

Chart of the week

French elections: not a done deal for Macron

1st round of French elections takes place this Sunday. A Macron win is not a done deal anymore as Le Pen has been surging in the polls recently. Second round is in 2 weeks. A Datapraxis / @YouGov poll shows Macron at 51% and LePen at 49%.

Fieldwork: 4-7 April 2022

Sample size: 1783 (1326 with non-voters removed)

Changes from 28-31 March 2022 (1 week)

Full voting intention data: docs.cdn.yougov.com/fjg18u456t/Fra...

[Show this thread](#)

France Présidentielle - Second Tour

4-7 Apr 2022
1783 respondents
(1326 with non-voters removed)

MACRON

51%

49%

LE PEN

-3%

in 1 week

+3%

in 1 week

DATAPRAXIS

YouGov

Nationally politically representative sample via YouGov online panel

Stocks post weekly losses after Fed comments

US equity markets finished lower for the week, with small-caps and growth stocks underperforming meaningfully. Defensive sectors recorded solid gains, while Tech and consumer discretionary registered steep losses. Volumes were low as investors awaited the start of Q1 earnings reporting season. Fed policy and the situation in Ukraine continued to loom large over sentiment. Stocks pulled back sharply on Tuesday morning after Fed Governor Lael Brainard (a “dovish” policymaker) said the Fed would start to reduce its balance sheet at a rapid pace as soon as May. Stocks fell further on Wednesday as the Fed’s mid-March policy meeting minutes revealed that policymakers were prepared to reduce the central bank’s balance sheet by USD 95 billion per month, more than the consensus expectation of around USD 80 billion. The minutes also showed that the Fed is prepared to raise rates by 50bps at their upcoming May meeting. This caused 10-year US Treasury yield to hit its highest level since early 2019. The move also led the closely watched 2s10s yield curve to steepen meaningfully. Shares in Europe rose modestly amid concerns about central bank tightening, inflation, and Russia’s invasion of Ukraine. Core eurozone bond yields climbed in tandem with U.S. Treasury yields. Investor morale in the eurozone fell to its lowest level in nearly two years in April, according to Sentix. Precious metals rose while oil was down for the 2nd week in a row. Despite The Miami Bitcoin Conference, cryptos had a rough week.

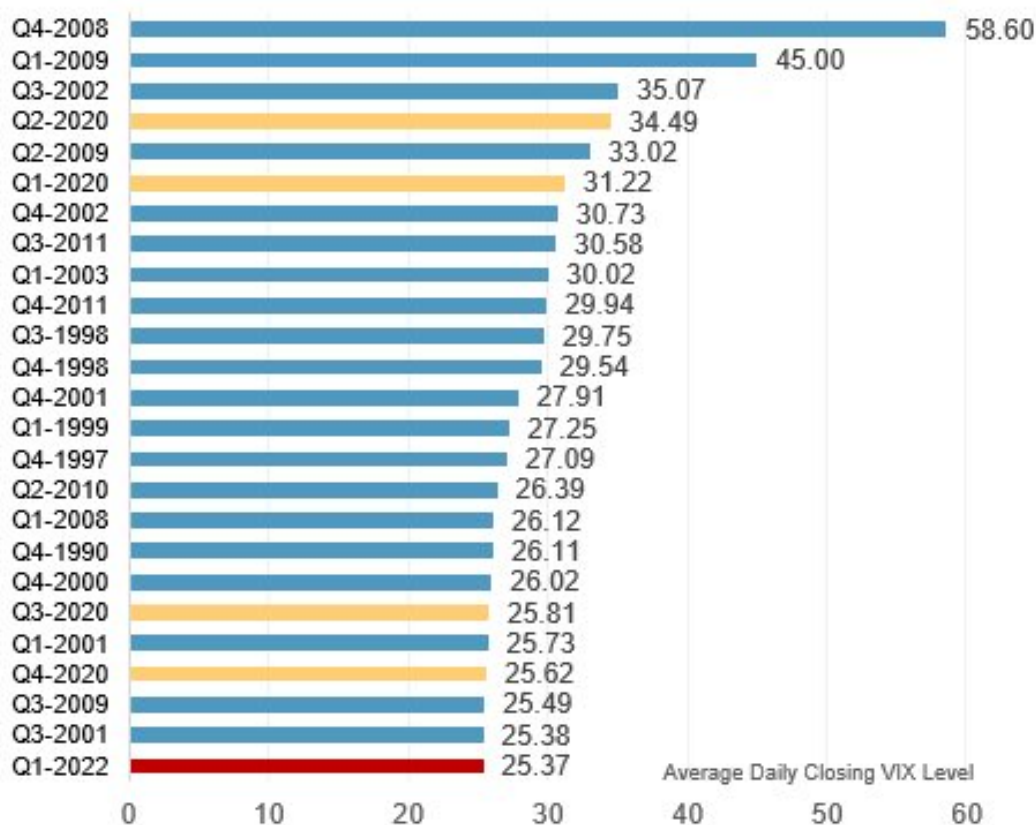


#vix

Despite war, Fed, inflation, etc... VIX level in Q1 as low by historical standards...There have been 125 full quarters since the VIX began publication at start of 1990, with 1Q22 only making it into top quartile (25th highest average daily closing VIX level of any quarter)

Calendar Quarters with Highest VIX® Levels, 1990 - present

Sources: S&P Dow Jones Indices, Cboe. Data as of March 31, 2022.



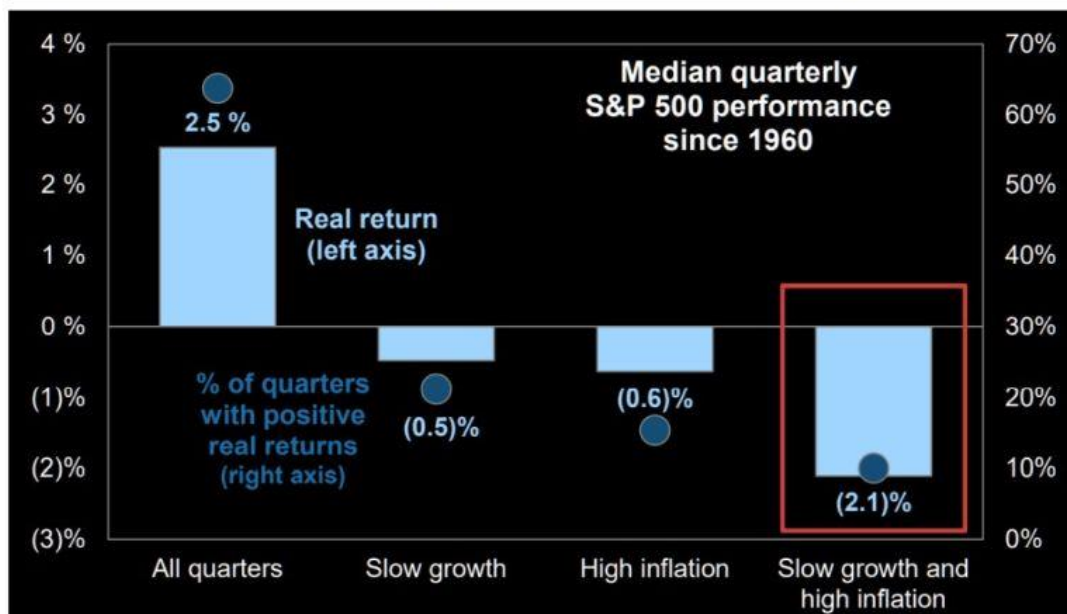
Source: Liz Ann Sonders



#us #equities #stagflation

Equities typically struggle during periods of #stagflation. S&P 500 has posted a positive real return in just 10% of stagflation quarters.

Stagflation & Equities: not good, but also not catastrophe



Source: Goldman

Source: Goldman Sachs



#s&p500 #technicals

SPX futures day highs touched the 100 day moving average, day lows saw it touch the 200 day...and we are trading unchanged.



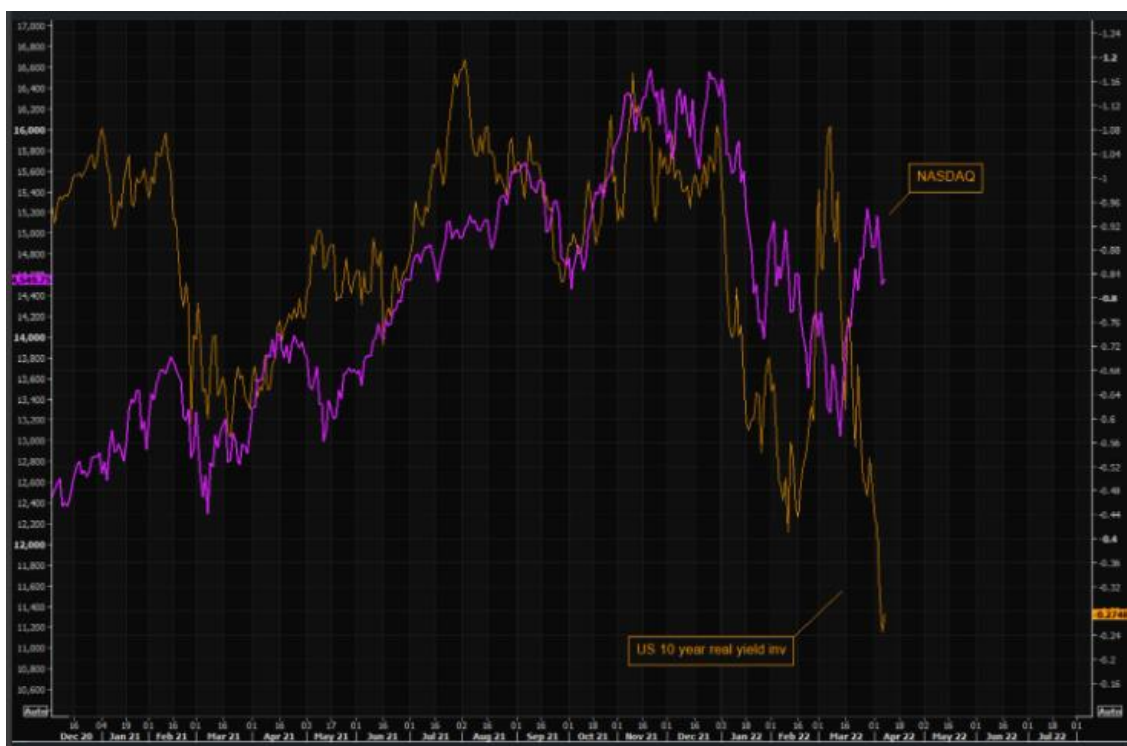
Source: Refinitiv

Source: Refinitiv, TME



#nasdaq #yields

Nasdaq has neglected some of the latest moves in real yields. Tech and real yields have moved in tandem so should we watch closely the latest gap between the two?

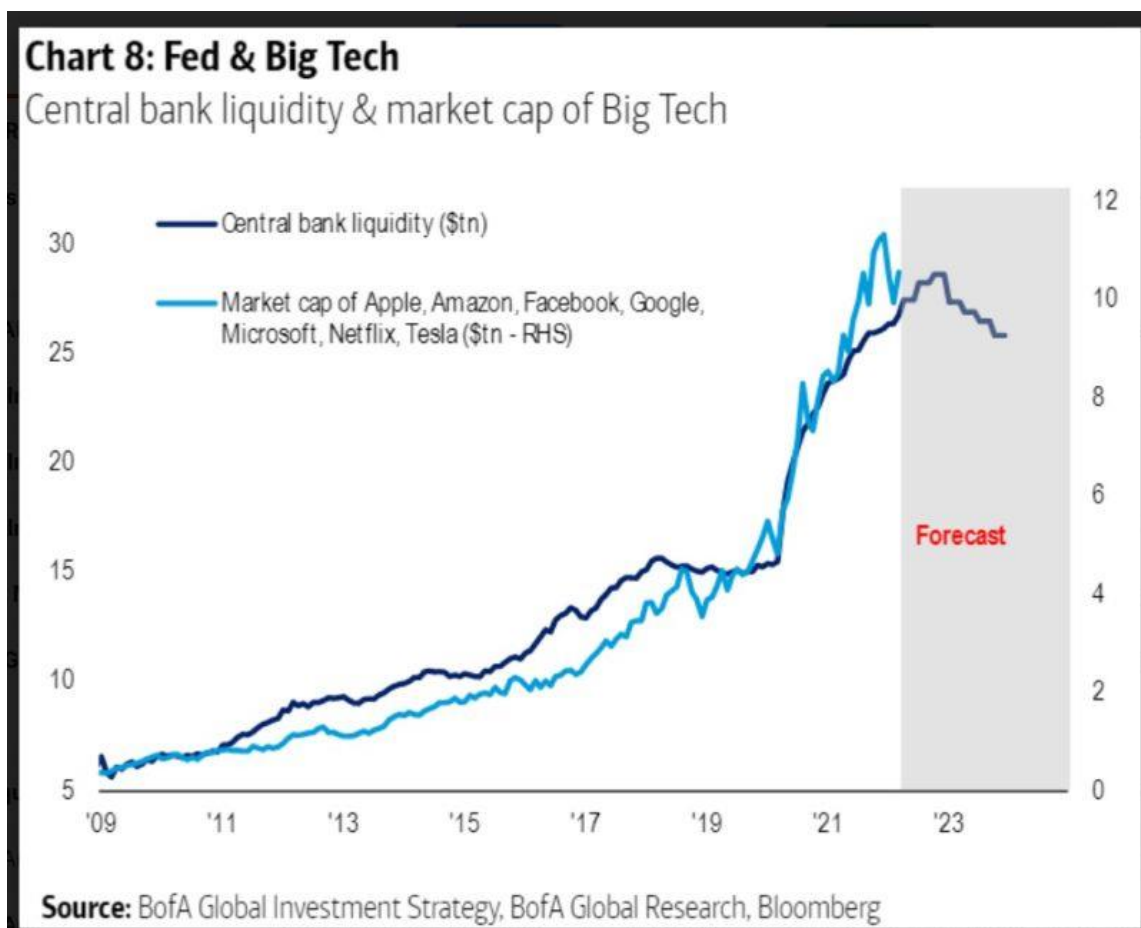


Source: Refinitiv, TME



#us #tech #fed

More troubles ahead for big #tech #stocks?



Source: BofA

#twitter #elonmusk

Musk takes 9.2% stake in social-media company, exceeding large institutions and former CEO Jack Dorsey. Here's a list of the top 10 Twitter shareholders, according to FactSet.

Top Twitter Shareholders

Top 10 holders in the social-media company

SHAREHOLDER	POSITION (SHARES IN MILLIONS)	PERCENTAGE OUTSTANDING	MARKET VALUE	REPORT DATE	SOURCE
Elon Musk	73.5	9.2%	\$2.9 billion	3/14/2022	13G
Vanguard Group	67.2	8.4%	\$2.6 billion	12/31/2021	13F
Morgan Stanley Investment Management	64.7	8.1%	\$2.5 billion	12/31/2021	13F
BlackRock Fund Advisors	36.5	4.6%	\$1.4 billion	12/31/2021	13F
SSgA Funds Management	36.4	4.5%	\$1.4 billion	12/31/2021	13F
Aristotle Capital Management	20.1	2.5%	\$778 million	12/31/2021	13F
Jack Dorsey	18.0	2.3%	\$698 million	04/05/2021	Proxy
ARK Investment Management	17.2	2.2%	\$667 million	12/31/2021	13F
Fidelity Management & Research	17.1	2.1%	\$662 million	12/31/2021	13F
ClearBridge Investments	16.7	2.1%	\$647 million	12/31/2021	13F

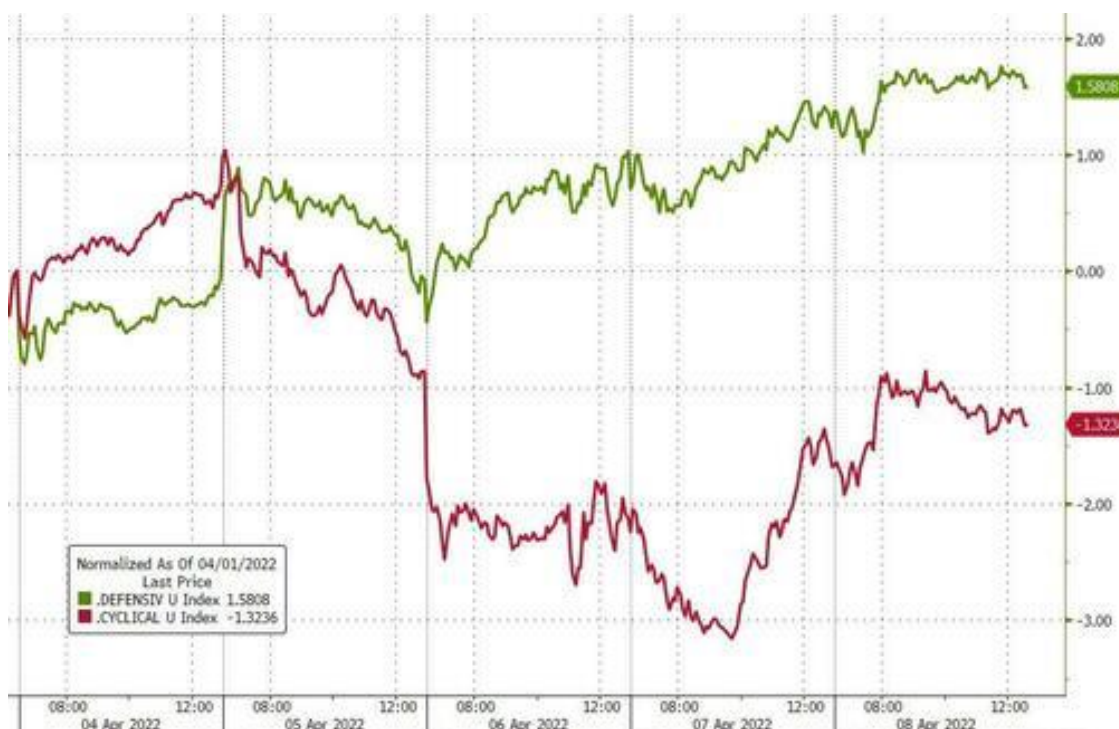
Market values are based on Friday's closing price. Musk's 13G, filed Monday, reported his Twitter position as of March 14.

Source: factset

#markets

#us #equities #defensives

Nasdaq has neglected some of the latest moves in real yields. Tech and real yields have moved in tandem so should we watch closely the latest gap between the two?

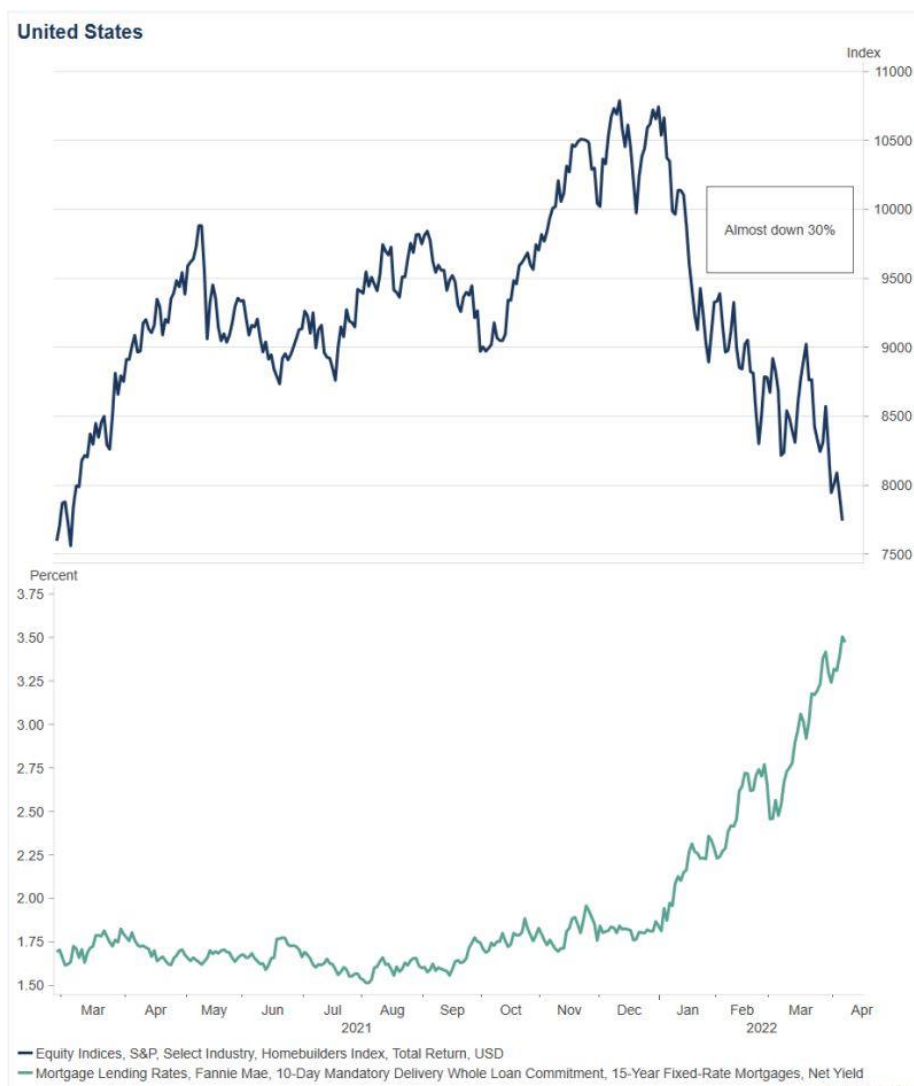


Source: www.zerohedge.com, Bloomberg



#us #homebuilders

U.S. homebuilder stocks are cratering as mortgage yields have spiked. Could rising borrowing cost cause pain for US consumers and lead to a slowing economy in coming months?



Source: Alpine Macro

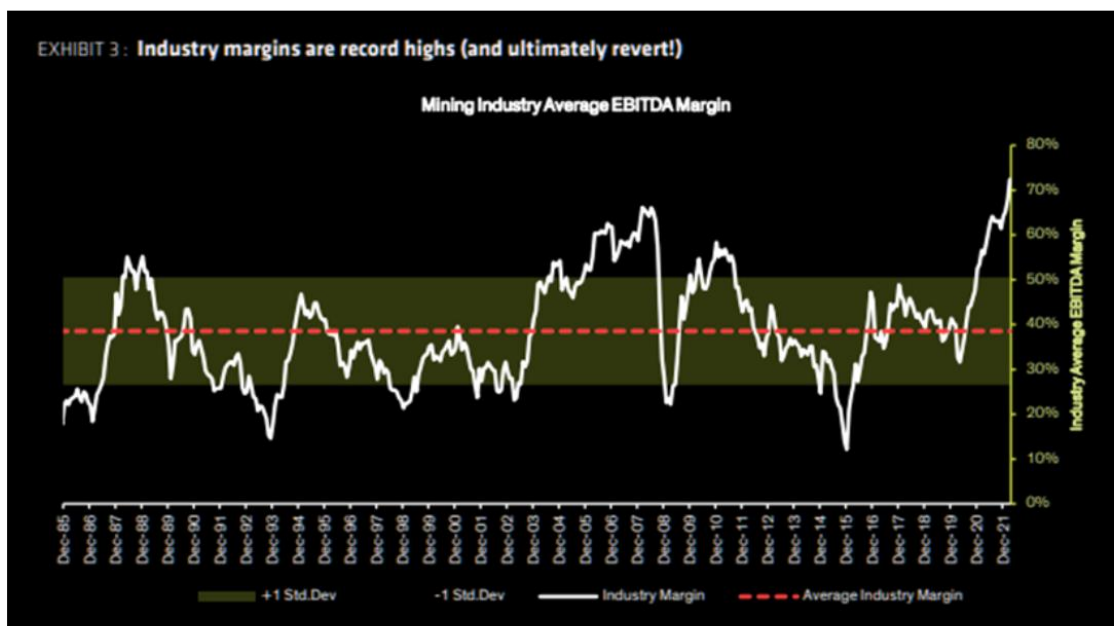




#metals #mining

Maybe this time it is different....? Bernstein: "given ongoing supply chain disruption and Russian sanctions, the likelihood of downward correction is low. Margins are high and are traditionally mean-reverting, but timing is tough, and with metal prices set off marginal cash costs which in turn have seen significant inflation, there is a case to make that it's different this time"

Metals & Mining loving it



Source: Sanford Bernstein

Source: The Market Ear



#us #banks #yields

Gone is yields up great for banks world. This rise in yields is the "bad rise" that is threatening growth. As Hartnett writes, this is "no bueno". First chart BKX vs the 10 year. Second the BKX/SPY ratio vs the 10 year..



Source: Refinitiv

Source: TME

#us #equities #buybacks

Buyback companies S&P500. Classification by sector.

S&P 500 SECTOR BUYBACKS

SECTOR \$ BILLIONS	Q4,'21	Q3,'21	Q4,'20	2021	2020	5-YEARS	10-YEARS	% OF MARKET CAP
Information Technology	\$75	\$66	\$56	\$260	\$202	\$1,084	\$1,707	0.6%
Financials	\$52	\$62	\$14	\$191	\$81	\$724	\$1,110	1.2%
Communication Services	\$43	\$35	\$17	\$128	\$81	\$268	\$305	1.1%
Consumer Discretionary	\$31	\$21	\$9	\$87	\$30	\$355	\$753	0.6%
Health care	\$22	\$16	\$15	\$76	\$54	\$388	\$737	0.4%
Industrials	\$16	\$18	\$7	\$62	\$33	\$288	\$597	0.5%
Consumer Staples	\$13	\$8	\$9	\$40	\$20	\$178	\$399	0.5%
Materials	\$9	\$5	\$3	\$23	\$8	\$67	\$134	0.9%
Energy	\$8	\$3	\$0	\$13	\$4	\$79	\$218	0.7%
Utilities	\$1	\$0	\$1	\$2	\$4	\$11	\$18	0.1%
Real Estate	\$1	\$0	\$1	\$1	\$3	\$14	\$15	0.1%
TOTAL	\$270	\$235	\$131	\$882	\$520	\$3,456	\$5,992	0.6%*

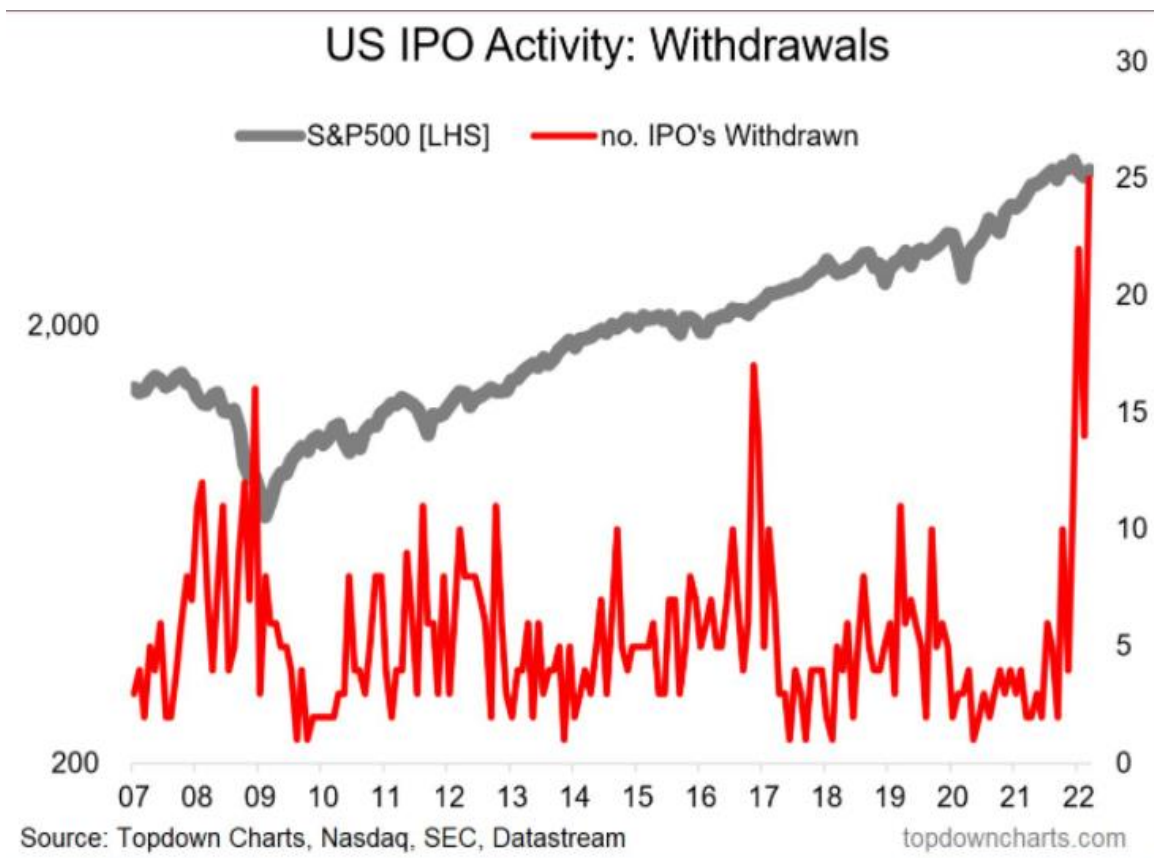
Source: S&P Dow Jones Indices LLC. Data courtesy of Howard Silverblatt and data as of Dec. 31, 2021. Chart is provided for illustrative purposes only. Past performance is no guarantee of future results. Percentage figures are Q4, '21 buybacks as a proportion of the free-float adjusted market cap. *Instead of total we have shown average across sectors. Please note sectoral changes and see the GICS Methodology for further details. In September 2018, the Telecommunication Services sector expanded to include several industries previously considered part of either Information Technology or Consumer Discretionary. The sector also was renamed Communication Services as part of the change.

Source: Charlie Bilello



#ipo

US IPO Activity : Withdrawals : As usually happens in times of heightened volatility and drops in valuations, the number of IPOs pulled during March spiked to a record high...



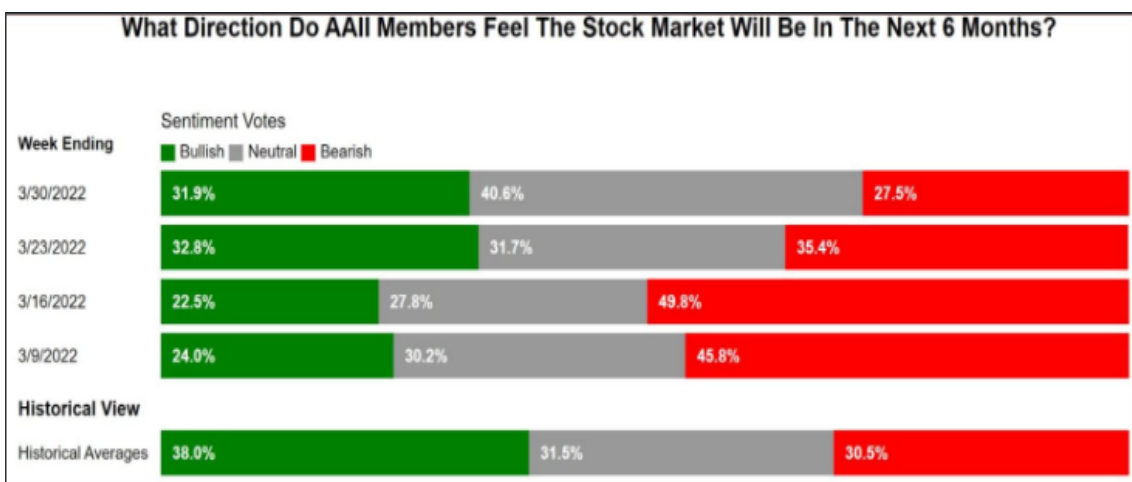
Source: topdowncharts





#us #equities #retail #sentiment

On the week ending March 30th, Bulls were down 0.9 points to 31.9, Bears down 7.9 points to 27.5%, while Neutrals were up 8.9 points to 40.6%. To compare to historical averages of Bulls 38% / Neutral 31.5% / Bears 30.5%.

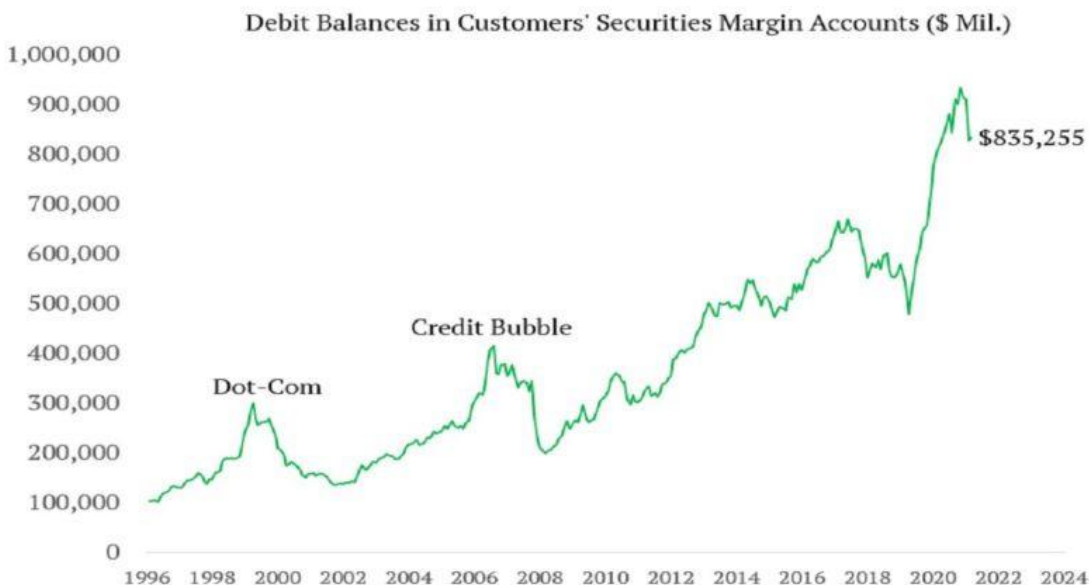


Source: AAI Sentiment Survey



#us #equities #leverage

What could go wrong? Despite war, inflation and hawkish Fed, US FINRA shows that debit balances in customers' securities margin accounts (in \$ Million) is near all-time high, far above previous bubbles peak.

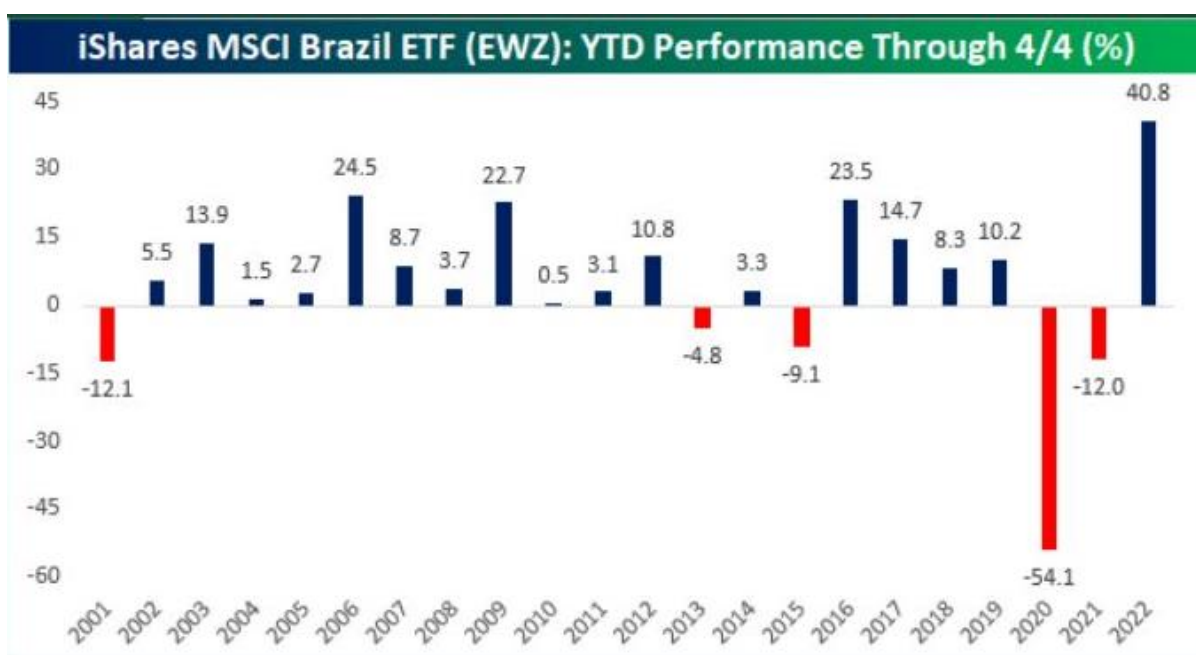


Source: FINRA, as of February 2022. File #0525

Source: Jeff Weniger

#brazil #equities

The iShares Brazil ETF (EWZ) is off to its best start to a year since inception.



Source: bespoke



#60-40 #inflation

Inflation effect on the typical 60/40 portfolio is devastating. In the 1970s, it completely eroded returns.

60/40 returns were crushed by inflation in the 1970s

— 60/40 US Stocks vs Bonds Nominal Return — 60/40 Real Return (deflated using CPI)



Source: Bloomberg

Source: Bloomberg



#fixed-income #us

US 10-year yield is breaking out.

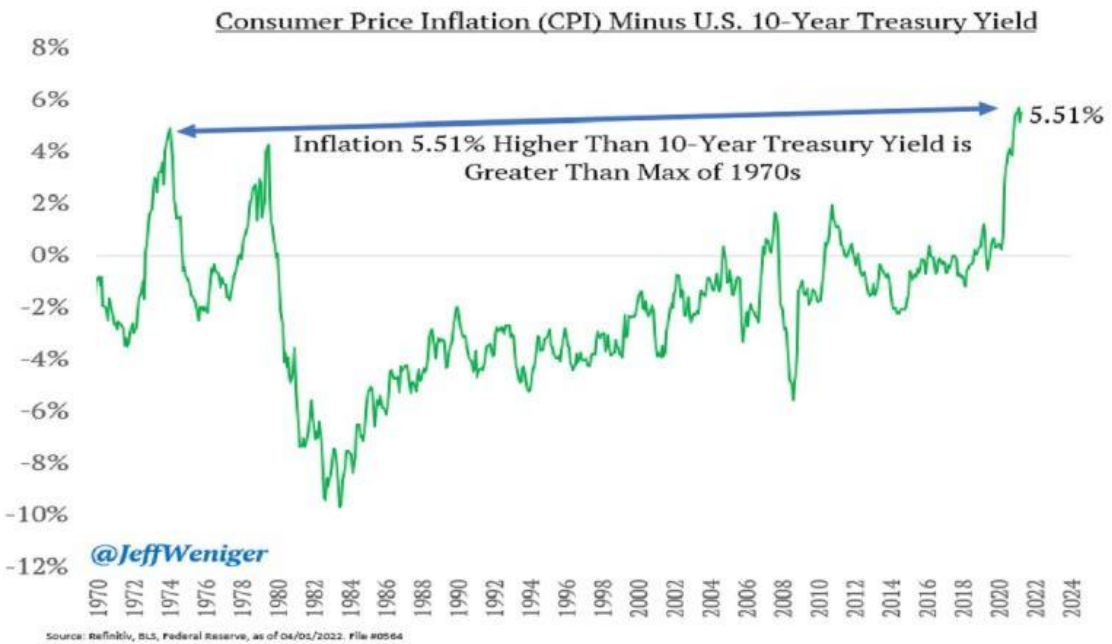


Source: Crescat , Bloomberg



#fixed-income #us

FINANCIAL REPRESSION ONGOING: We have a larger gap between US inflation and bond yields than in the 1970s..



Source: Jeff Weniger



#fixed income #us

If the year ended today, it would be the worst in history for the US Bond Market with a loss of 7.2%..

Bloomberg Barclays Aggregate, Total Return (1977 - 2022)					
Year	Return	Year	Return	Year	Return
1977	3.0%	1993	9.7%	2009	5.9%
1978	1.4%	1994	-2.9%	2010	6.5%
1979	1.9%	1995	18.5%	2011	7.8%
1980	2.7%	1996	3.6%	2012	4.2%
1981	6.2%	1997	9.7%	2013	-2.0%
1982	32.6%	1998	8.7%	2014	6.0%
1983	8.4%	1999	-0.8%	2015	0.6%
1984	15.1%	2000	11.6%	2016	2.7%
1985	22.1%	2001	8.4%	2017	3.5%
1986	15.3%	2002	10.3%	2018	0.0%
1987	2.8%	2003	4.1%	2019	8.7%
1988	7.9%	2004	4.3%	2020	7.5%
1989	14.5%	2005	2.4%	2021	-1.5%
1990	9.0%	2006	4.3%	2022 YTD	-7.2%
1991	16.0%	2007	7.0%		
1992	7.4%	2008	5.2%		

COMPOUND @CharlieBilello



Source: Charlie Bilello

#fixed income #us

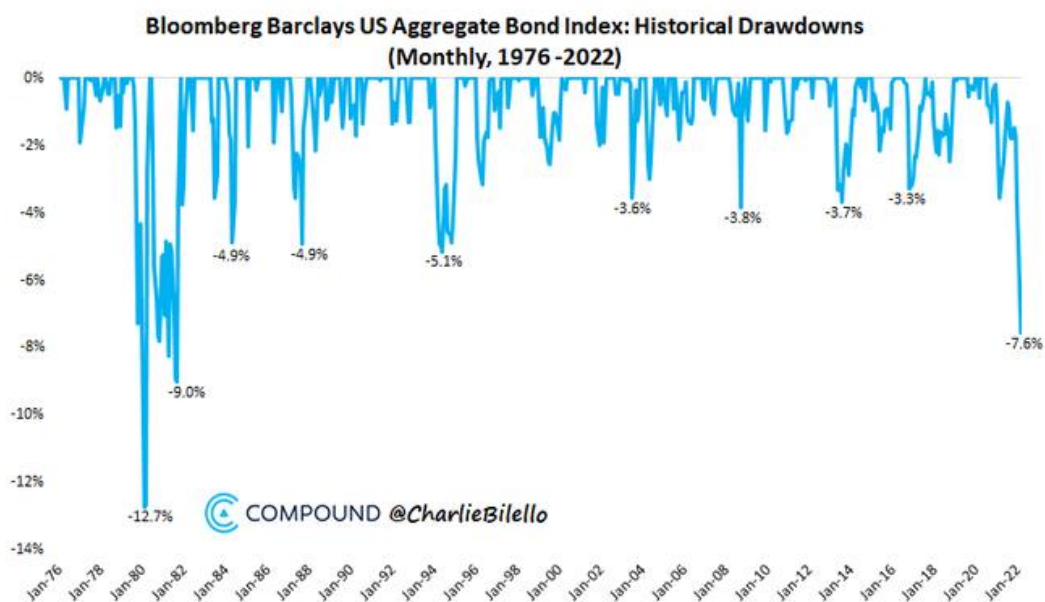
Down 26%. iShares 20+Year Treasury ETF (TLT) are currently experiencing their worst decline from a peak in more than a decade. The US Bond market is now down 8.7% from its high in August 2020, the largest correction we've seen in the last 25 years. The 10-Year Treasury yield has moved from 0.55% up to 2.54% during this time.



Source: Bespoke

#fixed income #us

This is the longest US bond market drawdown in history (20 months and running) and the largest (-7.6%) since 1981 (note: using monthly total return data). In 1981 the 10-year yield was at 15.8%. Today it's at 2.6%.

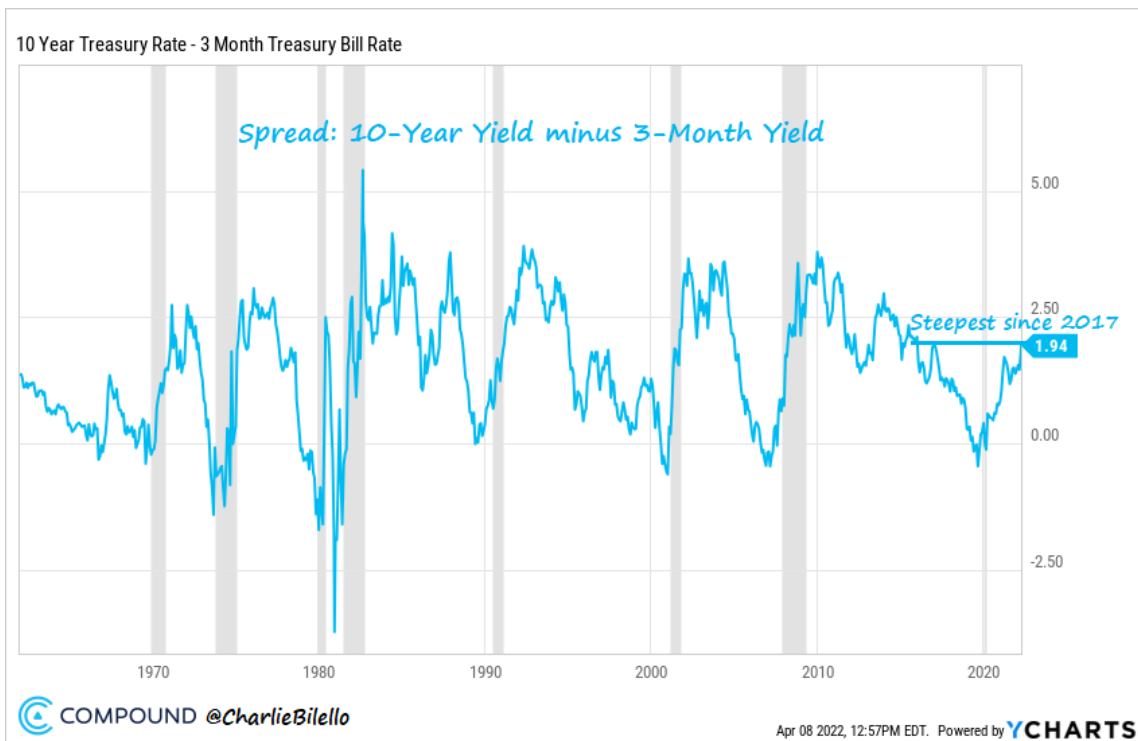


Source: Charlie Bilello



#us #yield-curve

The spread between 10-year and 3-month yields has been moving in the opposite direction (steepening), now at its widest level since 2017 (1.94%).



Source: Charlie Bilello

#markets

#french #elections

1st round of French elections takes place this Sunday. A Macron win is not a done deal yet as Le Pen has been surging in the polls.



Christophe Barraud @C_Barraud · 14h

[#France](#) | Emmanuel Macron's Win This Sunday No Longer Looks a Done Deal - Bloomberg



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

Emmanuel Macron's Win This Sunday No Longer Looks a Done Deal
French voters head to the polls on Sunday in an election that is far from certain to return President Emmanuel Macron to power.



#euro #peripheral #bonds

Euro-redenomination risk is on the rise as peripheral sovereign yields started to surge.



Source: www.zerohedge.com, Bloomberg

#markets

#italy #btp

The ECB is working on a crisis tool to deploy in the event of a blowout in the bond yields of weaker euro-zone economies as Italy's 10y risk spread over Germany keeps rising.

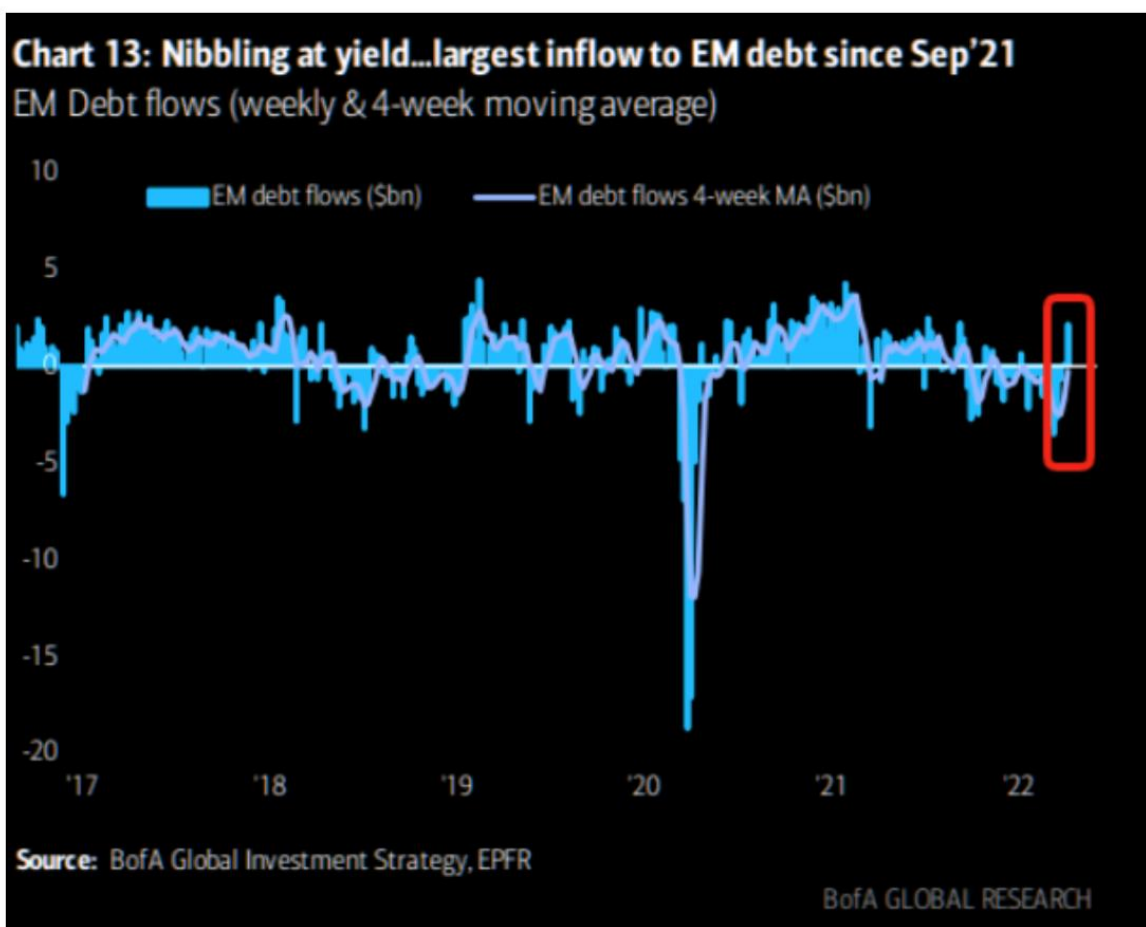


Source: Bloomberg, HolgerZ



#em #debt #flows

We have just seen the largest inflow to EM debt since Sep'21 (\$2.2bn)



Source: BofA

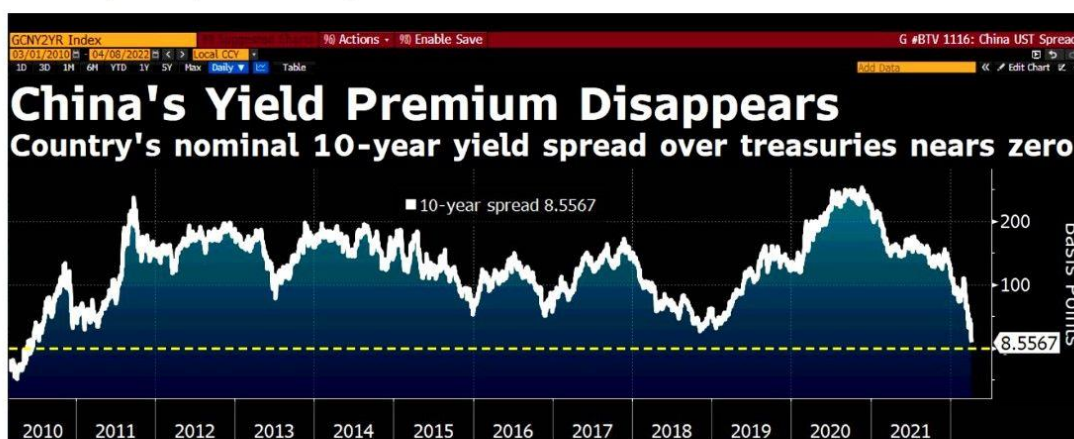
Source: BofA



#china #bonds

China's yield premium over US treasuries is about to disappear for the first time in 12 years.

China yield premium gone

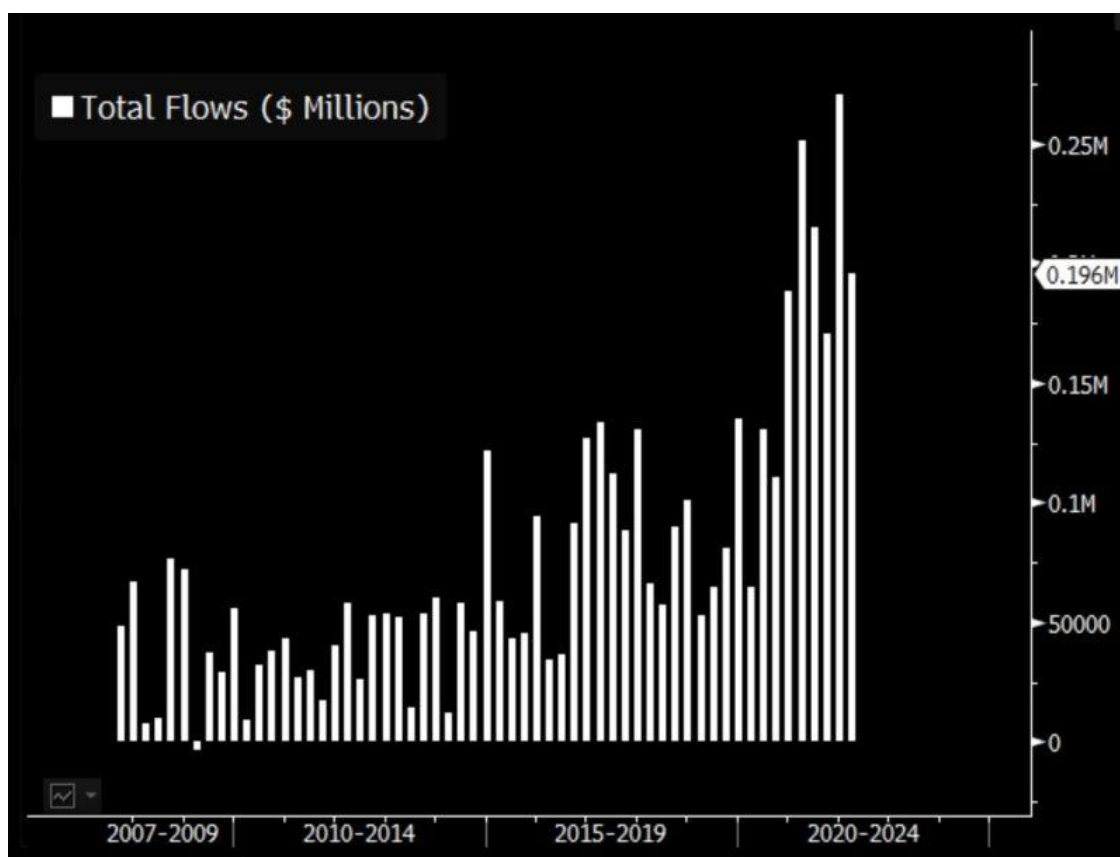


Source: Bloomberg

Source: Bloomberg

#etf #flows

Q1 2022 ETFs FLOWS: the 4th best quarter ever! ETFs took in just about \$200b in Q1, which was their 4th best quarter ever. If you remove 2021, it was their best quarter ever .

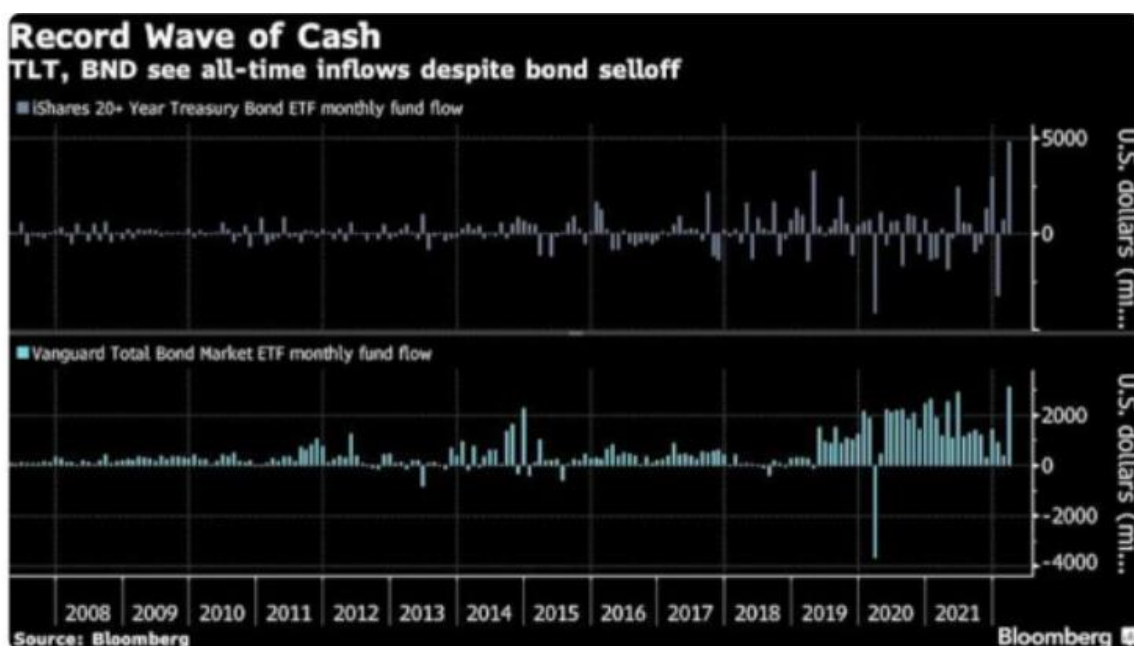


Source: Bloomberg, Eric Balchunas

#markets

#etf #flows

An unprecedented \$4.8 billion flooded into the \$20 billion iShares 20+ Year Treasury Bond ETF (ticker TLT) as the ETF sank 5.6%, according to data compiled by Bloomberg.



Source: Bloomberg



#commodities

Implied commodity allocation by non-bank investors remains very low but might surge as demand for inflation hedges may boost allocations, JP Morgan says. According to the bank, commodities could surge by as much 40%, far into record territory, if investors boost their allocation to raw materials at a time of rising #inflation..

Figure 13: Implied commodity allocation by non-bank investors globally

Proxied by the open interest of commodity futures ex gold as % of the stock of equities, bonds and cash held by non-bank investors globally



Source: J.P. Morgan

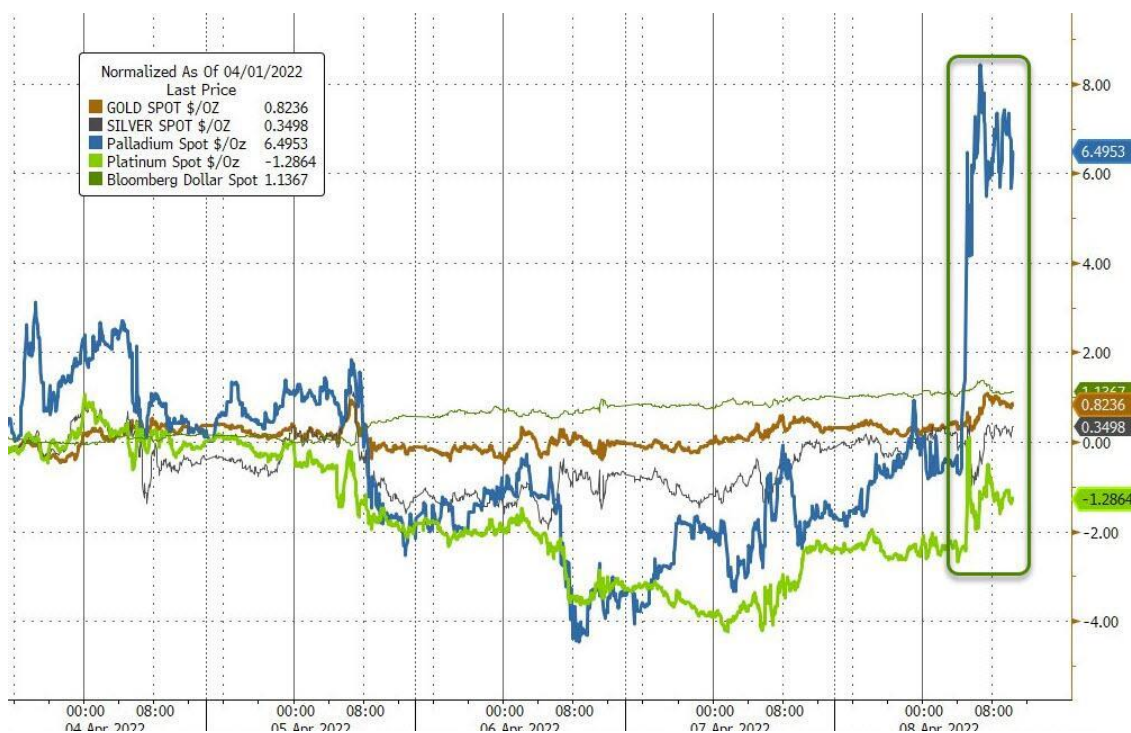
Source: JP Morgan





#precious-metals

Gold and Silver rose on the week (despite a strong dollar) but it was Palladium that really soared as the London Platinum & Palladium Market has suspended both Russian refineries from its good delivery list. This effectively cuts off Russian palladium and platinum to the west.



Source: www.zerohedge.com, Bloomberg



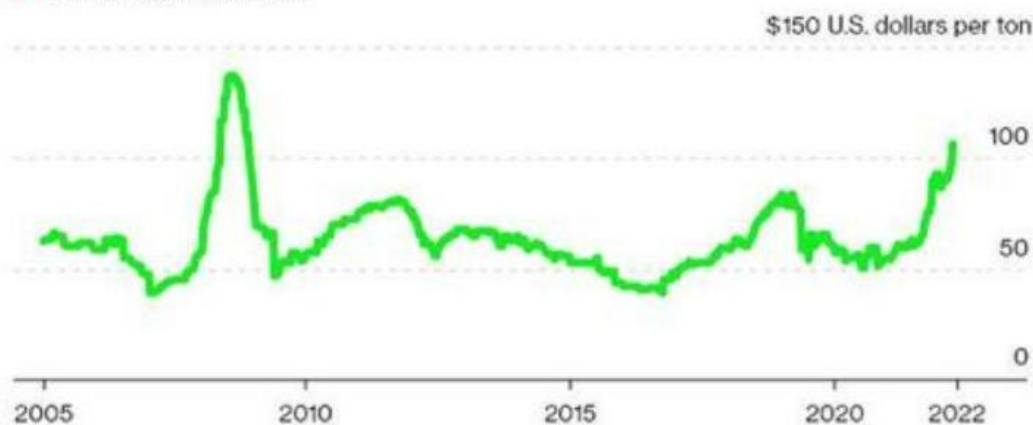
#coal

U.S. coal prices topped \$100 a ton for the first time in 13 years as the Russia/Ukraine war prompts users to seek alternatives to Russian coal, which accounted for almost 18% of global exports in 2020. That’s exacerbating a surge in demand that began last year as a global economic recovery from pandemic drove up electricity consumption.

Coal Comeback

U.S. coal prices topped \$100 per ton for the first time since 2008

Central Appalachia coal



Source: S&P Global Market Intelligence

Source: S&P

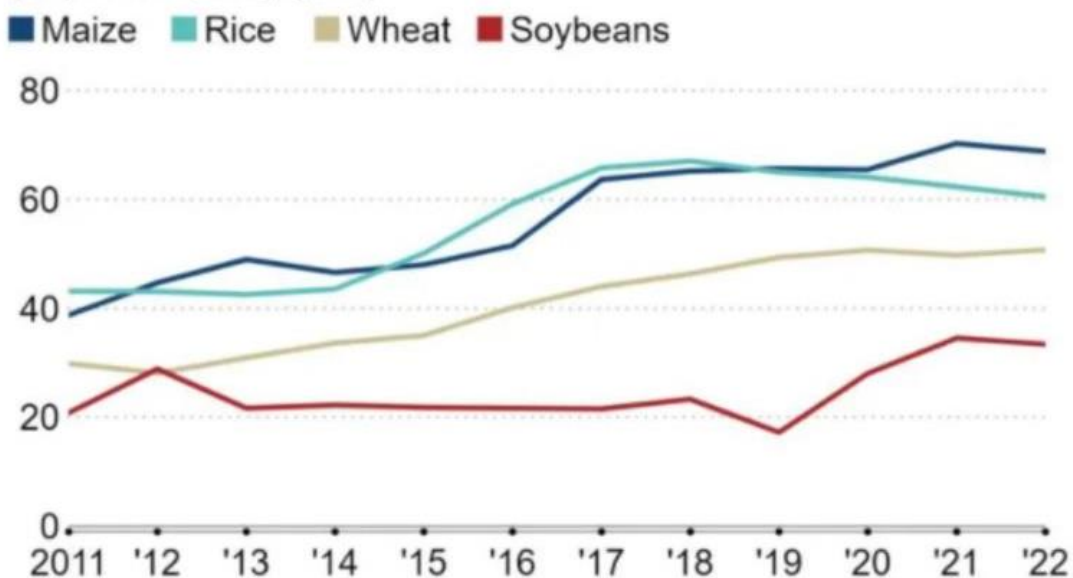


#grains

THE NEW FX RESERVES FOR SOVEREIGN COUNTRIES: COMMODITIES. China has about 18% of global population and is a food importer. Going into 2022, they had 69% of global maize reserves, 60% of global rice reserves, 51% of global wheat reserves, and 34% of global soybean reserves.

China's share of global grain stocks

(In percent; crop year)



Source: Nikkei analysis based on USDA data

Source: Nikkei



#food #prices

Food prices are soaring ever higher, and spiking at the fastest pace on record according to the latest data from the Food and Agriculture Organization.



Source: Hartnett

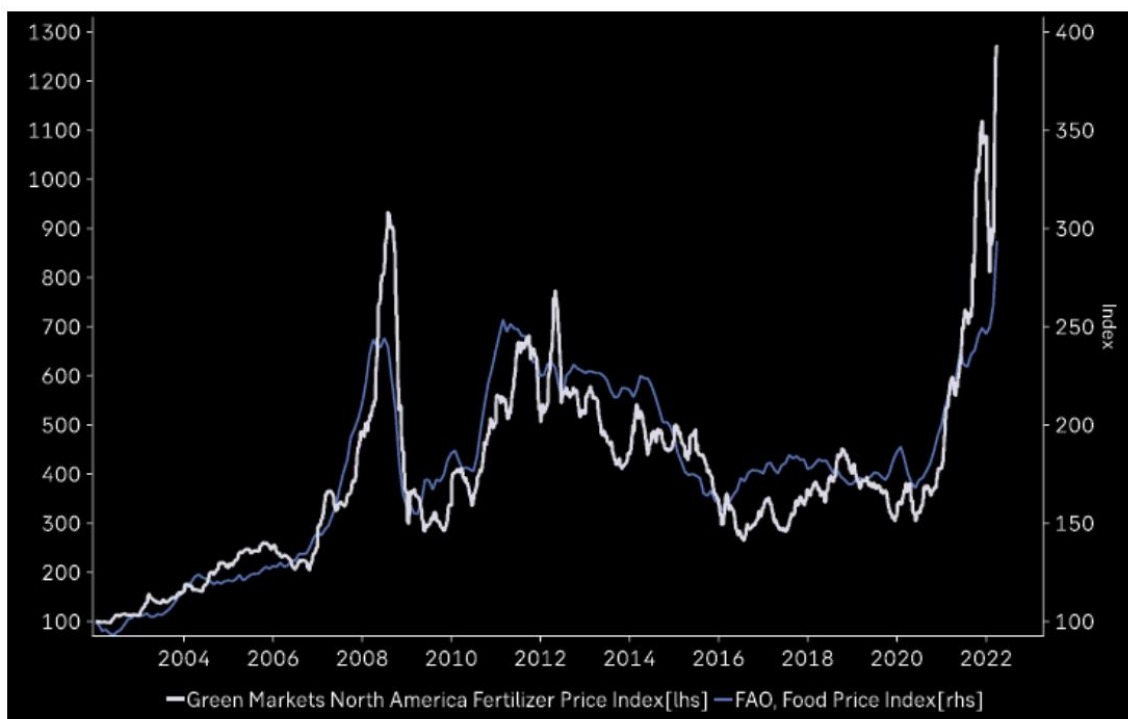
Source: Harnett, TME



#food #prices

Food follows fertilizer prices.

Fertilizer & Food



Source: Macrobond

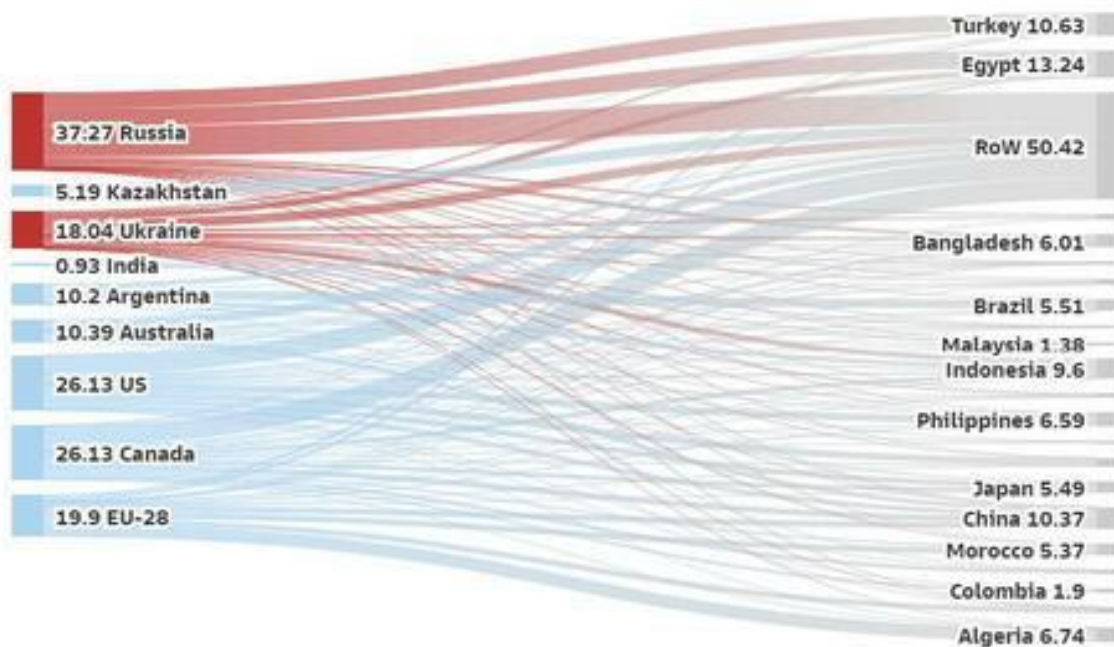
Source: TME



#wheat #russia #exports

EM consumers are dependent on Russian wheat.

Figures are million metric tons



Source: UN COMTRADE

Source: UN

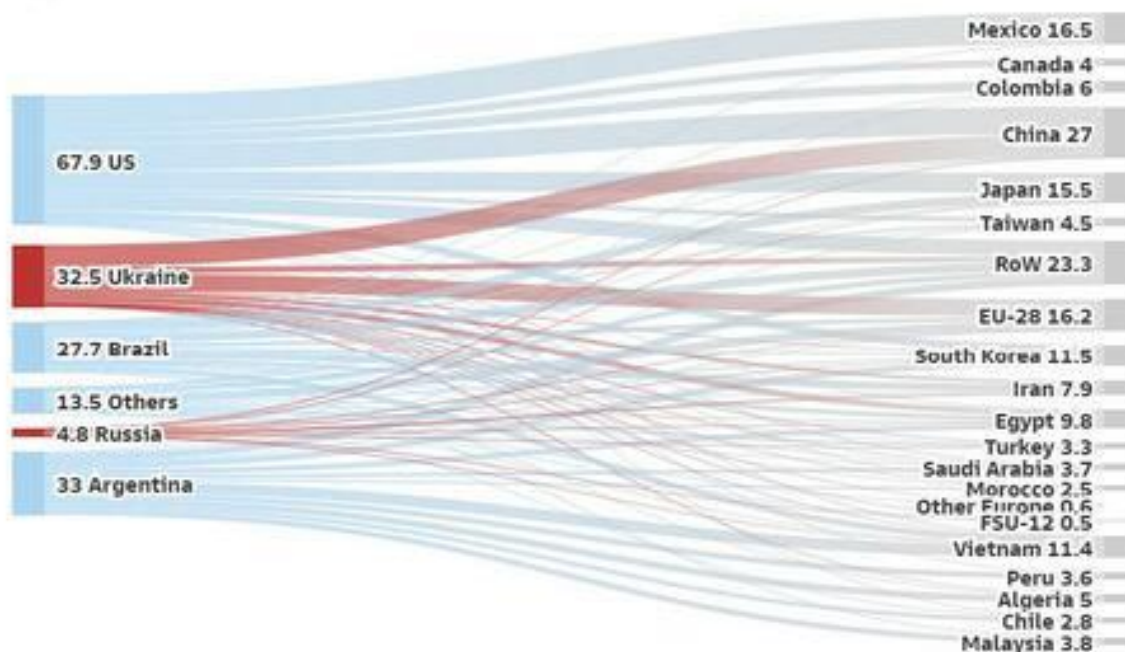


#wheat #ukraine #exports

Ukraine is the third to fourth largest exporter of both wheat and corn

China is most dependent on Ukrainian corn...

Figures are million metric tons



Source: IHS Markit

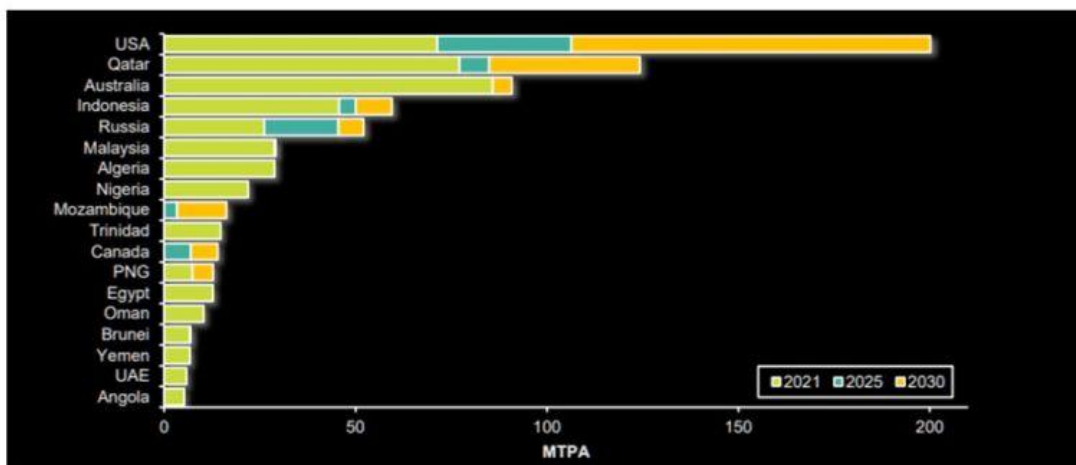
Source: IHS Markit



#lng

The US will be the largest LNG exporter in 2030. Russia's invasion of Ukraine has fundamentally altered the outlook for LNG. Europe will be forced to shift away from Russian pipeline gas and towards LNG. The US looks fundamentally best placed to be the supplier.

LNG



Source: Bernstein

Source: Bernstein



#oil

Oil's wild ride continues ... >10% moves (on rolling 2-week basis) to upside and downside are starting to become the norm.



Source: Liz Ann Sonders



#oil #saudi

SAUDI ARABIA HIKES OIL PRICES TO RECORD PREMIUMS. As Russia is forced to offer its crude at a record (and massive) discount to Brent benchmarks, it appears that Saudi Arabia is willing to take advantage of the situation with buyers forced to look elsewhere. According to OilPrice.com, the Saudis hiked their price for Arab Light for the May contract in Asia to a record premium of \$9.35 per barrel above the Oman/Dubai benchmark, off which Middle Eastern crude is priced in Asia.



Source: Bloomberg



#oil #russia

Russian oil selling at 25% discount to non-Russian oil in Europe.

Percentage spread between Urals and Brent



Brent and Urals spot price



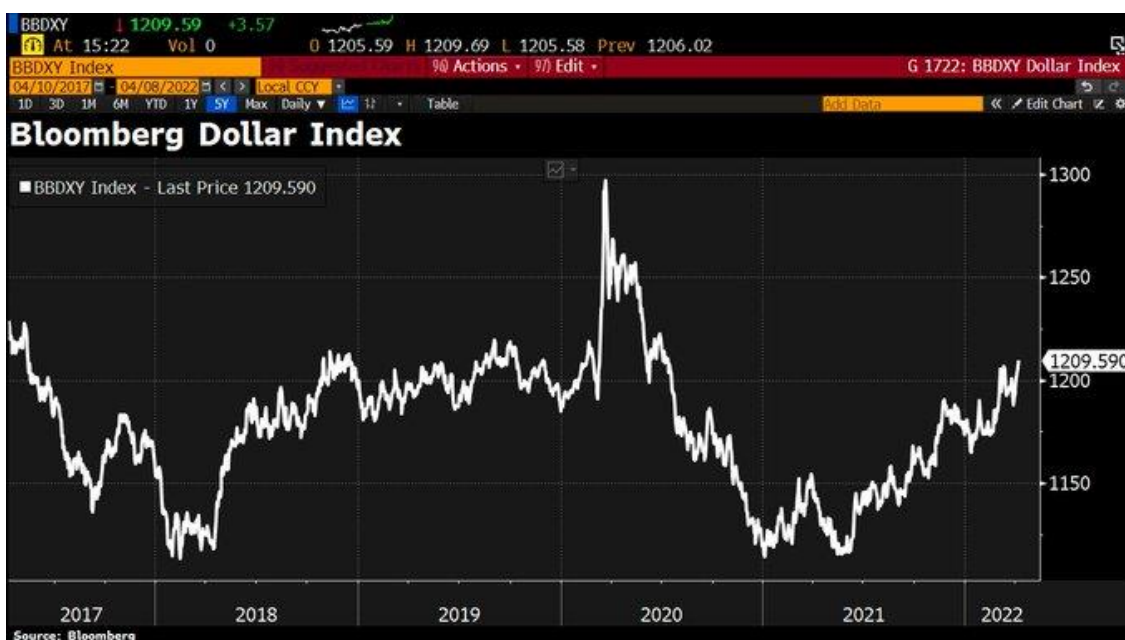
Source: Charles Schwab, Macrobond, Intercontinental Exchange (ICE), Macrobond Financial AB as of 4/3/2022

Source: Charles Schwab

#markets

#dollar

Bloomberg Dollar Index climbs to strongest level since mid-2020 mainly driven by an advance in Treasury yields. 10-year yields rose to 2.72%, highest since 2019.



Source: Bloomberg

#GLOBALMARKETS WEEKLY WRAP-UP

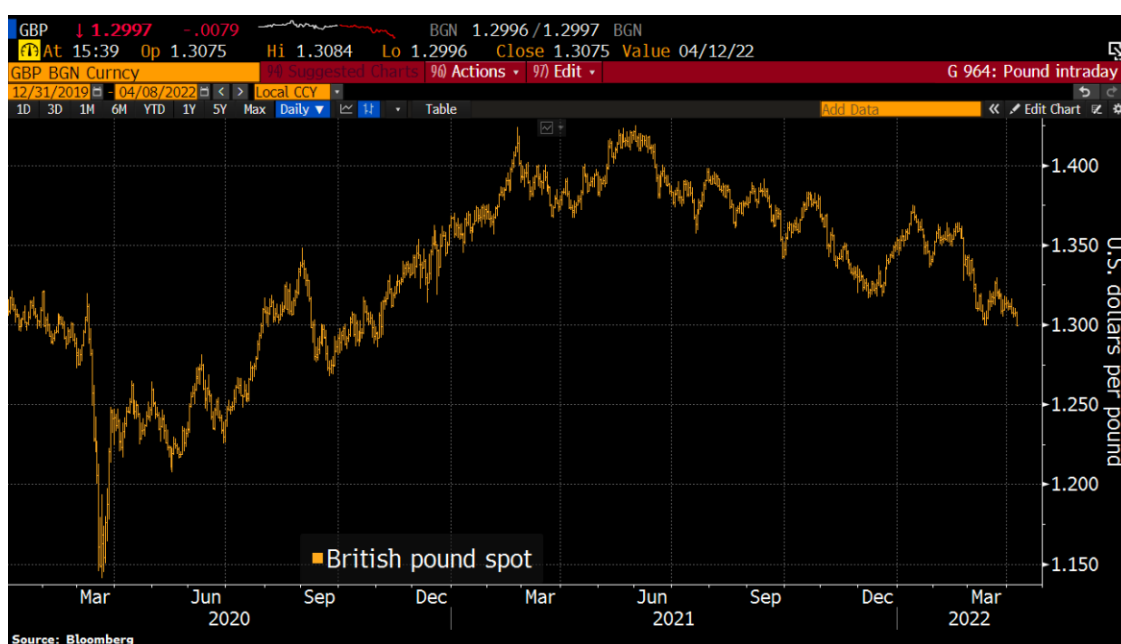
Hand-curated selection of the best charts & news flow

9 APRIL 2022

#markets

#britishpound

Pound weakens <\$1.30 for 1st time since November 2020.

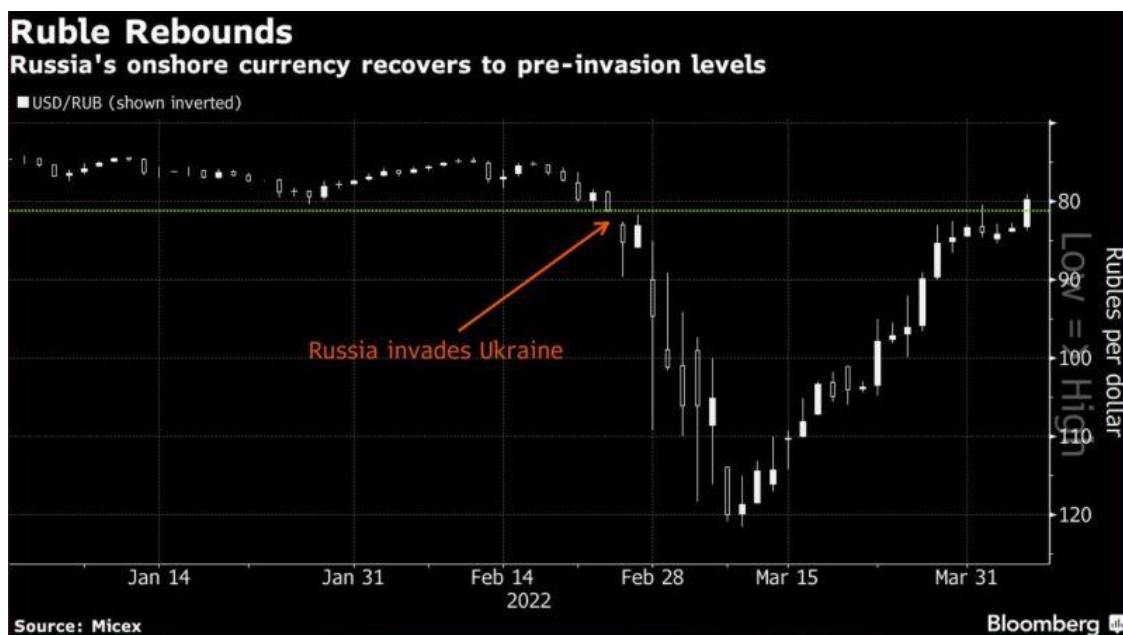


Source: Bloomberg



#russia #ruble

Russia’s ruble recovers to pre-invasion day levels against dollar even as sanctions pile up and default is looming. Putin may collect more than \$320 billion windfall if oil and gas keep flowing to foreign buyers. Both Goldman and IIF expect record current account surplus for Russia and this is strengthening the ruble (\$RUB).



Source: Bloomberg

#macro

#russia #sanctions

Use of sanctions has been increasingly popular policy choice for western nations.



Source: FT



#stagflation #risk

Stagflation risk is on the rise but global growth remains above trend so no time to panic yet...

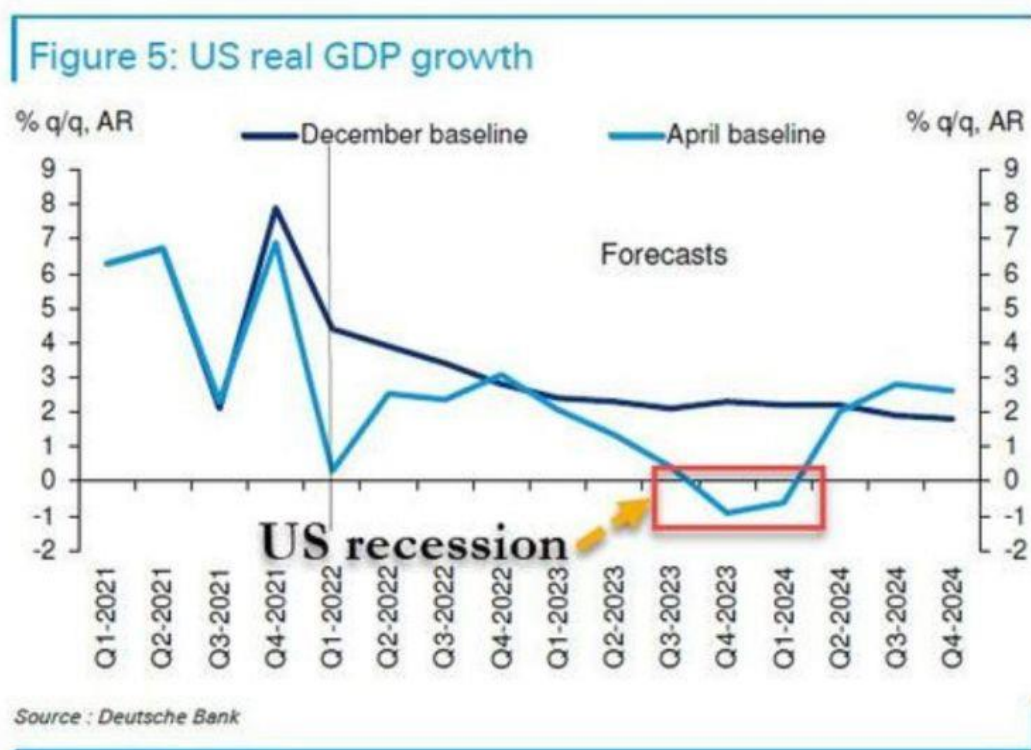


Source: Bloomberg, www.zerohedge.com

#macro

#us #recession

DEUTSCHE BANK BECAME THIS MORNING THE FIRST INVESTMENT BANK TO FORECAST A RECESSION IN THE US IN 2023. The US economy is expected to take an especially hard hit from the extra Fed tightening by late next year and early 2024, and as a result Deutsche sees two negative quarters of growth and a more than 1.5% pt rise in the US unemployment rate, developments that clearly qualify as a recession.




Source: DB



#us #yield-curve #recession

YIELD CURVE INVERSION AND RECESSION. As shown on this table by Charlie Bilello, it is important to remember that the yield curve tends to be a LONG leading indicator of #recessions, w/ an average lag of 18 months from the first inversion to the start of a recession.

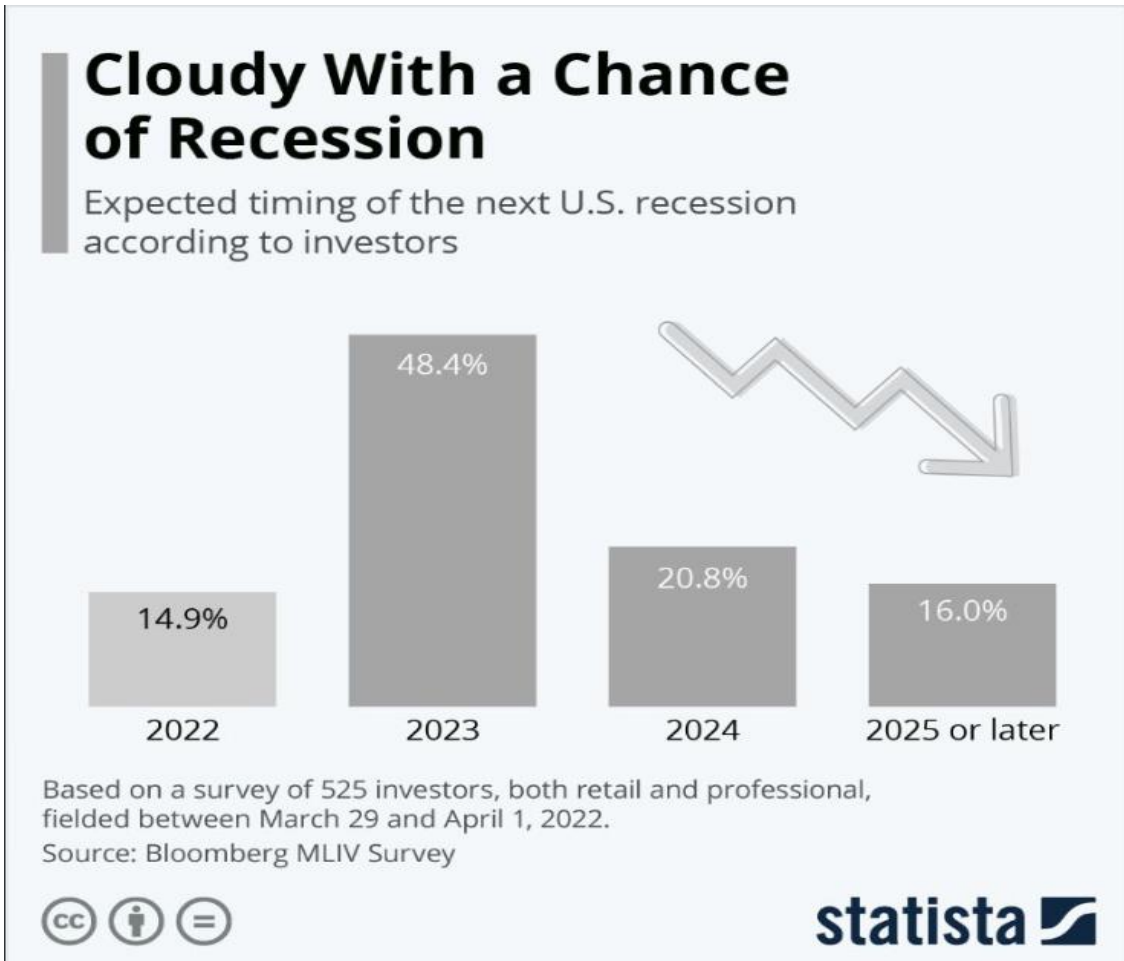
Inverted Yield Curve (10-Yr minus 2-Yr) and Recessions (1976 - 2022)				
Recession Start	Recession End	Inverted Yield Curve Before Recession?	First Yield Curve Inversion	Lead vs. Recession Start (Months)
Feb-80	Jul-80	Yes	Aug-78	18
Aug-81	Nov-82	Yes	Sep-80	11
Aug-90	Mar-91	Yes	Dec-88	20
Apr-01	Nov-01	Yes	May-98	24
Jan-08	Jun-09	Yes	Dec-05	25
Mar-20	Apr-20	Yes	Aug-19	7
?	?	?	Apr-22	?
Average Lead Time				18
 COMPOUND		@CharlieBilello		

Source: Charlie Bilello



#us #recession

According to a survey conducted between March 29 and April 1, 48 % of investors expect the U.S. to fall into recession next year. Another 21 % expect the downturn to happen in 2024, while 15 % of the 525 respondents expect the recession to come as early as this year.



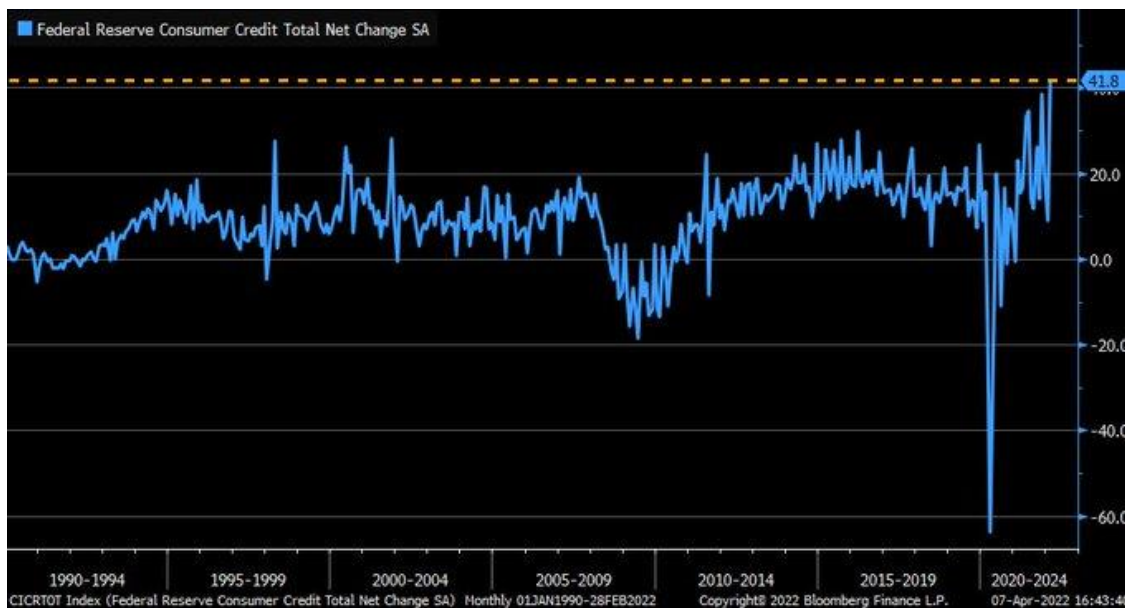
Source: Statista



#macro

#us #consumer #credit

Consumer borrowing surged in February by most on record, +\$41.8 billion vs. \$+18.1 billion est. & +\$8.9 billion in prior month (rev up from +\$6.8 billion) ... revolving credit (which includes credit cards) rose \$18 billion (largest on record).

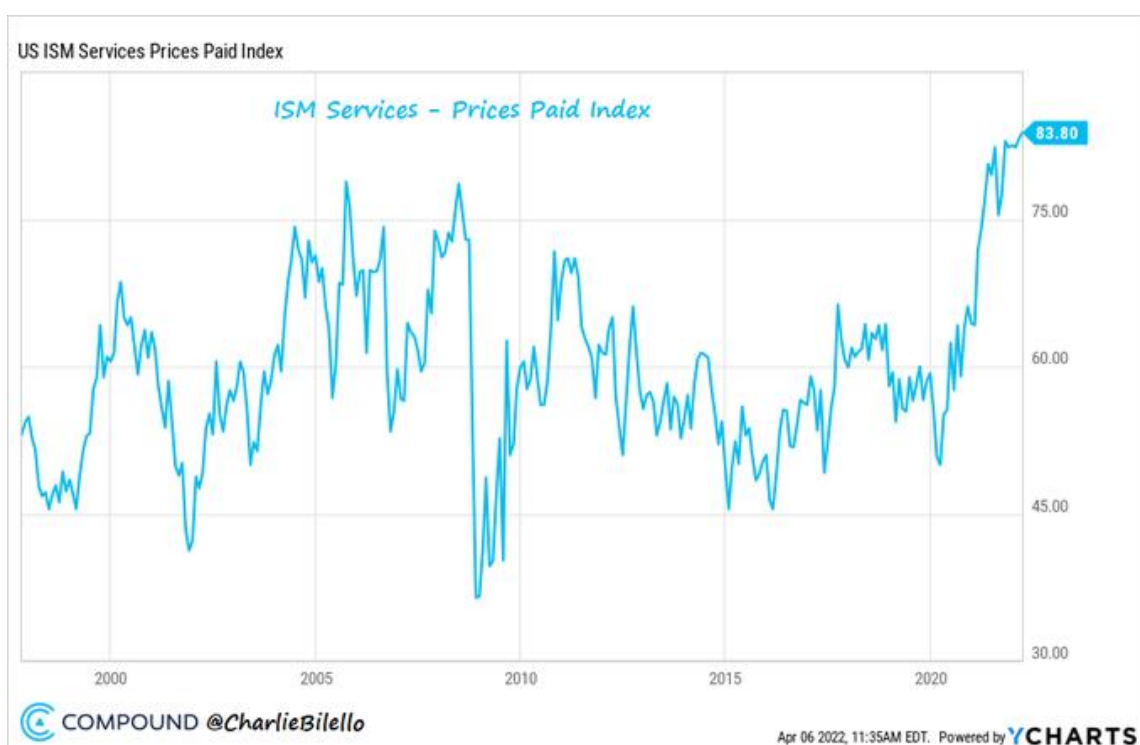


Source: Bloomberg, Liz Ann Sonders

#macro

#us #inflation

The ISM Services Prices Paid Index (measure of inflation) is at its highest level ever.



Source: Source: Charlie Bilello



#us #homes #prices

The average price of a new home sold in the US has increased 25% over the last year and just hit an all-time high of \$511,000.

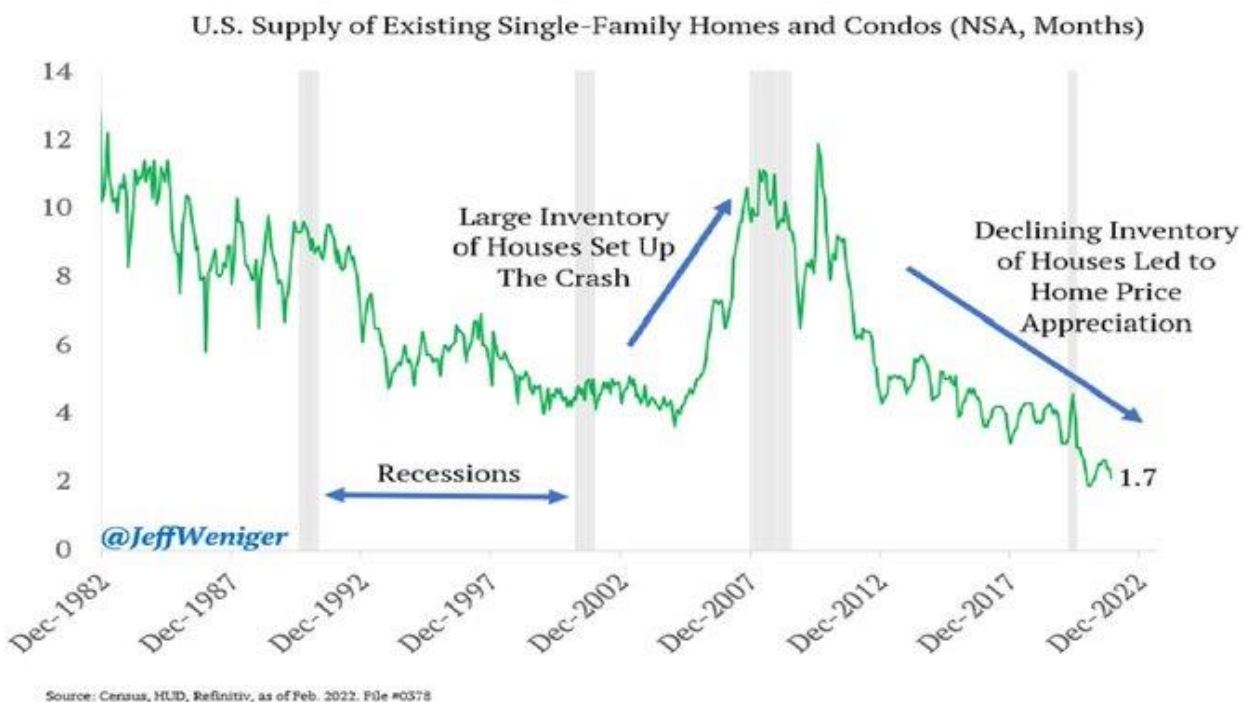


Source: Charlie Bilello



#us #homes #supply

Only 1.7 months' inventory of houses in the US. But...mortgage rates have raced toward 5%.

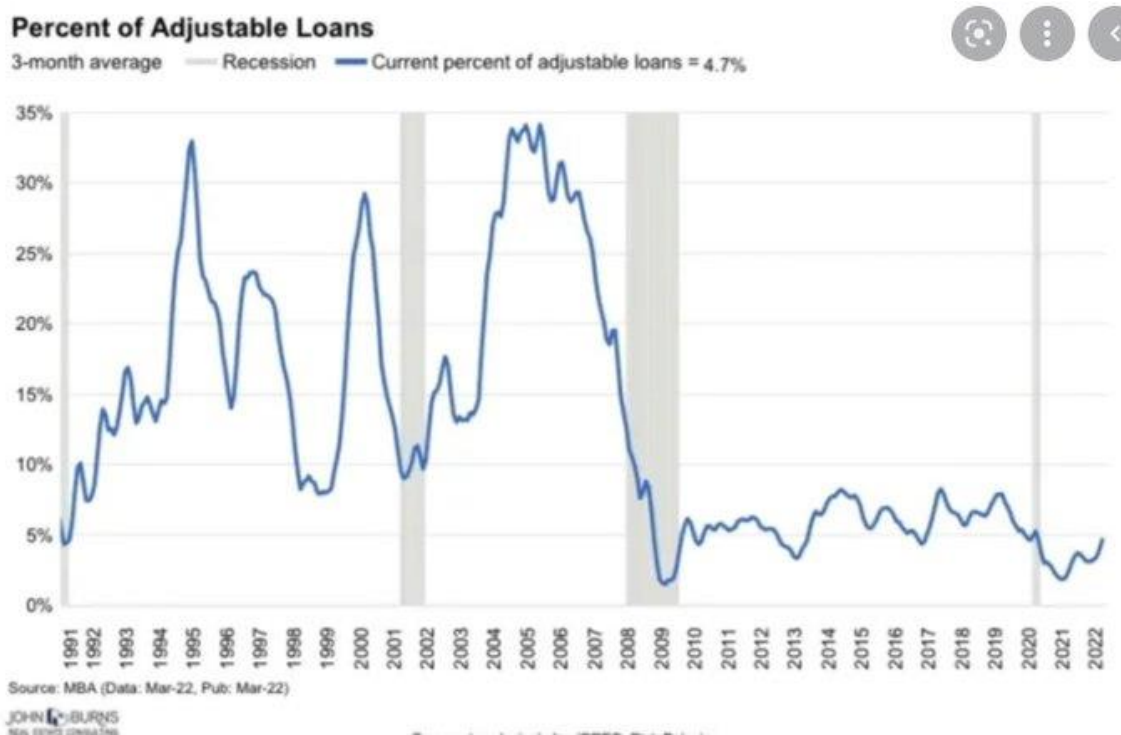


Source: Jeff Weniger



#us #homes #mortgages

Yes, supply will rise, but maybe half as much as in 2006/2008. New units being built are still significantly below 2005 pace. Price may just go sideways nationally. It's not like 2005/6 with a bunch of adjustable rate liar loans about to drown people... at least not in the US.

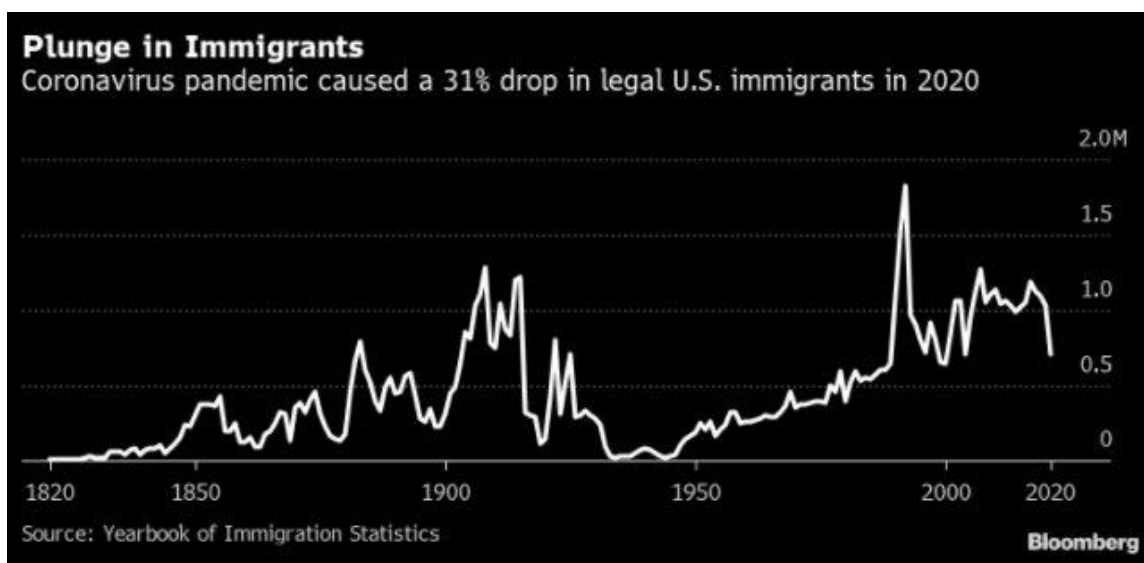


Source: TC

#macro

#us #labor #supply

U.S. had 31% plunge in legal immigration in 2020 courtesy of COVID #pandemic ... number of immigrants dropped below 1 million for first time since 2013



Source: Bloomberg

#macro

#inflation #germany

Reuters: "GERMAN RETAIL CHAINS TO INCREASE FOOD PRICES BY 20-50% FROM MONDAY". According to the German Retail Association (HDE), consumers should prepare for another wave of price hikes for everyday goods and groceries with Reuters reporting that prices at German retail chains will explode between 20 and 50%.



MONEY

German consumers to be hit by further price hikes in supermarkets

German retailers have warned of yet another series of price rises in supermarkets across the country.

Published: 1 April 2022 10:44 CEST

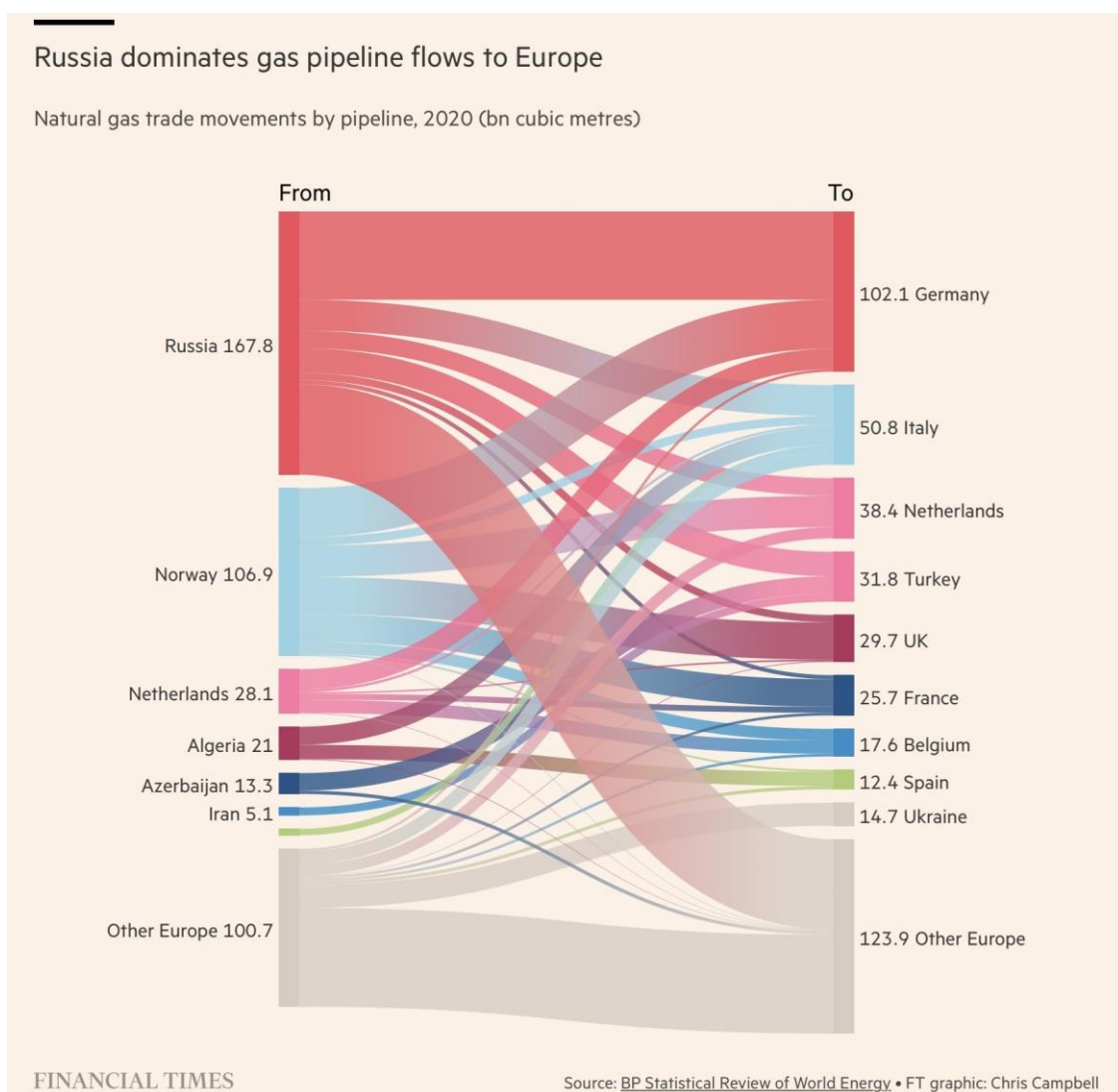


Source: Reuters, The Local, www.zerohedge.com



#inflation #germany


Russia completely dominates gas flow to Europe, with Germany alone a massive consumer.



#macro

#inflation #global

Global Inflation Rates	
Country	CPI Inflation (YoY %)
JAPAN	0.9%
CHINA	0.9%
HONG KONG	1.6%
SAUDI ARABIA	1.6%
TAIWAN	2.4%
SWITZERLAND	2.4%
INDONESIA	2.6%
AUSTRALIA	3.5%
PHILIPPINES	4.0%
SOUTH KOREA	4.1%
SWEDEN	4.3%
SINGAPORE	4.3%
FRANCE	4.5%
FINLAND	4.5%
PORTUGAL	5.3%
IRELAND	5.6%
CANADA	5.7%
SOUTH AFRICA	5.7%
THAILAND	5.7%
NEW ZEALAND	5.9%
INDIA	6.1%
UK	6.2%
ITALY	6.7%
MEXICO	7.3%
GERMANY	7.3%
US	7.9%
RUSSIA	9.2%
SPAIN	9.8%
BRAZIL	10.5%
POLAND	10.9%
ARGENTINA	52.3%
TURKEY	61.1%
VENEZUELA	340%

 @CharlieBilello

Source: Charlie Bilello

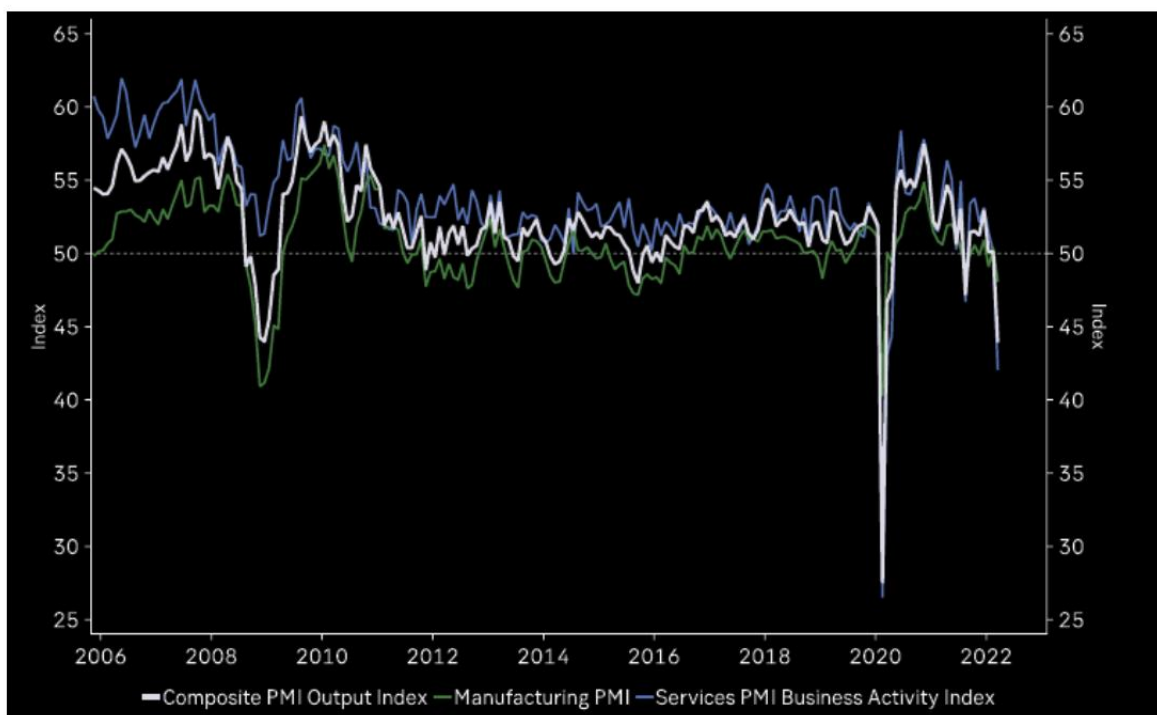


#macro

#china #growth

How low will you go? The macro shock is evident with PMIs collapsing in March, before severe restrictions were introduced in Shanghai. The policy reaction remains unknown, but some kind of reaction will come in Q2.

China PMIs



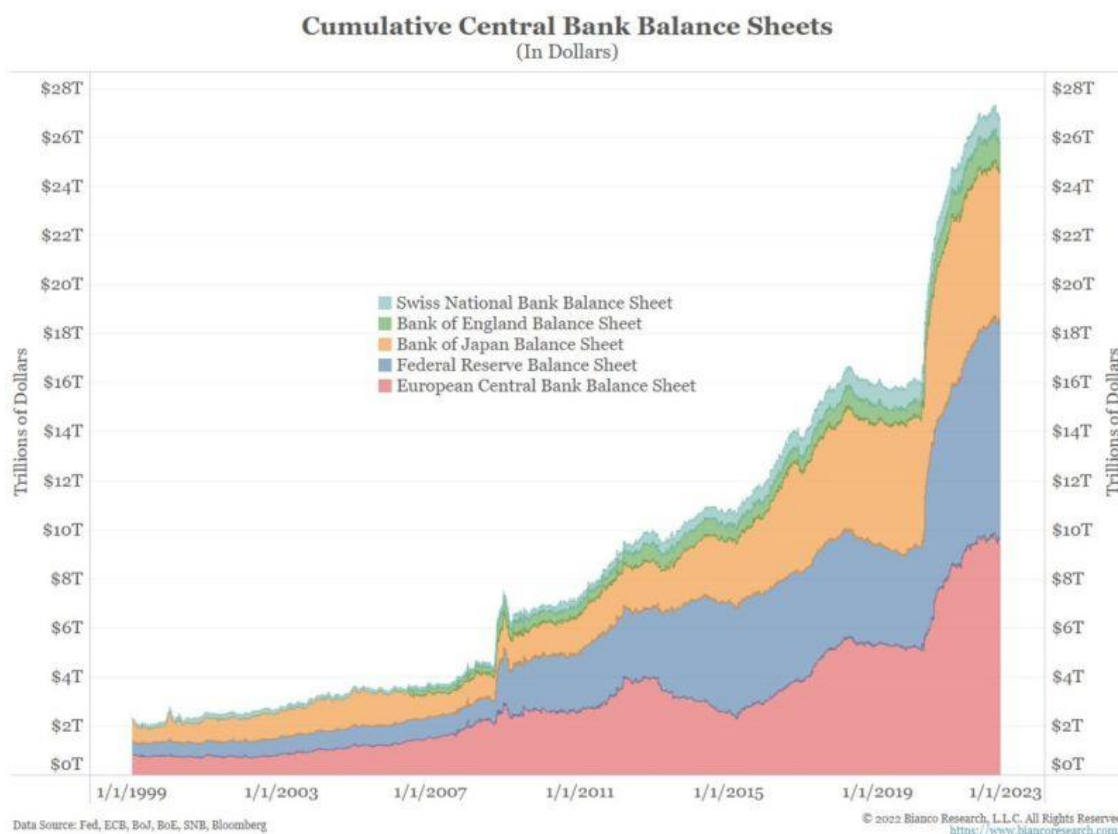
Source: SEB X-Asset

Source: TME

#centralbanks

#central-banks #global #balance-sheet

FROM QE TO QT? Global central banks' balance sheets are still swelled up with trillions of dollars worth of securities, but some (like the Fed) are entering a new phase.



Source: Bianco Research

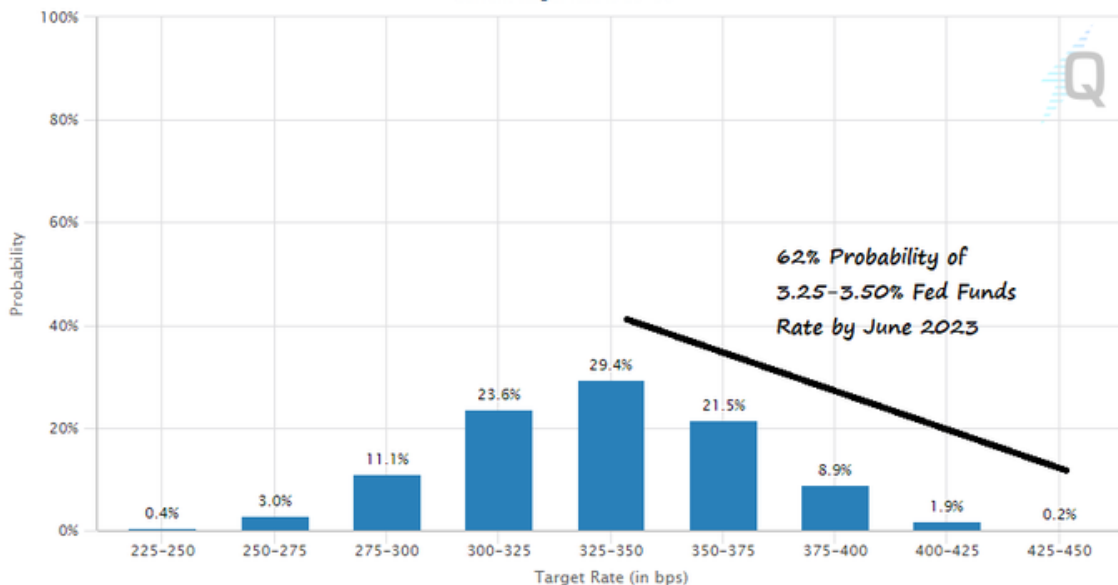
#centralbanks

#fed #market #expectations

The market is now pricing in a >60% probability of a 3.25% Fed Funds Rate by next June. If it happens, this would be the highest Fed Funds Rate since January 2008.

TARGET RATE PROBABILITIES FOR 14 JUN 2023 FED MEETING

Current target rate is 25-50

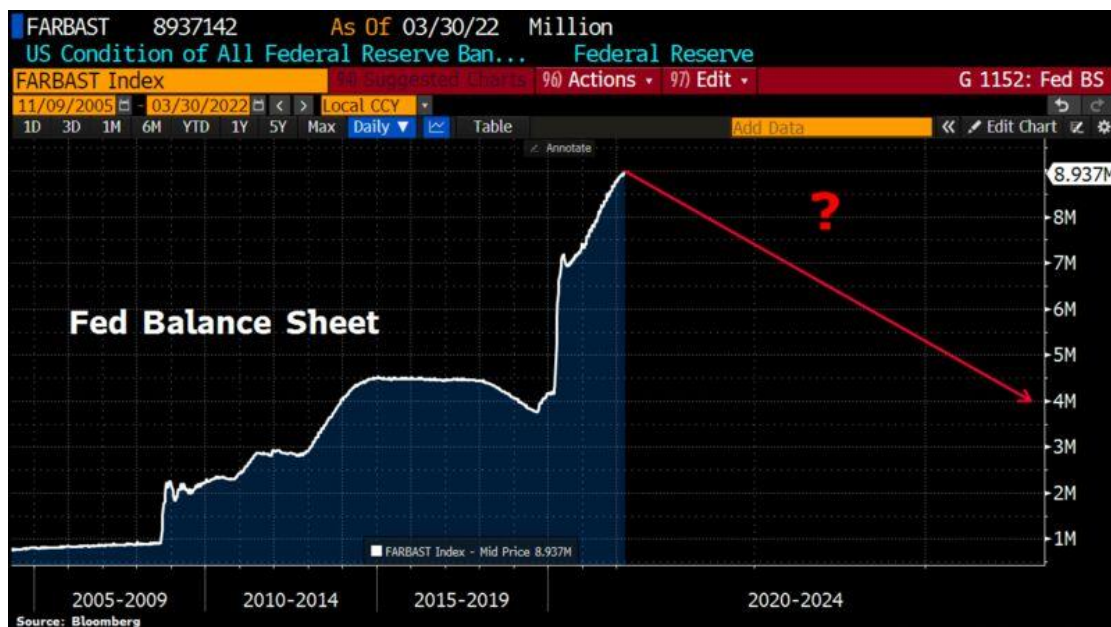


Source: Charlie Biello

#centralbanks

#fed #qt

Will the Fed be able to finish its ambitious quantitative tightening (QT) program? As discussed in a Reuters article, "the U.S. central bank may not be able to finish the task it's about to start. Federal Reserve officials aim eventually to reduce its \$9 trillion balance sheet by \$95 billion a month. At that pace, even already fat pre-pandemic levels of assets might not be reached until early 2027. That's a long time in economics, and in politics.

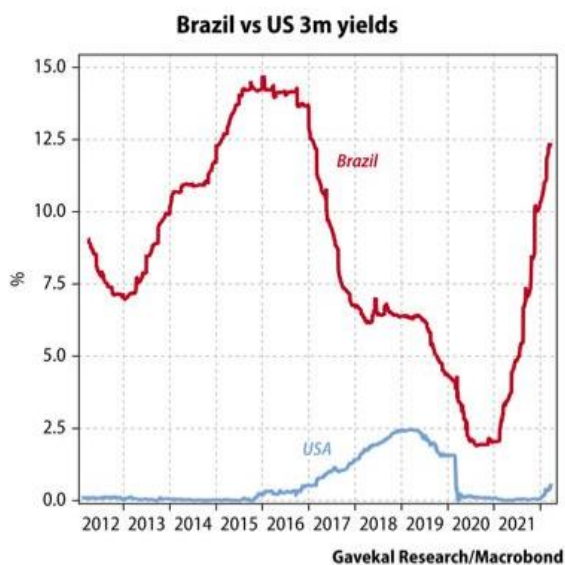
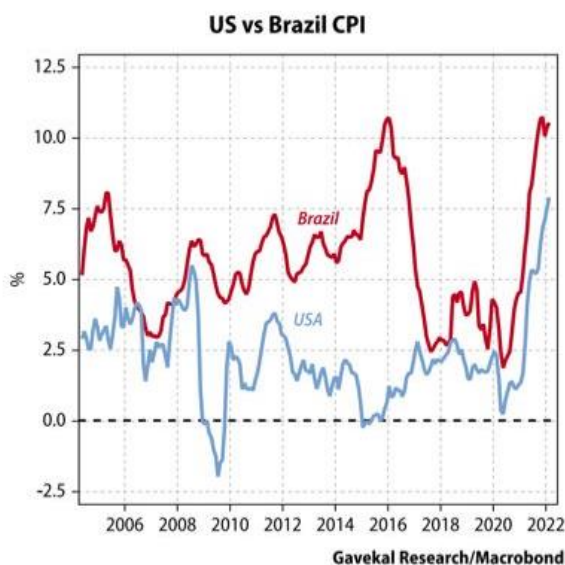


Source: Bloomberg, HolgerZ

#centralbanks

#us #brazil #rates

Brazil inflation similar to that of US but interest rates are way higher than in the US. No wonder BRL is up 15% YTD and Bovespa does not care about FED hiking.



Source: Gavekal, Ritesh Jain

#centralbanks

#ecb

The greatest disconnect ever?

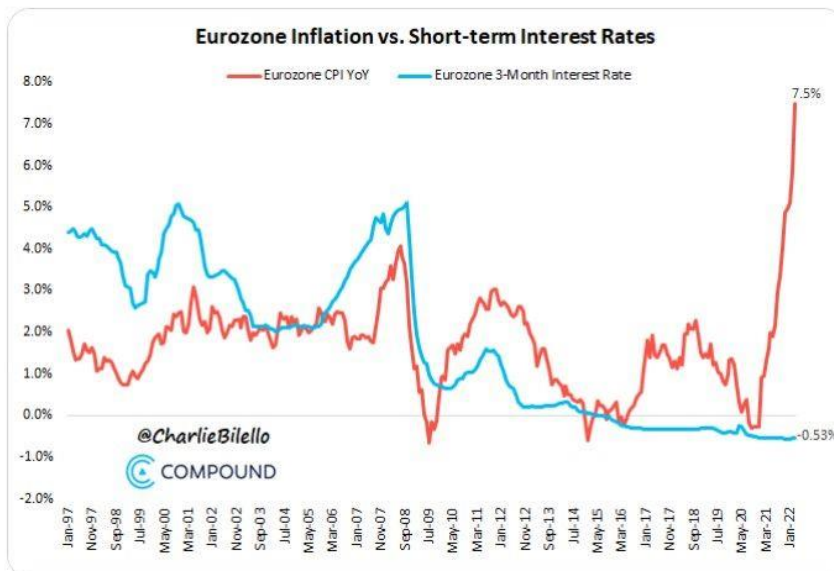


Charlie Bilello
@charliebilello

Eurozone inflation has moved up to 7.5%, its highest level ever.

Meanwhile, the ECB is still holding interest rates at negative levels with no plans to normalize.

This is perhaps the greatest disconnect between monetary policy and rising prices that the world has ever seen.



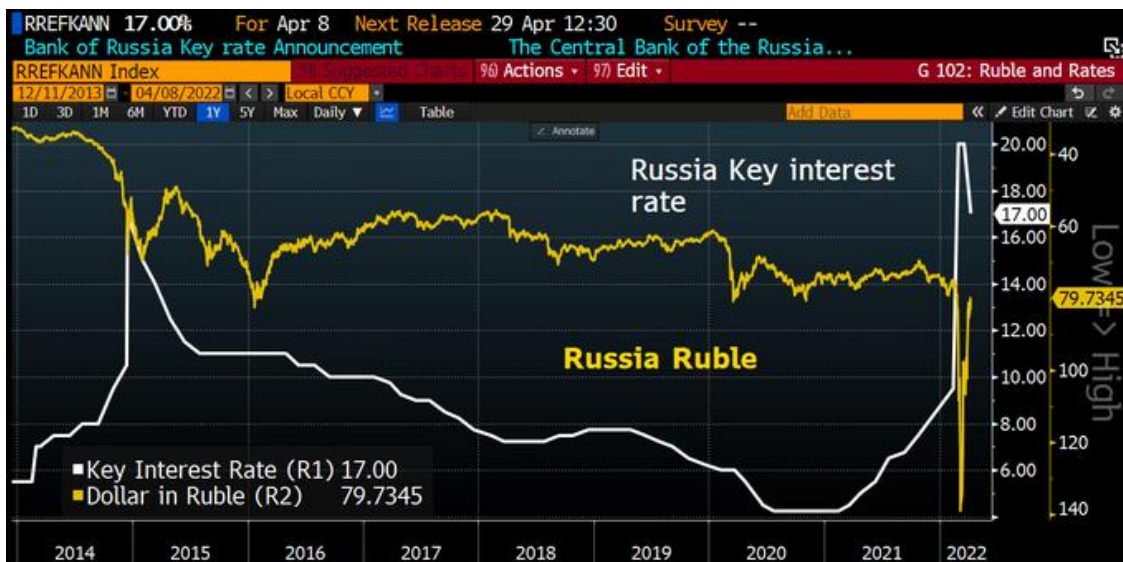
10:37 PM · Apr 5, 2022 · Twitter Web App

Source: Charlie Bilello

#centralbanks

#russia #rates

Russia delivers surprise rate cut by 300bps from 20% to 17% amid recession, Ruble rebound. Financial-stability risk no longer rising, Bank of Russia says. Central bank says further cuts could come at future meetings. Ruble stays below 80 per Dollar.



Source: Bloomberg

#centralbanks

#global #rates

Global Central Bank Update: Peru hikes rates for the 9th time in the last year, 50 bps increase to 4.5%

Global Central Bank Policy Rates						
Country	Rate	Central Bank Rate (Today)	CPI YoY	Real Central Bank	Last Move	Last Move Date
Switzerland	Target Rate	-0.75%	2.4%	-3.2%	Cut	Jan-15
Denmark	Deposit Rate	-0.60%	4.8%	-5.4%	Cut	Sep-21
Eurozone	Deposit Rate	-0.50%	7.5%	-8.0%	Cut	Sep-19
Japan	Policy Rate Bal	-0.10%	0.9%	-1.0%	Cut	Jan-16
Sweden	Repo Rate	0.00%	4.3%	-4.3%	Hike	Dec-19
Australia	Cash Rate	0.10%	3.5%	-3.4%	Cut	Nov-20
US	Fed Funds	0.38%	7.9%	-7.5%	Hike	Mar-22
Thailand	Policy Rate	0.50%	5.7%	-5.2%	Cut	May-20
Canada	Overnight	0.50%	5.7%	-5.2%	Hike	Mar-22
UK	Bank Rate	0.75%	6.2%	-5.5%	Hike	Mar-22
Norway	Deposit Rate	0.75%	3.7%	-3.0%	Hike	Mar-22
Hong Kong	Base Rate	0.86%	1.6%	-0.7%	Cut	Mar-20
New Zealand	Cash Rate	1.00%	5.9%	-4.9%	Hike	Feb-22
South Korea	Repo Rate	1.25%	4.1%	-2.9%	Hike	Jan-22
Saudi Arabia	Repo Rate	1.25%	1.6%	-0.4%	Hike	Mar-22
Taiwan	Discount Rate	1.37%	2.4%	-1.0%	Hike	Mar-22
Malaysia	Policy Rate	1.75%	2.2%	-0.5%	Cut	Jul-20
Philippines	Key Policy Rate	2.00%	4.0%	-2.0%	Cut	Nov-20
Indonesia	Repo Rate	3.50%	2.6%	0.9%	Cut	Feb-21
China	Loan Prime Rate	3.70%	0.9%	2.8%	Cut	Jan-22
India	Repo Rate	4.00%	6.1%	-2.1%	Cut	May-20
South Africa	Repo Rate	4.25%	5.7%	-1.5%	Hike	Mar-22
Peru	Policy Rate	4.50%	6.8%	-2.3%	Hike	Apr-22
Poland	Repo Rate	4.50%	10.9%	-6.4%	Hike	Apr-22
Czech Republic	Repo Rate	5.00%	11.1%	-6.1%	Hike	Mar-22
Colombia	Repo Rate	5.00%	8.5%	-3.5%	Hike	Mar-22
Mexico	Overnight Rate	6.50%	7.5%	-0.9%	Hike	Mar-22
Chile	Base Rate	7.00%	7.8%	-0.8%	Hike	Mar-22
Brazil	Target Rate	11.75%	10.5%	1.2%	Hike	Mar-22
Turkey	Repo Rate	14.00%	61.1%	-47.1%	Cut	Dec-21
Russia	Key Policy Rate	20.00%	9.2%	10.8%	Hike	Feb-22
Argentina	Benchmark Rate	44.50%	52.3%	-7.8%	Hike	Mar-22

COMPOUND

@CharlieBiello

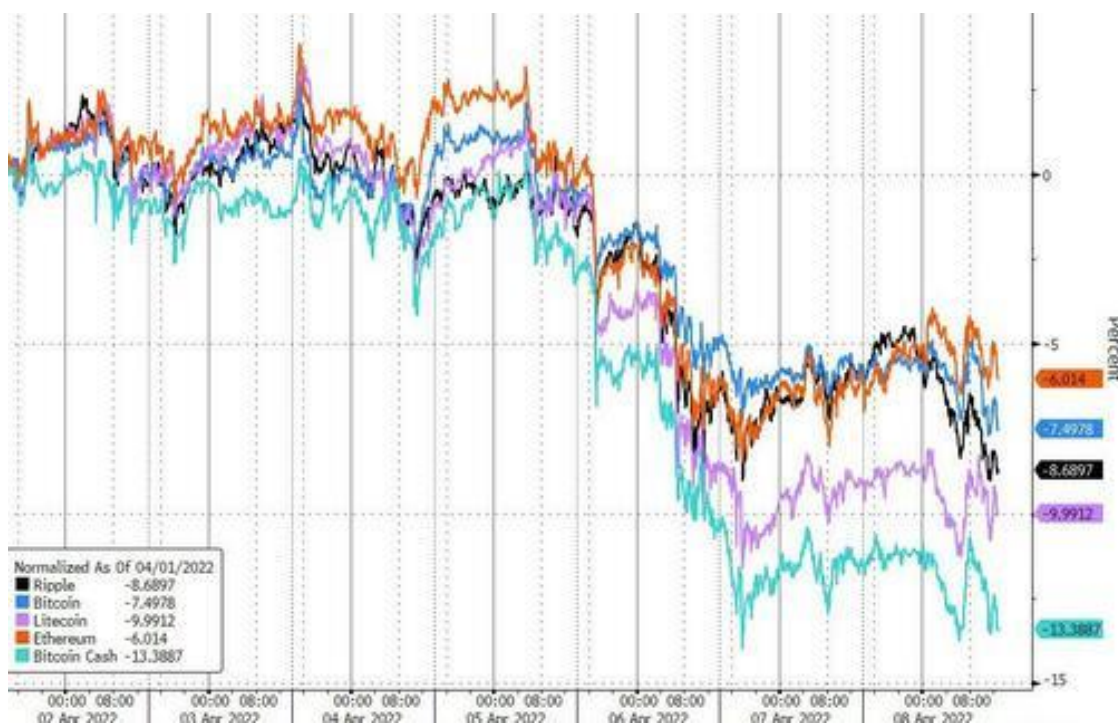


Source: Charlie Biello



#cryptocurrencies #weekly #performance

Despite The Miami Bitcoin Conference (or perhaps because of it), crypto had a rough week.



Source: www.zerohedge.com, Bloomberg

#cryptos

#bitcoin #sentiment

2017 VS 2022 GOLDMAN SACHS



2017 Bitcoin price: \$10,233

Bitcoin is a vehicle for fraudsters, warns Goldman Sachs boss

2022 Bitcoin price: \$43,569

Bitcoin will compete with gold as store of value



Source: Ionut Gaucan



#bitcoin #sentiment

Thiel, who made his name as an outspoken contrarian and early investor in Facebook, dismissed revered investor Warren Buffett as a “sociopathic grandpa from Omaha”.

Peter Thiel claims ‘finance gerontocracy’ is holding back bitcoin

PayPal founder attacks Warren Buffett as he touts crypto’s ‘revolutionary youth movement’ in Miami



Peter Thiel told a cheering crowd at the Bitcoin 2022 conference in Miami that the cryptocurrency had the potential to rival all the world’s gold © Marco Bello/Getty Images

#cryptos

#bitcoin #etf



Eric Balchunas @EricBalchunas · Apr 6

...

JUST IN: SEC Approves Teucrium Bitcoin Futures ETF. Notable bc it was filed under the 33 Act, which Genz has said doesn't have enough inv protections vs 40 Act. So poss this is good sign for spot, altho we still think exchanges need regs bf he will green light. h/t @CoinDesk

SEC Approves Teucrium's Bitcoin Futures ETF
By Nikhilesh De
(CoinDesk)
The U.S. Securities and Exchange Commission has allowed NYSE Arca and Teucrium to issue a bitcoin futures exchange-traded fund.
The SEC announced the approval Wednesday in a filing on its website, adding Teucrium to a host of other bitcoin futures ETF issuers. Notably, Teucrium and NYSE Arca filed the application under the Securities Exchange Act of 1934, filing a 19b-4 form with the SEC. The already-approved bitcoin futures ETFs were filed under the Investment Company Act of 1940, which follows a slightly different regulatory pathway to approval.
An approval under the Securities Act of 1933, which Teucrium's filing falls under, may potentially open the door for a spot bitcoin ETF, Bloomberg analyst James Seyffart said on Twitter earlier this year. Proponents of crypto ETFs have argued that "like situations must be treated alike," he said, citing an argument from crypto company Grayscale, which filed to convert its Grayscale Bitcoin Fund (GBTC) to an ETF (disclosure: Grayscale is a subsidiary of CoinDesk parent company Digital Currency Group).

Source: Eric Balchunas

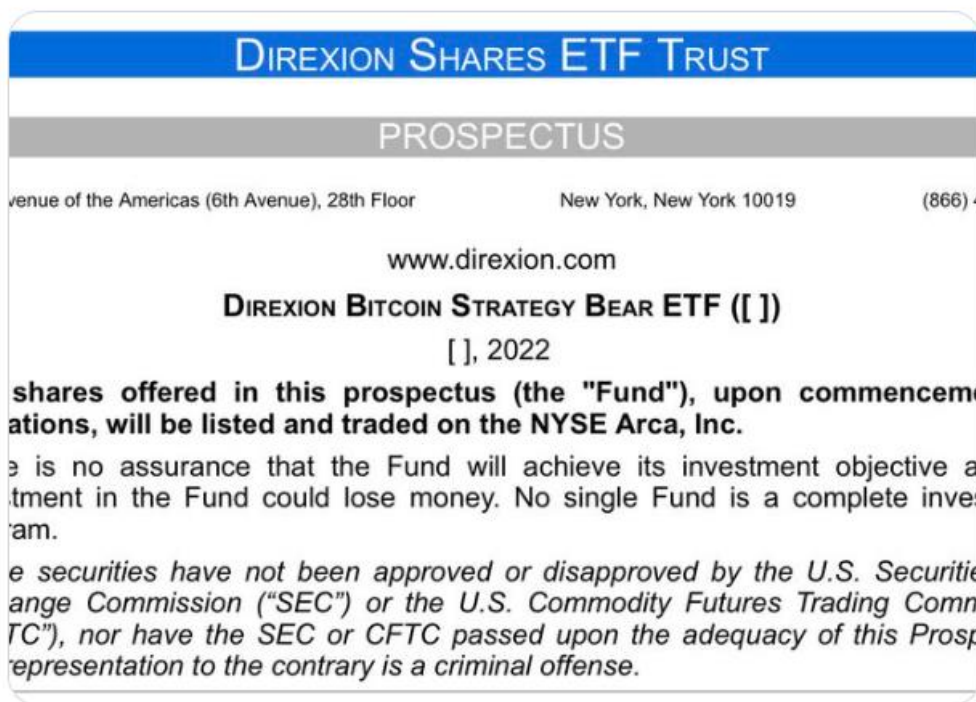


#bitcoin #short #etf



Eric Balchunas @EricBalchunas · Apr 7

Now Direxion filing for a Short Bitcoin ETF. Let the race begin...



Source: Eric Balchunas

#cryptos

#bitcoin #esg #chips

Chip giant Intel has launched its second-generation bitcoin mining chip, called “Intel Blocksacle ASIC,” which will offer miners more efficient mining rigs than most models available in the market. The move could help mining firms get on the winning side of the environmental, social and governance (ESG) debate that has long roiled the Bitcoin community.



Source: yahoofinance

#cryptos

#meta #tokens

Facebook owner Meta targets finance with ‘Zuck Bucks’ and creator coins



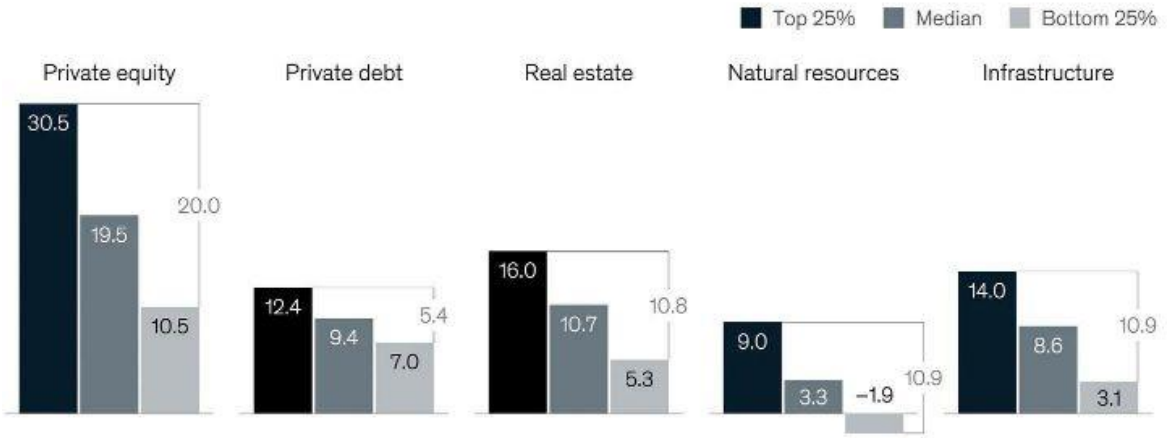
Source: FT

#food-for-thought

#private-equity

Private equity outperforms asset classes across quartiles.

Global fund performance by asset type, net IRR to date through Sept 30, 2021, 2008–18 vintages, %¹



Note: Figures may not sum precisely, because of rounding.
¹Methodology: IRR spreads calculated for funds within vintage years separately and then averaged out. Median IRR was calculated by taking the average of the median IRR for funds within each vintage year.
Source: Burgiss



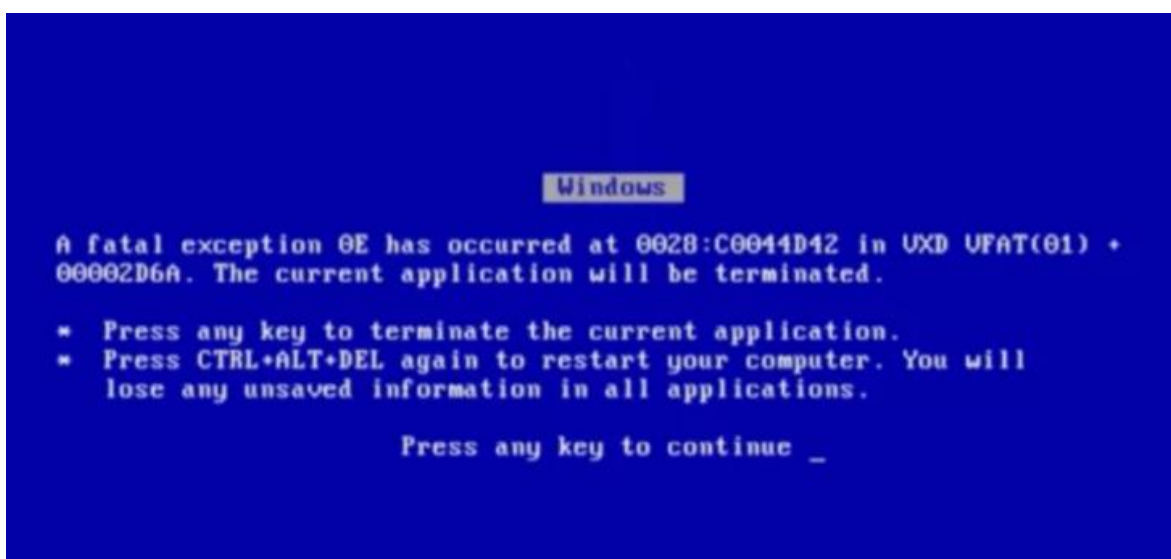
Source: McKinsey



#food-for-thought

#microsoft #history

Microsoft was founded on this day in 1975,. Happy 47th to the blue screen of death.



Source: bespoke

#food-for-thought

#main-street

Starbucks new CEO, who is facing a rising wave of employee unrest, is abruptly shifting how the coffee chain splits its profits between workers and shareholders. In a letter on Monday to employees, customers, investors and others titled, “On the Future of Starbucks,” Howard Schultz announced that the company would suspend stock buybacks immediately. It was his first act on his first day back in the top job, which he held twice before. Mr. Schultz said stopping buybacks would allow Starbucks “to invest more profit into our people and our stores — the only way to create long-term value for all stakeholders

The New York Times

Starbucks’s new C.E.O. scraps stock buybacks to ‘invest more profit into our people.’

On his first day back in the top job, Howard Schultz made an abrupt change in policy at the company as it faces rising worker discontent.

Source: the New York Times

#food-for-thought

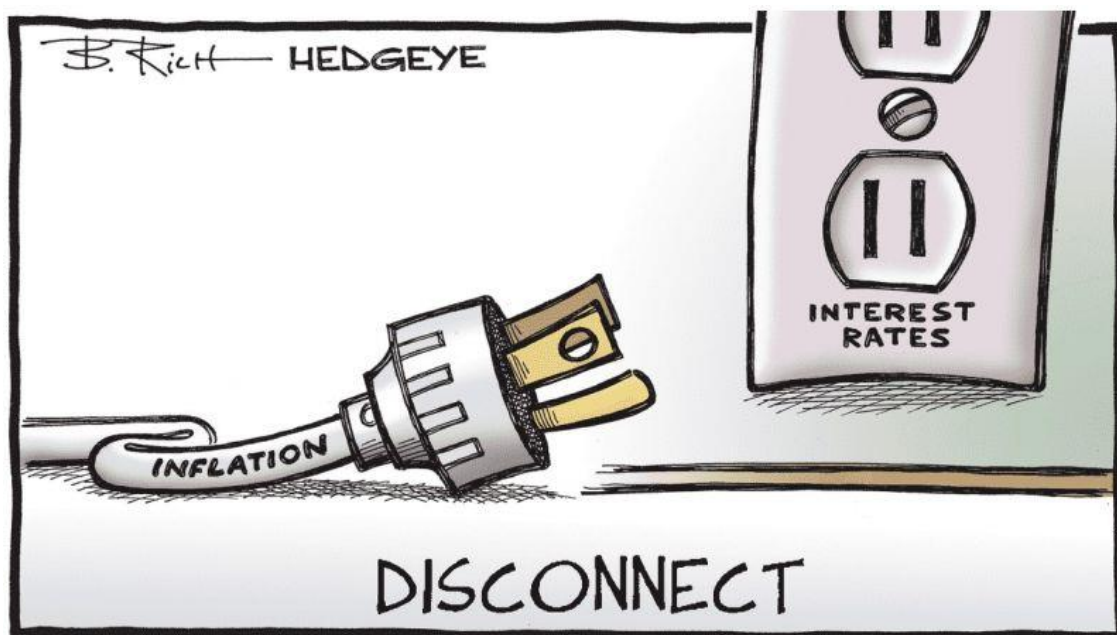
#weekend #humor



Source: Espresso

#food-for-thought

#weekend #humor



Source: www.hedgeye.com

#food-for-thought

#de-dollarization

China is buying Russian energy with its own currency, marking the first commodities paid for in yuan since Western sanctions hit Moscow

Phil Rosen Apr 7, 2022, 9:28 AM



Download the app



Yuan on a map of Europe, Middle East and North Africa. Oleg Elkov/Getty Images

#food-for-thought

#energy #transition

E THE HISTORY OF

Energy Transitions

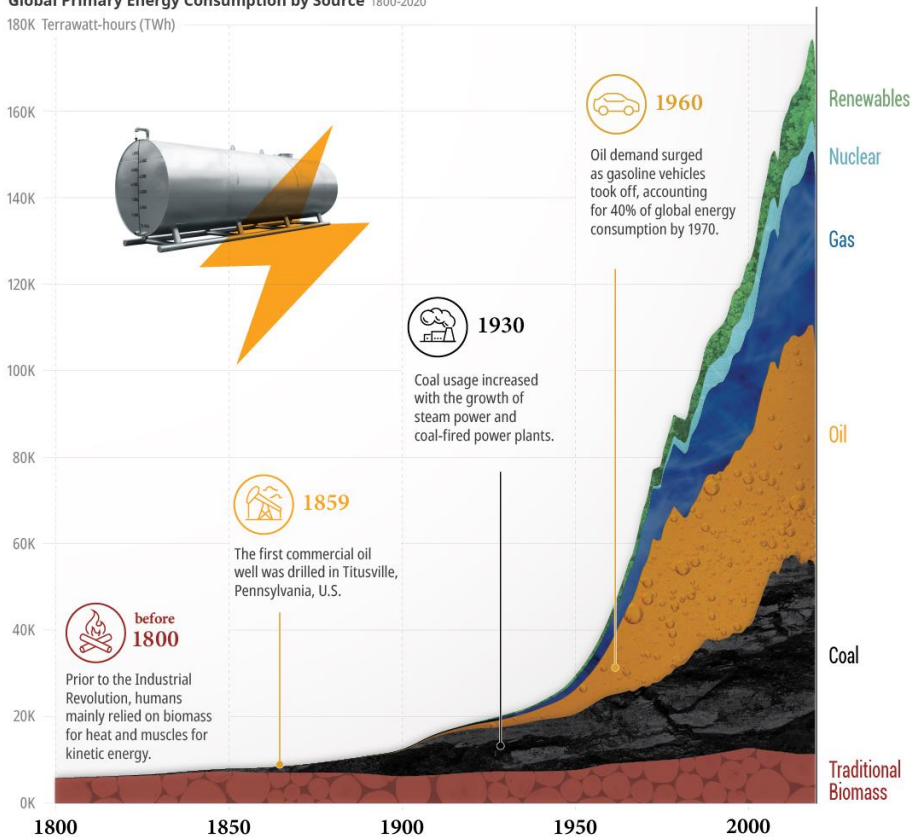
The economic and technological advances over the last 200 years have transformed how we produce and consume energy.

Here's how the global energy mix has evolved since 1800.



Fossil fuels accounted for 78% of the global energy mix in 2020.

Global Primary Energy Consumption by Source 1800-2020
180K Terrawatt-hours (TWh)



Source: Vaclav Smil (2017), BP Statistical Review of World Energy via Our World in Data



Source: The Visual Capitalist

#food-for-thought

#auctions

Objects of Desire
Record Breaking Auction Sales in 2021



VISUAL CAPITALIST Source: Frank Knight

Source: visualcapitalist

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For the future...