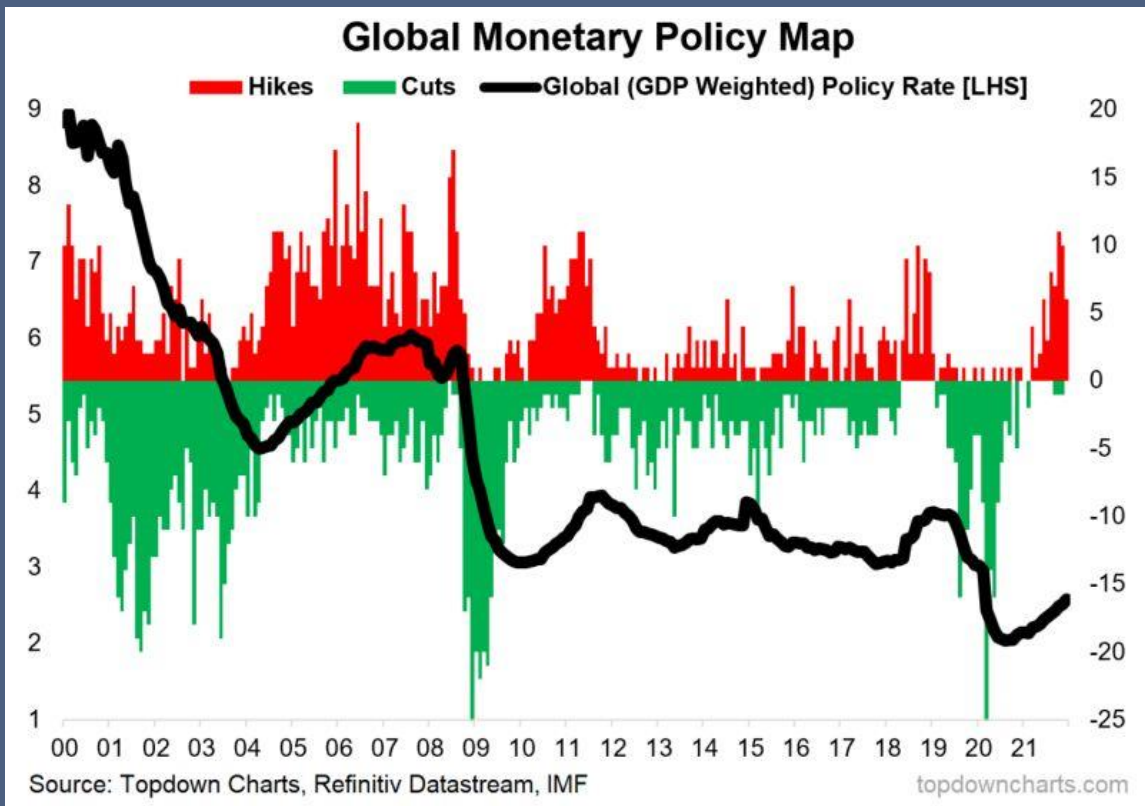
Source: www.tradingeconomics.com

#global #rates

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%	1.5%	-2.3%	Cut	Jan-15
Denmark	Deposit Rate	-0.60%	3.4%	-4.0%	Cut	Sep-21
Eurozone	Deposit Rate	-0.50%	4.9%	-5.4%	Cut	Sep-19
Japan	Policy Rate Bal	-0.10%	0.1%	-0.2%	Cut	Jan-16
Sweden	Repo Rate	0.00%	3.3%	-3.3%	Hike	Dec-19
Australia	Cash Rate	0.10%	3.0%	-2.9%	Cut	Nov-20
US	Fed Funds	0.13%	6.8%	-6.7%	Cut	Mar-20
UK	Bank Rate	0.25%	5.1%	-4.9%	Hike	Dec-21
Canada	Overnight	0.25%	4.7%	-4.5%	Cut	Mar-20
Norway	Deposit Rate	0.50%	5.1%	-4.6%	Hike	Dec-21
Thailand	Policy Rate	0.50%	2.7%	-2.2%	Cut	May-20
New Zealand	Cash Rate	0.75%	4.9%	-4.2%	Hike	Nov-21
Hong Kong	Base Rate	0.86%	1.7%	-0.8%	Cut	Mar-20
South Korea	Repo Rate	1.00%	3.7%	-2.7%	Hike	Nov-21
Saudi Arabia	Reverse Repo	1.00%	1.1%	-0.1%	Cut	Mar-20
Taiwan	Discount Rate	1.13%	2.8%	-1.7%	Cut	Mar-20
Poland	Repo Rate	1.75%	7.7%	-6.0%	Hike	Dec-21
Malaysia	Policy Rate	1.75%	2.9%	-1.2%	Cut	Jul-20
Philippines	Key Policy Rate	2.00%	4.2%	-2.2%	Cut	Nov-20
Peru	Policy Rate	2.50%	5.7%	-3.2%	Hike	Dec-21
Colombia	Repo Rate	2.50%	5.3%	-2.8%	Hike	Oct-21
Czech Republic	Repo Rate	2.75%	6.0%	-3.3%	Hike	Nov-21
Indonesia	Repo Rate	3.50%	1.8%	1.8%	Cut	Feb-21
South Africa	Repo Rate	3.75%	5.5%	-1.8%	Hike	Nov-21
China	Loan Prime Rate	3.85%	2.3%	1.6%	Cut	Apr-20
Chile	Base Rate	4.00%	6.7%	-2.7%	Hike	Dec-21
India	Repo Rate	4.00%	4.9%	-0.9%	Cut	May-20
Mexico	Overnight Rate	5.00%	7.4%	-2.4%	Hike	Nov-21
Russia	Key Policy Rate	7.50%	8.4%	-0.9%	Hike	Oct-21
Brazil	Target Rate	9.25%	10.7%	-1.5%	Hike	Dec-21
Turkey	Repo Rate	14.00%	21.3%	-7.3%	Cut	Dec-21
Argentina	Benchmark Rate	38.00%	51.2%	-13.2%	Hike	Nov-20

#global #monetary-policy

Globally monetary policy is increasingly in tightening mode with many central banks hiking interest rates

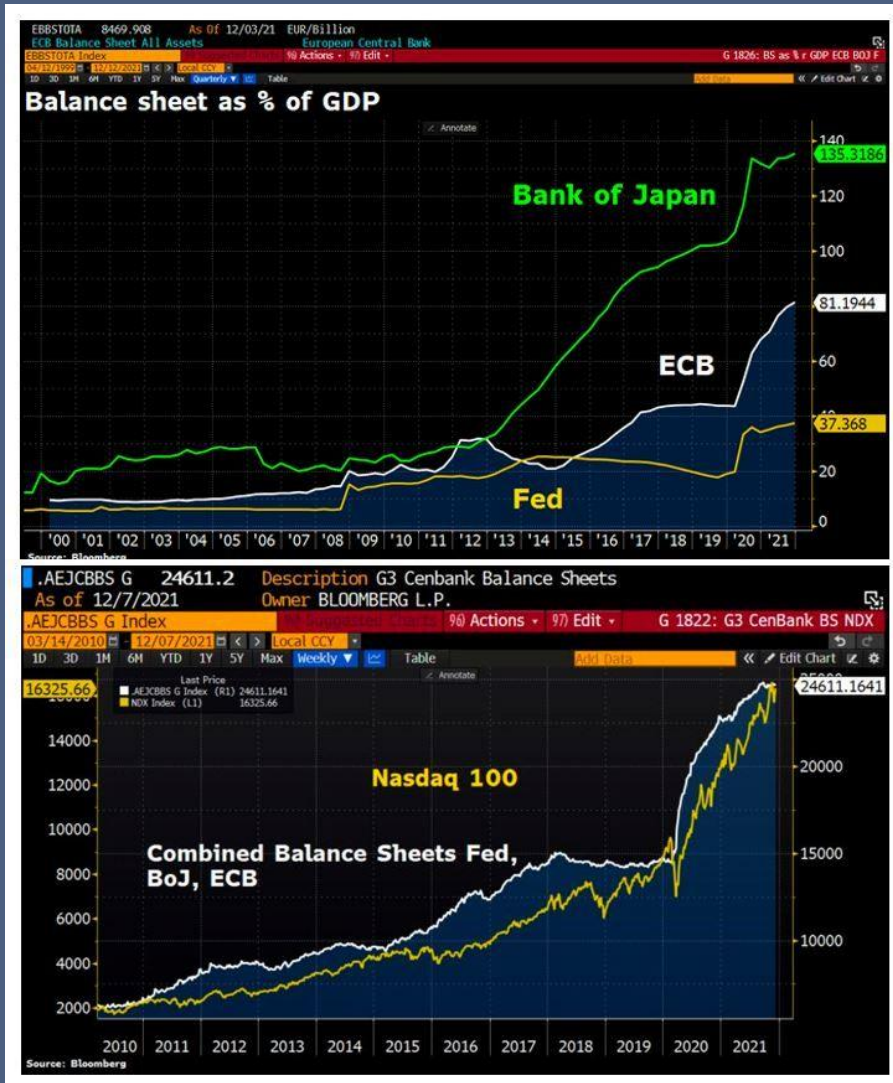


Source: Top-down Charts, Refinitiv Datastream

18th of December 2021

#centralbanks

Central Banks balance sheets have been surging since 2008 alongside equity markets. A brutal stop in Central Banks balance sheets expansion could have dire consequences.



Source: Bloomberg

#fed

May 2022 is now the most likely 'liftoff' for rates.

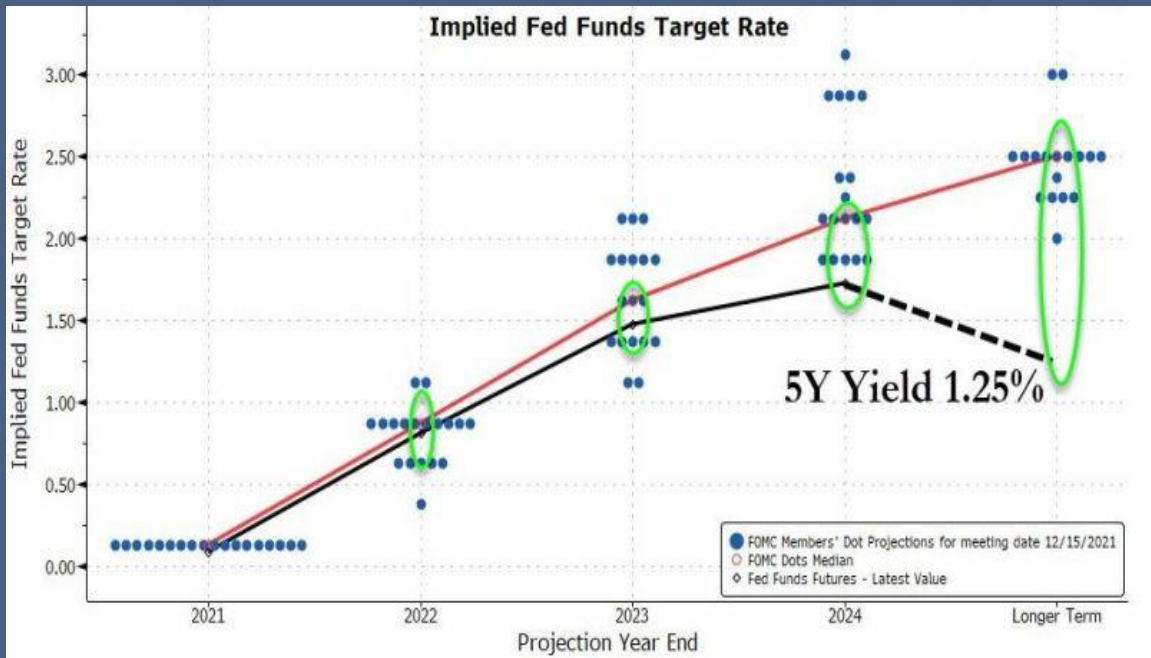


Source: www.zerohedge.com, Bloomberg

18th of December 2021

#fed

What a change...The Fed is now 'more hawkish' across the entire curve than the market...



Source: www.zerohedge.com

#fed

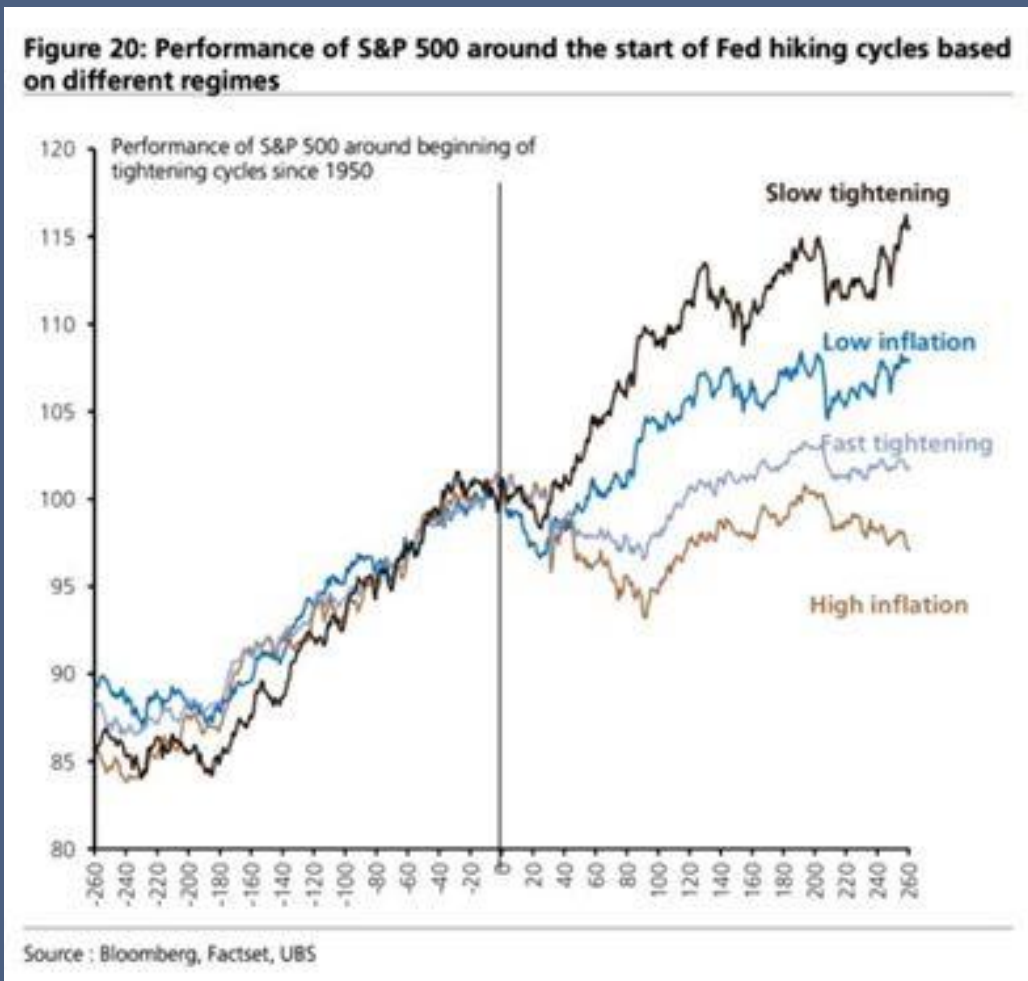
Looking at recent history, how did the S&P 500 perform during rate hike cycle? Well, as shown on the chart below, it is a mixed bag.



Source: Mark Ungewitter

#fed

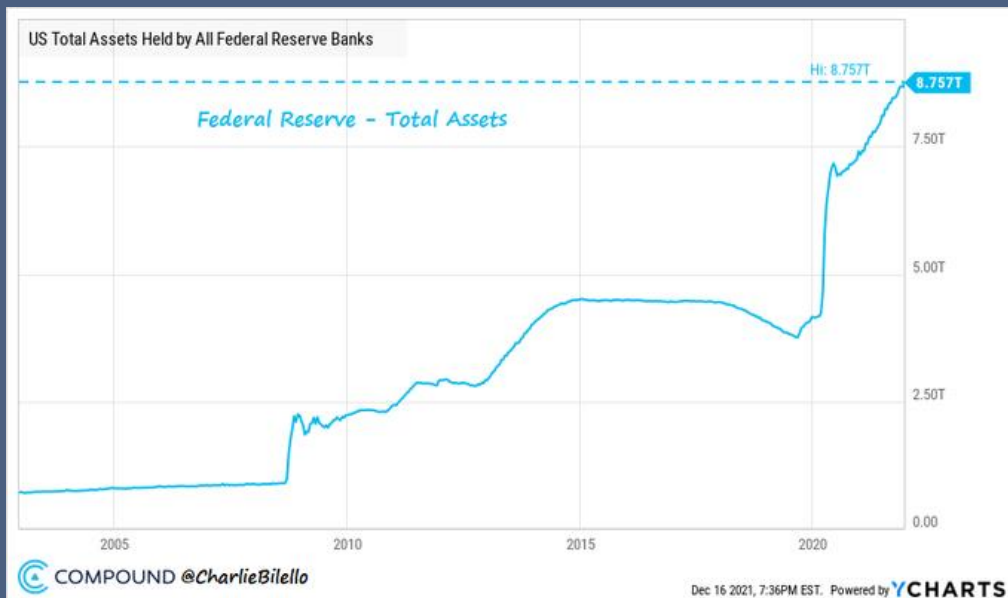
Historically, when the Fed has tightened policy quickly and when there is high inflation (above 3%) the S&P 500 has on average dropped 7.5% over the next 4 months. Stocks performed better when rates were increased slowly.



Source: UBS

#fed

The Fed's balance sheet hit another record this week at \$8.757 trillion. Why not just stop purchasing now given the risks of continued easing w/ inflation at a 40-year high? Powell @ FOMC meeting: "Markets can be sensitive to it."



December 15, 2021

Chair Powell's Press Conference

PRELIMINARY

CHAIR POWELL. So, on the first part of your question, which is, **why not stop purchasing now**, I would just say this, we've learned that we're -- in dealing with balance sheet issues, we've learned that it's best to take a careful sort of methodical approach to make adjustments. Markets can be sensitive to it. And we thought that this was a doubling of the speed. We'll -- We're basically two meetings away now from finishing the taper. And we thought that was the appropriate way to go. So we announced it and that's what will happen. You know, the

Source: Charlie Biello

#fed

US Money Supply has increased 40% over the last 2 years, the largest 2-year increase ever. Annual changes in M2 since 1959...

US M2 Money Supply (1959 - 2021)								
Year	M2 (\$Bil)	% Change	Year	M2 (\$Bil)	% Change	Year	M2 (\$Bil)	% Change
1959	298		1980	1,600	9%	2001	5,433	10%
1960	312	5%	1981	1,756	10%	2002	5,771	6%
1961	336	7%	1982	1,906	9%	2003	6,066	5%
1962	363	8%	1983	2,124	11%	2004	6,417	6%
1963	393	8%	1984	2,306	9%	2005	6,680	4%
1964	425	8%	1985	2,492	8%	2006	7,070	6%
1965	459	8%	1986	2,728	9%	2007	7,469	6%
1966	480	5%	1987	2,826	4%	2008	8,190	10%
1967	525	9%	1988	2,988	6%	2009	8,493	4%
1968	567	8%	1989	3,153	5%	2010	8,799	4%
1969	588	4%	1990	3,272	4%	2011	9,658	10%
1970	627	7%	1991	3,372	3%	2012	10,452	8%
1971	710	13%	1992	3,425	2%	2013	11,020	5%
1972	802	13%	1993	3,475	1%	2014	11,674	6%
1973	856	7%	1994	3,486	0%	2015	12,340	6%
1974	902	5%	1995	3,630	4%	2016	13,214	7%
1975	1,016	13%	1996	3,819	5%	2017	13,855	5%
1976	1,152	13%	1997	4,033	6%	2018	14,374	4%
1977	1,270	10%	1998	4,375	8%	2019	15,326	7%
1978	1,366	8%	1999	4,638	6%	2020	19,130	25%
1979	1,474	8%	2000	4,925	6%	2021 YTD	21,187	11%



Data Source: FRED
(as of October 2021)

@CharlieBiello

Source: Charlie Biello

#fed

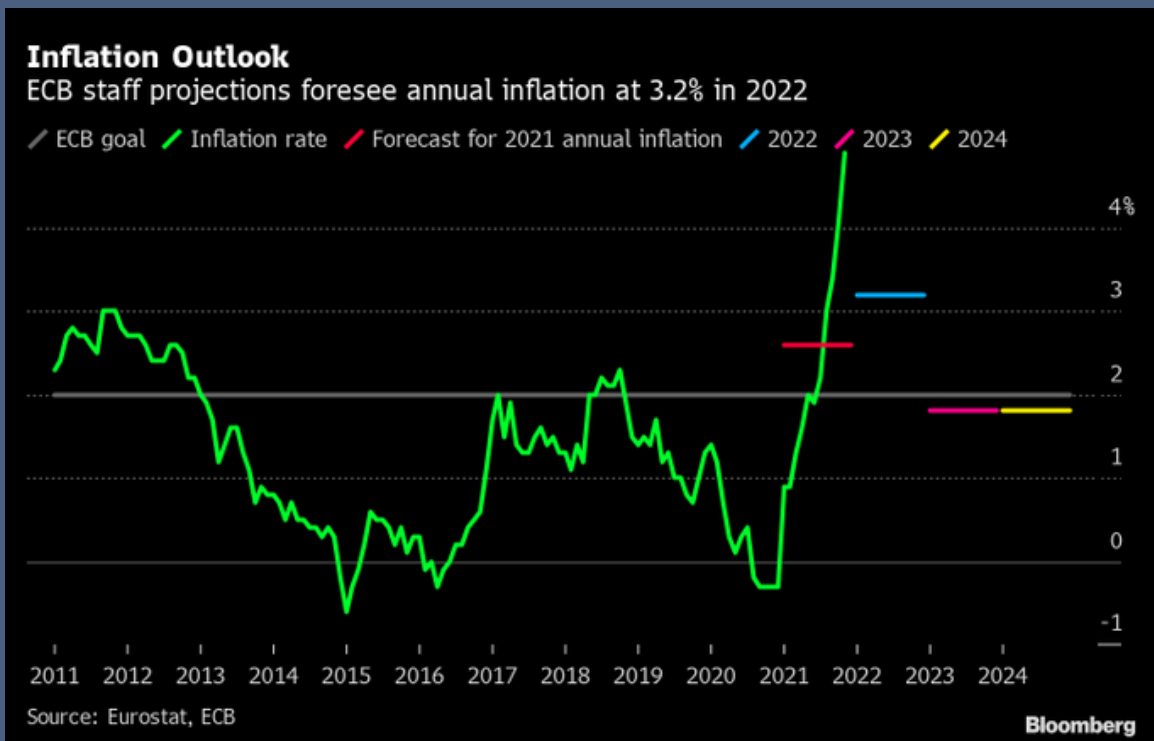
Conventional wisdom says that there is too much liquidity around, which will keep pushing up asset value. This Alpine Macro chart tells a different story: it says that much of liquidity has already been absorbed by exploding asset value and there could be a liquidity shortage developing.



Source: Alpine Macro

#ecb

ECB raises 2022 inflation forecast to 3.2% from 1.7%. Raises 2023 Inflation to 1.8% from 1.5%. Sees inflation rate at 1.8% in 2024.



Source: Bloomberg

#ecb

Despite soaring Eurozone CPI, Lagarde thinks it is unlikely the ECB will raise rates in 2022.



Source: Bloomberg

18th of December 2021

#ecb


ECB decided to leave rates unchanged. Net buying under PEPP will end in March. ECB seeks to extend PEPP (Pandemic emergency purchase program) reinvestments to at least end of 2024. ECB aims to boost APP (Asset Purchase Program) pace to €40bn in Q2 2022 from €30bn in Q1. APP Purchases will revert to €20bn from October 2022, continue for as long as necessary (open-ended)



Source: Bloomberg

#global #inflation

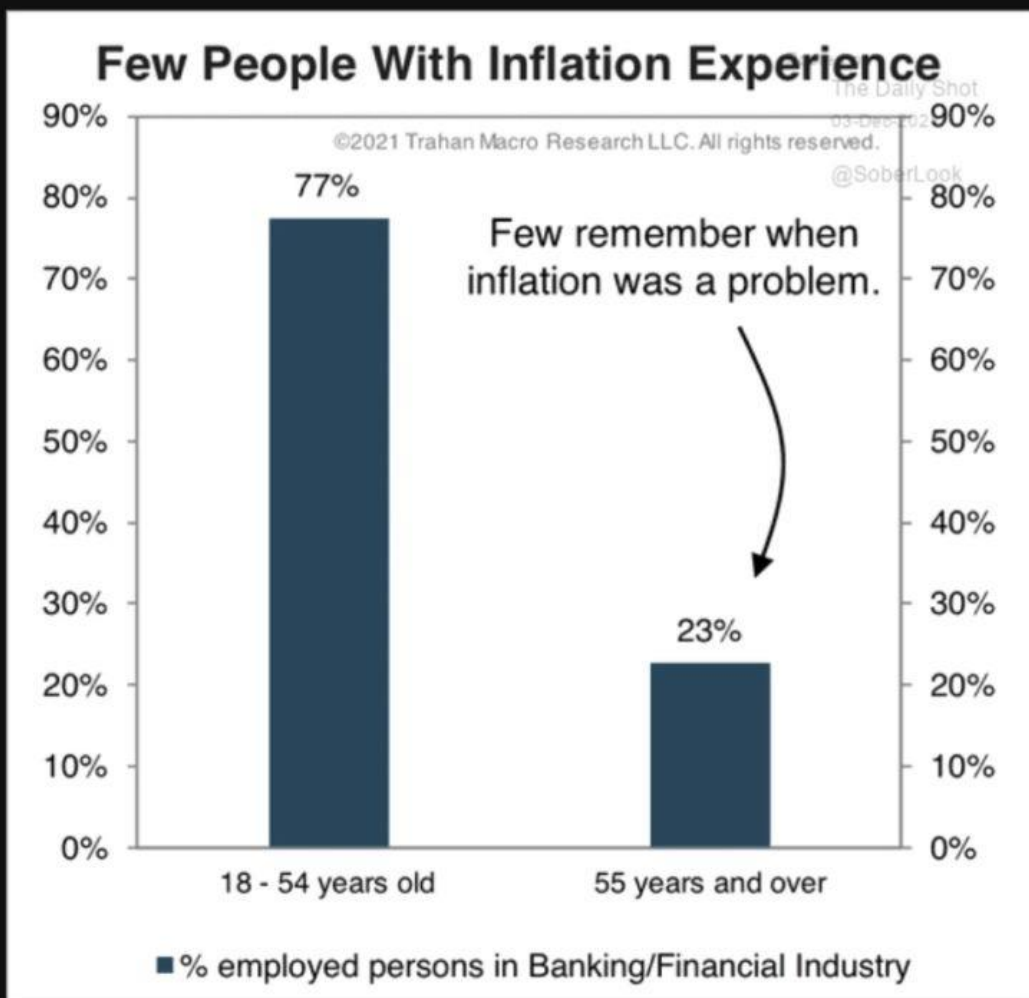
Global Inflation Rates	
Country	CPI Inflation (YoY %)
JAPAN	0.1%
SAUDI ARABIA	1.1%
SWITZERLAND	1.5%
HONG KONG	1.7%
INDONESIA	1.8%
CHINA	2.3%
PORTUGAL	2.6%
FRANCE	2.8%
AUSTRALIA	3.0%
SINGAPORE	3.2%
SWEDEN	3.3%
FINLAND	3.7%
SOUTH KOREA	3.7%
ITALY	3.7%
PHILIPPINES	4.2%
CANADA	4.7%
NEW ZEALAND	4.9%
INDIA	4.9%
UK	5.1%
GERMANY	5.2%
IRELAND	5.3%
SOUTH AFRICA	5.5%
SPAIN	5.5%
US	6.8%
MEXICO	7.4%
POLAND	7.7%
RUSSIA	8.4%
BRAZIL	10.7%
TURKEY	21.3%
ARGENTINA	51.2%
VENEZUELA	1575%

 @CharlieBilello

Source: Charlie Bilello

#global #inflation

What is inflation? Few people in the financial industry have experience...

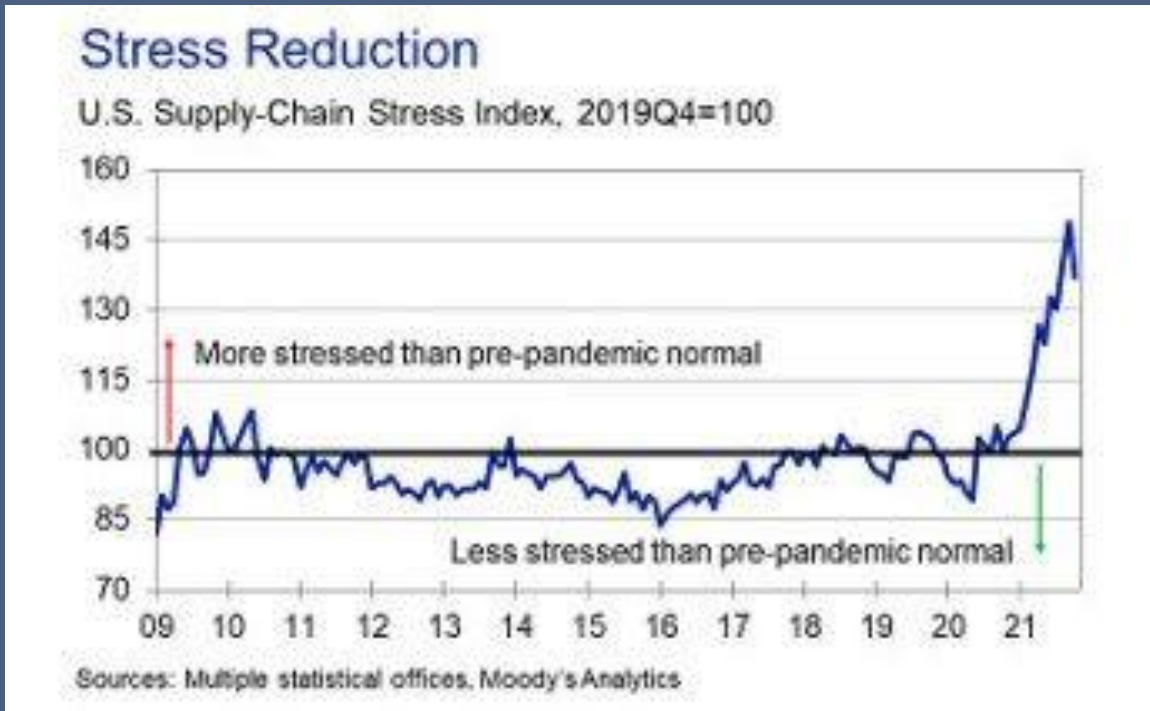


Source: [Trahan Macro Research](#)

Source: Trahan Macro Research

#inflation #supply-chain

One of the primary drivers in the Supply Chain Stress Index's reduction is the decline in shipping costs. The Baltic Dry Index has nearly been halved from its peak in early October.



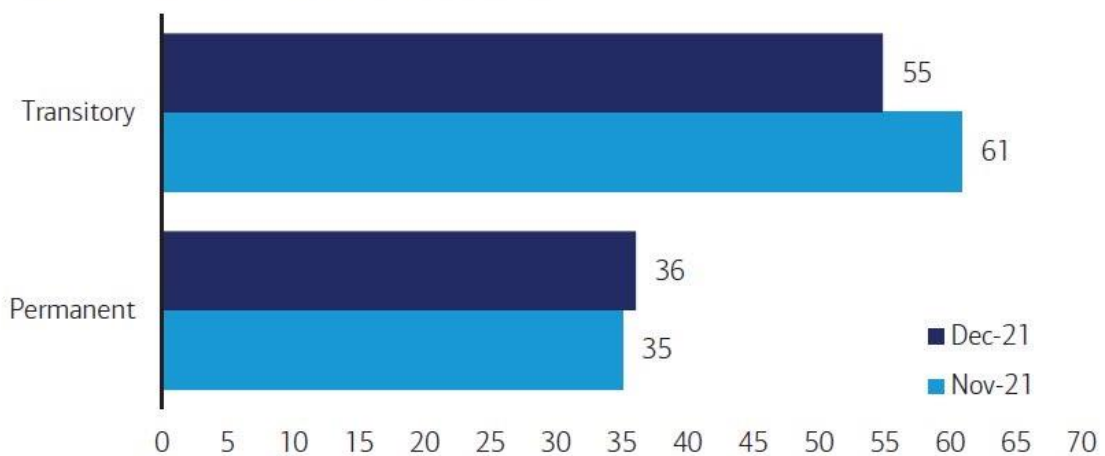
Source: Moody's

#us #inflation

Latest Global Fund Manager Survey from Bank of America shows 55% of respondents still believe current inflation is "transitory" ... down from 61% in November but still a much larger share than the 36% who believe it's "permanent"

Chart 6: 36% of investors think inflation is permanent

Do you think inflation is transitory or permanent?



Source: BofA Global Fund Manager Survey

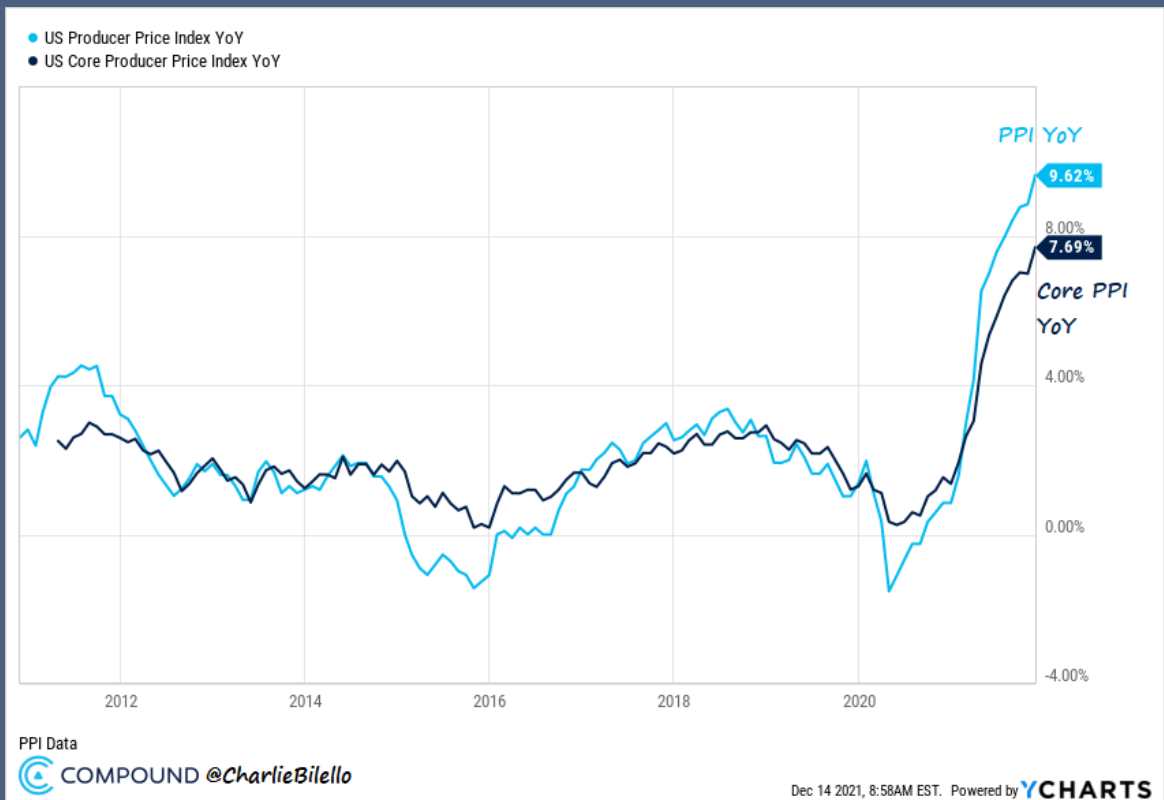
BofA GLOBAL RESEARCH

...and only 36% think inflation is permanent while 55% think it is transitory.

Source: BofA

#us #inflation

The 9.6% increase in US producer prices over the last year is the highest rate we've ever seen.



Source: Charlie Biello

#us #inflation

Last time CPI #inflation was this high, the 10y Treasury yield was above 14% (now 1.4%) and personal savings rate was just above 12% (now 7.3%).



Source: Liz Ann Sonders, Bloomberg

18th of December 2021

#eu #inflation

Inflation pressure keeps rising in Germany. PPI jumped 19.2% higher in Nov YoY, highest increase since November 1951. Energy prices remain the main driver, but there is no sign of any let-up in the upward pressure on prices for other intermediate products either.



Source: Bloomberg, HolgerZ

#energy #inflation

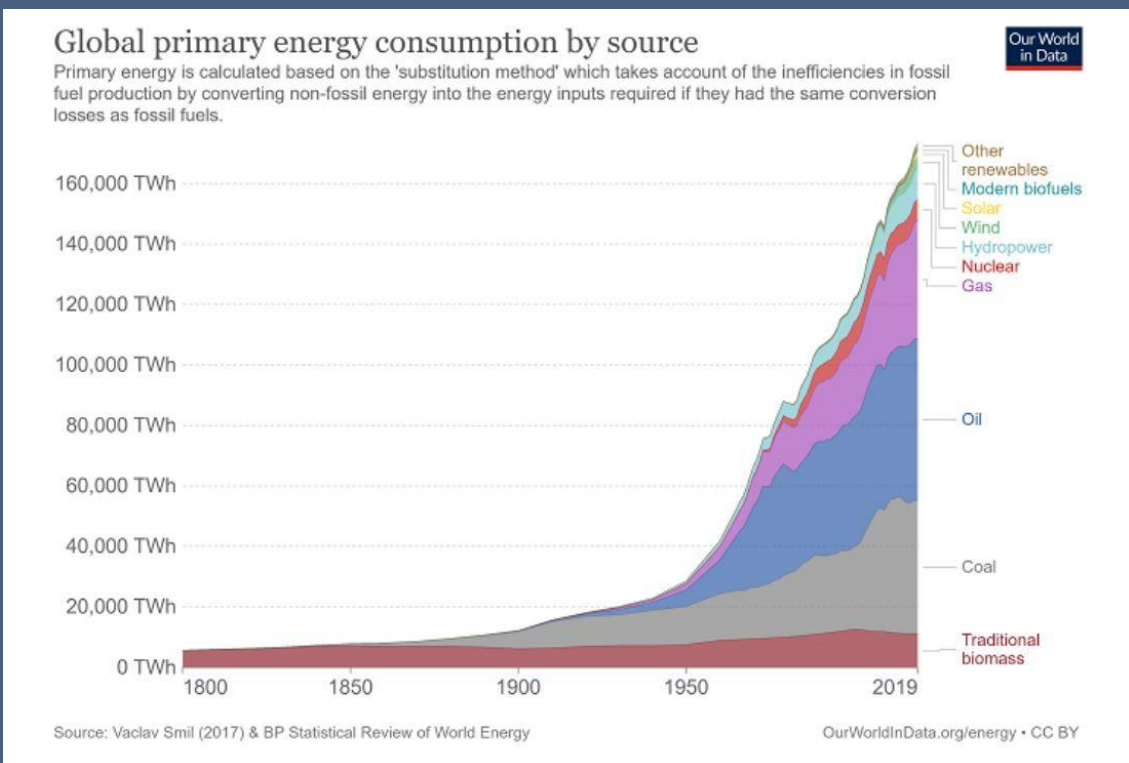
German power prices surged almost 10% to a fresh record after EDF was forced to close or extend the halts of as many as four nuclear reactors for safety reasons just as demand hits a peak over the winter months. The reactors make up almost 10% of the French nuclear capacity.



Source: xxx

#energy #inflation

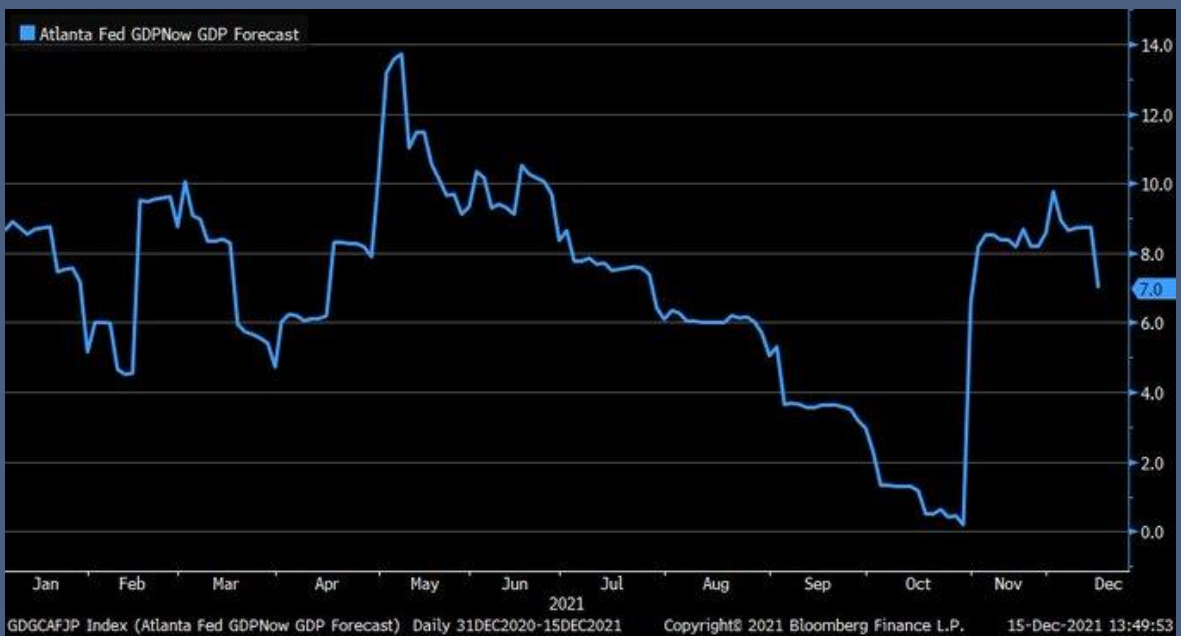
“The replacements for fossil fuels are not as efficient as often described. New forms of nuclear energy have promise, as do some other forms of power generation. I also think the study of carbon will continue to advance. So, the ideal case scenario is that humanity continues to harness new forms of dense energy, shifts to longer-term thinking, and starts doing things in more sustainable ways.”



Source: Lyn Alden

#us #macro

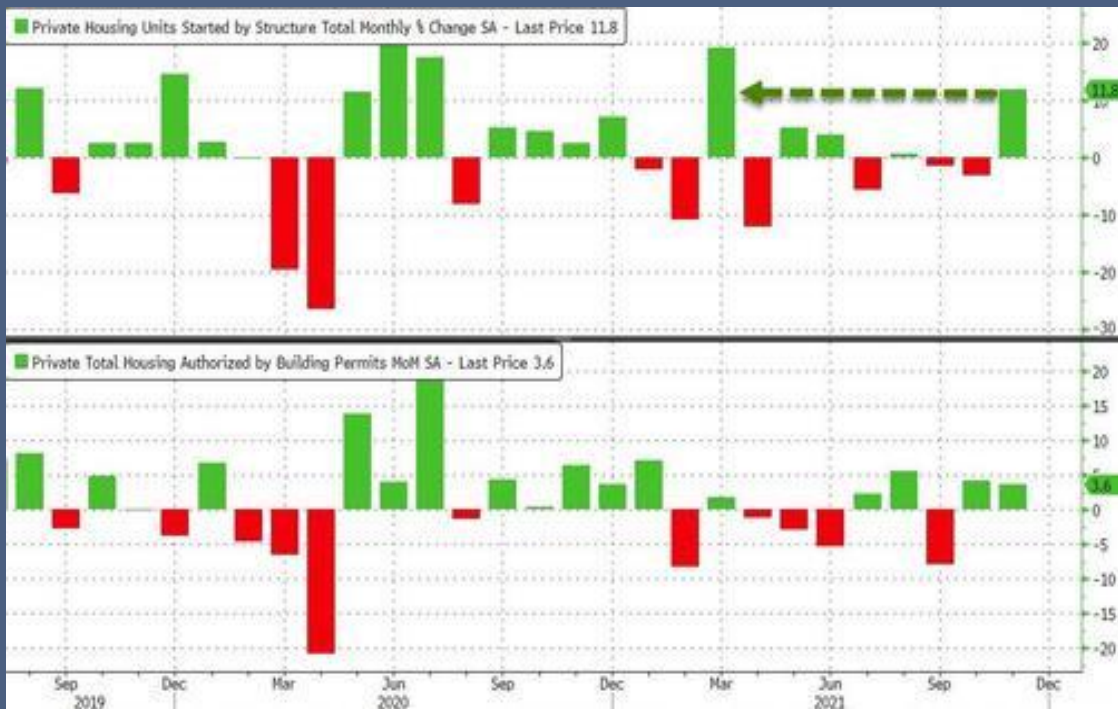
GDP Now model from Atlanta Fed for 4Q21 real GDP has moved down to 7% (was at 9.7% at beginning of December).



Source: Liz Ann Sonders

#us #macro

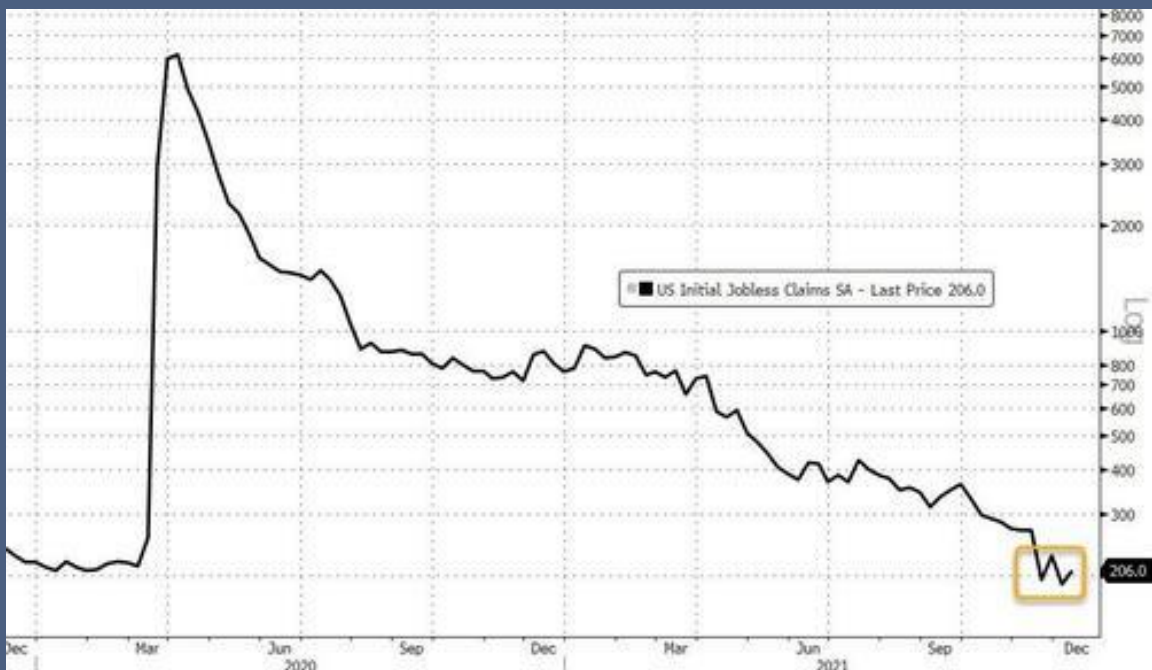
Housing Starts exploded in November, up a shocking 11.8% MoM (after a downwardly revised 3.1% MoM drop in October). Building Permits jumped 3.6% MoM (after an upwardly revised +4.2% MoM in October). Both were dramatically above expectations.



Source: www.zerohedge.com, Bloomberg

#us #macro

After dropping to its lowest since 1969 in the prior week, the number of Americans filing for jobless benefits for the first time rebounded last week to 206k (from an upwardly revised 188k). This was worse than the expected 200k.



Source: www.zerohedge.com, Bloomberg

#eu #macro

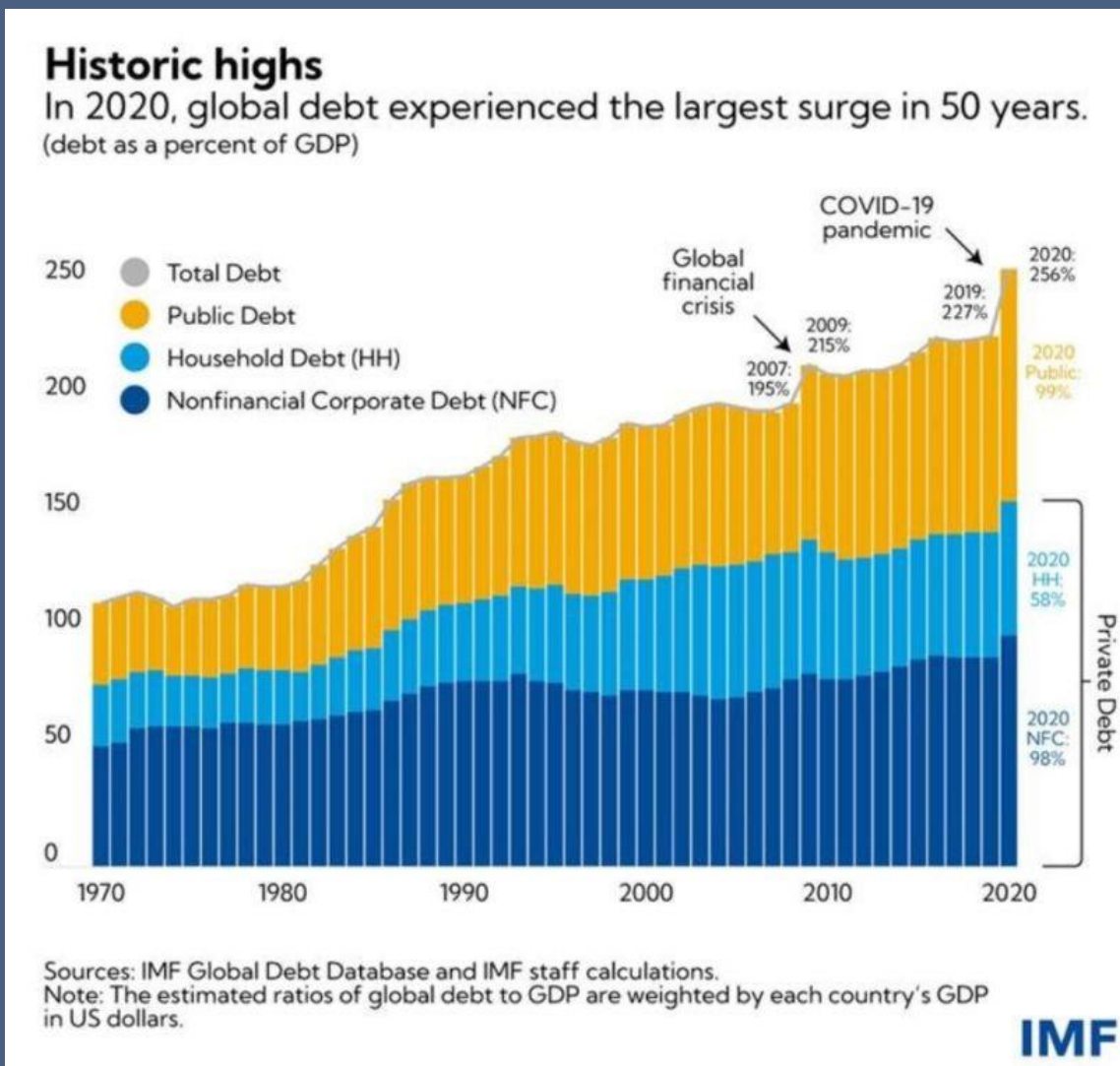
Stagflation in the offing? Germany's December Ifo Business Confidence drops to 94.7 from 96.6, its 6th consecutive drop and vs 95.3 expected. Expectations component drop to 92.6 vs 94.2 in prior month. Current conditions to 96.9 vs 99 in prior month.



Source: Bloomberg

#global-debt

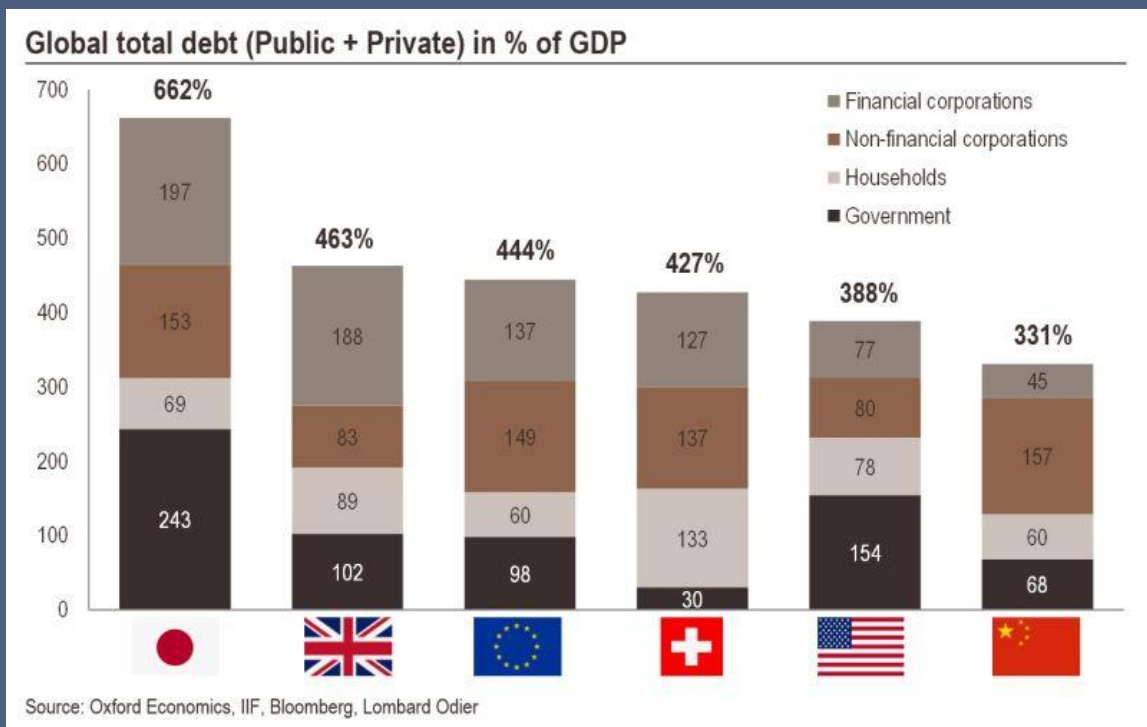
The IMF on global debt which, in 2020, experienced "the largest one-year debt surge since World War II" with global debt rising to \$226 trillion...



Source: IMF

#global-debt

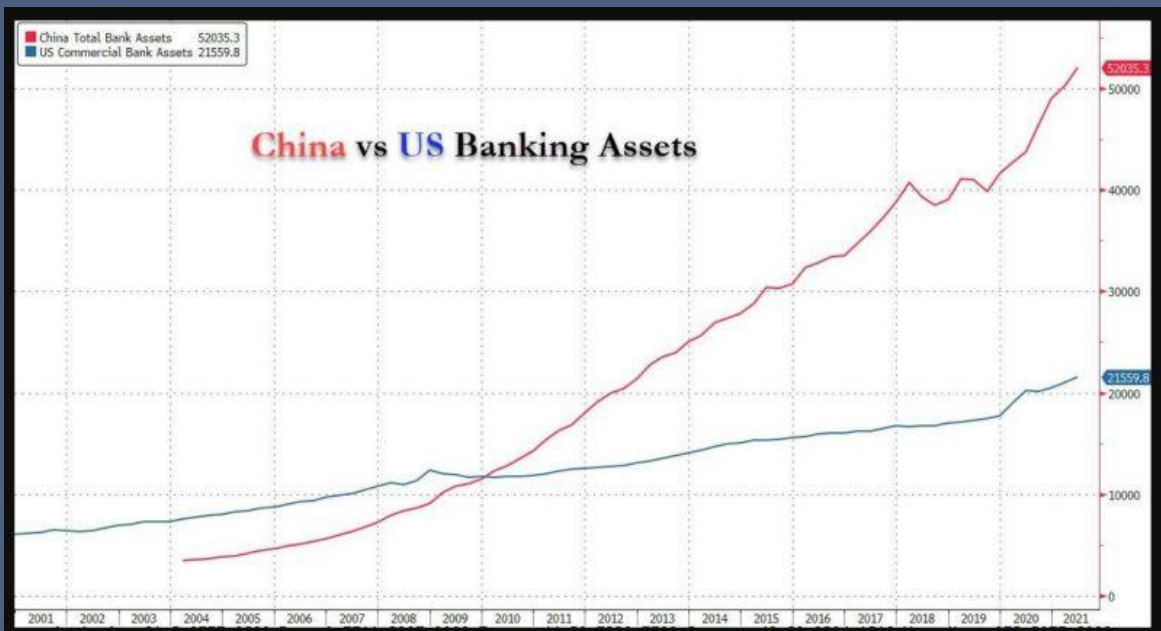
Insightful graph showing the total debt by country. Generally speaking, we believe that interest rates have room to rise before derailing the economic cycle, but the cushion should get thinner over time. What we observed during the pandemic, was a bit of private deleveraging, to the expense of public debt that rose massively.



Source: Lombard Odier

#china #banking-system

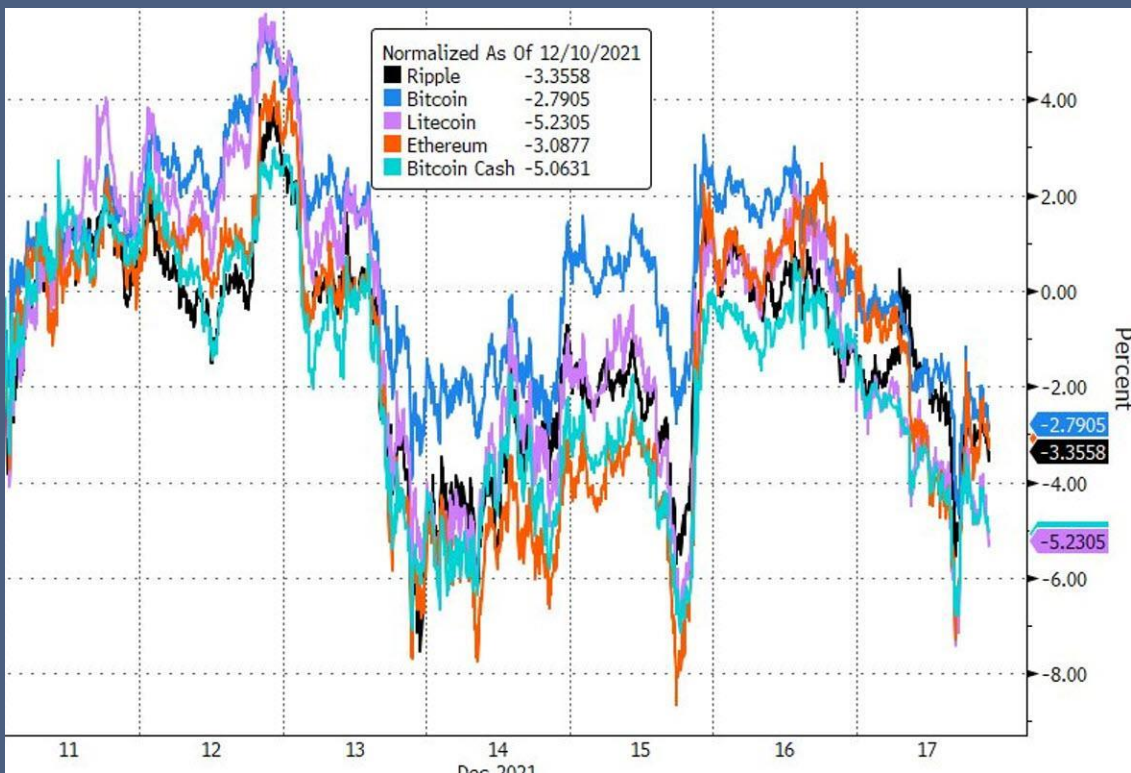
China's banking assets are now around \$52 trillion. They've grown by about \$40 trillion since 2008. They're now twice the size of the US banking system and China's banks have added the equivalent of the US banking systems in just eight years.



Source: www.zerohedge.com, Bloomberg

#cryptocurrencies

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Source: www.zerohedge.com, Bloomberg

#bitcoin #mining

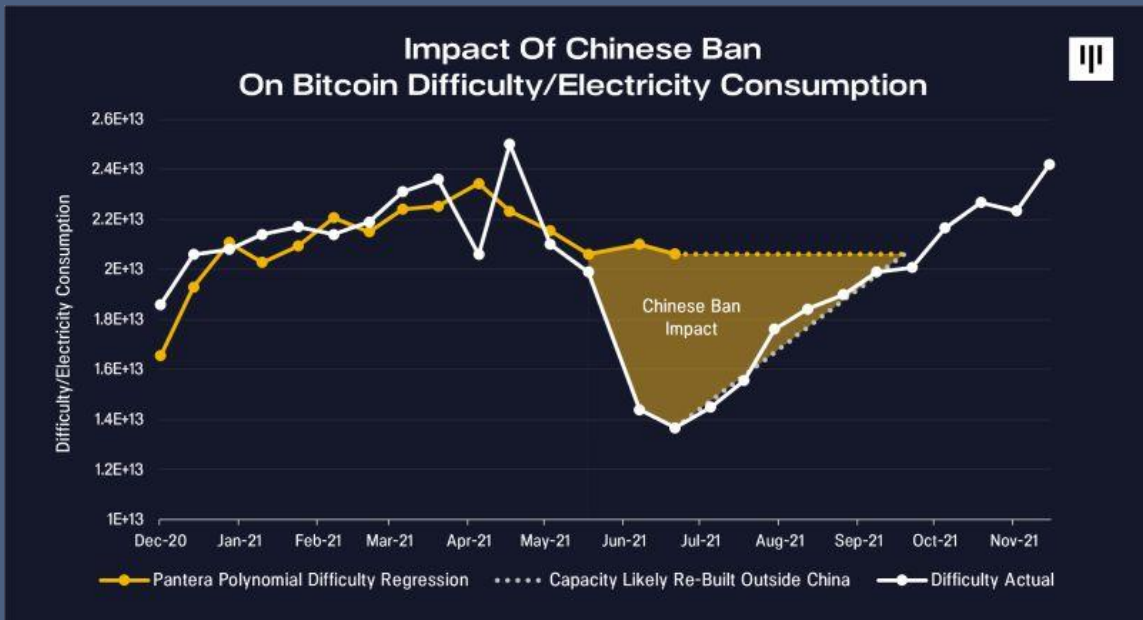
90% of all bitcoin has been mined as of Monday morning. The feat means 18.89 million bitcoins — of a maximum of 21 million — are now on the open market. Reaching the milestone took nearly 12 years since the first bitcoins were mined on Jan. 9, 2009. However, the remaining supply is not expected to be mined till February 2140, based on network activity estimates and Bitcoin's halving schedules.



Source: Bloomberg

#bitcoin #mining

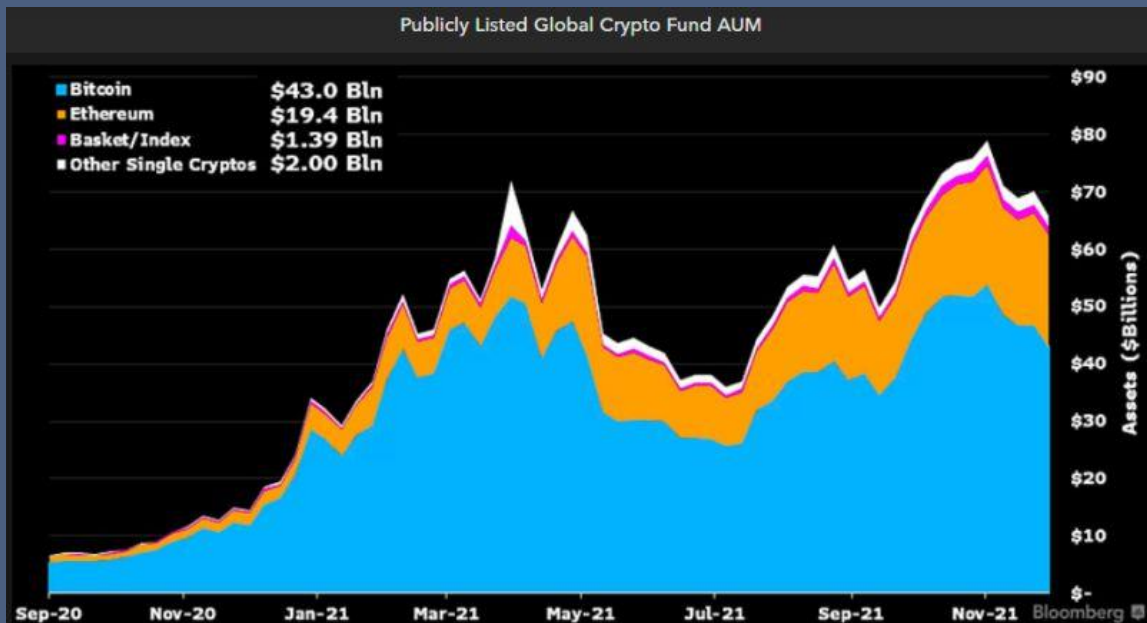
The bitcoin network is as secure as it's ever been. The void in mining capacity from the China ban has been filled and the transition to renewables is well underway.



Source: Pantera Capital

#cryptocurrencies #funds

The 78 public CRYPTO FUNDS available globally have \$66 billion in AUM. Bloomberg expect this to pass \$1 trillion in the next 10 years. The breakdown by coin shows the Bitcoin on top with \$43 billion in assets, the Ethereum with \$19.4 billion, the basket/index with \$1.39 billion and the remaining \$2 billion dedicated to the other single cryptos.



Source: Eric Balchunas

#nfts

Elon Musk has said Tesla will let people purchase some of its merchandise with the meme cryptocurrency dogecoin.



Source: Theverge

#dogecoin #tesla

Elon Musk has said Tesla will let people purchase some of its merchandise with the meme cryptocurrency dogecoin.



Source: Coindesk

#musk

"TIME magazine person of the year" indicator can be a bad omen for the Nasdaq performance in 2022. In the recent past, whenever a corporate icon graced the cover of Time as Person of the Year (Bezos in 2000, Zuckerberg in 2011), the Nasdaq fell the following year. Will history repeat itself as Musk just won the title?



Source: HolgerZ

#apple

December 12, 1980 . Apple goes public, floating 4.6 million shares on the stock market at \$22 per share. (Apple stock was filed to sell at \$14 per share). That day alone, AAPL rose 32%, with a closing value of \$29 and a total valuation of \$1.778 billion.

Apple Computer Set to Go Public Today; Massachusetts Bars Sale of Stock as Risky

By RICHARD E. RUSTIN
And MITCHELL C. LYNCH

Staff Reporters of THE WALL STREET JOURNAL

Apple Computer Inc. is slated to go public today, amid signs that the current stock market slump may cool some of the investor avidity that had made the offering one of the most eagerly awaited in recent years.

The Cupertino, Calif., maker of microcomputers will sell 4.6 million shares at \$22 through an underwriting syndicate headed by Morgan Stanley & Co. and Hambrecht & Quist. The price indicates some degree of confidence on the syndicate's part because it's on the high side of the \$20 to \$22 range recently estimated for the offering.

Under the Massachusetts ruling, the Apple stock falls short of several provisions aimed at weeding out highfliers that don't have solid earnings foundations. Unless the state later decides otherwise, stockbrokers in Massachusetts won't be able to trade the stock and Massachusetts residents won't be able to buy it.

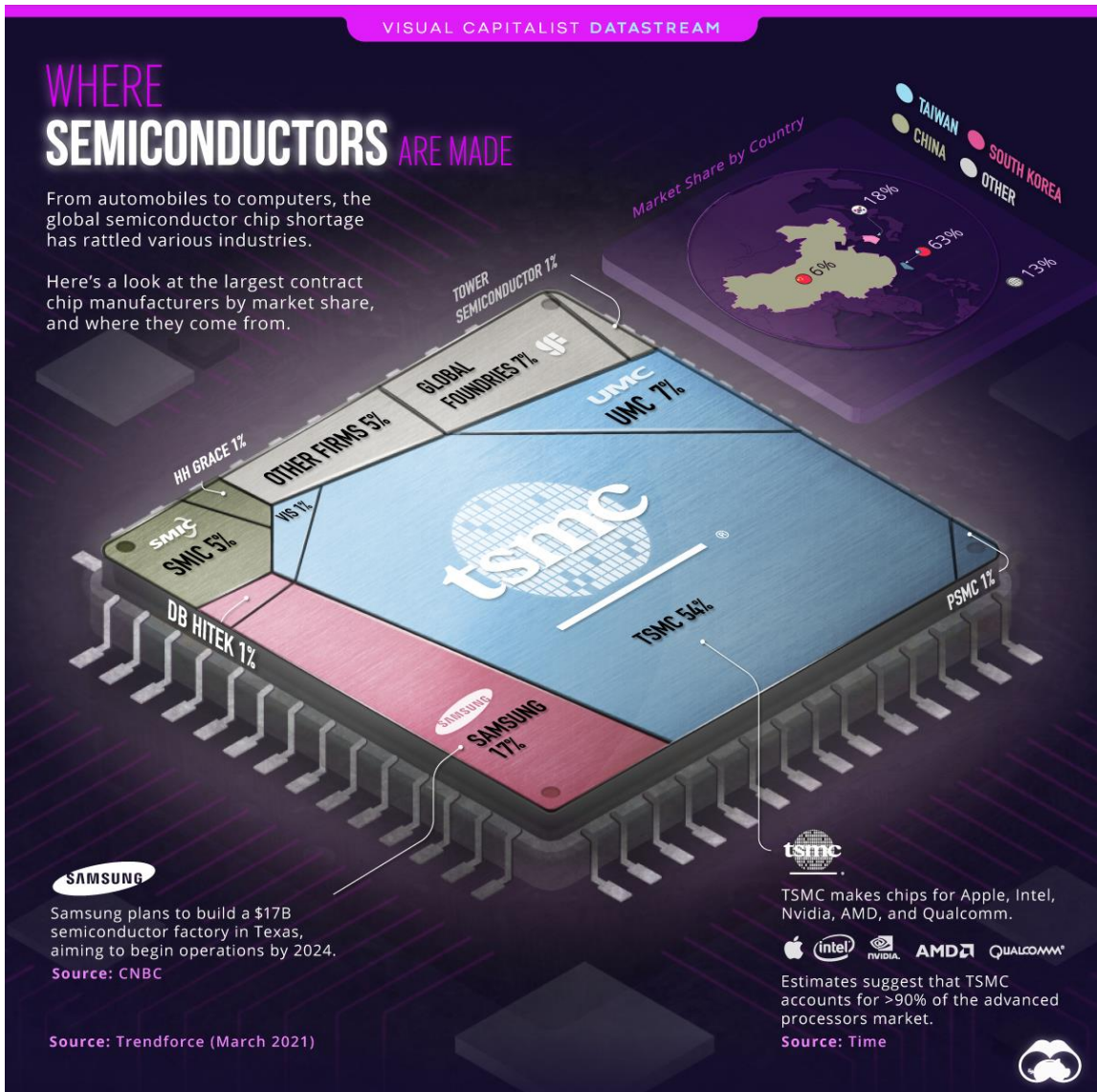
The Apple offering is registered in 27 states, and an authority on securities law, Prof. Alan Bromberg of Southern Methodist University in Dallas, said that he wouldn't have been surprised to see "a domino effect" with other states following the Massachusetts lead.

One provision of Massachusetts securities law stipulates that the per-share offering

The Wall Street Journal got excited about Apple's IPO.

Source: cultofmac

#semiconductors



Source: The Visual Capitalist

#global-trade

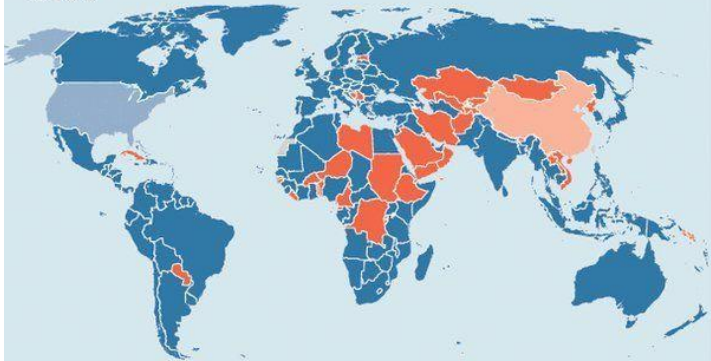
Who you gonna call?

2

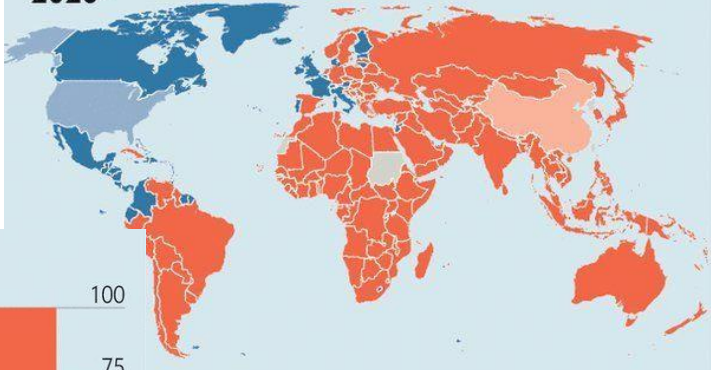
Countries which share greater trade* with:

■ United States ■ China ■ No data

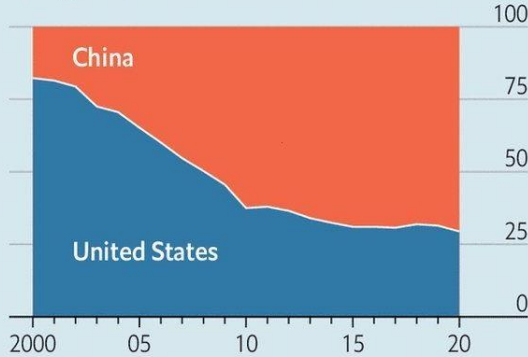
2000[†]



2020[†]



% of global total



Source: IMF Direction of Trade Statistics

*Gross merchandise trade, exports plus imports [†]Or nearest available

Source: The Economist

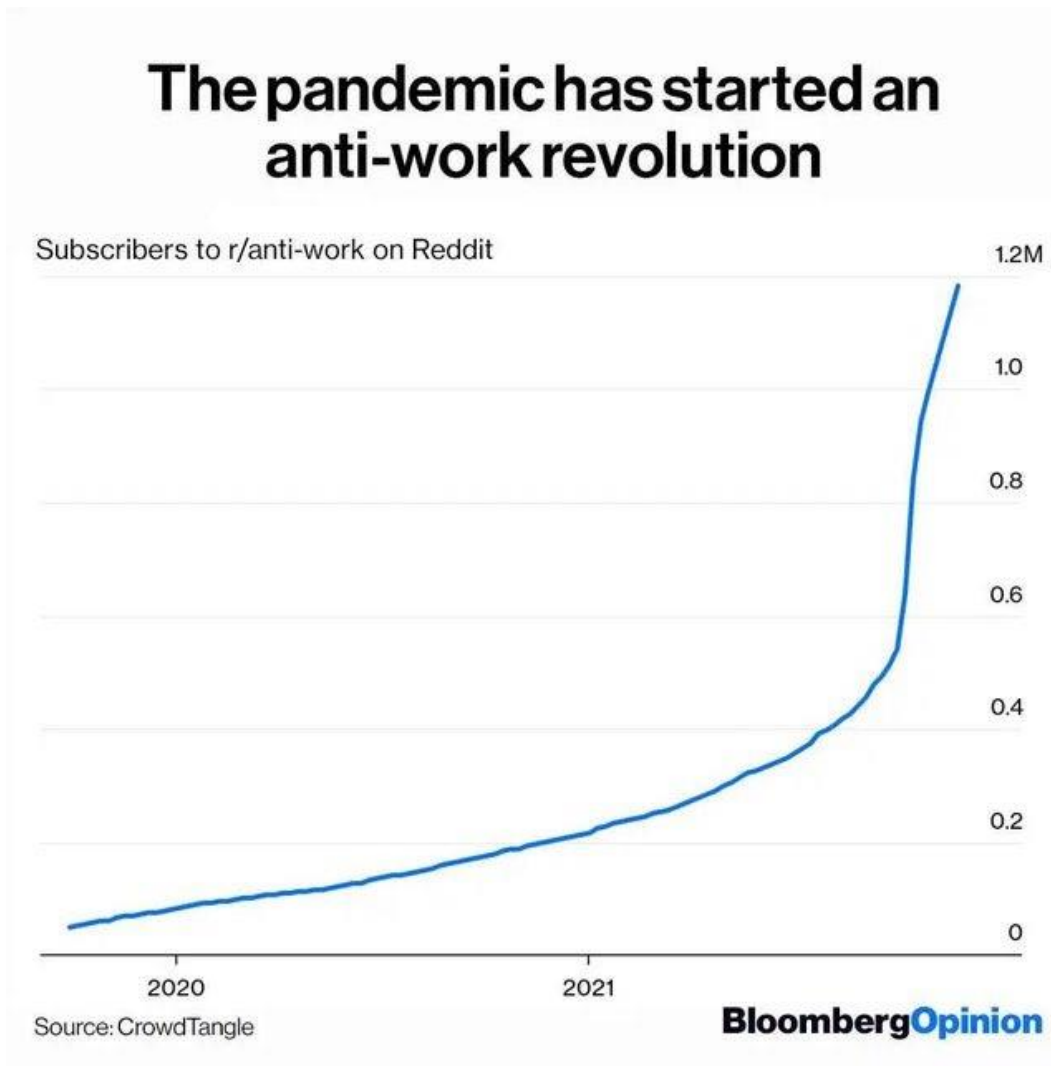
#reddit #ipo

Reddit IPO in Focus. The company said in a statement that the number of shares and proposed price range for an IPO haven't been determined. It said the listing is expected to occur after the U.S. SEC completes its review process, subject to market and other conditions.



Source: Bloomberg

#anti-work

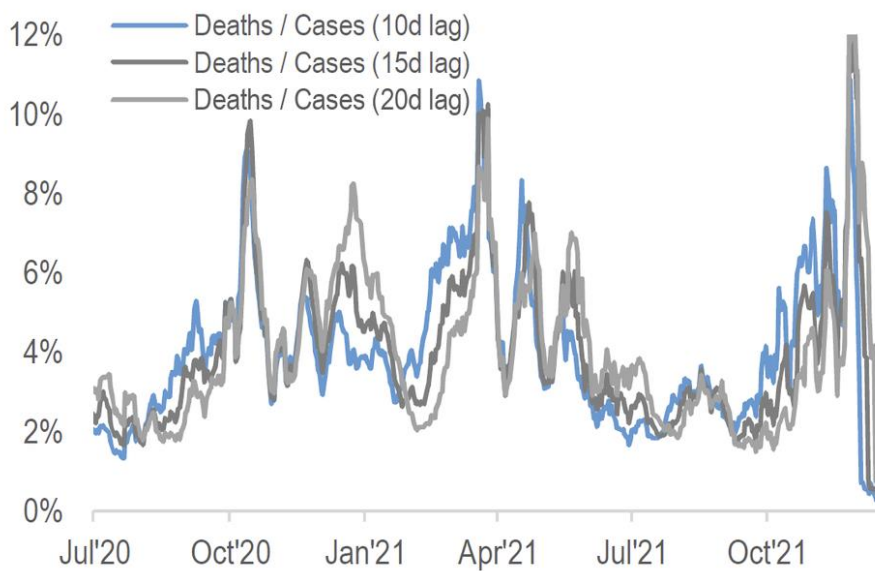


Source: Bloomberg

#omicron

In South Africa, where the new strain was first detected, deaths have been declining the last few weeks, and are down 95% from January highs.

Figure 1: South Africa COVID fatality rate is ~25 times lower than the previous peak



Source: J.P. Morgan Global Markets Strategy, JHU CSSE.

Source: JP Morgan

#omicron



Bloomberg  @business ...

The omicron variant spread between two fully vaccinated travelers across a hallway of a quarantine hotel — neither of whom had left their room nor had any contact.



[bloomberg.com](https://www.bloomberg.com)

Omicron's Spread Across Hotel Hall Highlights Transmission Worry

Source: Bloomberg

#food-for-thought



#globalmarkets weekly wrap-up

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For the future...